

Consultation Document

Review of the Northern Ireland Postgraduate Tuition Fee Loan

April 2021

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Introduction and Foreword from the Minister for the Economy

I am pleased to invite your views on the issue of postgraduate student support policy in Northern Ireland.

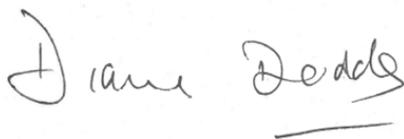
Higher education is a vital component of any modern economy as it plays a key role in supplying the skills, knowledge and experience required by the labour market. The success of higher education provision is also an important contributing factor in attracting investment and generating world-class innovation and research.

Previous labour market forecasts indicated that over half of our workforce would require higher education qualifications. However, as the higher level skills and subject-specific knowledge demanded by the labour market becomes ever more acute, so must we ensure fair and equitable access to the support mechanisms which can encourage postgraduate study.

The following consultation contains a range of questions about the existing funding system for postgraduate taught students, along with options for potential reform. I encourage you all to consider these options carefully and realistically, taking into account the financial challenges which we currently face in Northern Ireland.

I believe that doing more to support postgraduate provision can help to transform our economy and our society. I believe higher education should be financially accessible to all with the ability to learn, and that those intent on developing themselves should not be held back by limitations of support.

Thank you for contributing to this important issue and for helping to shape the future of the postgraduate student finance system in Northern Ireland.

A handwritten signature in black ink that reads "Diane Dodds". The signature is written in a cursive style with a horizontal line underneath the name.

Diane Dodds MLA
Minister for the Economy

Postgraduate Tuition Fee Loan (PGTFL) Consultation – Executive Summary

In 2018, the Department for the Economy initiated a review of the postgraduate policy and funding landscape in Northern Ireland. A Steering Group, comprising representatives from the Department's Higher Education Division, Skills Strategy Group, Strategic Policy Group, Innovation Policy, Analytical Services, Economic Research and Invest NI, was established to bring together key stakeholders to:

- (i) Review the current postgraduate policy and funding provision which is supported in Northern Ireland;
- (ii) Identify future skills demand and supply issues, while taking cognisance of Government strategies linked to the area;
- (iii) Review the funding options available to the Department in relation to postgraduate awards; and
- (iv) Make recommendations for the future of Departmentally-supported postgraduate provision in the short, medium and long term.

One of the recommendations emerging from this initial review was that a focussed review of the Postgraduate Tuition Fee Loan (PGTFL) should be undertaken.

The purpose of this review was to examine the PGTFL, one element of the current student support system for supporting postgraduate education, to ensure that it is well-targeted and fitted into the Department's overarching strategic framework. Based on the evidence collated during the review process, options and recommendations for potential future policy have been proposed, with a view to consulting on these options before any final recommendations are made.

Since the introduction of the PGTFL, tuition fees charged by NI universities have increased, on average, to £6,110 (for academic year 2020/21). At the time of the introduction of the loan product, the Department undertook to keep under review its position on not regulating postgraduate tuition fees. The increase in postgraduate fees now requires a re-assessment of the policy position.

The difference between the loan products available to Great Britain (GB) domiciles and those for Northern Ireland (NI) domiciles has created a situation whereby, with the current £5,500 loan, NI domiciles may fall short of being able to cover the cost of their course with the loan if they decide to study locally, and will fall considerably short if they study elsewhere in the UK, given the higher levels of postgraduate fees there. Similarly, new grant and loan products have been introduced in Wales and in the Republic of Ireland at taught and doctoral level since the PGTFL was implemented. This underscores that different support opportunities are available, but which are determined by domicile, rather than aptitude or ability.

Following the review, there emerged a clear need for an in-depth examination of the aims of supporting taught postgraduate students, and how the needs of the NI economy and society, as well as those of prospective students, might be balanced.

As previously mentioned, the purpose of the consultation is to examine the PGTFLL, to ensure that it is well-targeted and fits into the Department's overarching strategic framework. The evidence collated as part of the review process has informed the options presented in this consultation.

The Departmental review aimed to achieve the following objectives:

- i. Define and clearly articulate the purpose of supporting taught postgraduate education, taking into consideration the strategic drivers of the draft Programme for Government (PfG) and other strategies;
- ii. Assess the uptake and impact of the current PGTFLL product, to determine if it offers value for money and is fit for the identified strategic purposes;
- iii. Consider and assess different approaches to supporting postgraduate education, including the use of both fee loans and maintenance support for NI domiciles attending higher education (HE), both within and outside of Northern Ireland; and
- iv. Develop a range of options for supporting postgraduate education for consideration by the Minister.

This consultation now seeks your views on seven possible reform options to the current PGTFLL:

- (1) Increase the maximum rate of the PGTFLL and review every 3 years;
- (2) Increase the maximum rate of the PGTFLL and automatically apply an annual increase in line with inflation;
- (3) Do nothing - leave the offering as it currently is;
- (4) In addition to option 1, 2, or 3, extend the list of eligible/approved places of study to include approved institutions in the Republic of Ireland, as is the case for the undergraduate tuition fee loan;
- (5) In addition to option 1, 2, or 3, provide an economically relevant subject-specific top up grant to cover tuition costs above the level of the PGTFLL;
- (6) In addition to option 1, 2, or 3, introduce a postgraduate maintenance loan product; or
- (7) Introduce a single, contribution—to-costs loan to cover tuition and maintenance costs, similar to the current model in England.

It should be noted that the delivery of any reform discussed in this consultation would require significant work to implement. Our delivery partners in the Student Loans Company (SLC) have indicated that the reforms would result in considerable changes to be made on their systems. A realistic timeframe for the implementation of any major changes would therefore be for the 2023/24 academic year.

PURPOSE OF CONSULTATION

BACKGROUND

In 2015, the then Minister for Employment and Learning was keen to develop ways of supporting non-traditional learners into and through higher education. Based on research, it was found that one of the main barriers for students, specifically to postgraduate study, was finance. As a result, the Department undertook a consultation on part-time and postgraduate student finance. The consultation was designed to explore ways to improve access to, and increase demand for, part-time and postgraduate study, specifically through the student finance system. At that time, with some minor exceptions, only full-time NI undergraduate students could access the student loan system, with no standard finance package available for postgraduate or part-time NI students.

The postgraduate options proposed at that time focussed on taught postgraduate study, as research postgraduates have a much broader pool of competitive scholarship funding available to them. For reasons of cost, all options considered involved an extension of the student loan system [Annually Managed Expenditure (AME) budget], rather than increased public funding through the Departmental Resource Budget.

With regard to postgraduate taught provision, three options were considered at that time: (1) a £5,500 fee loan; (2) the loan product being restricted to priority subject areas, primarily STEM; or (3) the implementation of a £10,000 tuition fee and maintenance loan, along the lines of the loan product introduced in England. All these options were considered AME and the cost borne by Her Majesty's Treasury (HMT), subject to its approval.

Having received HMT approval, in December 2015 the then Minister agreed to a number of policy recommendations for taught postgraduate student support:

- adopt a non means tested tuition fee loan up to a maximum level of £5,500; and
- do not cap postgraduate tuition fee levels, but keep fee levels under review.

The preferred option of a non-income assessed £5,500 tuition fee loan for new taught postgraduate students was introduced in August 2017, on the basis that it:

- offered the most 'acceptable' level of increased AME;
- did not restrict student choice to those subjects which are 'economically relevant'; and
- did not place the same level of onerous financial repayment terms onto the student, as implementation of the English loan product would have done.

Since the introduction of the Postgraduate Tuition Fee Loan (PGTFL), tuition fees charged by NI universities have increased, on average, to £6,110 (for academic year 2020/21). At the time of the introduction of the loan product, the Department undertook to keep under review its position on not regulating postgraduate tuition fees. The increase in postgraduate fees now requires a re-assessment of the policy position.

The difference between the loan products available to Great Britain (GB) domiciles and those for NI domiciles has created a situation whereby, with the current £5,500 loan, NI domiciles may fall short of being able to cover the cost of their course if they decide to study locally, and will fall considerably short if they study elsewhere in the UK, given the higher levels of postgraduate fees there.

Similarly, new grant and loan products have been introduced in Wales and in the Republic of Ireland at taught and doctoral level since the PGTFL was implemented. This underscores that different support opportunities are available, but which are determined by domicile, rather than aptitude or ability. This element is examined in further detail later in this document.

Taken together, these drivers point towards a need for an in-depth examination of the aims of supporting taught postgraduate students, and how the needs of the NI economy and society, as well as those of prospective students, might be balanced. As such, the Department has undertaken a review to examine the PGTFL, to ensure that it is well-targeted and fits into the Department's overarching strategic framework.

The evidence collated as part of the review process has informed the options for potential future policy, on which the Department seeks your views through this consultation.

STRUCTURE OF THIS CONSULTATION DOCUMENT

Section 2 of this consultation document outlines the review of the PGTFL product as undertaken by the Department. This includes information regarding:

- the need for postgraduate education in NI;
- an assessment of the current PGTFL product; and
- a comparison of approaches to postgraduate loans/support.

Section 3 of this consultation document outlines and discusses the options on which the Department is consulting.

Annex A sets out the Privacy Notice which explains how the Department uses information about you and the ways in which we will safeguard your data.

Annex B sets out the Equality Screening Form, which addresses the likely impact of the proposed options on the Section 75 equality groups.

Annex C provides the Rural Needs Impact Assessment which considers how the proposed options might impact on people living and/or working in rural communities.

Annex D is the Consultation Response Form.

HOW TO RESPOND

Responses are invited on the proposed options set out in this consultation document and/or on the draft equality screening form and draft rural needs impact assessment. The best way to respond to this consultation is online, through our survey which can be accessed here:

[NI PGTFLL Consultation Response Online Form](#)

This is quick and simple to complete, and provides the easiest opportunity for response.

Alternatively, you may wish to download a copy of the survey and submit your response via post.

The survey can be downloaded from:

[Review of Northern Ireland Postgraduate Tuition Fee Loan](#)

Completed surveys should then be posted to:

**FAO PGTFLL Consultation Response
HE Policy Branch
Department for the Economy
Netherleigh
Massey Avenue
Belfast
BT4 2JP**

This consultation will close on **25th June 2021**. Any responses received after this date will not be considered as part of this consultation process.

CONFIDENTIALITY AND DATA PROTECTION

We will summarise all responses received and place this summary on the Department for the Economy website. This will include a list of the organisations that responded, but will not include people's personal names, addresses or other contact details.

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure under access to information legislation (primarily the Data Protection Act 2018/the General Data Protection Regulation 2018; Freedom of Information Act 2000; and the Environmental Information Regulations 2004).

For this reason, you should identify in your response any information which you do not wish to be disclosed and explain why this is the case. Please note

that an automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

If we receive a request for disclosure of this information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances.

For further information about how we process your personal data, please see our Privacy Notice at Annex A.

COPIES OF THE CONSULTATION

This consultation document is being produced primarily in electronic form and may be accessed on the 'Consultations' page on the Department's website at [Department for the Economy consultations](#)

If you require access to this consultation paper in hard copy, or in a different format – e.g. Braille, disk, audio cassette – or in a minority ethnic language, please contact hepolicy@economy-ni.gov.uk and appropriate arrangements will be made as soon as possible.

