



Department
for Education

Postgraduate Doctoral Loans

Government consultation response

March 2017

Contents

Introduction	3
The existing doctoral landscape	6
Summary of responses received and the government's response	7
Main findings from the consultation	7
Question analysis	8
Individual eligibility	8
Possible additional eligibility requirements	8
Course length	10
Course eligibility	10
Duplicative funding	12
Repayment terms	13
Equality	14
Next steps	15
Annex 1: List of organisations that responded to the consultation	16
Annex B: List of final features of the doctoral loan product	19

Introduction

1. A doctorate qualification is important for an academic career and increasingly also for many highly skilled professions in the economy. Doctoral students make a vital contribution to the UK's world class research base and, through the ideas and skills that they develop, to British industrial performance and to improved economic productivity. The Government fully recognises the importance of PhDs to the country's economic success.
2. The Government's 2015 Manifesto included a commitment to introduce a new loan for doctoral students, alongside the introduction of a new master's loan. The master's loan launched successfully in Academic Year 2016/17 and in Budget 2016 the Government announced its intention to launch the doctoral loan. At that time, the Government indicated that the new loan would provide up to £25,000 to eligible students starting their studies from Academic Year 2018/19 onwards. We also said that we would consult on the technical detail.
3. The new doctoral loan is intended to take a similar form to the new postgraduate master's loan, in that the loan will:
 - provide a contribution to the costs of study rather than covering the full fees and living costs of a student,
 - be paid directly to the student rather than to the student's institution,
 - involve a single repayment of 6% above the income threshold (currently £21,000) to cover the combined balance of any postgraduate masters and postgraduate doctoral loan.
4. In November 2016, the Department for Education launched its public consultation on technical details of the postgraduate doctoral loan. The consultation sought views on specific features of the proposed loan, including who should be eligible, what courses should be covered, other terms of the loan and practical issues to support the new loan's implementation.
5. The consultation closed in December. We received over 300 responses, from sector and student representative bodies, individual Higher Education Institutions, charities, students, and other members of the public. We passed all the consultation responses securely to an independent reviewer, Pye Tait, for their analysis and consideration. The report Pye Tait produced is published alongside this response. In addition to this report, we have sought to ensure that all responses to the consultation have been considered in development of the final product.

Why introduce doctoral loans

6. The Government's consultation sought views on technical aspects of the design of the new loan product. The rationale for a doctoral loan was not the subject of the consultation, but the responses have provided further insight to support the case for doctoral loans. The past year has also seen increased focus on the role of the UK's research base in general and doctoral students in particular for Britain's longer term prosperity.
7. A strong cadre of talented researchers is vital to sustain the excellence of UK research and innovation and to deliver our future ambitions. The Government investment in Research and Development (R&D) announced at Autumn Statement 2016 will support excellent research and focus on areas that support the UK's Industrial Strategy and our research priorities. The doctoral loan will complement this investment, making a further contribution to expanded doctoral study.
8. The new loan will be the first direct Government funding for doctoral study available to students on an open to all basis, i.e. available to all eligible students who have gained a place on an eligible programme of study. Other central support is competitively awarded, and focused on particular areas of the research base. The new doctoral loan has the potential to reach a wider range of students with doctoral potential, and support new research areas and activities. The loan will:
 - Help overcome financial barriers to undertaking the long commitment that is a doctoral programme of study and therefore enable more students to achieve this level of qualification.
 - Help students reduce the time taken to complete their study – completion is a known challenge in later years for all students and the availability of the loan will help eligible students find the time (for example, by cutting back on working commitments) to complete their thesis.
 - Help particular Higher Education Institutions who may currently benefit less than their peers from Research Council funding to expand their research programmes.
 - Help the Research Base overall by providing a further form of support for the doctoral students that form such a key part of the academic research community.
9. Doctoral students are crucial to support innovation in Higher Education institutions through the commitment, fresh perspective and detailed work they do to contribute to original research within institutions. They are an important asset for collaboration, internationally, with industry, and with other research institutions and Universities.

