Department for Education

International Student Levy

Government technical consultation response

July 2026

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Introduction

In the Immigration White Paper, published in May 2025, the government set out that it would explore the introduction of an International Student Levy on higher education providers, with revenue to be reinvested into the higher education and skills system. This levy was confirmed by the Secretary of State for Education in September 2025. Further details on the levy were announced at Budget 2025 and the government consulted on the technical design and delivery of this policy from 26 November 2025 to 18 February 2026.

A total of 91 responses to this consultation were received. Of these, 50 were from respondents associated with higher education providers, 31 were from respondents associated with companies and organisations including representative bodies, 6 were from respondents associated with student unions, and 4 were from individuals or sent in an entirely personal capacity. There were 2 blank responses that have been excluded from the analysis.

This document provides a summary of the consultation responses received. It does not attempt to capture every point made. The government's response confirms and clarifies the operational design of the levy, in response to key queries raised by respondents, and as provided for in the draft primary legislation published alongside this document.

Definitions

Definitions, for the purposes of the levy, are outlined below.

The levy is used throughout this document to refer to the International Student Levy.

Academic year is defined as the period 1 August to 31 July, which is also used for the purposes of Office for Students (OfS) funding.

English higher education provider: in this response, we are referring to registered higher education providers as defined in section 3(10) of the Higher Education and Research Act 2017, i.e. an institution which is registered in the OfS' register of English higher education providers. This is the legal definition that will be used for the levy, as per the draft primary legislation.

Higher education courses: in this response, higher education courses should be taken as meaning such courses as defined in section 83 of the Higher Education and Research Act 2017 i.e. those courses at level 4 and above. This is the legal definition that will be used for the levy, as per the draft primary legislation.

International students: in this response international students should be taken as meaning such students as defined in section 10(5) of the Higher Education and Research Act 2017, i.e. those students who do not qualify for home fees status as prescribed under section 1 of the Education (Fees and Awards) Act 1983. This is the legal definition that will be used for the levy, as per the draft primary legislation.

Note, whilst some of these definitions differ slightly from those used in the consultation, this is to align with the draft primary legislation and their meaning is materially the same.

Government response

Higher Education in England is one of our nation's greatest assets, attracting students from across the world to come and study in our universities and colleges. It is crucial, however, that this is done in a sustainable way and that we go further to break down the barriers to opportunity for young people in the United Kingdom.

That is why we announced in September 2025 the reintroduction of targeted, means-tested maintenance grants for students studying courses aligned with the government's missions and Industrial Strategy. This directly supports the government's ambition for two-thirds of young people to participate in higher-level learning by age 25 and better supports disadvantaged students who aspire to study in higher education.

The income raised by the introduction of the International Student Levy on providers will be fully reinvested into the higher education and skills system, to support the reintroduction of targeted maintenance grants, progression through the post-16 system, and for wider skills. The levy will therefore ensure that the proceeds from international students directly benefit domestic students. Future decisions on deployment of the proceeds of the levy within the higher education and skills system will be set out at the next Spending Review.

The analysis of the consultation responses set out in this document shows that there are several technical elements of the levy design and delivery on which the sector is seeking clarity. That is why, alongside the response in this document, we are publishing the draft primary legislation for the levy. We intend to introduce this legislation as part of the Finance Bill in autumn 2026, ahead of the levy's introduction from academic year 2028/29.

This draft legislation names the Secretary of State as the tax collector with the power to make provisions about the assessment, payment, collection and recovery of the levy, and to delegate any of these functions to the Office for Students (OfS). As set out in the consultation document, the government's intention is that the OfS will be responsible for the administration of the levy on behalf of the government. The relationships providers have with the OfS and OfS' access to existing data sources will allow us to minimise any administrative burden on providers associated with the levy.

Over the next two years, ahead of the levy's introduction, we will continue to work with the OfS and the sector to develop associated secondary legislation and detailed guidance. The OfS will also run two trial delivery calculations based on student data from academic years 2026/27 and 2027/28, which will be shared with providers to support their financial planning.

