

# General Election 2017

## #GenerationVote

### **The impact of funding cuts on liberation students and disadvantaged groups**

Since 2010 we've seen sweeping cuts to education funding throughout further and higher education, burdening students with huge levels of debt and making it harder for the most disadvantaged students to access education.

#### **What are we calling for?**

We are calling for the scrapping of Higher Education tuition fees, for all students; the introduction of a new improved Education Maintenance Allowance; the reintroduction of NHS bursaries and bringing back the Disabled Students' Allowance.

We've seen cuts to Disabled Students' Allowances (DSA), the loss of Education Maintenance Allowance (EMA), the scrapping of Higher Education Maintenance Grants and NHS Bursaries.

These changes have hit liberation groups and the most disadvantaged students hardest. As part of our 2017 General Election campaign NUS are calling on all political parties to commit to reinstating these vital forms of education funding.

This briefing will equip you with the key arguments surrounding the impact of funding cuts on students' ability to access and succeed in education.

#### **What's the issue?**

##### **2010 changes**

<sup>1</sup>[http://www.educationopportunities.co.uk/wp-content/uploads/DoesCostMatter\\_ANEONReport.pdf](http://www.educationopportunities.co.uk/wp-content/uploads/DoesCostMatter_ANEONReport.pdf)

In 2010 university tuition fees were tripled, rising from £3000 to £9000 per year, meaning that from 2015 students have graduated laden with even more debt. Whilst the government are keen to point out that overall student numbers keep rising, we know that the prospect of taking up large amounts of debt is a key concern for disadvantaged students – in particular working class students.

While university attendance has continued to rise, the tripling of fees seems to be distorting the choices young working class students make when applying for university.

Research from the National Educational Opportunities Network (NEON) shows that students from lower participation neighbourhoods are more likely to choose to study near home following the rising of fees, and that if fees were reduced to £6,000 45% of students would have chosen a different course, while 60% would work less during term time.<sup>1</sup>

This problem is only set to get worse as tuition fees will continue to rise in line with inflation annually for those institutions taking part in the Teaching Excellence Framework.

The government made another major change to education funding in 2010. Education Maintenance Allowance (EMA) was a weekly

payment for 16 – 19 year olds in further education. Learners from low-income backgrounds could receive up to £30 per week to help pay for the costs of their education. In 2010 the Government scrapped the allowance and replaced it with a new bursary scheme. The Education Maintenance Allowance ensured that these students were supported to access education and fund their travel costs, food costs and courses costs, without having to over-rely on employment.

The bursary system the Government introduced to replace EMA isn't working for all students. The support available is often poorly communicated and in many instances students are only encouraged to apply for funding 'if they need it', unfairly placing the emphasis on the student.

Young people need to be adequately supported to access FE, so in this election we're calling for a new, improved Education Maintenance Allowance to be introduced.

## 2016 changes

In 2016, the entire higher education maintenance grants system, which benefited over 500,000 of the UK's poorest students, was scrapped. Grants were replaced by a 100% maintenance loan system. These loans have to be paid back after the end of a course, once a graduate earns more than £21,000.

We know that the cost of living is rising and students desperately need to be able access financial support. Whilst maintenance loans offer a bigger upfront payout than grants, the level of debt that students then get saddled with is much larger.

Taking out loans rather than being given grants piles on debt for more disadvantaged students, essentially forcing them to take out larger loans than their more privileged peers. As well as being ultimately unfair, this may put off students from underprivileged backgrounds

<sup>2</sup> <https://www.ucas.com/corporate/news-and-key-documents/news/applicants-uk-higher-education-down-5-uk-students-and-7-eu-students>

from applying or deepen their dependence on part time work.

In 2016, the government also announced plans to cut the level of funding provided to support disabled students through Disabled Students' Allowances (DSA). Institutions are now expected to plug some of the gaps left by these cuts, particularly in relation to accommodation.

One of the main changes to DSA involves the restriction of specialist IT equipment and assistive software provided to disabled students, with students facing an upfront cost to access these crucial tools. This can result in students no longer being able to afford the devices and software they need to support them with their studies, and risks therefore jeopardizing their ability to succeed in higher education.

Another key change announced to education funding in 2016 was the abolition of NHS Bursaries. Currently awarded to a range of healthcare students including nursing, midwifery and dentistry students to cover the cost of their education, the government announced plans to abolish NHS bursaries for allied healthcare courses and fund all healthcare courses via the standard undergraduate system. This also includes a reduction in additional support available for students with dependents.