10. Doctoral students are also in high demand from employers and industry: 92% leaving full-time PhD study were in employment or further study six months later compared to 89% for first degree graduates¹. Doctoral graduates play a key role in sectors outside Higher Education: 7-9 years after graduation 50% of doctorate holders are working in sectors outside Higher Education, with 20% working in manufacturing, engineering and R&D. For 75% of industry employers, the loss of their doctoral graduates would have either a business critical or significant impact on operations².
11. The OECD has also found that knowledge-based capital is a key driver of economic growth in advanced economies and is increasingly the largest form of business investment.³ The UK is one such economy whose comparative advantage is disproportionately derived from R&D and innovation intensive sectors⁴. In this context, ensuring that there is a sufficient supply of highly skilled researchers is increasingly important and a key component of the government's overall strategy. The Government therefore considers that the benefits of providing a loan for doctoral study will outweigh the cost of public subsidy involved in this new student finance product. Given the novel nature of the loan, the Government intends to review the product within 5 years.
12. By contributing to overcoming barriers associated with a lack of finance, the doctoral loan will benefit individuals, employers and the UK research base, and indirectly the wider population and economy.
13. The rest of this document focuses on the decisions we have made following the public consultation on detail of the design of the new loan.

¹ Destinations of Leavers from Higher Education in the United Kingdom for the academic year 2014/15, HESA https://www.hesa.ac.uk/files/sfr237_14-15_table-3.xlsx

² The impact of doctoral careers, RCUK, 2014 <http://www.rcuk.ac.uk/documents/skills/timodcfullreport-pdf/>

³ New Sources of Growth: Knowledge-Based Capital, OECD, 2013 <https://www.oecd.org/sti/sci-tech/1913021.pdf>

⁴ Insights from international benchmarking of the UK science and innovation system, BIS, 2014 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/277090/bis-14-544-insights-from-international-benchmarking-of-the-UK-science-and-innovation-system-bis-analysis-paper-03.pdf

The existing doctoral landscape

A doctoral degree is classified in England as a Level 8 qualification in the Quality Assurance Agency's Higher Education Framework for Higher Education Qualifications. This qualification category includes Doctor of Philosophy qualifications (PhDs or DPhils) as well as professional doctorates (such as Doctor of Education or Doctor of Business Administration). The main objective of a doctoral qualification is for students to make an original contribution to the existing knowledge of their subject discipline, either through undertaking new research, or by applying existing research and knowledge in a new way.

Doctoral students have until now received funding from a number of different sources, including:

- Research Council studentships and support;
- University studentships, grants and support;
- Industry and charity supported scholarships and awards;
- Employer support; and
- Self-funding by the student.

Public funding for research in English higher education is currently administered under a 'dual support' system. This system combines:

- Project funding for excellent research proposals that are forward-looking and assessed through peer review. This funding stream is managed by the Research Councils. This provides funding to select HEIs on a competitive basis, and includes the provision of a limited number of full research council studentships which HEIs award to their doctoral students. These take the form of an award to cover fees, and a maintenance stipend depending on eligibility. Such funding is provided to the individual student.
- Formula based quality-related funding, that rewards HEI performance based on peer review and proven impact from the research. This funding stream is routed through the Higher Education Funding Council for England (HEFCE)). Funding is provided to HEIs under this stream.

Summary of responses received and the government's response

14. The consultation launched on 4th November 2016 and closed on 16th December 2016. We have received 318 responses, 309 through the DfE's online survey, 2 as Word/PDF versions of the consultation questionnaire, and 7 as free-format correspondence. Of these responses, 222 were from individuals, 73 were from HEIs and 23 were received from other bodies. A list of the organisations that responded can be found at Annex A.

Main findings from the consultation

15. The full findings of the consultation are available in the independent Analysis of Consultation Responses published alongside this response. This section sets out the conclusions from the external consultation analysis in the key areas on which the Government sought views. The conclusions of the external analysis are as follows:

1. The age restriction of '59 and under' strikes an appropriate balance between enabling the broadest possible access to doctoral study and mitigating the risk of non-repayment;
2. The doctoral loan is unlikely to incentivise large numbers of students to study purely for personal benefit;
3. There is little support for an alternative proposal of capping the number of doctoral loan places per institution;
4. The proposed maximum course length of six years would benefit students who need to study part time. Additional flexibility may be needed for some students and, according to more than 30 universities, the Government should consider extending the loan length to seven or eight years;
5. To ensure timely completion of doctoral programmes, universities are generally favourable to the idea of reporting students' progress as a trigger for loan payments, however, the frequency of progress reporting currently varies between institutions;
6. There is strong support among respondents for the loan to be available for all Level 8 doctoral degrees;
7. The proposed approach of basing loan eligibility on a student's qualification intentions appears to be sensible, but would need clear guidance and FAQs for applicants;
8. The loan ought to complement other forms of public and private funding for doctoral programmes, in the interests of ensuring choice for students.