The government recognises that there are concerns around the financial position of the sector. The introduction of the levy forms part of the plan for higher education student finance and funding reform, as set out in the Post-16 Education and Skills White Paper. This includes increasing tuition fee caps for all higher education providers in line with forecast inflation in 2026/27 and 2027/28, ahead of the levy's introduction. We are also committed to legislating when parliamentary time allows to increase tuition fee caps automatically for future academic years, for high-quality higher education providers. Inflation-linked tuition fee cap uplifts will provide a strong and sustainable funding stream for our universities. Illustrative analysis shows that increasing fee caps in line with inflation for 5 years from 2026-27 to 2030-31 would generate around £6 billion of additional funding for universities, based on current forecasts - significantly outweighing the currently projected less than £1 billion forecast cost of the International Student Levy to the sector over the same period.

The government also recognises that international students bring significant academic, economic and cultural value to the UK. This must, however, be balanced with ensuring that recruitment is sustainable, responsible and attracts high-quality international students. This approach was set out in the UK's new International Education Strategy, published in January 2026. The strategy is also clear that attracting international higher education students is only one part of the UK's wider international education offer, which includes education exports and transnational education provision across the entire sector - from early years to schools, colleges and universities. The UK's world class higher education sector will continue to offer an attractive and fulfilling experience to students from around the globe, whilst ensuring students contribute to the communities where they study.

Providers in scope

The draft primary legislation sets the definition of "registered higher education provider" for the purposes of the International Student Levy as that given by section 3(10) of the Higher Education and Research Act 2017, for example an institution which is registered in the OfS' register of English higher education providers. In the rest of this section, we have provided clarity on what this means in circumstances commonly raised by respondents to the consultation. This will also be included in formal guidance ahead of levy introduction.

English further education providers that are also registered as higher education providers with the OfS will be in scope of the levy, but only in respect of international students studying higher education courses (level 4 and above). The government expects that a very small number of further education providers will be liable for the levy, given the proposal to not charge providers the levy for their first 220 international students per year. Further education providers that are not registered with the OfS, and therefore only recruit international students for further education (level 3 and below), will not be subject to the levy. The levy will also not apply in respect of international students studying only a further education course at an OfS registered higher education provider. Where foundation years are integrated with a degree, the provider will be liable to pay the levy for all years of the course.

The levy will apply to the OfS-registered provider in respect of all international students registered with them. This is irrespective of whether the student attends franchised or otherwise subcontracted provision, and is inclusive of any of the constituent parts that comprise the overall institution, such as any embedded colleges, joint ventures or related undertakings which are controlled (wholly or partly, and directly or indirectly) by the OfS-registered provider. This approach applies regardless of the OfS-registered provider’s underlying legal form. In all such scenarios, it is the OfS-registered provider that retains responsibility for the quality and standards of the course, and therefore it is right that the levy should be applied to the OfS-registered provider. This means that the proposed allowance, whereby providers will not be charged a levy on the first 220 international students per year, will apply to the OfS-registered provider and will not be dependent on how that provider structures their provision.

In validation only arrangements, we expect the levy to apply to the registering (recruiting) body, not the validator that provides the validation only service under contract with the delivery provider. For joint courses involving two or more UK-based providers, existing OfS guidance requires that the registering provider, to which the student is assigned for data reporting purposes, be established when they start their course. Providers must determine at the outset what proportion of the initial entry cohort should be considered as registered by each provider and hence reported by each provider in its required student data returns (as defined in the next section) until the student finishes their course. We intend to apply this existing guidance for the purpose of calculating the levy liability, i.e. the provider that has data returning responsibilities for that student will be liable to pay the levy for them.

It is the government’s intention that the levy should apply to higher education providers registered in England. The levy will not apply to Scottish, Welsh or Northern Irish providers, even if they have a presence in but are not registered in England. English registered providers with a presence in Scotland, Wales or Northern Ireland will incur the levy liability for all international students registered with them, whether delivery of the provision takes place within England or Scotland, Wales or Northern Ireland. This aligns with the definition of “registered higher education provider” given in section 3(10) of the Higher Education and Research Act 2017.

Students in scope

The draft primary legislation sets the definition of “international student” for the purposes of the levy as the meaning given by section 10(5) of the Higher Education and Research Act 2017, i.e. those students who do not qualify for home fees status, as prescribed under section 1 of the Education (Fees and Awards) Act 1983.

