

STATES OF JERSEY



UPDATE OF HIGHER EDUCATION FUNDING

**Lodged au Greffe on 27th February 2024
by Deputy I. Gardiner of St. Helier North
Earliest date for debate: 19th March 2024**

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

to request the Minister for Education and Lifelong Learning to –

- (a) agree to fund all distance learning courses to the same level as in-person courses, following the same funding application process and criteria;
- (b) classify a student who has been, and continues to be, living financially independently of their parents or guardians for at least 1 year before the first academic year of the student’s course as an independent student;
- (c) include ‘related subjects’ as eligible for a clinical component grant;
- (d) implement guidance to ensure that the clinical course allowance for ‘related subjects’ captures, but is not limited to, the following areas –
 - (i) Paramedic science;
 - (ii) Pharmacy;
 - (iii) Occupational Therapy;
 - (iv) Podiatry; and
 - (v) Physiotherapy/Chiropractic/Osteopathy;
- (e) bring forward the necessary legislative changes to the [Education \(Grants and Allowances\) \(Jersey\) Order 2018](#) to implement the preceding paragraphs, if adopted, with such changes to take effect from the start of the academic year in September 2024 ;
- (f) update thresholds for means tested funding in line with inflation and relative earnings;
- (g) introduce a sliding scale for the amount of tuition fees that may be awarded;
- (h) bring forward the necessary legislative changes to the [Education \(Grants and Allowances\) \(Jersey\) Order 2018](#) to implement paragraphs (f) and (g), if adopted, with such changes to take effect from the start of the academic year in September 2025;
- (i) review the threshold for relevant assets detailed within Article 12A of the [Education \(Grants and Allowances\) \(Jersey\) Order 2018](#) with a view to increasing the threshold of relevant assets for those families where their only income is from rental of secondary properties, and to report back to the Assembly on the findings and recommendations of such review no later than December 2024; and
- (j) work with the Minister for Treasury and Resources to undertake a consultation into making student loans available to Island students.

DEPUTY I. GARDINER OF ST. HELIER NORTH

REPORT

This Proposition is brought in the hope of addressing some of the outdated thresholds, definitions and policies that are applied to the provision of higher education student funding, through amendment to the [Education \(Grants and Allowances\) \(Jersey\) Order 2018](#) (the “Order”).

a) agree to fund all distance learning courses to the same level as in-person courses, following the same funding application process and criteria;

Paragraph (a) of the Proposition seeks to deal with discrimination in the Student Funding system against students who, for various reasons, are unable to study in an off-island Campus environment.

Current distance learning policy is based on the view that students will be able to learn and work. Indeed, distance learning was historically considered part-time - however since the pandemic, changes in our ways of learning and studying have resulted in full-time distance courses becoming available.

The current maximum grants and income caps are set as follows -

	In-Person Course	Distance Learning
Tuition Fee Grant	£9,250	£7,400
Maintenance Grant	£8,011 / £8,572 (on island & off island + independent students)	N/A
Max Income cap for tuition	£200,000	£65,000
Max Income cap for maintenance	£90,000	N/A

Treating Distance Learning in the same manner as in-person learning will have a beneficial impact for those studying at distance - whilst the Grant amounts are not that different, the Tuition Income Cap change would have a substantial impact. Enabling distance learners to access the same means-tested Maintenance Grant as all other degrees, studied in-person and on-Island, would allow more students to undertake further education.

There are more students that, for various reasons, choose the option of distance learning. For example, as a Minister I received and considered an appeal for a student with Autism – who we ultimately granted a special payment to - as it was considered as discrimination against a student for whom an “in-person” course would not be suitable.

Such students are at a disadvantage purely because the course is delivered online.

On average, distance learning undergraduate courses are cheaper, by an average of approximately £6-7000. By financially supporting distance learners, the result would be that the students studying on island would feedback into the local economy and remain connected to the Island.

There are numerous other reasons why an online course may be chosen, for example caring responsibilities for elderly parents, children or other members of the family on

the Island, special needs requirements including those with autism, ADHD, or acute anxiety. It can also be a major factor for those who cannot afford to fund the gap required to live on campus with only the maintenance grants available.

I can also see benefits to encouraging distance learning. The students who stay on the Island are likely to continue their career paths in Jersey. Surely this is what we want? Students who contribute to the Island. It might also encourage more young people to apply and get undergraduate degrees and support our local workforce.

b) classify a student who has been, and continues to be, living financially independently of their parents or guardians for at least 1 year before the first academic year of the student’s course as an independent student;

The Order defines an independent student as follows –

2 Dependent and independent students²

- (1) A student is an independent student in respect of an academic year if, on or before the relevant date for that year, the student –
 - (a) is 25 years of age or older;
 - (b) is married or in a civil partnership;
 - (c) has been living financially independently of the student’s parents for at least 3 years before the first academic year of the student’s course;
 - (d) has no living parent;
 - (e) is the natural or adoptive parent of a child of the household; or
 - (f) is the subject of an order committing the student to the care of the Minister for Children and Education made under the [Children \(Jersey\) Law 2002](#) or, before attaining full age, was so subject.³

The simple change considered by this Proposition is that Article 2 (1) (c) be amended to allow students who have been living independently for one year to be considered independent. If an individual has been supporting themselves independently for a full year, is that not sufficient to demonstrate financial independence?

There are several reasons to disregard one or both parents' income, even if a student does not live independently. For example, one parent does not keep in touch and the student is unable to contact them in order to request support from them through University. But for these reasons the appeal process is in place - for independent students this path is not available until they have lived independently for three years.

c) include ‘related subjects’ as eligible for a clinical component grant;

The arguments for paragraph (c) of the Proposition slightly pre-empt those to be detailed more clearly in Part (d). To clarify, Article 14 of the Order sets out the courses of study that could be considered for extra funding for a ‘clinical year’. These are defined as “*medicine, dentistry, veterinary science, or a related subject*”.