Question analysis

Individual eligibility

Do you think that the proposed age eligibility restriction of 59 and under (on the first day of the first academic year of the course) is a proportionate way of mitigating the risk of low value for money?

16. Respondents were invited to express their views on whether there should be an age eligibility restriction on this product, and if so, what it should be. The consultation proposed that the loan would only be available to students 59 and under, and we asked a number of questions around this and other age restrictions. This restriction was proposed as a way to ensure value for money to the public, due to the risk associated with offering loans to older students who were unlikely to be able to fully repay the loan.
17. Almost two thirds of consultation respondents, including the majority of responding universities, agreed that some form of age restriction would be appropriate to mitigate this risk (201 respondents representing 65% of total respondents). Of the respondents who supported this feature, the proposed age cap of 59 was the most popular, also receiving support from the National Union of Students (NUS), Universities UK (UUK) and the Russell Group (112 respondents, representing 38% of total respondents). Among the respondents not in favour of any age restriction, common views were that education and lifelong learning should be accessible to everyone, and that an age cap would be inherently “discriminatory”.

Government response

18. The Government confirms its intention to make the loan available to individuals 59 and under on the first day of the first academic year of their course. The Government sees this age restriction as justified to mitigate the risks to the value for money of the product. Setting the restriction at this age is appropriate and broadly supported by the evidence from the consultation. It strikes the best balance between access and affordability, excluding only the oldest cohort of students, who are the least likely to make significant or any repayments prior to retirement. The majority of consultation respondents, including universities, student representative groups, and both current and prospective students, supported this reasoning that an age restriction was a proportionate way of mitigating the risk of low value for money.

Possible additional eligibility requirements

Do you have any views on an alternative to a demand led product, which would make the loan available only at institutions that had been allocated a capped

number of doctoral loan places? The number of loans allocated to HEIs would be made according to an existing metric (e.g. HEFCE's allocation of Research Degree Programme supervision funding).

19. Respondents were asked about their views on introducing a capped number of doctoral loan places with these allocated to Higher Education Institutions on the basis of an existing metric. This was an alternative suggestion to ensure the affordability of the product. The consultation suggested that the number of loan places per Institute could be allocated using HEFCE's allocation of Research Degree Programme (RDP) supervision funding. This idea was proposed as a way of guaranteeing that public money was focused on centres of excellence, which could choose the most suitable students to access the loan, thereby introducing a competitive element into the scheme.
20. Organisational respondents disagreed strongly with the proposal to cap the number of loan places available. The reasons that were given included objections to the principle of capping places and objections to the metric suggested for allocating them to HEIs. It was felt that this could limit opportunities for widening participation in postgraduate education and stifle smaller and more specialised institutions. There was also concern that such a system would be difficult to implement, especially for institutions in the devolved administrations. The small minority of organisations in favour of such a measure referred to existing evidence that pointed to postgraduate training being most effective and of the highest quality where it is concentrated in the highest quality research environments. These respondents felt that a competitive system was more likely to deliver quality.

Government response

21. The Government has decided to introduce the loan product on a demand led basis. The doctoral loan will be available to all eligible students in relation to all eligible courses. Applicants will apply directly to the Student Loans Company for the loan, and there will be no institutional cap on number of loan places. The Government wants to ensure that the doctoral loan product is available to a broad range of institutions and individuals, to broaden and strengthen the research base. The Government is also keen to avoid unnecessary administrative burdens for institutions. The Government acknowledges the important place that institutions with research excellence have within the research landscape, as is already reflected in the allocation of existing Research Council funding. The Government wants doctoral loans to play a complementary role to existing funding streams by providing a source of finance for all eligible doctoral programmes and students.