The draft primary legislation does, however, provide that providers will not be liable to pay the levy for any international students that they are not required to return data on under an ongoing registration condition. By this, the government means the Jisc (formerly the Higher Education Statistics Agency, HESA) Student Record and, for further education providers of higher education courses, the Individualised Learner Record (ILR). This will allow us to minimise the administrative burden on providers, preventing the need for any separate return filing obligations. At the time of publication, coverage of the Jisc Student

Record excludes the following groups of international students, meaning providers will not be liable to pay the levy for them (further details can be found on the Higher Education Statistics Agency website):

- Students who leave within two weeks of starting the course, module or credit on which they are registered, unless their attendance has been confirmed to the Student Loans Company (SLC).
- Most students studying wholly outside the UK.
- Students only enrolled in the study of non-credit bearing modules.
- Students only enrolled in the OSCE Test of Competence for nurses and midwives.
- Post-doctorate students (advanced work or studies after completing a PhD).
- Most students awarded either a Higher Doctorate or a research qualification by publication only (note, this is a higher level than a PhD).

Coverage of the ILR is set out in the provider support manual on gov.uk.

In addition to the above, we have already announced our intention that students undertaking transnational educational (TNE) delivered by providers in a country other than the UK will not be in scope of the levy. This is an important area for collaboration, trade and research for the sector and the UK as a whole and the government is committed to its growth.

We have listened to respondents' concerns about how the levy may interact with the varied nature of TNE provision and will work with the sector to develop a more comprehensive description of TNE provision that will not be in scope of the levy and provide for this in secondary legislation. We expect this to include that students studying entirely on non-UK campuses, entirely via long-distance learning outside of the UK, or some combination of the two, will be out of scope of the levy. This is irrespective of whether the student's tuition fee is received by a UK based or overseas provider.

As raised by respondents, we are aware that there are occasions where students who may generally be considered as undertaking TNE still spend some time in the UK. Currently, providers are not required to include students in their Jisc data return if they never spend 8 or more consecutive weeks of their course in the UK. We therefore intend that such students will be out of scope of the levy. Where a student does spend 8 or more consecutive weeks of their course in the UK, and therefore is included in a provider's Jisc return, we expect that they will not be in scope of the levy for any academic year where they do not spend any time in the UK. Our position on this point will be confirmed and provided for in secondary legislation.

In the consultation it was stated that students recruited under a short-term study visa would be excluded from the levy. We are continuing to work with the OfS to plan the operational delivery of the levy, ensuring use of existing provider data returns wherever possible to calculate the levy and minimise the administrative burden on providers. Such data returns do not include visa data and therefore we do not expect to be able to directly exempt students on the basis that they hold a short-term study visa. However, we expect that most students recruited under a short-term study visa will still be indirectly out of scope of the levy as a result of only being enrolled on non-credit bearing courses or courses at level 3 and below, which are both out of scope of the levy. We will continue to test this with providers and the OfS and confirm this ahead of levy implementation.

Respondents suggested a significant number of additional international student groups who they felt should be considered for an exemption to the levy (see summary of responses received section). The government has considered these and whilst we recognise the varied nature of international student provision, fees and funding, the revenue generated by the international student levy plays a crucial role in the government's ambitious plan for reforming post-16 education and skills, including for two-thirds of young people to participate in higher-level learning by age 25. We have already listened to sector concerns on the rate of the levy and moved to a flat fee of £925 per international student per year. This is broadly equivalent to a 4.5% fee on higher education provider income from international students, a reduction from the 6% initially proposed in the Immigration White Paper. Reducing levy income further by introducing sizeable additional student exemptions could jeopardise the delivery of this important reform to support disadvantaged students. Any exemptions will be provided for in secondary legislation and rationale explained in accompanying documents.

Calculation of the levy

The government has listened to questions and concerns from providers about how the levy is calculated. It is still the government's intention that the levy will be a set fee of £925 charged to providers per international student per year. This will be regardless of the student's course intensity or duration of their studies, as we do not consider these factors to be the drivers for the levy. A student will attract the levy by being an international student who is in the UK and enrolled at an English higher education provider at any point in that academic year, unless that student falls into an exempted category. This flat fee will also result in a lower liability on average for providers than the percentage levy initially proposed. It is still our intention that secondary legislation will set out that the levy amount will increase in line with inflation, according to the inflation index that is also used for tuition fee limit uplifts.