REVIEW OF THE POSTGRADUATE TUITION FEE LOAN

As mentioned previously, the Department has undertaken a review of the PGTF. In order to ensure a holistic approach to the review, the Department considered the following:

- the need for postgraduate education in NI;
- an assessment of the current PGTF product; and
- a comparison of approaches to postgraduate loans/support.

This section highlights and discusses the information and evidence considered as part of the review, and which has formed the basis for the options under consideration in this consultation.

ASSESSING THE NEED FOR POSTGRADUATE EDUCATION IN NI

The benefits to employers of employing postgraduates are widely known. In addition to the in-depth specialist knowledge and expertise of doctoral graduates in particular, postgraduates may have more honed skills in comparison to their undergraduate counterparts, including in particular leadership capabilities, which are seen as being high on employers' skills agenda, particularly those who operate global service centres.

Research suggests that employers particularly value postgraduates' specialist knowledge, research skills, and problem-solving abilities, in particular employers in the Manufacturing and Engineering sectors, as well as businesses built on Science and Technology. The same research points to wider, non-economic benefits of postgraduate study, including the development of resilience and confidence in graduates, enabling them to take on new tasks and challenges.

In assessing the need for postgraduate education in NI, the Department first examined the demand for, and the supply of, postgraduate-qualified individuals in NI.

Labour Market Demand for Postgraduates

It is widely understood that NI is a small enterprise economy, with 95% of companies based in NI employing fewer than 10 people¹. The NI statistics from the UK Innovation Survey 2019 (which covers the period 2016 – 2018) indicates that these companies tend to under-invest in innovation and Research and Development (R&D).

Furthermore, it has been noted that "Northern Ireland is still characterised by some large sectors with low value-added (e.g. agriculture, industry, public administration) which, on average, are not using the skills of workers as effectively as more high value-added sectors (e.g. scientific and professional, financial and insurance). There is a range of knowledge-based sectors, including information technology (IT), software and medical devices, but

¹ NISRA Inter-Departmental Business Register, June 2020

despite improvements, as a share of the total economy, these sectors are still relatively small".²

The demand for postgraduates by NI companies is therefore comparatively low. This was reflected in the 2017 Skills Barometer, which indicated that there could be a marginal oversupply of just over 300 postgraduates under the Barometer's high growth scenario. The Skills Barometer was further updated in 2019; unfortunately, the Ulster University Economic Policy Centre (UUEPC), which was commissioned by the Department to produce the Skills Barometer, has advised that its model no longer produces results on a level 7/8 basis (i.e. postgraduate level), as the data is not of sufficient quality to produce modelling results. As such, it is not possible to state the updated position regarding an over/under supply of postgraduates. However, the data from the 2017 Barometer will be used for indicative purposes.

It is worth noting, however, that subject imbalances exist at postgraduate levels, similar to those which also exist at the undergraduate level. On the basis of broad subject areas, skills at level 6 and above are forecast to be required in:

- Engineering & Technology;
- Maths & Computer Science; and
- Physical and Environmental Sciences.

UUEPC noted that estimating the demand for postgraduate qualifications is extremely difficult due to the very small sample sizes involved. This issue notwithstanding, it is suggested that, over the next decade, there will be a higher volume of demand for postgraduates in five industrial sectors: Education; Administrative and Support Services; Health and Social Work; Professional, Scientific and Technical; and Information and Communication.

Specific evidence regarding the aggregate quantified demand for postgraduate skills is difficult to identify. The Matrix and Knowledge Economy reports³ provide a high level, sector-based commentary, without quantifying the levels of demand for these higher level skills. Invest NI have pointed to an indicative demand for postgraduates in the Artificial Intelligence (AI) sector across the UK, and note that a sector deal has been agreed, promoting 1,000 new UK PhD study posts.

On the qualitative front, an internal Steering Group (comprising key stakeholders from across the Department) identified the following sector/subject areas as being growth areas for postgraduate skills:

- Data Analytics;

² [Strategic-integration-of-skills-full-report.pdf](#)

³ [MatrixNI document - NI knowledge economy index](#)

- Artificial Intelligence;
- Visualisation Technologies;
- 5G Technologies;
- Cyber Security;
- Food Technology;
- Megatronics (Electronics and Engineering); and
- Life sciences.

For Life Sciences, postgraduate work and R&D skills in particular are seen as critical for the development of the sector. Due to the heavy investment requirement, companies require access to a skilled resource that will drive innovation at a global level. It was noted that NI already has some very significant Life Sciences companies, but that the sector is still dominated by SMEs, who would struggle to invest in R&D at a level that would drive business growth, without access to a home-grown supply of postgraduate skills.

Invest NI has reported that a number of employers are recruiting postgraduates and also sponsoring employees through Masters courses in Finance, Risk, and Cyber Security. In some cases, employers worked with the Higher Education Institutions (HEIs) in these areas, to develop course content specific to industry needs. Invest NI also indicated that it has received positive informal feedback from Almac, Randox, and other key companies who engage with universities to sponsor PhD programmes.

In addition, a collaborative group of companies previously sponsored a number of PhDs, to develop their research capability in areas of capital markets. This research cut across a number of university functions including Maths and Computer Science.

Invest NI indicated that Life Sciences is built on research-driven products and the links with research bases in both Queen's and Ulster Universities. This sector has grown by over 20% in the last three years, and investment in R&D has risen by 90%.

Supply of Postgraduate Qualifications in NI

In assessing the supply of postgraduate-qualified individuals in NI, the Department gathered evidence in relation to the funding, schemes and incentives available for an individual to gain a postgraduate qualification in NI, or for a HEI to provide postgraduate level education.

The table below lists the available assistance identified as part of this exercise, and shows which are publicly funded and which are privately funded. It is worth noting, however, that this is not a full and comprehensive picture of all assistance available, particularly private assistance, as individual employers may offer different scholarships and schemes.

Publicly Funded

Postgraduate Tuition Fee Loan

DfE Studentships – Postgraduate Awards (PGAs)

Disabled Students' Allowance

CCRI Doctoral Training Partnership Studentship

Photonic Integration for Advanced Data Storage Studentship

Bryden Centre Studentship

SPaRK Studentship

Northern Ireland and North East Doctoral Training Partnership

Centre for Cancer Research and Cell Biology: 4 year Doctoral Training Programme

Centre for Doctoral Training in Celtic Languages Studentship

DAERA Postgraduate Studentships

Salaried Research Assistantships from University Departments

BTIC & Invest NI Funded PhD

Competence Centres – Invest NI Funded

The Teagasc Walsh Fellowship Scheme

ERASMUS MUNDUS

HSC R&D Division Doctoral Fellowship Award

National Institute for Health Research Fellowship Award Scheme

Privately Funded

Employer Sponsorship

Postgraduate Funding Loan – Danske Bank

NI Chest, Heart and Stroke PhD Studentship

Irish Clinical Academic Training funded PhD Fellowships

Leverhulme Interdisciplinary Network on Cybersecurity and Society (LINCS)

Russell Group Scholarship

Radox Ltd

Institute of Engineering and Technology Postgraduate Awards

Institute of Mechanical Engineers Postgraduate Awards

The Royal Academy of Engineering

The Psoriasis Association PhD Studentships

The Florence Nightingale Foundation Research Scholarships

This list highlights the wide range of subject/industry areas which are catered for through both general support and targeted schemes, both public and private. It is not clear, however, with the exception of DfE Studentships – PGAs, what the uptake is for these various funding streams. It should also be noted that the sources of funding for the various opportunities listed above are not always clear; indeed, some university-sponsored sources may also involve PGA funding (i.e. funded by the Department). This should be clarified in the proposed separate review into PGA funding.

Summary

There is a diverse range of evidence on the demand for postgraduates in NI, and a common thread throughout is that there are benefits to NI in supporting postgraduate study, particularly in relation to the development of R&D capacity in the HE sector and in specialised areas of industry, most notably ICT, Life & Health Sciences and Engineering. This is recognised in the draft Economic Strategy, where the development of a higher level skills pipeline for these sectors was identified. The need to ensure that suitably focused research and training takes place beyond undergraduate level is therefore an important part of NI's ongoing competitiveness in these sectors.

Ranged against these strategic drivers, however, there is a lack of quantitative analysis of demand levels for postgraduate skills, largely due to small population sizes, required for examining sectoral and subject-level need. What evidence there is across all postgraduate provision, in addition to the findings of the 2017 Skills Barometer, suggests that there is a current marginal oversupply of postgraduate level skills, but this is expected to vary considerably by subject-specificity.

In conclusion, the evidence suggests a perceived demand for postgraduate-qualified individuals in NI that is expressed in both aspirational and strategic terms, particularly due to the associated R&D benefits, but the actual level of demand is not entirely clear, and does not appear to be supported by robust quantitative evidence. Furthermore, from a sample of 3,180 vacancies advertised on the NIjobs.com website on 30 September 2020, only 10 (0.3%) required a Masters level qualification. However, the NI Skills Barometer does indicate that there are specific benefits to NI in supporting postgraduate study in the following areas:

- ICT;
- Life and Health Sciences; and
- Engineering.

The 'supply' evidence suggests that the three areas listed above are provided for by various funding schemes, both private and public, with Life and Health Sciences in particular being widely supported. As such, it cannot be concluded that there is a clear gap between the demand and supply for particular subject/industrial areas; however it should be noted that it is difficult to draw any concrete conclusions due to the lack of clear evidence in relation to the demand for postgraduates.

Analysis of Overall PG Support

The capacity of NI HEIs to deliver training for postgraduate students is supported by distinct streams of funding for taught (PGT) and research (PGR) courses. An element of teaching grant is distributed with reference to the number of PGT students and the courses they are studying, and prospective PGT students are able to receive tuition fee loans of up to £5,500 per course (up to 3 years in length). Supervision funds for PGR students are distributed through the Quality-related Research (QR) allocation, which is intended to support the capacity of HEIs to enrol PhD students to support specific grant allocations from Research Councils and others. The approaches to public funding for taught and research postgraduates are therefore almost wholly separate.

In order to assess whether postgraduate education is sufficiently supported in NI, consideration has been given to how PG enrolments compare across the four UK regions. It should be noted that, while this may not provide a true indicator regarding the adequacy of support, it does provide an indicator of the appetite for postgraduate study and the willingness to avail of whatever level of support is available. The table below shows the proportion of student enrolments at HEIs across the UK studying in 2016/17, 2017/18 and 2018/19 according to level and type of provision:

2016/17 Detailed of level of study	Country of Institution				
	NI	England	Scotland	Wales	UK Total
First Degree	69.3%	69.5%	66.6%	64.2%	68.9%
Other Undergraduate degree	10.6%	6.3%	9.1%	16.9%	7.3%
Higher degree (research)	4.2%	4.8%	5.3%	3.3%	4.8%
Higher degree (taught)	8.7%	13.9%	13.6%	11.4%	13.6%
Other postgraduate	7.2%	5.4%	5.4%	4.1%	5.4%
2017/18 Detailed of level of study	Country of Institution				
	NI	England	Scotland	Wales	UK Total
First Degree	68.4%	69.9%	66.8%	64.0%	69.2%
Other Undergraduate degree	10.2%	5.6%	8.3%	16.5%	6.6%
Higher degree (research)	4.3%	4.8%	5.2%	3.2%	4.7%
Higher degree (taught)	10.3%	14.6%	14.6%	12.2%	14.3%
Other postgraduate	6.7%	5.1%	5.2%	4.1%	5.1%
2018/19 Detailed of level of study	Country of Institution				
	NI	England	Scotland	Wales	UK Total

First Degree	67.6%	70.1%	66.5%	63.7%	69.3%
Other Undergraduate	9.7%	5.1%	8.1%	16.1%	6.1%
Higher degree (research)	4.1%	4.7%	5.2%	3.3%	4.7%
Higher degree (taught)	11.2%	15.1%	15.3%	13.1%	14.9%
Other postgraduate	7.4%	5.0%	4.9%	3.8%	4.9%

We can see from this data that the NI student population, in comparison to GB counterparts, is broadly similar for PGR and slightly lower than average for PGT. For the purposes of this review, it is interesting to note that the introduction of the PGTFI has made a significant initial impact on the proportion of PGT students enrolled in NI institutions, rising from 8.7% prior to introduction to 11.2% in 2018/19. While this is encouraging, it still falls short of the average UK position of 14.9%. This may indicate that the PGTFI product requires some enhancements to encourage further uptake.