We are already potentially seeing the impact of these cuts, this year's application figures from UCAS showing a major slump in applications to healthcare courses.<sup>2</sup> The sector (in particular the Council of Deans for Health) are trying to downplay this.

These students provide crucial support to the NHS, spending 50% of their degree working on supernumerary placements. NUS are concerned that in removing NHS bursaries, we not only face the risk of losing this crucial support throughout the NHS but that the increased

prospect of debt and pressure to fund living costs will adversely affect the most disadvantaged students studying these courses.

## What do I need to know?

### Tripling of Tuition Fees

- **Since higher fees were introduced in 2012 the number of students studying part-time has decreased by 56%.** These students are more likely to be mature students, women and students with caring responsibilities.
- **The prospect of student loan debt deters poorest students from applying to the most prestigious courses and higher status institutions, or even attending HE at all.** Research with prospective students found that those from low social classes are more debt averse than those from other social classes, and are far more likely to be deterred from going to university because of their fear of debt.<sup>3</sup> Callender and Jackson's review of the available literature in 2008 came to the conclusion that student loan debt, and the desire to reduce their exposure to it, affected the choices of poorer students in regard to HE<sup>4</sup>.
- **Black and minority ethnic students perceive student loan debt to be on par with commercial debt.** An NUS report into students' attitudes to debt found that a third of BME graduates believed that student loan debt was just as bad as other forms of debt

<sup>3</sup><https://www.cambridge.org/core/journals/journal-of-social-policy/article/does-the-fear-of-debt-deter-students-from-higher-education/06423473B3B3F96C3A2B9FD56056867B>

<sup>4</sup> <https://www.cambridge.org/core/journals/journal-of-social-policy/article/does-the-fear-of-debt-deter-students-from-higher-education/06423473B3B3F96C3A2B9FD56056867>

<sup>5</sup> <https://nusdigital.s3-eu-west-1.amazonaws.com/document/documents/16867/0212d732f9742d75af05907fe70f27dc/Debt%20In%20The%20First%20Degree%20->

such as bank loans or credit cards. BME graduates were also more concerned about the interest of student loans and much more likely to want to repay them as soon as possible<sup>5</sup>.

### EMA

- **Those in receipt of EMA were more likely to be from low socio-economic backgrounds, from an ethnic minority or from single parent family<sup>6</sup>.** Many of these students are now denied access to this crucial fund to support them throughout their education.
- **EMA allowed students who would have previously not been able to access education to do so.** An evaluation of the scheme in 2006 found that the number of young people in the pilot areas not in education, employment or training (NEET) was reduced by 2.4 per cent, and improvements were also measured in the retention of those young people in education at 17.<sup>7</sup>
- **Learners are being forced to make decisions about their education based on what they can afford to pay for.** During the Area Review roundtables, we found that many students struggle to afford the costs of their travel because bursaries and support funds are inconsistent across different colleges. This means that students will often make their choices on where to study based on what they can afford and

<http://researchbriefings.files.parliament.uk/documents/SN05778/SN05778.pdf>

<sup>6</sup><http://researchbriefings.files.parliament.uk/documents/SN05778/SN05778.pdf>

<sup>7</sup> Evaluation of Education Maintenance Allowance Pilots: Young People Aged 16 to 19 Years, Centre for Research in Social Policy and Institute for Fiscal Studies, 2005 - [www.dcsf.gov.uk/research/data/uploadfiles/RR678.pdf](http://www.dcsf.gov.uk/research/data/uploadfiles/RR678.pdf)

access – rather than choosing the course they want to study.<sup>8</sup>

## Maintenance Grants

- **Poorer students are more likely to take up part time work to help with living costs and this impacts on their overall attainment.** The availability of part time work is a key consideration for poorer students in choosing where to go to university or college. There is a clear association between part-time work and attainment: various surveys have shown a majority of HE students work during term and a majority of those students do so in order to meet the cost of basic essentials. Yet students working 15 hours a week are a third less likely to get a good degree than a similar student who did not work<sup>9</sup>.
- **Students in receipt of maintenance grants were less likely to consider not going to university than those who weren't.** NUS' Debt in the First Degree report found that only 7% of students with maintenance grants said that they had almost not gone to university because of the cost, compared to 12% of students without grants.<sup>10</sup>
- **LGB+ students are more likely to be in debt, and in higher amounts of debt, than their heterosexual counterparts.** Beyond the Straight and Narrow, a survey run by NUS, found that respondents in our research were also more than twice as likely as heterosexual students to have taken on high-risk debt such as payday loans<sup>11</sup>.