Data on international students will be compiled from providers' annual returns of the Jisc Student Record or, for further education colleges, the ILR. Details on the requirement and sharing of these returns was included in the consultation document and can be found again in Annex B of this document. The OfS will use these datasets to establish a headcount of the number of international students in scope reported at each provider in the academic year in question. The total number of international students includes all international students registered with the provider within the given academic year, unless that student falls into an exempted category.

A number of respondents outlined concerns that some students have start dates outside of the standard start of the academic year. As outlined in the consultation, the OfS will ensure that providers are only charged once per 12 months per international student, even where their course crosses two reporting periods. This means that a provider will not become liable again for a student until they reach the anniversary of their start date. Providers will be invoiced for all students in aggregate following the conclusion of each academic year reporting period. This means, for example, that:

- if a student starts a 9-month course in January, the provider will only pay the levy once for that student. This will be included in their levy charge following the first reporting period in which that student's studies fell (i.e. the academic year in which the course started).
- if a student starts an 18-month course in April, the provider will pay the levy twice for that student, despite their studies falling into three reporting periods. The charges will be included in the provider's levy charges following the first and second reporting periods in which the student's studies fell (i.e. the academic year in which the course started and the following academic year).

Any international student who starts their course before the levy comes into effect (i.e. before academic year 2028/29), and is still enrolled on 1 August 2028, will be in scope of the levy from 1 August 2028. Resultantly, their provider will be charged the levy for that academic year regardless of whether the student reaches the anniversary of their course start date. If the student is still enrolled by 1 August in subsequent years, the provider will be charged again.

The calculation of the levy will still include an allowance of international students for whom providers do not have to pay the levy. This allowance will be set in secondary legislation and we still intend it to be 220 international students for each provider. Based on the intended levy charge of £925 per student, this exempts providers from up to £203,500 per year. This allowance will mitigate the levy's impact on smaller providers, particularly those operating specialist and resource intensive models with limited other means of cross-subsidisation. The allowance will be kept under review.

The government remains of the view that the levy should be applicable to any student in scope who is on their course for two weeks or more. If a student defers, suspends or drops out their course after the first two weeks, the provider will still be charged for that academic year and then again for any future academic year where the student resumes their studies. This two week period only applies once at the very start of a student's course, meaning if, for example, a student drops out in the first two weeks of a subsequent year of a multi-year course, they will remain in scope of the levy for that year. This design indicates the government's expectations of providers when recruiting international students. This is consistent with our wider expectation, shared with the Home Office, that student visa sponsors ensure that the international students they recruit are genuinely coming to the UK to study, and that providers have strong incentives to offer support to international students to complete their courses. As outlined in the consultation, the government does appreciate that it is inevitable that a small number of international students will drop out of or defer from their course, for example deferring for parental leave. As set out in the consultation document, the allowance of 220 students will account for some inevitable attrition. Setting the allowance at this level preserves the core purpose of the levy, which is to raise revenue for reinvestment into the higher education and skills system.

We note that some respondents asked for clarity on how the levy will be applied if a student changes course during an academic year or starts another course in the same academic year. As stated in the consultation document, a provider will be charged once per international student, per year of study. This means that if the student’s change of course or additional course is at the same provider, then the government intends that the provider will only be charged once for the student for that academic year. If the student starts a course at a different provider within the same academic year, then both providers will be charged.

If an international student’s fee status changes to home fee status during an academic year, then the provider will record them as home fee status in their Jisc data return after the academic year ends. In such cases, providers will not have to pay the levy for these students for the year in which home fee status is granted, or for any subsequent years where they are determined as having home fee status. Given levy liability is determined by a student’s fee status, any changes to a student’s visa status will not in itself result in them being out of scope of the levy.

Where a student is on a course that does not require their fee status to be assessed, such as full cost recovery courses, or they are on a higher education course reported in the ILR where information on fee status assessments is not collected, then the OfS will refer to their permanent address. Where this is a non-UK address, the student will be in scope of the levy. Where a student’s fee status is under review at the time the provider makes their data return, we intend to treat them as not having home fee status, meaning the student will be in scope of the levy. If the student is then confirmed as having home fee status post data submission, the provider can use the data amendments process to ensure that the particular student is no longer in scope of the levy and, if necessary, an adjustment will be made to the provider’s liability for the levy.