Course length

Does making the loan available for courses of up to six years give a sufficient amount of time to enable part-time study, whilst also incentivising students to complete their doctorates within a set period?

22. The Government consulted on the basis that the maximum course length eligible to receive the loan would be six years. Six years was initially chosen as a suitable compromise between allowing all students, including those who are part-time, to complete their studies to the best of their ability, while also ensuring that students were suitably encouraged to complete their doctorates within a set timeframe. The Government did not want students who may have originally completed their doctorate within three or four years to be incentivised to take longer due to the maximum length of the loan.
23. While the majority of respondents (222 respondents, representing 77% of total respondents) agreed with the Government's proposal, views varied considerably between respondent groups, with half of universities responding disagreeing with the proposed length. The majority of student bodies and research-focused organisations also did not believe that six years would be sufficient for all students, suggesting instead a maximum of either seven or eight years. Organisations pointed out that many universities have existing four-year full time courses, for which they allow part time completion within eight years. They also noted that the Research Councils UK also set an eight-year maximum. They argued that to restrict eligible courses to six years would make a number of part time courses ineligible, where their full-time equivalents would be four-year courses.

Government response

24. The Government has decided that the loan will be available for doctoral programmes up to eight years in duration. We want the loan product to widen participation in doctoral study. This includes for students studying on a part-time basis, either by choice or due to necessity, who might have struggled to access financial support before. This change will allow four-year programmes to be completed at 50% intensity, and cover courses in which a part-time doctorate includes a six-year period of research with an additional writing up year. By extending to eight years, the new loan will now cover all but a small minority of full- and part-time doctoral courses available in the sector. The maximum programme length within which the HEI requires the student to submit their thesis will determine course length.

Course eligibility

Do you have any views on the proposed loan being available to all Level 8 doctoral degrees, including professional doctorates (e.g. DBA etc.)?

25. The Government intends for the loan to be used to widen access and participation in doctoral study, across a wide range of HEIs and research fields. To ensure this happens, the loan was intended to be available to all Level 8 degrees, including professional doctorates as well as the traditional specialist knowledge doctorates (i.e. PhDs). This would ensure that the new loan product supports the widest range of students, and allows for benefits to be felt in all subjects and fields of research.
26. There was strong support for the proposal to make the loan available to all Level 8 doctoral programmes of research. Almost all consultation respondents strongly agreed with the Government's intention; the majority of respondents felt that this would create a level playing field between subject areas, allowing for development across the entire postgraduate research base. From an operational perspective, respondents also felt this would make the loan much easier for institutions to manage and maintain, and be simpler for students to understand. A small minority of respondents raised some issues over whether PhD by published work qualifications should be eligible for loan funding considering that the loan could be paid retroactively. A small number of respondents also questioned whether professional doctorates, which attract high levels of funding from other sources, such as the NHS, should be eligible for the loan product.

Government response

27. The Government can confirm that the loan will be available for all Level 8 doctoral programmes of research, as recognised by the QAA. However, to avoid inappropriate use of public money, PhD by published work will be ineligible for the loan. Students whose course aim is a research qualification awarded primarily on the basis of published works will be excluded from student finance loans on the basis that they are not actively studying. This is in line with HEFCE guidance on eligibility for receiving research funding from HEFCE, which requires that students are actively supervised by an academic member of staff employed by a higher education provider. As such, PhD by published work, where individuals are not enrolled within an active programme of study, are not eligible courses.
28. In accordance with this rationale, Higher Doctorates (beyond the established Level 8 QAA rating) will not be eligible for the loan. These qualifications are awarded sparingly and represent significant contributions to the subject area. They are therefore mostly awarded as honorary degrees, after the work in question has been published or completed, rather than when the individual is enrolled at a Higher Education Institute and undertaking an active doctoral course.
29. As is explained below in the section on duplicative funding, any student receiving an NHS bursary for doctoral study will not be eligible to take out the doctoral loan. This follows the original rationale for not making students in receipt of research council funding eligible for the loan: that direct Government funding is already available to such students.