<sup>8</sup><https://www.nus.org.uk/PageFiles/2161132/NUS%20Post%2016%20Area%20Review%20submission%20BRANDED%20300916.pdf>

<sup>9</sup><http://www.tandfonline.com/doi/abs/10.1080/02680930801924490?journalCode=tdep20&>

<sup>10</sup> <https://nusdigital.s3-eu-west-1.amazonaws.com/document/documents/16867/0212d732f9742d75af05907fe70f27dc/Debt%20In%20The%20First%20Degree%20-%20Graduates%20Survey%202015%20Report.pdf?AWSAccessKeyId=AKIAJKEA56ZWKFU6MHNQ&Expires=1493851502&Signature=fhwt1JBaXqyeeReg6nKbnlQtsX4%3D>

## DSA

- **Disabled students rely on funding provided to them through DSA to access specialist equipment.** NUS research shows that 83% of students used DSA funding to buy their laptops. 94% of these said the funding they received was crucial in enabling them to obtain their laptop<sup>12</sup>.
- **Charges attached to accessing equipment are a barrier to students accessing the support they need and negatively impacts on learning.** There was a 24% decrease in the uptake of assistive equipment when the £200 charge was introduced in 2015. 42% of respondents said the contribution negatively impacted their learning<sup>13</sup>.
- **Disabled students in receipt of DSA are more likely to receive a first or 2:1 in their degree than disabled students who do not access DSA.** In 2013/2014 the gap stood at 1.5 percentage points across the UK<sup>14</sup>.

## NHS Bursaries

- **Healthcare students are more likely to be women, BME or mature students, these students will now graduate laden with debt.** 79.5% of students on these subjects allied to medicine are women (compared to 56% of students overall), 24% are from ethnic minority backgrounds (compared with 20% of students overall), 32% are aged under 22 (compared with 54% of students overall); 28% were aged

<sup>11</sup> <https://www.nus.org.uk/global/lgbt-research.pdf>

<sup>12</sup> NUS (2014) Disabled Students Allowance Cuts research briefing. London: NUS.

<sup>13</sup> British Assistive Technology Association (2015) The negative impact on disabled students of the introduction of a £200 levy on Disabled Student Allowances. London: British Assistive Technology Association.

<sup>14</sup> <http://www.ecu.ac.uk/wp-content/uploads/2015/11/Equality-in-HE-statistical-report-2015-part-2-students.pdf>

36 or over (compared with 15% of students overall).<sup>15</sup>

- **These are exactly the groups that are more likely to be deterred from entering higher education by debt, or to employ tactics to reduce their exposure to debt.**

This includes working increased part-time hours that will be detrimental to their studies. We run the risk of discouraging women, BME and mature learners from entering into these courses. A UUK report showed lone parents (who are much more likely to be women and mature students), black and minority ethnic students and Muslim students to be particularly deterred from higher education by debt.<sup>16</sup>

- **Healthcare students work considerably longer hours, putting pressure on the poorest students who are forced to take up part time work to support themselves financially.**

The nature of placements, occurring in blocs of weeks spread across the year rather than within a consolidated period of time, limits students' opportunities to obtain part-time employment in order to support themselves. The prospect of debt also deters poorer HE students more: a study by Callender and Jackson showed that those from lower socio-economic groups were more likely to be deterred from higher education by the prospect of debt.<sup>17</sup>

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<sup>15</sup> [http://www.ecu.ac.uk/wp-content/uploads/2014/11/ECU\\_HE-stats-report\\_student\\_v19.pdf](http://www.ecu.ac.uk/wp-content/uploads/2014/11/ECU_HE-stats-report_student_v19.pdf)

<sup>16</sup> <http://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/2003/attitudes-to-debt-summary.pdf#search=debt>

<sup>17</sup><https://www.cambridge.org/core/journals/journal-of-social-policy/article/does-the-fear-of-debt-deter-students-from-higher-education/06423473B3B3F96C3A2B9FD56056867B>