Using data collated by the Higher Education Statistics Agency (HESA), we can see that NI has a higher percentage, in comparison to its GB counterparts, of postgraduate enrolments in receipt of public funding:

Northern Ireland	35.8%
England	15.3%
Scotland	20.2%
Wales	14.8%

The data also allows for a comparison to be made in relation to equivalent Departmental funding:

Northern Ireland	19.2%
England	5.9%
Scotland	10.3%
Wales	7.2%

The stark difference between the proportions of those availing of this type of public funding in NI, in comparison to the equivalent in the rest of the UK, shows that NI is supporting postgraduate provision much more heavily through central government than through the broader dual support system.

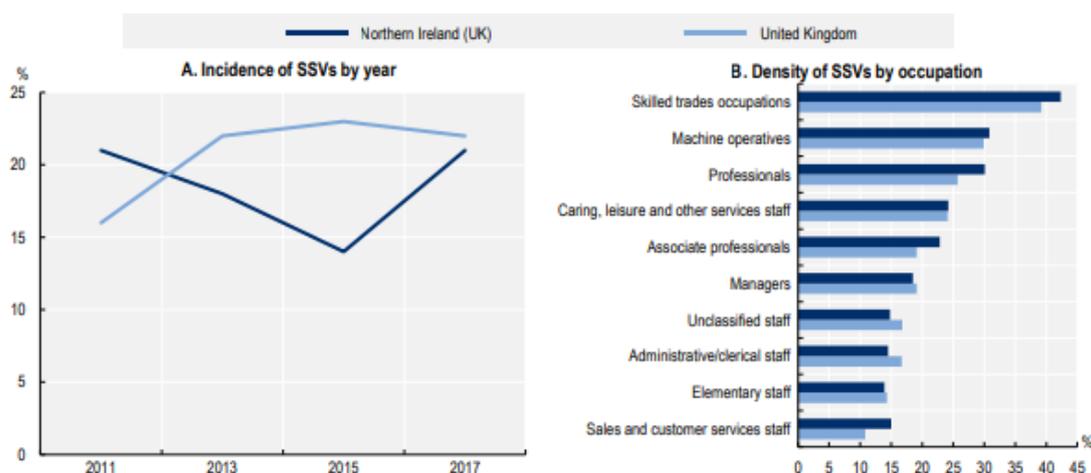
[OECD Skills Strategy Northern Ireland 2020](#)

In June 2020, the Organisation for Economic Co-operation and Development (OECD) published a report on a Skills Strategy for NI⁴. The report highlighted a number of issues in relation to skills shortages in general, which have been considered as part of this review.

Regarding economic need based on skills shortages, the report found that, while the incidence of labour shortages is marginally lower in NI than in the other UK countries, the tightening of the labour market in recent years has

⁴ [OECD Skills Strategy NI 2020](#)

witnessed a sharp increase in skills shortage vacancies (SSVs) (see diagram below). While these vacancies are shared across the labour market, the highest concentrations are in high-skilled and middle-skilled occupations, with the highest occupational density of SSVs being in skilled trades and machine operatives.



Note: Skills shortage vacancies are defined as hard-to-fill vacancies that resulted from the impossibility of finding appropriately skilled individuals (lack of skills, qualifications or experience among applicants).

Source: UK Government (2017^[7]), *Employer Skills Survey 2017: UK Findings*, <https://www.gov.uk/government/publications/employer-skills-survey-2017-uk-report>.

StatLink <https://doi.org/10.1787/888934127453>

The OECD reports that, one way in which to address this in NI, is to strengthen the responsiveness and flexibility of tertiary education and vocational education and training systems. The report goes on to note that “while education and training provision should be about more than simply preparing individuals for labour market participation, this should nonetheless remain a key objective. An education and training system that is responsive to labour market needs provides adequate incentives to institutions to offer courses in high demand and to potential students to take those courses. It also allows students to develop a set of skills that are aligned with both short- and long-term labour market needs” (OECD, 2020).

The OECD report suggests that NI could “create better alignment between provision and labour market demand by making the provision of teaching grants conditional on certain performance metrics”. The use of incentives has been considered as part of this review, with further information being provided under Option 5 of the consultation.

ASSESSING THE CURRENT LOAN PRODUCT

Postgraduate Tuition Fee Loan in NI

NI has, since August 2017, offered PGTFs to eligible students, including UK nationals (and those with settled status in the UK) who have been resident in

Northern Ireland for three years prior to attending the course, among other groups.

The PGTFLL is available for postgraduate certificate, postgraduate diploma, taught Masters, or research Masters level courses at a publicly funded higher education institution in the UK. Courses wholly delivered by private providers are not designated for support. Study can be undertaken on a full-time or part-time basis, 'in attendance' or via distance learning, and must be completed in three academic years or less. The loan is not available for doctoral (PhD) study.

The PGTFLL cannot exceed the actual fee charged by the university or college, is not based on household income, and must be repaid. It is paid directly to the university or college by the Student Loans Company (SLC).

Students from Northern Ireland are eligible to apply for a PGTFLL regardless of where in the UK they undertake their course. The loan is not available, however, for postgraduate courses in the Republic of Ireland. The maximum loan available to NI-domiciled students is £5,500 for the course, and Northern Ireland students will have to financially make up the difference of any tuition fee charged by their higher education institution.

Students are normally entitled to a maximum of one PGTFLL only. Any subsequent courses at postgraduate certificate, postgraduate diploma, taught Masters or research Masters levels are therefore not normally eligible for a second loan. Students who already hold an equivalent or higher level qualification can still apply for a PGTFLL, provided that they have not already received one.

There is no postgraduate maintenance loan available for NI domiciles. Any PGTFLL balance remaining after 25 years will be written off.

In summary, the PGTFLL provides a clear method of supporting participation in taught Masters and other postgraduate courses.

[Uptake and impact of the PGTFLL in NI](#)

The following tables show the postgraduate enrolments across the four UK nations. The figures for academic year 2017/18 coincide with the introduction of the PFTFL in NI.

Table 1 - Postgraduate enrolments at UK HEPs by location of institution:

Year	NI	England	Scotland	Wales	Total UK
2013/14	11,775	444,560	54,105	28,995	539,440
2014/15	11,295	442,580	56,200	28,105	538,180
2015/16	10,675	440,385	56,715	25,200	532,975
2016/17	10,935	457,470	58,825	24,365	551,595
2017/18	11,650	468,060	61,635	25,205	566,555

(Source: Table 14, "Enrolments at UK Higher Education Institutions: NI analysis 2017/18".)

Table 2 - Northern Ireland domiciled students enrolled at UK HEIs:

Year	NI domiciled students enrolled on postgraduate level courses in the UK	NI domiciled students enrolled on <u>all</u> HE courses in the UK	%
2013/14	10,210	64,570	15.8
2014/15	9,955	63,965	16
2015/16	9,475	63,600	15
2016/17	9,315	63,070	15
2017/18	9,780	62,930	15.5

(Source: Table 1, "Enrolments at UK Higher Education Institutions: NI analysis 2017/18".)

Table 3 - Northern Ireland domiciled first year students enrolled at UK HEIs:

Year	NI domiciled first year students enrolled on postgraduate level courses in the UK	NI domiciled first year students enrolled on <u>all</u> HE courses in the UK	%
2013/14	5,870	27,045	22
2014/15	5,525	26,300	21
2015/16	5,295	25,730	21
2016/17	5,435	25,480	21
2017/18	6,005	25,450	23.6

(Source: Table 2, "Enrolments at UK Higher Education Institutions: NI analysis 2017/18".)

It is clear from table 3 in particular that the introduction of the loan has coincided with a sharp increase (10%) in participation on postgraduate level courses among Northern Ireland domiciled students.

Analysis of data supplied by the Student Loans Company (SLC), which is responsible for administering the payment and repayment of the PGTFLL in NI, highlights the following:

- In its first year of operation (2017/18), 2,450 students applied for the Masters etc. tuition fee loan, of whom 1,835 were approved;
- 1,445 (78.7%) of those approved were studying courses at institutions in Northern Ireland, 295 (16.1%) in England, 83 (4.5%) in Scotland, and 12 (0.7%) in Wales;
- 1,638 (89.3%) were enrolled on 1-year courses, 30 (1.6%) on 2-year courses, and 167 (9.1%) on 3-year courses;
- The total amount of support provided was £8.2m, representing an average of £4,469 per student; and
- Overall, the number of Northern Ireland domiciled first-year students enrolling on postgraduate courses at UK HEIs increased from 5,435 in 2016/17 to 6,005 in 2017/18.

The SLC has indicated that, from its perspective, the PGTFLL is looked upon as an example of administrative best practice. Operationally, the main strengths of the PGTFLL include that:

- it is a straight loan only, rather than a grant/top-up loan model;
- it is not complicated by intensity tapers;
- the loan application process is online rather than paper-based;
- when moving directly from an undergraduate to postgraduate course, the student does not need to re-send identification; and
- payment of the loan is made directly to the student's Higher Education Provider on their behalf.

The only suggested improvement during the first year of operation involved the removal of the yearly cap/maximum loan amount payable in any given year. For example, students studying a two-year course are entitled to draw down £2,750 per year, or the course fees, whichever is the lesser. However, it has been identified that in some instances course fees are not split evenly across each year. By way of example, a 2-year course costing £5,500 overall might have been split as £2,500 in year one and £3,000 in year two, with the result that the student had to self-fund £250 in year two, even though they hadn't maximised the £5,500 available overall. This clearly was not the Department's intention, and as such the situation has been resolved for AY 2020/21 via the removal of the yearly cap. In this same example, the student would now be able to draw down £2,500 in year one and £3,000 in year two. Anything over and above the £5,500 PGTFLL available, however, still has to be self-funded.

Analysis

The increase in the number of first-year Northern Ireland domiciled students enrolling on postgraduate courses, from 5,435 in 2016/17 to 6,005 in 2017/18 suggests that the objective of improving access to postgraduate study is being met through the introduction of the PGTFLL; however, this does not necessarily mean that the PGTFLL product, in its current form, is fit for purpose.

Over recent months, a number of correspondents to the Department have raised an issue in relation to disparity in funding levels for postgraduate study available for NI domiciled students, in comparison to those from other regions of the UK. In addition, the Republic of Ireland has now introduced funding for postgraduate students and the appropriateness of reciprocal arrangements could now be reconsidered. These issues are covered in the next section.