30. Full details of course eligibility will be published in advance of applications opening for AY2018/19.

Other sources of funding

How might HEIs and others provide new and innovative packages of support to help students meet the costs of study not covered by the loan?

31. The loan of up to £25,000 is intended as a contribution to the cost of doctoral study; while it can be of considerable help to individuals as they fund their studies, the amount being offered means that students will have to find alternative sources of funding for the rest of their doctorate costs. In light of this, respondents to the consultation were asked how institutions and other organisations might provide new and innovative packages of support to help meet those costs of study that are not covered by the loan.

32. The Universities who responded generally suggested that the new loan would encourage them to consider how to combine funding approaches and to look at new partnership opportunities. A small number emphasised that existing modes of financial support that they offer, such as scholarships, would continue unchanged. Individuals also suggested that Universities would be able to offer new arrangements to students in light of the loan; however, many strongly emphasised that existing grant funding from Universities and the rest of the HE sector should not be limited.

Government response

33. The Government welcomes the views of Universities and other Higher Education Providers that the loan will encourage them to develop new funding packages for students. The Government encourages the HEIs and other sponsors to incorporate the proposed product into their own finance packages, to help support doctoral students in creative and innovative ways.

Duplicative funding

The proposed loan would only be available to students who do not receive a Research Council studentship (this includes fees-only awards). Apart from Research Council funding, how should other sources of public funding be treated when considering whether to offer the loan?

34. The Government proposed that any student who is in receipt of a Research Councils studentship, including a fees-only award, would not be eligible to receive the loan. The consultation sought views from respondents on how other sources of public

funding should be treated in respect of the loan, to avoid two streams of government money being directly used to fund the same individual.

35. A wide range of views were expressed in response to this question. While there was general support for public money not being spent twice, some Universities raised concerns about how to administratively determine and monitor which students have received other types of student funding. A small proportion of individual respondents felt that only students who were financially disadvantaged should have access to the loan.
36. The exclusion of Research Council funding received mixed feedback within the consultation, with half of the universities responding to the question expressing concern around the proposed exclusion. These respondents suggested that fees-only students might be “disadvantaged” when compared to those obtaining other grants or bursaries from other sources. A small minority of respondents noted that ‘public money’ could be defined to include funding from wider public sector employers, university scholarships, and charities, and yet that there was no intention to exclude recipients of such funding from the scope of the proposed loan.

Government response

37. The Government can confirm that students in receipt of either Research Council studentships, whether full or fees only, or other direct forms of Government support for students maintenance and fee costs, including any salary contributions or fees provided by NHS for the purposes of doctoral study, will be ineligible for the new loan. These funds are provided from direct Government funding and it is both feasible and appropriate to limit a student to just one source of such public finance. The Government has considered the position of Research Council funded students who are only eligible for a fees-only award. However, as eligibility for a full studentship including stipend is based on residency criteria, the Government believes that the product consulted on is appropriate. Final details of any specific exclusions and eligibility criteria will be published in advance of the loan opening for applications in AY18/19.

Repayment terms

The repayment terms have been chosen based on a number of key principles, including affordability and value for money. Are there any potential impacts of students taking out the loan that we may not have considered?

38. The Government has proposed that the doctoral loan product would have the same repayment arrangements as the existing master’s loan. The loan would therefore be combined with any outstanding balance the individual already has from the postgraduate master’s loan. It would be income contingent and repaid only when the

individual's income exceeds the set repayment threshold, currently £21,000 annually. This threshold may change over time. Repayments would be made through a single 6% of the borrower's above-threshold income.

39. These repayment terms were generally described by respondents as simple, fair and appropriate, particularly the approach of combining master's and doctoral loans into a single payment for calculating repayments. A small minority of respondents raised concerns about the combined effect of multiple loans (undergraduate, postgraduate and doctoral) and increased levels of indebtedness of graduates.

Government response

40. The Government can confirm that the doctoral loan will be repaid as 6% of eligible income above the repayment threshold for such loans, currently set at £21,000. For students with an existing master's loan, the doctoral and master's loans will be treated as a single balance, subject to one combined repayment. Any outstanding balance on the doctoral loan will be written off 30 years after the loan becomes subject to repayment. The Government recognises the long-term financial commitment involved in taking on the new doctoral product. The combination of the loan with other postgraduate loans will ensure that graduates in repayment with an undergraduate loan continue to face a maximum 15% contribution from above threshold income. As all student loan repayment is income contingent, repayment will always be affordable for students.