The government and OfS intend to run two trial levy calculations in successive years ahead of the levy’s introduction. The first trial is planned for autumn 2027, using academic year 2026/27 student data. In summer 2027, OfS will share draft guidance on the trial to support providers with making their data returns for academic year 2026/27 in autumn 2027. That guidance will set out the technical algorithms to be used in the calculations, how the relevant populations will be identified from providers' student data returns (including any use of the HESA Standard Registration Population or similar existing method), and any known limitations of the trial calculations. The indicative results of the trial will be shared with providers early in 2028. No payments will be due as a result of the trial, its purpose is to enable the OfS to test its processes and, if required, make any clarifications to its guidance. The trial will also support providers with their own financial planning. We then intend to run a second trial the following year using academic year 2027/28 data, with the levy’s full introduction from academic year 2028/29.

Worked examples

Provider A has a total of 223 international students with course year start dates between 1 August 2028 and 31 July 2029. None of them fall into a group the government intends to exempt in secondary legislation.

Their AY28/29 levy liability is calculated as:

- Number of International Students in scope minus the allowance
  - 223 – 220 = 3
- Number of students in scope multiplied by levy amount
  - 3 x £925 = £2,775

Provider B has a total of 700 international students with course year start dates between 1 August 2028 and 31 July 2029. 43 of them meet the description of TNE students, a group that the government intends to exempt from the levy through secondary legislation.

Their AY28/29 levy liability is calculated as:

- Number of International Students in scope minus the allowance and exemptions
  - 700 – 220 – 43 = 437
- Number of students in scope multiplied by levy amount
  - 437 x £925 = £404,225

Payment of the levy

The draft primary legislation, published alongside this document, will if passed empower the Secretary of State to make regulations providing for the assessment, payment, collection and recovery of the levy, and to delegate any such functions to the OfS. The rest of this section clarifies how the government and the OfS intend for these processes to be conducted in practice.

Providers are required to submit raw data for the Jisc Student Record collection in the autumn following the conclusion of the academic year. For example, for academic year 2024/25, the raw data return deadline was 5 November 2025. Providers are usually required to submit ILR data to similar timelines. The OfS will process these data returns to calculate the levy liability.

The government has noted concerns raised regarding the invoicing period and any payments being due in January. We can therefore clarify that the OfS expect to invoice providers at the start of February following the academic year in respect of which their levy payment is calculated. Payment will be required no later than 30 calendar days after the invoice is sent. This means that most invoices will be due in March, which more closely aligns with current Student Loans Company (SLC) payment dates to providers. This will be kept under review to best align with any changes included alongside the introduction of the Lifelong Learning Entitlement (LLE).

Where a provider fails to make a data return, the OfS may estimate their levy liability using available information. Any provider with zero levy liability will be notified of this by the OfS. Should providers suspect an error has been made when calculating their levy liability, they can raise this through the existing OfS data amendment processes. This process is currently used in cases of miscalculation of registration fees. If a provider disagrees with the decision reached by OfS in this process, secondary legislation will provide for a route to appeal to the First Tier Tax Tribunal.

The government has noted the request that a range of payment options are made available. Secondary legislation will provide for the particulars of administering the levy. We intend to allow levy invoices to be paid in full by BACS or by quarterly or monthly direct debit. For payments by instalment, direct debits must be set up and all instalments paid according to the confirmed schedule, otherwise this will be treated as a late payment. The OfS will deduct reasonable costs for its administration of the levy from these receipts before returning them to government.

Secondary legislation will also provide for interest to be charged. We intend that payments received more than 30 days after the invoice or not on the scheduled instalment date will be treated as late payments on which daily interest will be charged in line with the OfS' terms & conditions, which is Bank of England base rate plus 5% (e.g. interest on late payments using the May 2026 base rate of 3.75% would be charged at 8.75%). Failure to make a payment on a scheduled instalment date will result in termination of the instalment option and interest triggered will be on the total remaining balance. We intend that monetary penalties of the greater of £1,000 or 3% of the unpaid liability, including interest, may be applied to payments late by 180 days or more. If the invoice remains unpaid, we intend that the penalty would be repeated on a 90-day rolling cycle and ultimately unpaid levy liabilities will be recoverable as a debt due to the Crown. As with any tax or compliance issues, non-payment of the levy liability could be linked to the OfS' wider regulatory role, meaning it would be noted as a management and governance concern and may lead to further action by the OfS.

Next steps

In July 2026, alongside the publication of this consultation response, the government has published the draft primary legislation for the International Student Levy. We intend for this to be introduced in the autumn as part of the Finance Bill following the Budget.