COMPARISON OF APPROACHES TO PG LOANS/SUPPORT

The level of PGTFLL offered to Northern Ireland domiciled students is lower than that available to students from other regions of the UK and, when considered in isolation, the package does appear less generous. However, Northern Ireland students do benefit from this support in ways that postgraduate students in other jurisdictions do not, including:

- the PGTFLL balance is added to the balance of any undergraduate loans that the student may have (and repaid as one);
- interest rates on loans are significantly lower in NI than in other regions of the UK; and
- the actual loan term for Northern Ireland students is lower than those for students from England, Wales and Scotland. This means that any unpaid balances are written off at an earlier stage for NI students.

For the PGTFLL in NI, repayment is taken in the same manner as any undergraduate loan for NI domiciles (9% of earnings over the threshold; NI students only start making repayments when their income is over the repayment threshold, which is currently £19,390 a year, £1,615 a month or

£372 a week in the UK.). The balance from any outstanding undergraduate loans is added to the balance of the postgraduate loan and a single payment is taken. The loan repayment term is set at 25 years from the date that it became eligible to be paid back. Any outstanding debt after this time is written off.

These are more favourable repayment terms in comparison to those applicable to students in England, who pay PG loans off in addition to undergraduate loans. This means English postgraduate students pay 9% of earnings above the threshold toward their undergraduate loan, plus an additional 6% towards their PG Loans, thereby paying 15% of their earnings over thresholds. The loan repayment term is also longer, at 30 years. This means that English domiciles pay a higher portion of their salaries towards the loan and for a longer period. Despite this, the level of unpaid loans in England is higher than in NI likely due to the higher repayment threshold. This means it is bad for the students who lose out on a greater portion of their income due to the 'double paying', and bad for the Government who fail to recover more of the support outlay.

The English model is replicated in Wales for Welsh domiciles: 6% for PG Loans in addition to 9% for undergraduate loans, also on a 30-year repayment term.

The table below sets out how the different repayment terms would affect a graduate's pocket annually/monthly, following completion of undergraduate and postgraduate courses, based on an assumed income of £36,000.

	Northern Ireland	England and Wales
UG threshold	£19,390	£26,575 (from 6/4/20 – 5/4/21)
UG rate (% of salary paid above threshold)	9%	9%
PG threshold	£19,390	£21,000
PG rate (% of salary paid above threshold)	9% (single rate with UG)	6% (additional to any UG)
Assumed Income (annual / monthly)	£36,000 / £3,000	£36,000 / £3,000
Calculations for annual repayment	36,000 – 19,390 = 16,610 16,610 x 0.09 = 1,494.90	36,000 – 26,575 = 9,425 9,425 x 0.09 = 848.25 36,000 – 21,000 = 15,000 15,000 x 0.06 = 900 848.25 + 900 = 1748.25
Total repayment (Annual / monthly)	£1,494.90 / £124.58	£1,748.25 / £145.69

In Scotland, a similar system to that in NI is in place, with the balances of both the undergraduate and postgraduate loans being added and a repayment rate of 9% being applied. However, the loan repayment term there is set at 35 years, meaning Scottish-domiciled students will be repaying their loans for 10 years longer than their NI counterparts before any outstanding balance is written off.

The following table details the current (i.e. course starting on or after 1 August 2020) postgraduate loan products available across the UK and the Republic of Ireland:

	England	Wales	Scotland	Northern Ireland	Republic of Ireland
Value	£11,222 (fees and living costs)	£17,489* (fees and living costs)	£10,000** (fees and living costs)	£5,500 (fees only)	€2,000 / up to €6,270** (fees only)
Level	Full Masters	Full Masters	PG Diploma / Masters	Up to Masters	Masters and Doctorate
Courses	Taught & Research	Taught & Research	Taught only	Taught & Research	Taught & Research
Length	Up to 4 years	Up to 4 years	Up to 4 years	Up to 3 years	Up to 4 years
Approved Institutions	Any UK approved	Any UK approved	Any UK approved if course not available in Scotland	Any UK approved	Any Rol approved plus 4 in NI (QUB, UU, Stranmillis, St. Mary's)

* Wales offers Masters students a grant of between £1,000 and £6,885 based on household income. A postgraduate loan is then available to top this up to £17,489

** Scotland offers two separate postgraduate loans for tuition fee (up to £5,500) and living costs (up to £4,500). Their eligibility criteria differ slightly.

***Rol has 2 streams based on entitlement: standard fee contribution (€2,000) and PG special rate fee contribution (up to €6,270). Students in receipt of the PG special rate fee contribution are also eligible for a maintenance grant of up to €5,915

It is clear from this table that the amount of loan available to NI-domiciled students falls short of that available to their counterparts in the other three UK jurisdictions and those in the Republic of Ireland. This is compounded by the fact that there is no maintenance element currently available to NI-domiciled students, whereas the other three UK jurisdictions do offer a maintenance element. The Republic of Ireland also offers a separate maintenance grant to eligible postgraduate students.

Fee Regulation

Unlike full-time undergraduate tuition fees, postgraduate fees are not currently regulated by the Department. This means that higher education providers are free to charge whatever they wish to postgraduate students. It is recognised that increasing the maximum capped amount of PGTFL may create a perverse incentive for the NI HEIs to automatically increase their fees accordingly.

To ensure the PGTFL covers the full cost of the tuition fee, and to mitigate any risk of significant increases to fee levels, the Department has considered if there would be a need to regulate (i.e. cap) the maximum fee level that could be charged by HEIs. The various options discussed ensure that the maximum loan value is set at a level reflective of standard postgraduate fees, and it is envisaged that local providers will not charge above the level of finance available for standard courses. Any introduction of fee caps would seek to reflect the existing average fee and allow for annual inflationary fee increases in the same manner as full-time undergraduate fee caps. Universities would still be free to charge below the maximum fee cap. Of course, the Department cannot regulate fee levels at institutions outside of Northern Ireland, and so students attending institutions in other parts of the UK might still be faced with fee charges in excess of the loan available.

There are some 'premium' cost postgraduate courses which will likely continue to command higher fees, and the Department would not wish to disincentivise providers from developing those by putting in place a blanket fee cap. Furthermore, the introduction of increases in line with inflation should provide a natural control whereby these increases to the loan amount will accommodate the annual inflationary increases made to the cost of the course.

The Department has concluded, therefore, that it is not necessary to regulate postgraduate fee levels at this time. The Department will, however, continue to monitor local postgraduate fee levels and take the necessary legislative steps to cap fees in the future if deemed required.

OPTIONS FOR CONSULTATION

The following section discusses the options on which the Department is seeking your views through this consultation. It should be noted that any changes to the PGTFLL will require further consultation with the Student Loans Company, amendments to the relevant legislation, and approval from HM Treasury.

As the options discussed in the following section relate to increasing the amount of the PGTFLL, it is important to consider the impact of this on the Department's budget. While any increase in loans will require approval for additional AME funding from HM Treasury (HMT), there is also an associated cost to the Department of providing student loans. This is known as the Notional Loan Subsidy.

The total cost of providing student loans is made up of the principal amount borrowed by the student, plus the cost to Government of the loan outlay that is not expected to be repaid. The amount borrowed by the student is financed through AME. It is provided by HMT and is defined as spending that 'cannot reasonably be subject to firm three-year limits'. AME is used to manage spending on volatile items and is not within Departmental control (other examples are welfare and pensions).

AME forecasting is actioned at every monitoring round. It requires forecast information from the Office of Budgetary Responsibility (OBR) released in January, March and September every year. This information provides a basis for the Department to make bids to HMT for sufficient AME budget to finance our student loan outlay. Increases in loan amounts, such as an increase to the level of postgraduate tuition fee loan, therefore require the approval of HMT. The AME budget for student loans is approximately £350m for the 20/21 financial year.

Due to the fact that the rate of interest applied to student loans is subsidised compared to commercial borrowing rates, student loan repayments do not cover the cost to government of borrowing the money. Furthermore, the favourable repayment terms mean that a significant amount of debt will remain unpaid at the end of the 25-year life of the loan and be written off.

The Department uses a student loan repayment model, which is called StEP, to estimate the notional cost of issuing maintenance and fee loans to NI domiciled students. This cost is referred to as the Notional Loan Subsidy and consists of two main aspects:

- the Resource and Budgeting (RAB) charge in respect of loans issued in the current year; and
- the Stock charge, which estimates the necessary revaluations to the existing impairments in respect of student loans.

The RAB charge is the estimated cost to Government of borrowing to support the student finance system. It is based on future loan write-offs and interest subsidies in net present value terms. For convenience, we express these costs as a proportion of the initial loan outlay. It is calculated by taking repayment forecasts for income contingent repayment (ICR) loans, and discounting them (using the effective interest rate method) back to the period that the loan was issued using the discount rate provided by HMT (currently RPI+0.7%). This gives us a net present value (NPV) of the future repayments and the cost is the difference between the loan issued and the NPV of the repayments.

The current RAB charge is 29.4% and is split further into Defer & Default (write-offs) and Interest Subsidy RAB charges. The RAB charge is recalculated regularly and may change in response to changes to the terms on which loans are provided, and wider economic conditions.

The cost of the Notional Loan Subsidy is met from the Department's budget, and amounts to approximately £93m for the 2020/21 financial year'.

Option 1 – Increase the maximum rate of the PGTFL and review every three years

Research completed prior to the introduction of the PGTFL in 2017 indicated that the cost of a postgraduate Masters course in NI ranged from £3,900 to £4,900 on most courses, while the UK average sat at £5,680⁵. The PGTFL, therefore, was capped at £5,500 at that time.

Since the introduction of the PGTFL, the average cost of undertaking a PG taught course in NI has increased to £6,110 in 2020/21; Queen's University's average cost is £6,140, while Ulster University's average cost is £6,080. Under the current PGTFL capped amount, this leaves an average shortfall of £610 which must be met by the student.

Following the increase trajectory with an assumed rate of inflation of 3.1% (RPI-X⁶), the average cost of a postgraduate Masters course in NI would rise to £6,299 in academic year 2021/22 and to £6,495 in academic year 2022/23. Under the current PGTFL capped amount of £5,500, this would result in a shortfall to the student of £799 and £995 respectively.

⁵ [Part-time and Postgraduate Student Finance Consultation 2015](#)

⁶ RPI-X is used as the rate of inflation, as it was originally decided when setting up the loans programme that students taking out loans would be unlikely to have mortgage payments. RPI-X was selected, as it is RPI excluding mortgage payments.

In order to address this shortfall and to ensure that individual students are not required to use their personal finances to cover it, the capped rate of the PGTFLL in NI could be increased.

The Department is therefore consulting on the option to increase the maximum rate of the PGTFLL from £5,500 to £6,500 from academic year 2022/23 (subject to the SLC being able to implement this change for that academic year). This amount takes into consideration the average fee currently charged by the NI HEIs (i.e. £6,110) and allows for any possible increase prior to academic year 2022/23 – the earliest at which any policy changes could be implemented.

The overall, annual projected cost of implementing this option for academic year 2022/23 is £11.9m, an increase of £1.8m on current levels of provision.

To allow for further increases which may be applied to the average cost of undertaking a PG taught degree, under this option the capped amount of the PGTFLL would be reviewed by the Department every three years.