Equality

Are there other issues the Government should be aware of, which could impact on the take-up of the proposed loan by those who possess a protected characteristic?

41. The Government thanks respondents for their views on the potential effects of the loan on protected groups. The Government has completed an Equality Assessment (EA) to assess, in compliance with its Public Sector Equality Duty, the likely impact of the new loan product on people with protected characteristics. The features of the loan have been specifically designed to mitigate, where possible, any negative impact felt by individuals with protected characteristics.
42. The issues raised by respondents have been taken into account in preparing the EA and in reaching decisions on individual elements of the new loan's design. The main points made by respondents regarding the potential impact of the product on groups with protected characteristics have already been set out in the relevant sections of this Response. The EA is published alongside this Response.

Next steps

43. The Government confirms that it will be moving forward in the development and build of a doctoral loan product with the features set out in Annex B. We intend the product to be launched for applications in Spring/Summer 2018, in time for the 2018/19 academic year. We also confirm that the Student Loans Company will be delivering this product to students.
44. To launch doctoral loans, the Government will set out the detailed rules to underpin the new loan product under Regulations made by the Secretary of State. These Regulations will come into force in line with the 2018/19 launch date.
45. The Student Loan Company will also be introducing guidance on the features of the product and its terms and conditions for both students and Higher Education Institutions. This guidance will be made available before the launch of the doctoral loan product and will contain full details on eligibility for both students and courses.

Annex 1: List of organisations that responded to the consultation

Below are a list of stakeholders who responded to the consultation. The Government thanks respondents for their views the time involved.

Universities and other Higher Education providers

- Advice and Counselling Service Queen Mary, University of London
- Anglia Ruskin University
- Aston University
- Bath Spa University
- Birkbeck, University of London
- Birmingham City University
- Bournemouth University
- Cardiff University
- Coventry University
- Cranfield University
- Faith-based Colleges Group
- Keele University
- Liverpool John Moores University
- Loughborough University
- Manchester Metropolitan University
- Newcastle University
- Nottingham Trent University
- Oxford Brookes University
- Portsmouth Business School
- Queen Mary, University of London
- Royal Holloway, University of London
- School of Health Sciences, University of Salford
- School of Oriental and African Studies, University of London
- University of Central Lancashire
- University of Chester
- University of Cumbria
- University of Derby
- University of East Anglia
- University of Edinburgh
- University of Exeter
- University of Greenwich
- University of Hertfordshire
- University of Huddersfield
- University of Hull
- University of Leeds
- University of Leicester
- University of Lincoln
- University of Manchester
- University of Nottingham
- University of Oxford
- University of Portsmouth
- University of Reading
- University of Sheffield
- University of Southampton
- University of St Andrews
- University of Strathclyde

- Teeside University
- The Open University
- University of Kent
- University College London
- University of Bath
- University of Birmingham
- University of Brighton
- University of Bristol
- University of Cambridge
- University of Surrey
- University of Sussex
- University of Warwick
- University of Westminster
- University of Winchester
- University of Wolverhampton
- University of Worcester
- University of York

Research Councils

- Research Councils UK
- UK Council for Graduate Education

Research Institutes and Bodies

- Joint Committee (of the British Psychological Society, Association of Heads of Psychology Departments and the Experimental Psychology Society) for Psychology in Higher Education
- The Institute of Physics
- The Society and College of Radiographers
- Vitae

University representative groups

- Find a University Ltd
- Guild HE
- Universities UK
- University Alliance

Student representative groups

- AMOSSHE
- City Students' Union
- Graduate Student Association, University of York
- LSE Students' Union
- National Union of Students (UK)
- Open University Students Association

- Huddersfield Students' Union
- Lancaster University Students' Union
- Loughborough Students' Union
- Sheffield Hallam Students' Union Advice Service
- University of Nottingham Students' Union
- University of Sheffield Students' Union

Business representative groups

- British Dental Association

Students (Past, Current and Prospective)

Individual researchers from universities, research institutes or industry

Annex B: List of final features of the doctoral loan product

This list includes the key features of the doctoral loan, which will be launched for the 2018/19 academic year. A complete list of the product's terms and conditions and eligibility of students and courses for it will be made available in the SLC's product guidance to students and HEIs. This will be available before the launch of the loan.