This will be followed by draft guidance, two trial levy calculations for academic years 2026/27 and 2027/28 and secondary legislation. More details on the planned timeline are provided below.

Date	Planned activity
13 July 2026	Alongside publication of the consultation response, draft levy clauses published as part of the draft Finance Bill, starting the 8-week technical consultation period for the draft Finance Bill.
Autumn 2026	Finance Bill, with levy clauses included, expected to be introduced shortly after the Budget.
Autumn 2026 through Spring 2027	Expected passage of the Finance Bill.
Summer 2027	OfS expected to start testing the trial levy calculation methodology and data definitions.
Autumn 2027	Providers make AY26/27 student data returns that OfS will use to run the first trial levy calculation.
February 2028	OfS expected to share indicative trial levy liabilities with providers to support their financial planning. No payment will be due on these.
When parliamentary time allows in late 2027 / 2028	Secondary legislation laid, covering levy allowance, exemptions, inflation measure, assessment, payment, collection and recovery. Detailed levy guidance published alongside.
1st August 2028	**International Student Levy comes into effect for new and existing international students.**
Autumn 2028	Providers make AY27/28 student data returns that the OfS will use to run the second trial levy calculation.
February 2029	OfS expected to share second indicative trial levy liabilities with providers to support their financial planning. No payment will be due on these.

Autumn 2029	Providers make AY28/29 student data returns that the OfS will use to calculate the first levy year liability.
February 2030	**Providers invoiced for their AY28/29 International Student Levy liability.**
March 2030	Providers’ first levy payment instalment must be received within 30 days of being invoiced, thereafter interest will be applied for any late payments.
August 2030	First point monetary penalties could be issued to providers who have still not made the required payments 180 days after the payment was due.
Onwards	**Providers will continue to be invoiced annually for their International Student levy liability for the previous year.**

Summary of responses received

We received a total of 91 responses to the consultation. Of these, 50 were from respondents associated with higher education providers, 31 were from respondents associated with companies and organisations including representative bodies, 6 were from respondents associated with student unions, and 4 were from individuals or sent in an entirely personal capacity. There were 2 blank responses received that have been excluded from the analysis.

Whilst the majority responded to the questions set out in the consultation document (87 respondents), 4 provided only a narrative response. These are therefore not included in the statistics set out in Annex A, but the feedback and reasoning from those 4 narrative responses have been used alongside the other responses to inform our decisions.

Main findings from the consultation

Throughout the consultation, respondents requested clarity around how the levy will apply to different models of higher education provision and modes of study. Additionally, respondents proposed exemptions to the levy, and noted situations where they thought there could be a risk of double counting students or where they felt the levy would be applied in circumstances contrary to other policy intentions.

The summary below follows the structure of the consultation document. We reviewed responses to the questions in each section to identify the most common themes. In some instances, respondents provided relevant information in response to questions in other sections of the consultation. Where this occurred, the points raised have been considered under the section to which they are most relevant rather than where the respondent raised them in their return.

A number of quite specific scenarios were raised by individual respondents but were not widely reflected elsewhere. While it is not possible to address each of these points within the summary, they have been fully considered and will help inform further detailed guidance. Additionally, some respondents misunderstood the policy or how student data is reported and used. This will also be addressed in the detailed guidance, which will be published in advance of implementation of the levy to give providers certainty around how the levy is calculated.

Providers in Scope of the Levy (Question 5)

Respondents to this section sought clarification around arrangements where students are not studying at the main campus of a provider.

The most commonly raised issue in responses to this section was TNE arrangements where students study at an overseas campus but are registered with the UK provider.

Respondents asked whether such campuses would fall within scope of the levy, given they are part of the same provider, and whether students at these locations would be included in overall international student numbers. Some respondents suggested that overseas campuses should be excluded from the levy, even where the provider's UK operations remain in scope.

Respondents also raised concerns around levy liability for students on franchised provision and provision that involves multiple providers. Whilst many understood that the liability would rest with the main provider, respondents sought clarity around more nuanced arrangements such as joint venture arrangements, pathway provision, and when students are registered with two providers. Some respondents also raised concerns around the main provider passing on costs to contractual providers, and the need for contracts to be renegotiated to account for this.