Option 2 – Increase the maximum rate of the PGTFLL and automatically apply an annual increase in line with inflation

For the reasons outlined above, the Department is also consulting on the option to increase the maximum/capped amount of the PGTFLL from £5,500 to £6,500 from academic year 2022/23. Rather than review this every three years (as per option 1), however, the amount could rise annually in line with inflation, as is currently the case for undergraduate loans.

RPI-X inflation rates for 2018/19, 2019/20 and 2020/21 stood at 3.3%, 2.8% and 2.9% respectively. If the PGTFLL were to have increased annually in line with these rates, the current level of PGTFLL available for 2020/21 would be £6,010. This still falls short of the average postgraduate tuition fee charged by the NI HEIs.

There is an argument that should the capped amount of the PGTFLL automatically increase annually in line with inflation, this could then create a perverse incentive for the NI HEIs to automatically increase their fees accordingly. That said, NI HEIs have been increasing their PGT fees in any case at a rate not dissimilar to inflation. However, with the PGTFLL loan not increasing in tandem, it has been left to the individual student to make up the shortfall.

The situation in England provides an example of this perverse incentive. As previously mentioned, RPI-X inflation rates for 18/19, 19/20 and 20/21 stood at 3.3%, 2.8% and 2.9% respectively. Had the 2017 UK average cost of postgraduate taught courses of £5,680 seen inflation at the above rates, then the average cost for academic year 20/21 would have stood at £6,207 which is far below the current average for England (£11,100). This shows the level

at which the higher education institutions in England have raised the cost price of postgraduate taught tuition over and above inflation.

Following the introduction of the contribution to costs loan in England (originally £10k - paid directly to the student for them to split between the cost of PG tuition fees and maintenance), postgraduate fees there have increased significantly. At present, the average cost of a postgraduate taught course in England is £11,100⁷, and the current level of postgraduate student support is £11,222 (following inflationary increases). The reality is that a student who has taken a postgraduate contribution to costs loan of £11,222 and who studies a taught postgraduate course which charges the average of £11,100, will only have £122 towards maintenance.

These large increases may have been applied in England because the loan product does not stipulate how much of the loan is intended for the tuition fee, and how much is for the maintenance element. Nor is the maximum level of postgraduate fees regulated in the same manner that it is for undergraduate fees. This has allowed the cost of postgraduate tuition to increase unhindered, as institutions were aware that students had access to the funds, resulting in the current average cost of postgraduate tuition in England increasing to a level where it consumes almost the entirety of the contribution to costs loan.

In NI, the situation is different in that the PGTFLL was initially capped at £5,500 and since its introduction, the average cost of tuition fees of a postgraduate taught course in NI has increased to £6,110. This leaves an average shortfall of £610 which must be met by the student.

If the PGTFLL were to have increased annually in line with inflation, at the aforementioned rates, the current level of PGTFLL available for 2020/21 would be £6,010. Continuing this increase, the projected figure for academic year 2021/22 would see the inflationary uplift take the maximum PGTFLL to £6,196.

Carrying out an annual uplift in line with inflation, in the same manner as is applied to undergraduate tuition fee loans, would enable NI-domiciled students to meet the average costs of postgraduate taught study in Northern Ireland without having to self-fund large deficits. This approach would also discourage the outcome seen in England, whereby higher education institutions excessively increased their fees to closely match the maximum level of the overall available loan, intended to support students for both tuition fees and maintenance.

Projected annual cost if implemented in AY22/23 = £11.9m (an initial increase of £1.8m). Annual increases to then follow year-on-year in line with inflation.

⁷ [Postgraduate Fees](#)

Option 3 – Do nothing

While it is standard in policy consultation to include a “do nothing” option, the evidence indicates that this option is likely to prove inappropriate as a final policy position. As has been highlighted, there are several issues with the current PGTFLL, the most obvious of which is that it does not meet the current average cost of the tuition fees for postgraduate taught courses, whether in Northern Ireland or elsewhere in the UK.

Option 4 – In addition to option 1, 2, or 3, extend the list of eligible/approved places of study to include approved institutions in the Republic of Ireland, as is the case for the undergraduate tuition fee loan

The PGTFLL has been designed for students studying in the UK. The student loan scheme is funded by HM Treasury, with the express purpose of supporting UK students to gain UK awarded degrees at UK institutions. The availability of undergraduate loans for NI students in the Republic of Ireland is an exceptional arrangement which is borne out of our particular cross-border relationship.

Since the introduction of the PGTFLL, the Republic of Ireland has extended the eligibility of its loan product to include 4 of the 5 higher education (Level 6+) institutions in NI (with the Open University being excluded). As such, Republic of Ireland-domiciled students who are undertaking an eligible postgraduate qualification at one of these institutions can avail of student support from the Irish government.

Currently, the PGTFLL product does not include NI domiciled students who are studying at higher education institutions in the Republic of Ireland, meaning that NI-domiciled students do not have access to PG student support in all countries in the Common Travel Area.

In order to ensure consistency for NI-domiciled students, an additional option would be to add Republic of Ireland approved institutions as eligible institutions for the PGTFLL, in the same way as they are eligible for the undergraduate tuition fee loan.

The Department estimates a probable option cost of £973k for providing PGTFLL to NI domiciled students at Republic of Ireland HEIs. Should this proposal be agreed and taken forward, this would be in addition to increasing the base rate of the PGTFLL (i.e. either Option 1 or Option 2) or doing nothing (Option 3).

However, there is an additional unpredictable cost to this option borne out of the exchange rate. Presently the SLC makes tuition fee payments 3 times a year for NI domiciled UG students who study in Republic of Ireland. These payments can result in financial loss or gain, as the SLC uses the HMRC exchange rate for the financial year; where that is lower than the actual exchange rate at the time of the tuition fee payment (due to fluctuations in the

€ vs £ exchange rate), then a loss arises. Likewise, where the HMRC rate is above that of the actual exchange rate, a gain occurs. It is hard to accurately forecast on this, as it could be either a gain or a loss depending on the prevailing economic conditions at the time of the payment and the amount of students studying in Republic of Ireland.

Option 5 – Introduce subject-specific top-up grants

As has been discussed previously, there are a number of subject areas which are known to have a skills shortage in NI. It is important to note, however, that these shortages have been identified as being at Level 6+, and specific shortages at postgraduate level (Level 7/8) have not been separately identified.

The NI Skills Barometer 2019 reported, under a high growth scenario, an undersupply at Level 6+ in the following subject areas:

- Engineering & Technology;
- Mathematical & Computer Science; and
- Physical/Environmental Sciences.

The cost of undertaking a postgraduate qualification in NI in one of these subject areas is often higher than that of many other PG courses. The following table examples of this:

COURSE	INSTITUTION	COST	AVERAGE NI PGTFLL COST
MSc Software Development	QUB	£6,900 AY19-20	£6,110
MSc Industrial Pharmaceutics	QUB	£7,140 AY20-21 (New Course)	£6,110
MSc Food Regulatory Affairs	Ulster	£7,530 AY 20-21	£6,110
MSc Applied Cyber Security	QUB	(£12,600 AY 19-20) £6,140 AY 20-21	£6,110

A number of announcements have been made recently about IT firms creating Cyber Security jobs in Northern Ireland; i.e. Microsoft and Cygilant. The latter was announced in May 2020, creating 65 new jobs including Cyber Security Advisors, Security Analysts and Senior Software Engineers. While all these job roles require a degree level qualification, potential candidates wishing to stand out from the crowd may wish to study a postgraduate Masters degree in the relevant subject area. Indeed, it is listed in some vacancies as a desirable criterion.

To undertake the MSc in Applied Cyber Security at Queen’s University, at a cost of £6,140 for academic year 2020/21, students who have received a PGTFLL of £5,500 will need to self-fund a shortfall of £640. Similarly, undertaking the MSc in Software Development at Queen’s University, at a cost of £6,900, means a student will have to self-fund at a cost of £1,400. As

this Option would likely be in addition to either Option 1 or Option 2, it means that this funding gap would reduce and lower the need, and level of funding support required for this Option.

With the Government and Invest NI working hard to bring inward investment to NI, we must consider how we can supply the most highly skilled candidates for these roles. Taking the scenarios outlined above, qualifications which are in high-growth demand areas may benefit from a grant product specifically targeted at making up the shortfall, to the student, in PGT courses of specific economic relevance.

Such top-up grants would remove the financial barrier for many students, and open up the opportunity to gain a qualification in an area of economic growth to a wider pool of people, thus ensuring a supply of appropriately qualified/skilled individuals to ensure that inward investment is supported by the local labour supply. It is intended that this approach could help to reduce the phenomenon of 'brain drain'; i.e. students travelling to rUK or beyond for education, who then do not return to the NI labour market, do not contribute to the NI economy, which results in a loss of talent and highly qualified individuals.

It is important to bear in mind that there may be an unintended consequence to this action. Making more money available for specific courses may in turn see HEIs pricing those courses higher than others, in order to maximise revenue. This appears to have been the case in England following the introduction of the contribution to costs loan (£10,000 paid to the student for them to split between the cost of PG tuition fees and maintenance), whereby postgraduate fees then increased significantly. It appears that, once institutions knew there was more money available, costs began to rise to maximise income from the available funding. Postgraduate fees are not regulated and so this unintended consequence may pose a significant problem.

This option therefore proposes that the Department introduces a subject-specific top-up grant, which will be targeted at making up the shortfall in PGT courses of specific economic relevance. Such courses may vary from time to time, depending on economic demand, and the Department will determine which areas would be eligible prior to each academic year.

Should this proposal be agreed and taken forward, this would likely be in addition to increasing the base rate of the PGTF (i.e. either Option 1 or Option 2). Introducing either of these options will decrease the level of grant support required (provided that HEIs do not artificially inflate pricing once they are aware of a grant top up).

The introduction of a top-up grant product would require extra Departmental Expenditure Limit (DEL) resource, as the cost of such a grant must be borne by the Department. **A rough forecast, based on the current level of PGTF, indicates that implementing a grant product of this nature would**

cost in the region of £760k per annum, based on 2018/19 enrolment figures. This is based on the 2018/19 academic year HESA enrolment data, which showed 760 NI-domiciles studying PGT degrees in the areas of Mathematical Sciences, Physical Sciences, Engineering & Technology and Computer Science at NI HEIs. Based on 2020/21 pricing, many subjects in these areas carry a higher cost than the PGTFLL presently meets, with an average difference of £1k.

Option 6 – Introduce a Postgraduate Maintenance Loan

As previously discussed, there is currently no maintenance support available for postgraduate taught students. Using the current undergraduate maintenance loan as the basis for a possible new postgraduate maintenance loan could provide an opportunity to address this imbalance.

The following table shows the current levels of maintenance loan available to eligible NI-domiciled undergraduate students:

AY 20/21 UNDERGRADUATE	MAINTENANCE LOAN
Living with parents	£3,750
Living away outside of London	£4,840
Living away in London	£6,780
Living Abroad	£5,770

Under this option, consideration is being given to the introduction of a similar non-means tested maintenance loan product for postgraduate students, at a fixed rate of £4,840. A fixed rate product, which doesn't change based on living arrangements and location, acts to indirectly incentivise study in NI as living costs are lower than in rUK. This rate aligns to the current maximum maintenance loan available to undergraduates who do not live with their parents outside of London. Repayment terms and conditions should match those of the current PGTFLL.