Loan Amount

1. Eligible individuals will be able to borrow up to £25,000 for the purpose of completing an eligible postgraduate doctoral qualification.

Purpose

2. The loan is intended to be a contribution to the cost of doctoral study. The student can use the loan as they wish towards the cost of the qualification, whether on tuition, maintenance, or any other costs associated with study.

Individual Eligibility Criteria

3. Higher Education provision is a devolved matter for Scotland, Wales and Northern Ireland and therefore UK nationals, or individuals with settled status in the UK, ordinarily resident in the Devolved Administrations will not be eligible for the loan. The eligibility of EU students for the doctoral loan will be announced by the Government ahead of the 2018/19 academic year.
4. The loan will be available for students ordinarily resident in England who wish to study in the Devolved Administrations.
5. Individuals will only be eligible for the loan if they are aged 59 or under on the first day of the first academic year of their course.
6. Individual eligibility will not be based on a means test.
7. Individuals already holding a doctoral qualification, an equivalent level qualification or a higher level qualification will not be eligible for the loan. Qualifications obtained outside the UK will be taken into account in determining an individual's eligibility for the doctoral loan.
8. The loan will only be available to those starting an eligible level 8 qualification from Academic Year 2018/19.

Course Eligibility Criteria

9. The loan will be available for most Level 8 qualifications provided by a HEI with recognised degree awarding powers where these involve an active programme of study, in accordance with the QAA. Doctorates by retrospective publication are ineligible for the loan. Full details of course eligibility, and guidance for HEIs, will be published in advance of applications opening for the loan.
10. Students will only be eligible for the loan if the programme of study is a minimum of 3 years and a maximum of 8 years.

Institutional Eligibility Criteria

11. All Higher Education Institutes in the UK with QAA recognised Research Degree Awarding Powers are eligible for students to access the loan.
12. Alternative providers are defined as providers of higher education which do not receive annual funding from HEFCE, or any other direct annual public funding. Only alternative providers who have been reviewed by QAA and received recognised Research Degree Awarding powers will be counted as eligible institutions for the purposes of the loan.

Repayment Terms

13. The loan interest will be calculated at RPI+3% and interest will accrue from the date the first loan instalment is paid by SLC to the borrower.
14. Repayments of the doctoral loan will be contingent upon and commence once the borrower has an annual income of £21,000 or more.
15. The £21,000 annual income threshold will be initially frozen until 2021 and subject to review.
16. Repayments of the doctoral loan will be made through the existing category for postgraduate loans in the student finance system. The loan will be added to the master's loan if the borrower has also previously taken this loan out. The loan repayment will be calculated at 6% of income above the income threshold. These repayments will occur alongside any outstanding undergraduate student loan repayments.
17. The Statutory Repayment Due Date (SRDD) for doctoral loan balances for courses up to 4 years in length will be 6 April following the earlier of the course end date, or the withdrawal date when the student withdraws from the course. Full details of repayment terms will be published in advance of the loans opening for applications, including the SRDD for students on courses over 4 years in duration.

18. Any outstanding doctoral loan balance will be written off 30 years after the date the borrower's loan balance becomes due for repayment.

19. The doctoral loan will attract better than commercial interest rates; or match commercial interest rates with better terms. The repayment terms will be monitored and be subject to review.

Administration of the loan

20. The Student Loans Company will issue the doctoral loan, directly to the student.

21. A student will not be entitled to receive subsequent tranches of the loan if they change to a course that is not eligible, or withdraw from study. HEIs will be expected to inform the SLC if the student is no longer in attendance and when the student submits their thesis. The student will be liable for the doctoral loan and must make repayments if they withdraw or do not complete their course.

22. The loan will be recovered by HMRC for students who are in the UK tax system and by the SLC for individuals residing overseas.



Department
for Education

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