Respondents requested clarity around such arrangements in devolved nations, including whether providers in England who are franchised providers of Welsh, Scottish or Northern Irish institutions, and who have international students located at their campus, would attract the levy. Respondents also noted the opposite situation, where the franchised provider is in the devolved nation. A small number of responses raised that this may prompt a move towards more cross-border franchised provision in order to avoid the levy.

Students in scope of the levy (Questions 6 – 8)

A substantial number of responses to this section questioned the inclusion of postgraduate students within the levy, with many suggesting exempting either all postgraduate students, postgraduate research students, or doctoral level students. The main reason given was the positive impact of these students on the economy and society more widely. Some respondents also noted that the length of some postgraduate courses crosses into two academic years, but often only by a few additional months, so they felt providers should not be charged the levy twice.

Many respondents queried the levy's application to exchange students, with some arguing that incoming exchange students should be excluded as they do not work towards an award at the host provider. There were also requests for clarification on the treatment of outgoing exchange students who are themselves international students.

Many respondents requested clarification on whether online and distance learning students, who are not UK domiciled citizens and who do not attend a campus, are in scope, with many stating they should be exempt. Some noted international students studying remotely may nonetheless be domiciled in the UK and queried whether this arrangement would then trigger liability. A few respondents also raised concerns about the levy's application to students in TNE arrangements in circumstances where students still spend periods at the UK campus. They sought clarification on the duration of UK attendance that would trigger liability.

Some respondents requested clarity around international students who undertake sandwich or placement years, with some suggesting these years should be exempt from levy liability.

A number of respondents suggested that the levy should be linked directly, or indirectly, to the HESA Standard Registration Population, and that we should utilise that status to determine which students are in scope for levy liability. A few respondents suggested aligning liability to the student’s visa status, as this approach would also exempt UK citizens domiciled outside the UK who may normally be categorised as international for fee liability.

Calculation of the levy (Questions 9 and 10)

Responses in this section often requested clarity on provider liability where a student’s status changes in-year, including students changing providers, their fee status changing, or their visa status changing.

The risk of double counting due to non-standard start dates was also frequently raised where courses cross standard academic years, with respondents querying how this would be categorised in data returns. Concerns over charging the levy twice for courses with durations of 13 or 18 months were also raised, which overlapped with rationale around excluding postgraduate students who are often on courses of these durations.

Several respondents considered the 2-week period during which students can withdraw without the levy applying to be too short. Suggestions included extending this period to a full term or applying the levy on a pro-rata basis whereby levy liability is accrued across the year. Concerns were also raised that a short 2-week window could influence provider behaviour, either by discouraging the admission of students more likely to withdraw, or by encouraging early withdrawal decisions instead of supporting students to continue studies.

A number of respondents in this section stated that full-time equivalent should be used as a measure of the international student population at a provider, instead of headcount. Some respondents also linked this to concerns around charging the same for part-time students, which they felt could result in part-time provision being disincentivised. Many also felt that this would resolve concerns around double counting and around non-completions.

Respondents also raised queries around levy liability during suspension or deferral of studies given the students are still technically enrolled at the provider. A small number of responses noted specific reasons for some deferrals, such as disability or parental leave. Some respondents asked about levy liability for short courses and requested clarification on whether it is the connection to an award or the length of the course that would determine liability.

Some respondents suggested that the allowance of 220 international students for which providers will not have to pay the levy for should be higher, proportionate to providers' overall international student numbers, or tapered to the size of the provider.

In addition, a few respondents stated that liability for the levy should be fee income linked, so that where providers do not receive a fee for the student, due to a scholarship or the course being funded by a public sector organisation (including the NHS), they would not be paying for these students.

Payment of the levy (Questions 11 – 13)

Many of the responses to this section suggested that levy payment dates should be aligned to SLC payment dates, to ensure that providers have the necessary funds to cover their levy charge. A small number of responses noted that this cycle would need to realign to revised SLC payment profiles following the introduction of the LLE. Respondents also frequently stated that the January period should be avoided as it would be a 'pinch point' in the annual financial cycle for providers. A small number noted increased workloads for finance teams and those involved with data returns at that time of year, and that invoicing must not happen over the Christmas period given providers would be closed. Respondents also noted that the timing of payments for non-standard starts would need to be considered and clarified.

A number of respondents requested the ability to make levy payments across the year and stated that there should be more options for how to make the payments, including via invoice or BACS at quarterly or monthly intervals.