In order to estimate the costs of this option, the Department used SLC undergraduate data on maintenance and tuition fee loans, along with the number of NI-domiciled students who applied for the PGTFLL in AY 2019/20, to extrapolate what the likely postgraduate uptake would be, if a PG maintenance loan was made available. **The Department estimates in the region of £9.4m per annum, based upon the current uptake levels.**

This option would best promote fair access by helping students not only with their tuition fee costs but with maintenance costs as well. As with the other options, the costs associated with the loans would not be met through Departmental resource budgets. Rather, they would be met by HM Treasury, provided Treasury's approval is received. The Department will also carry a higher risk from the larger loan, as there is greater risk of non-repayment which in turn increases the cost of the notional loan subsidy.

Option 7 – Introduce a Contribution to Costs Loan (in line with the English model)

A “Contribution to Costs” loan would see a loan amount being paid directly to PGT students in all subject areas, providing them with significant levels of financial support to contribute to whichever costs they wish (both tuition fee and maintenance costs). This option would provide greater flexibility to the individual student than option 6, as it allows students to use the loan to contribute towards their tuition fees, their living costs or, in most cases, a combination of the two. This system is currently in operation in England, with the loan amount set at £11,222. **Introducing a similar product in NI would see the cost of government support more than double from its current level to £20.6m per annum:**

Loan product	Number of students taking loan (based on 20/21 figures)	Current level of support
£5,500 (current)	1,832	£10.1m
£11,222 (Option 7)	1,832	£20.6m

Introducing a contribution to costs loan product would place NI students on a more level footing with their English counterparts; however, it would differ significantly from the other options as it would not simply extend the existing undergraduate loans, but it would be an entirely new and separate student loan paid alongside undergraduate loans and with different repayment arrangements designed to ensure a minimal level of public subsidy. Students would repay 6% of their incomes over and above an income threshold of £21k for a period of up to 30 years with fixed interest rates of RPI + 3%.

While this option would provide students with the most upfront finance to help with their costs of study, it would also essentially double the burden of student debt, as the loan would be repaid simultaneously with any outstanding undergraduate loans, meaning that students taking out both loans would repay a combined 15% of their income above thresholds. This simultaneous payment can lead to quicker repayment of the loan which benefits the Department and the taxpayer by reducing the amount to be written off (assuming that NI domiciles can achieve salaries at the higher threshold rates and begin to make substantial repayments).

This option would mean that NI domiciles have access to a higher level of funding in line with English domiciles, but also leaves the loan product subject to potential abuses, in that HEIs may increase tuition fees dramatically, as was the case in England. This option would best suit NI domiciles who are looking to study outside NI, while it is likely to have undesirable effects on the NI PGT market. Such an approach may be considered as contributing to the ‘brain drain’ phenomenon by increasing access to the HE market outside Northern Ireland, thereby distancing highly skilled graduates from the local labour market.

As with the current PGTFL, a contribution to costs loan would not be borne by Departmental resource budgets. Rather, they would be considered AME and borne by HM Treasury, subject to their approval. Failure to gain that approval could result in the Department having to meet the added costs of this product through its own resource budgets. The Department would also be more at risk of exceeding its target level of loan subsidy set by Treasury, and in such an event the additional costs in excess of that target would be slowly shifted back to the Department's resource budgets over a 30-year period.

Privacy Notice – Postgraduate Loan Review Consultation

Data Controller Name: Department for the Economy

Address: 39 – 49 Adelaide Street Belfast BT2 8FD

Email: DfEMail@economy-ni.gov.uk

Why are you processing my personal information?

The Department for the Economy (DfE) will process personal data provided in response to consultations for the purpose of informing the development of our policy, guidance, or other regulatory work in the subject area of the request for views. We will publish a summary of the consultation responses, but this will not contain any personal data. We will not publish the names or contact details of respondents, but will include the names of organisations responding.

We will use the contact details provided to ensure each respondent receives a copy of the Departmental Response to the consultation at the end of the process.

Under which lawful basis are you processing this information?

The Education (Student Support) (Northern Ireland) Order 1998 makes provision for DfE to make grants or loans to eligible students in connection with attending higher education. DfE is responsible for the policy in relation to the Postgraduate Tuition Fee Loan; this consultation process is necessary before any amendments to this policy may be introduced. Personal data collected in this consultation exercise will be used for analysis and reporting of consultation responses under the lawful basis of public task (i.e. Article 6(1)(e) of the GDPR: the processing is necessary for the Department to perform a task in the public interest or for our official functions, and the task or function has a clear basis in law).

What categories of personal data are you processing?

Personal data collected as part of the public consultation process is: name, postal/email address and status/category (i.e. individual, organisation, student, or parent). As part of the consultation response you will be asked if you are responding as an individual or on behalf of an organisation.

Where do you get my personal data from?

Information is collected from you when you complete this survey and submit your consultation response.

Do you share my personal data with anyone else?

We process the information internally (within DfE), for the above stated purpose. We will not share your personal data with any third party as part of the consultation process. Information provided in response to this consultation, including personal information, may be subject to publication or disclosure under access to information

legislation (primarily the Data Protection Act 2018 / UK General Data Protection Regulation 2018 or the Freedom of Information Act 2000. For this reason you should identify in your response any information you do not wish to be disclosed and explain why this is the case. Please note that an automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

If we receive a request for disclosure of this information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances.

Do you transfer my personal data to other countries?

No.

How long do you keep my personal data?

The data you provide in your response will be stored on the DfE Record Management system and will be retained for five years after the end of the consultation period, and destroyed in line with the DfE Retention and Disposal Schedule. Categorisation data will be anonymised and will also be held in line with the Department's Retention and Disposal Schedule

What rights do I have?

- You have the right to obtain confirmation that your data is being processed, and [access to your personal data](#)
- You are entitled to have personal data [rectified if it is inaccurate or incomplete](#)
- You have the right to ['block' or suppress processing](#) of personal data, in specific circumstances
- **You have the right to [object to the processing](#)**, in specific circumstances
- You have rights in relation to [automated decision making and profiling](#)

How do I complain if I am not happy?

If you are unhappy with how any aspect of this privacy notice, or how your personal information is being processed, please contact the Department's Data Protection Officer:

Data Protection Officer: Bernard McCaughan

Email: DPO@economy-ni.gov.uk

If you are still not happy, you have the right to lodge a complaint with the Information Commissioner's Office (ICO):

Information Commissioner's Office

Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

Tel: 0303 123 1113
Email: casework@ico.org.uk

[ICO website](#)

SECTION 75 EQUALITY OF OPPORTUNITY SCREENING

Part 1. Policy scoping

Information about the policy

<p>Name of the policy Review of the NI Postgraduate Tuition Fee Loan – Consultation</p>
<p>Is this an existing, revised or a new policy? Revised</p>
<p>What is it trying to achieve? (intended aims/outcomes) To review the current level of the Postgraduate Tuition Fee Loan (PGTFL) to ensure that it reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to higher education at postgraduate taught level is based on the ability to learn, not the ability to pay.</p>
<p>Are there any Section 75 categories which might be expected to benefit from the intended policy? If so, explain how. Age: The current higher education funding system is open to people of all ages from 18 onwards. However, this policy is designed to ease access to postgraduate taught study in particular, which mature students (25 and over) are demonstrably more likely to utilise and need. Therefore older age groups are expected to benefit from this policy. Marital Status: The current higher education funding system does not exclude anyone on the basis of marital status. However, this policy is designed to ease access to postgraduate taught study in particular, which people of a marital status other than single are more likely to utilise and need. Therefore, this group of people is expected to benefit from this policy. Dependants: The current higher education funding system does not exclude anyone on the basis of whether or not they have dependants. However, this policy is designed to ease access to postgraduate taught study in particular, which people with dependants are more likely to utilise and need. Therefore, this group of people is expected to benefit from this policy.</p>
<p>Who initiated or wrote the policy? The existing PGTFL policy from 2017 was initiated by the then Minister for Employment and Learning as part of the implementation of Graduating to Success, a Higher Education Strategy for Northern Ireland. This review has been led by the Department for the Economy's Higher Education Policy Branch, headed by Conor Brady, and has been approved by the Minister for the Economy.</p>

Who owns and who implements the policy?
--

The policy will be implemented by the Department's Higher Education Division, the Student Loans Company, and the Education and Library Boards. It is owned by the Department for the Economy.

Implementation factors

Are there any factors which could contribute to/detract from the intended aim/outcome of the policy/decision?

If yes, are they:

- financial
- legislative
- other - please specify

Main stakeholders affected

Who are the internal and external stakeholders (actual or potential) that the policy will impact upon?

- staff
- service users
- other public sector organisations
- voluntary / community/trade unions
- other - please specify

Other policies with a bearing on this policy

Various policies emanating from the Northern Ireland Executive, such as the Innovation Strategy commitment to double the number of awards for postgraduate students, will have a bearing on this policy.

Various policies within the Department will impact upon this policy, including in particular the implementation of the Skills Strategy.

Student finance policies elsewhere in the UK and Ireland, owned by the respective governments there, will also have a bearing on this policy.

Budgeting policies by Her Majesty's Treasury will have an impact on this policy.

Available evidence

NB – Information on the composition of the Northern Ireland student population is collected by the Higher Education Statistics Agency (HESA), and has been used as the evidence base for this impact assessment. Please note the following –

1. Information on disability and ethnicity is collected on the basis of a student's self -assessment.
2. Religious affiliation is not a mandatory question and therefore can have a high non-response rate.
3. A new coding framework has been added to the HESA data collection for the Religion question in 2016/17, which includes an additional category for 'No Religion'.
4. Enrolments at the Open University (where the national centre is located in NI) have been removed from the figures for religion, marital status and dependants due to high levels of unknowns.
5. To prevent the identification of individuals, figures in the attached table are rounded to the nearest 5, with 0, 1 and 2 rounded to 0. Due to rounding, the sum of numbers in each row or column may not match the total shown.
6. Percentages are based on unrounded figures.

Section 75 category	Details of evidence/ information																																							
Religious belief	<p>The current higher education funding system does not exclude anyone on the basis of religious belief; however, it is worth noting that the number of Roman Catholics outweighs the number of Protestants across the entire student population (see table below).</p> <p>Information on religious belief is only collected by the Higher Education Statistics Agency (HESA) in respect of Northern Ireland (NI) domiciled students studying in NI. Moreover, it is important to note that religious affiliation is not a mandatory question and it can have a high non response rate.</p> <p>The latest available data (for academic year 2018/19), shows the following religious composition of NI domiciled postgraduate taught students at NI Higher education Institutions (HEIs):</p> <p>NI domiciled enrolments at NI HEIs by religion - 2018/19</p> <table border="1" data-bbox="464 801 1433 1162"> <thead> <tr> <th rowspan="2">Religion</th> <th colspan="2">Postgraduate taught</th> <th colspan="2">Student Population Total</th> </tr> <tr> <th>Number</th> <th>%</th> <th>Number</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Protestant</td> <td>2,190</td> <td>34%</td> <td>13,145</td> <td>31%</td> </tr> <tr> <td>Roman Catholic</td> <td>3,115</td> <td>48%</td> <td>20,865</td> <td>50%</td> </tr> <tr> <td>Other</td> <td>110</td> <td>2%</td> <td>1,105</td> <td>3%</td> </tr> <tr> <td>Not known</td> <td>340</td> <td>5%</td> <td>3,360</td> <td>8%</td> </tr> <tr> <td>No Religion</td> <td>750</td> <td>12%</td> <td>3,685</td> <td>9%</td> </tr> <tr> <td>Total</td> <td>6,505</td> <td>100%</td> <td>42,165</td> <td>100%</td> </tr> </tbody> </table> <p>Source: Higher Education Statistics Agency (HESA)</p> <p>This evidence is reflective of the known religious composition of the entire student population in NI and, as such, suggests that people of certain religious beliefs are not disproportionately more likely to utilise or need postgraduate taught study and associated financial support.</p>	Religion	Postgraduate taught		Student Population Total		Number	%	Number	%	Protestant	2,190	34%	13,145	31%	Roman Catholic	3,115	48%	20,865	50%	Other	110	2%	1,105	3%	Not known	340	5%	3,360	8%	No Religion	750	12%	3,685	9%	Total	6,505	100%	42,165	100%
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Political opinion	<p>The current higher education funding system does not exclude anyone on the basis of political opinion.</p> <p>Information on political opinion is not collected by HESA. There is however a strong correlation between religious belief and political opinion in Northern Ireland and, on that basis, the evidence pertaining to religious belief could be broadly taken to apply here also.</p>																																							

Racial group

The current higher education funding system does not exclude anyone on the basis of racial group.

As shown below, the ethnic composition of NI domiciled postgraduate taught students is not dissimilar to the known ethnic composition of the total NI student population. White is by far the most prevalent grouping in all categories, reflective of the ethnic composition of NI's total population.

NI domiciled enrolments at NI HEIs by ethnicity - 2018/19

Ethnicity	Postgraduate taught		Student Population Total	
	Number	%	Number	%
White	6,415	96%	44,550	97%
Irish traveller	5	0%	10	0%
Black	35	1%	155	0%
Indian	35	1%	160	0%
Pakistani	15	0%	50	0%
Bangladeshi	0	0%	20	0%
Chinese	20	0%	120	0%
Other Asian	10	0%	180	0%
Mixed	45	1%	315	1%
Other	20	0%	80	0%
Unknown/Information refused	80	1%	465	1%
Total	6,680	100%	46,110	100%

Source: Higher Education Statistics Agency (HESA)

This evidence, therefore, does not suggest that any racial grouping in particular is more likely to utilise or need postgraduate taught study and associated financial support.

Age

The current higher education funding system does not exclude anyone on the basis of age.

HESA collects information on the age of enrolments, with categories ranging from 20 and under, 21 to 24, and 25 and over.

As shown below, the known age composition of postgraduate taught enrolments is significantly different from that of the total NI student population.

NI domiciled enrolments at NI HEIs by age group - 2018/19

Age group	Postgraduate taught		Student Population	
	Number	%	Number	%
20 and under	5	0%	16,920	37%
21 to 24 inclusive	2,010	30%	13,510	29%
25 and over	4,665	70%	15,685	34%
Unknown	0	0%	0	0%
Total	6,680	100%	46,110	100%

Source: Higher Education Statistics Agency (HESA)

This evidence suggests that older students are much more likely to utilise and need postgraduate taught study and associated financial support.

<p>Marital status</p>	<p>The current higher education funding system does not exclude anyone on the basis of marital status.</p> <p>As shown below, the marital status of postgraduate taught enrolments is different from that of the total NI student population, with a higher percentage falling within categories other than “single”.</p> <p style="text-align: center;">NI domiciled enrolments at NI HEIs by marital status - 2018/19</p> <table border="1" data-bbox="464 678 1517 1115"> <thead> <tr> <th rowspan="2">Marital status</th> <th colspan="2">Postgraduate taught</th> <th colspan="2">Student Population Total</th> </tr> <tr> <th>Number</th> <th>%</th> <th>Number</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Single</td> <td>3,920</td> <td>60%</td> <td>34,900</td> <td>83%</td> </tr> <tr> <td>Married/civil partnership(CP)</td> <td>2,040</td> <td>31%</td> <td>4,080</td> <td>10%</td> </tr> <tr> <td>Separated</td> <td>70</td> <td>1%</td> <td>240</td> <td>1%</td> </tr> <tr> <td>Divorced/CP dissolved</td> <td>100</td> <td>2%</td> <td>220</td> <td>1%</td> </tr> <tr> <td>Widowed</td> <td>10</td> <td>0%</td> <td>40</td> <td>0%</td> </tr> <tr> <td>Co-habiting</td> <td>300</td> <td>5%</td> <td>710</td> <td>2%</td> </tr> <tr> <td>Unknown</td> <td>65</td> <td>1%</td> <td>1,975</td> <td>5%</td> </tr> <tr> <td>Total</td> <td>6,505</td> <td>100%</td> <td>42,165</td> <td>100%</td> </tr> </tbody> </table> <p>Source: Higher Education Statistics Agency (HESA)</p> <p>This evidence suggests that people of a marital status other than single are more likely to utilise and need postgraduate taught study and associated financial support.</p>	Marital status	Postgraduate taught		Student Population Total		Number	%	Number	%	Single	3,920	60%	34,900	83%	Married/civil partnership(CP)	2,040	31%	4,080	10%	Separated	70	1%	240	1%	Divorced/CP dissolved	100	2%	220	1%	Widowed	10	0%	40	0%	Co-habiting	300	5%	710	2%	Unknown	65	1%	1,975	5%	Total	6,505	100%	42,165	100%
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<p>Sexual orientation</p>	<p>The current higher education funding system does not exclude anyone on the basis of sexual orientation.</p> <p>The requirement upon students to provide information in relation to sexual orientation is currently optional, and has an extremely high non response rate. As such, data on the sexual orientation of enrolled students in NI HEIs or graduates in the labour market is not available.</p>																																																	

Men and women generally

The current higher education funding system does not exclude anyone on the basis of gender.
 As shown below, the gender composition of NI domiciled postgraduate taught students is not dissimilar from the gender composition of the total NI student population, where female enrolments outweigh male enrolments.
NI domiciled enrolments at NI HEIs by sex - 2018/19

Sex	Postgraduate taught		Student Population Total	
	Number	%	Number	%
Male	2,410	36%	19,345	42%
Female	4,265	64%	26,765	58%
Total	6,680	100%	46,110	100%

Source: Higher Education Statistics Agency (HESA)
 This evidence, therefore, does not suggest that any gender grouping in particular is disproportionately more likely to utilise or need postgraduate taught study and associated financial support.

Disability

The current higher education funding system does not exclude anyone on the basis of whether they have a disability or not. A range of added support measures are in place to support students with disabilities to access higher education.
 HESA collects information on whether students are disabled or not, and is collected on the basis of a student's self-assessment.
 As shown below, the disability profile of postgraduate taught enrolments is not significantly different from that of the total NI student population.
NI domiciled enrolments at NI HEIs by disability - 2018/19

Disability status	Postgraduate taught		Student Population Total	
	Number	%	Number	%
Disabled	655	10%	5,530	12%
Not disabled/Not known	6,025	90%	40,580	88%
Unknown	0	0%	0	0%
Total	6,680	100%	46,110	100%

Source: Higher Education Statistics Agency (HESA)
 This evidence, therefore, does not suggest that any disability grouping in particular is disproportionately more likely to utilise or need postgraduate taught study and associated financial support.

Dependants

The current higher education funding system does not exclude anyone on the basis of whether or not they have dependants. A range of measures are currently in place to support students with childcare and adult caring responsibilities.

As shown below, the known dependency profile of postgraduate taught enrolments is significantly different from that of the total NI student population, with a higher percentage of students with dependants, particularly young people/children.

NI domiciled enrolments at NI HEIs by dependants status - 2018/19

Dependants	Postgraduate taught		Student Population Total	
	Number	%	Number	%
Young people/children (YP/C)	1,660	26%	4,135	10%
Other relative/friends (OR/F)	100	2%	290	1%
Both YP/C & OR/F	160	3%	405	1%
No dependants	4,530	70%	36,020	85%
Unknown	60	1%	1,315	3%
Total	6,505	100%	42,165	100%

Source: Higher Education Statistics Agency (HESA)

This evidence, therefore, suggests that people with dependants are more likely to utilise or need postgraduate taught study and associated financial support.

Needs, experiences and priorities

Taking into account the information referred to above, what are the different needs, experiences and priorities of each of the following categories, in relation to the particular policy/decision? Specify details for each of the Section 75 categories

Section 75 category	Details of needs/experiences/priorities
Religious belief	<p>The options in the consultation are designed to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of religious belief.</p> <p>Catholics do preponderate over Protestants across Northern Ireland's entire student population. However, the available evidence (shown in the previous section) suggests that people of certain religious beliefs are not disproportionately more likely to study postgraduate taught courses.</p> <p>The Department is also aware that some religious groupings may have difficulty with the current loans based system of student support. Islam in particular forbids 'riba', which is typically interpreted as (excessive) interest. Real interest rates have been attached to student loans elsewhere in the UK, compounding this issue.</p> <p>However, in Northern Ireland under the current system student loans do not bear real interest rates. Nor do the majority of policy options contained in the consultation precipitate their introduction. The utilisation of the PGTFLL loan product is entirely optional.</p>
Political opinion	<p>The options in the consultation are designed to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of political opinion.</p> <p>Given the strong correlation between religious belief and political opinion in NI, some of the issues raised in the religious belief category may be applied here also.</p>
Racial group	<p>The options in the consultation are designed to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of racial group.</p> <p>The available evidence (shown in the previous section) does not suggest that certain racial groupings utilise or need postgraduate taught study, and associated financial support, over others.</p>
Age	<p>The options in the consultation are designed to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of age.</p> <p>The available evidence (shown in the previous section) suggests that older people are more likely to utilise and need postgraduate taught study and associated financial support.</p> <p>The policy options in the consultation seek to improve the financial support available, better addressing the needs of older people.</p>

Marital status	<p>The options in the consultation are designed to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of marital status.</p> <p>The available evidence (shown in the previous section) suggests that people of a marital status other than single are more likely to utilise and need postgraduate taught study and associated financial support.</p> <p>The policy options in the consultation seek to improve the financial support available, better addressing the needs of people with a marital status other than single.</p>
Sexual orientation	<p>The options in the consultation are designed to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of sexual orientation.</p> <p>Whilst data in relation to sexual orientation is not available, the design of the options does not indicate any disproportionate impacts for people of different sexual orientations.</p>
Men and women generally	<p>The options in the consultation are designed to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of gender.</p> <p>While females are more likely to enter higher education than males, the evidence (shown in the previous section) does not indicate that any gender group is disproportionately more dependent on postgraduate taught study and associated financial support.</p>
Disability	<p>The options in the consultation are designed to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of disability.</p> <p>The available evidence (shown in the previous section) does not indicate that people with or without disabilities are more dependent on postgraduate taught study over others. Across all kinds of study, students with disabilities will need additional help in the form of translators, specialist equipment, signers, etc. All of these types of support are made available as part of the Disabled Students Allowance (DSA), which is available to students at all levels, including postgraduate taught.</p>
Dependants	<p>The options in the consultation are designed to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of dependency status.</p> <p>Given the age profile of postgraduate students, people with dependants to care for are more likely to utilise and need postgraduate taught study and associated financial support. As the policy options considered in the consultation seek to aid access to these forms of study, they can be expected to have a positive impact on people with dependants.</p>

Part 2. Screening questions

Introduction

In making a decision as to whether or not there is a need to carry out an equality impact assessment, the public authority should consider its answers to the questions 1-4 which are given on pages 10-12 of this Guide.