Other comments (Question 14)

There were a number of responses opposing the introduction of the levy, noting concerns around provider financial sustainability and resulting risks on the student offer, support for disadvantaged students, and the perception of the levy by prospective international students.

Other comments included proposals that the levy include a sunset clause, or that it should be regularly reviewed in terms of its impact. Whilst these suggestions are important to consider, they are outside the scope of this consultation.

Annex A: Total responses to questions

Question 5

Are there any circumstances not specifically mentioned in the technical consultation document, for which it is unclear whether a provider is or is not in scope?

Answer	Total	Percentage
Yes	31	35.6%
No	42	48.3%
Not answered	14	16.1%

Question 6

Do you foresee any challenges with the definition of international students included in the technical consultation document?

Answer	Total	Percentage
Yes	65	74.7%
No	13	14.9%
Not answered	9	10.3%

Question 7

Are you aware of any additional student, course or provider types, which are not already included in the technical consultation document, that you think we should consider before the introduction of the levy?

Answer	Total	Percentage
Yes	40	46.0%
No	37	42.5%
Not answered	10	11.5%

Question 8

Do you think the proposed restrictions to the scope of the levy would have any unintended consequences on the behaviour of students or providers?

Answer	Total	Percentage
Yes	70	80.5%
No	8	9.2%
Not answered	9	10.3%

Question 9

Do you foresee any difficulties with the method for calculating the levy, which is outlined in the technical consultation document?

Answer	Total	Percentage
Yes	57	65.5%
No	17	19.5%
Not answered	13	14.9%

Question 10

Are there any circumstances, not specifically mentioned in the technical consultation document, in which it is unclear whether a learner should or should not be counted in the calculation of the levy?

Answer	Total	Percentage
Yes	55	63.2%
No	17	19.5%
Not answered	15	17.2%

Question 11

Are there any alternative payment options, other than those outlined in the technical consultation document, which would be preferential to your organisation and that you think we should consider?

Answer	Total	Percentage
Yes	27	31.0%
No	44	50.6%
Not answered	16	18.4%

Question 12

Does the timing of payment outlined in the technical consultation document coincide with any key financial processes that may impact a provider’s ability to pay within the proposed timings?

Answer	Total	Percentage
Yes	36	41.4%
No	32	36.8%
Not answered	19	21.8%

Question 13

Does the approach to payment outlined in the technical consultation document pose any challenges for providers with alternative academic years?

Answer	Total	Percentage
Yes	35	40.2%
No	33	37.9%
Not answered	19	21.8%

Question 14

Are there any other comments on the design of the International Student Levy, as outlined in the technical consultation document, which you wish to raise?

Answer	Total	Percentage
Yes	64	73.6%
No	11	12.6%
Not answered	12	13.8%

Annex B: International student data

Data on international students will be compiled from providers' annual returns of the Jisc (formerly the Higher Education Statistics Agency, HESA) Student Record. Jisc is the Designated Data Body (DDB) for higher education in England as defined by the Higher Education and Research Act 2017 (HERA). As the DDB, Jisc must compile appropriate information about higher education providers and courses, and make this available to the OfS, UK Research and Innovation, and the Secretary of State for Education. The designation means that higher education providers are obligated to submit specific datasets to Jisc. As part of the OfS Conditions of Registration, providers are required to provide student data to the DBB under condition F4, which must include data on all international students registered with them for the award of a higher education qualification or credit. For those international students studying in the UK, the requirement is for individualised student data. For those studying abroad who never spend 8 or more consecutive weeks studying in the UK, the requirement is for the Aggregate Offshore Record.

For OfS-registered further education colleges, data on international students studying higher education courses will be compiled from providers' annual returns of the Individual Learner Record (ILR) to the Department for Education. As part of the OfS Conditions of Registration, further education colleges are required to provide an ILR return to the Department for Education under condition F3, which must include data on all international students registered with them for learning aims at level 4 and above.

The OfS receives supplies of the individual student/learner datasets from Jisc and the Department for Education, following conclusion of the academic year to which they relate.

Annex C: Glossary

AY – Academic Year

HESA - Higher Education Statistics Agency

ILR – Individualised Learner Record

LLE – Lifelong Learning Entitlement

OfS – Office for Students

SLC – Student Loans Company

TNE – Transnational Education

Department for Education

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