If the public authority's conclusion is **none** in respect of all of the Section 75 equality of opportunity and/or good relations categories, then the public authority may decide to screen the policy out. If a policy is 'screened out' as having no relevance to equality of opportunity or good relations, a public authority should give details of the reasons for the decision taken.

If the public authority's conclusion is **major** in respect of one or more of the Section 75 equality of opportunity and/or good relations categories, then consideration should be given to subjecting the policy to the equality impact assessment procedure.

If the public authority's conclusion is **minor** in respect of one or more of the Section 75 equality categories and/or good relations categories, then consideration should still be given to proceeding with an equality impact assessment, or to:

measures to mitigate the adverse impact; or
the introduction of an alternative policy to better promote equality of opportunity and/or good relations.

In favour of a 'major' impact

The policy is significant in terms of its strategic importance;
Potential equality impacts are unknown, because, for example, there is insufficient data upon which to make an assessment or because they are complex, and it would be appropriate to conduct an equality impact assessment in order to better assess them;
Potential equality and/or good relations impacts are likely to be adverse or are likely to be experienced disproportionately by groups of people including those who are marginalised or disadvantaged;
Further assessment offers a valuable way to examine the evidence and develop recommendations in respect of a policy about which there are concerns amongst affected individuals and representative groups, for example in respect of multiple identities;

The policy is likely to be challenged by way of judicial review;
The policy is significant in terms of expenditure.

In favour of 'minor' impact

The policy is not unlawfully discriminatory and any residual potential impacts on people are judged to be negligible;

The policy, or certain proposals within it, are potentially unlawfully discriminatory, but this possibility can readily and easily be eliminated by making appropriate changes to the policy or by adopting appropriate mitigating measures;

Any asymmetrical equality impacts caused by the policy are intentional because they are specifically designed to promote equality of opportunity for particular groups of disadvantaged people;

By amending the policy there are better opportunities to better promote equality of opportunity and/or good relations.

In favour of none

The policy has no relevance to equality of opportunity or good relations.
The policy is purely technical in nature and will have no bearing in terms of its likely impact on equality of opportunity or good relations for people within the equality and good relations categories.

Taking into account the evidence presented above, consider and comment on the likely impact on equality of opportunity and good relations for those affected by this policy, in any way, for each of the equality and good relations categories, by applying the screening questions given overleaf and indicate the level of impact on the group i.e. minor, major or none.

Screening questions

1 What is the likely impact on equality of opportunity for those affected by this policy, for each of the Section 75 equality categories? minor/major/none		
Section 75 category	Details of policy impact	Level of impact? minor/major/none
Religious belief	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their religious beliefs.</p> <p>The available evidence does not indicate any disproportionate impacts for people of different religious beliefs.</p>	None
Political opinion	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their political opinion.</p> <p>The available evidence does not indicate any disproportionate impacts for people of different political opinions.</p>	None
Racial group	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their racial groupings.</p> <p>The available evidence does not indicate any disproportionate impacts for people of different racial groupings.</p>	None
Age	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual</p>	Minor - positive

	<p>students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their age.</p> <p>The available evidence indicates that the policies considered in the consultation will have a disproportionate impact on older people. This is because older people are more likely to utilise postgraduate taught provision and associated financial support. However, as the proposals within the review seek to improve the level of support for, and the access to, postgraduate taught provision, the impact is anticipated to be positive.</p>	
Marital status	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their marital status.</p> <p>The available evidence indicates that the policies considered in the consultation will have a disproportionate impact on people of a marital status other than single. This is because these groups are more likely to utilise postgraduate taught provision and associated financial support. However, as the proposals within the review seek to improve the level of support for, and the access to, postgraduate taught provision, the impact is anticipated to be positive.</p>	Minor - positive
Sexual orientation	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their sexual orientation.</p> <p>Whilst data in relation to sexual orientation is not available, the design of the options does not indicate any disproportionate impacts for people of different sexual orientations.</p>	None

Men and women generally	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their gender.</p> <p>The available evidence does not indicate any disproportionate impacts for people of different genders.</p>	None
Disability	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of whether or not they have a disability.</p> <p>The available evidence does not indicate any disproportionate impacts for people with or without disabilities.</p>	None
Dependants	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of whether or not they have dependants.</p> <p>The available evidence indicates that the policies considered in the consultation will have a disproportionate impact on people with dependants. This is because these groups are more likely to utilise postgraduate taught provision and associated financial support. However, as the proposals within the review seek to improve the level of support for, and the access to, postgraduate taught provision, the impact is anticipated to be positive.</p>	Minor - positive

2 Are there opportunities to better promote equality of opportunity for people within the Section 75 equalities categories?		
Section 75 category	If Yes , provide details	If No , provide reasons
Religious belief		The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their religious beliefs.
Political opinion		The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their political opinion.
Racial group		The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their racial groupings.
Age	The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their age.	

	<p>The available evidence indicates that the policies considered in the consultation will have a disproportionate impact on older people. This is because older people are demonstrably more likely to utilise postgraduate taught provision and associated financial support. As the proposals in the consultation seek to improve the level of support for, and the access to, postgraduate taught provision, it is anticipated that they will better promote equality of opportunity for people of different ages.</p>	
<p>Marital status</p>	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their marital status.</p> <p>The available evidence indicates that the policies considered in the consultation will have a disproportionate impact on people of a marital status other than single. This is because these groups are demonstrably more likely to utilise postgraduate taught provision and associated financial support. As the proposals in the consultation seek to improve the level of support for, and the access to, postgraduate taught provision, it is anticipated that they will better promote equality of opportunity for people of different marital statuses.</p>	
<p>Sexual orientation</p>		<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is</p>

		based on the ability to learn, not the ability to pay, irrespective of their sexual orientation.
Men and women generally		The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of their gender.
Disability		The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of whether or not they have a disability.
Dependants	<p>The policies considered in the consultation are designed to ensure that postgraduate taught student support funding reflects the needs of the Northern Ireland economy, the higher education sector and individual students, and to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, irrespective of whether or not they have dependants.</p> <p>People with dependants are more likely to utilise postgraduate taught provision and associated financial support. As the proposals in the consultation seek to improve the level of support for, and the access to, postgraduate taught provision, it is anticipated that they will better promote equality of opportunity for people with dependants.</p>	

3 To what extent is the policy likely to impact on good relations between people of different religious belief, political opinion or racial group? minor/major/none

Good relations category	Details of policy impact	Level of impact minor/major/none
Religious belief	The policies considered in the consultation will seek to ensure that access to postgraduate taught support funding is open to all with the ability to learn, irrespective of financial means or religious beliefs. It is therefore anticipated that it will promote the continuation of existing good relations between people of different religious beliefs.	None
Political opinion	The policies considered in the consultation will seek to ensure that access to postgraduate taught support funding is open to all with the ability to learn, irrespective of financial means or political opinions. It is therefore anticipated that it will promote the continuation of existing good relations between people of different political opinions.	None
Racial group	The policies considered in the consultation will seek to ensure that access to postgraduate taught support funding is open to all with the ability to learn, irrespective of financial means or racial groups. It is therefore anticipated that it will promote the continuation of existing good relations between people of different racial groups.	None

4 Are there opportunities to better promote good relations between people of different religious belief, political opinion or racial group?		
Good relations category	If Yes , provide details	If No , provide reasons
Religious belief	While the policies considered in the consultation are not directly related to the promotion of good relations between people of different religious beliefs, it would be hoped that by helping to integrate more people into education and, beyond, sustained employment, a consequence would be to promote good relations.	
Political opinion	While the policies considered in the consultation are not directly related to the promotion of good relations between people of different political opinions, it would be hoped that by helping to integrate more people into education and, beyond, sustained employment, a consequence would be to promote good relations.	
Racial group	While the policies considered in the consultation are not directly related to the promotion of good relations between people of different racial groups, it would be hoped that by helping to integrate more people into education and, beyond, sustained employment, a consequence would be to promote good relations.	

Additional considerations

Multiple identity

Generally speaking, people can fall into more than one Section 75 category. Taking this into consideration, are there any potential impacts of the policy/decision on people with multiple identities?

(For example; disabled minority ethnic people; disabled women; young Protestant men; and young lesbians, gay and bisexual people).

Older people
People with dependants
People of a non-single marital status

It is anticipated that people falling within one or more of these groups will be advantaged through an improved level of financial support for, and access to, postgraduate taught provision, of which they typically utilise more.

Provide details of data on the impact of the policy on people with multiple identities. Specify relevant Section 75 categories concerned.

As shown in the evidence section above, each of these categories are demonstrably more likely to utilise postgraduate taught provision. As policies considered in the consultation seek to ensure that access to postgraduate taught education is based on the ability to learn, not the ability to pay, a positive impact on people falling into one or more of these categories is anticipated.

Part 3. Screening decision

If the decision is not to conduct an equality impact assessment, please provide details of the reasons.

The equality screening has identified a number of minor impacts of the policies under consideration for equality of opportunity for people of three Section 75 categories (age, marital status and dependants), as well as a number of opportunities to better promote equality of opportunity.

However, all of the impacts identified are positive in nature, and so an equality impact assessment has not been deemed necessary.

If the decision is not to conduct an equality impact assessment the public authority should consider if the policy should be mitigated or an alternative policy be introduced.

Mitigation or alternative policies are not required as all identified impacts are positive in nature.

If the decision is to subject the policy to an equality impact assessment, please provide details of the reasons.

N/A

All public authorities' equality schemes must state the authority's arrangements for assessing and consulting on the likely impact of policies adopted or proposed to be adopted by the authority on the promotion of equality of opportunity. The Commission recommends screening and equality impact assessment as the tools to be utilised for such assessments. Further advice on equality impact assessment may be found in a separate Commission publication: Practical Guidance on Equality Impact Assessment.

Mitigation

When the public authority concludes that the likely impact is 'minor' and an equality impact assessment is not to be conducted, the public authority may consider mitigation to lessen the severity of any equality impact, or the introduction of an alternative policy to better promote equality of opportunity or good relations.

Can the policy/decision be amended or changed or an alternative policy introduced to better promote equality of opportunity and/or good relations?

If so, give the **reasons** to support your decision, together with the proposed changes/amendments or alternative policy.

N/A – all minor impacts are positive

Part 4. Monitoring

Public authorities should consider the guidance contained in the Commission's Monitoring Guidance for Use by Public Authorities (July 2007).

The Commission recommends that where the policy has been amended or an alternative policy introduced, the public authority should monitor more broadly than for adverse impact (See Benefits, P.9-10, paras 2.13 – 2.20 of the Monitoring Guidance).

Effective monitoring will help the public authority identify any future adverse impact arising from the policy which may lead the public authority to conduct an equality impact assessment, as well as help with future planning and policy development.

The options contained in the consultation will be monitored throughout further policy development and implementation to ensure any outcomes are identified and assessed for their impact on equality of opportunity and good relations.

Rural Needs Impact Assessment

(See separate attachment)

Consultation Response Form

(See separate attachment)