These “Related Subjects” are not specified in Article 15 which provides for a Clinical Component Grant – and this change would allow those studying for a medical related degree to apply for a ‘Clinical Component Grant’ – the maximum of which is currently £1,143.

As “related subjects” are not specified in Article 15 and there is no clear guidance in article 14, it is not clear who would be entitled to this grant. A number of “medical related studies” require placements - which in turn incur extra costs.

This leads into Part (d) – and is why this area requires supplemental guidance to be provided.

d) implement guidance to ensure that the clinical course allowance for ‘related subjects’ captures, but is not limited to, the following areas –

- (i) Paramedic science;**
- (ii) Pharmacy;**
- (iii) Occupational Therapy;**
- (iv) Podiatry; and**
- (v) Physiotherapy/Chiropractic/Osteopathy;**

Once again, this part of the Proposition is a simple request which could have a large impact for some individuals. Article 14 of the Order sets out the courses of study that could be considered for extra funding for a ‘clinical year’. These are defined as “*medicine, dentistry, veterinary science, or a related subject*”. This Proposition asks for the implementation of guidance to ensure that those related subjects are fully captured.

The importance of these subsidies to students in related subjects cannot be overstated as we struggle to recruit and retain home grown skills.

Taking Paramedic Science as an example –

- UK Paramedic students on this course receive a £5,000 grant for studying in the medical profession, however the Jersey Clinical Fields extra funding does not cover Paramedics, occupational therapists, pharmacists, physiotherapy and other ‘related areas’.
- The NHS offers bursaries for U.K. students – for which our students are thought ineligible.
- Students are required to undertake various placements during the university course and they can incurred significant costs, between £3,000-£5,000 per academic year, in travelling to and from these placements. The locations of the placements were often remote from the university and due to nature of the training, their shifts might be finished in the middle of the night or early morning, when it’s often not possible to use public transport.

Should the amendment to Article 15, anticipated within Part (c) of this proposition, be successful, it is to be hoped that this guidance would be extended to also cover that Article.

e) bring forward the necessary legislative changes to the [Education \(Grants and Allowances\) \(Jersey\) Order 2018](#) to implement the preceding paragraphs, if adopted, with such changes to take effect from the start of the academic year in September 2024 ;

The changes identified in paragraphs (a) to (c), and potentially those in (d), will require small amendments to be made to the Order – it is anticipated that funding (as identified in the Financial and Staffing Implications section) is available for the limited additional

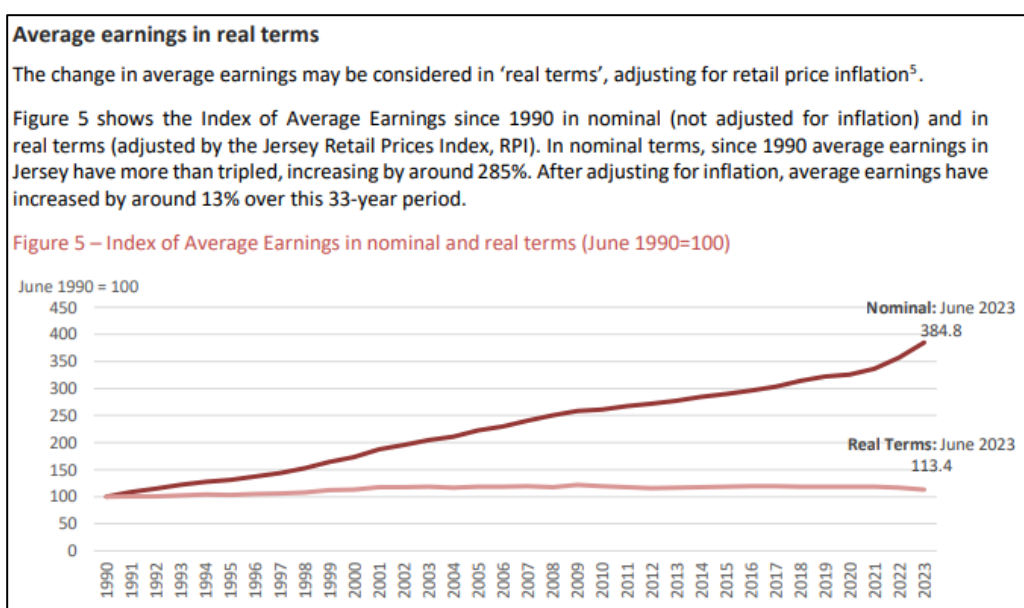
amounts required, and legislative drafting could be completed and fully implemented prior to September 2024, to ensure that applications for the 2024-2025 academic year benefit from these changes.

f) update thresholds for means tested funding in line with inflation and relative earnings;

Part (f) of this Proposition has been separated from those for which legislative changes are covered by Part (e), as the requested changes are working to a different time frame and are arguably more complicated and will require submission of a business case to the Government Plan 2025-2028.

This part (f) follows a well-trodden path for the Assembly, as we have discussed the same scenario multiple times – where grant amounts and their related criteria have fallen behind the sharp increase in RPI that the Island has seen in the last few years.

Earnings have increased at a fairly steady rate – as can be seen by the nominal line in the below table. Surely thresholds for funding should follow the same lines? This is made far worse by the fact that the real terms earnings have almost flatlined. So, more and more parents will find themselves over the thresholds, with increasingly less purchasing power as they watch mortgage and utility rates spike.



[R Average Earnings June 2023 20230825 SJ.pdf \(gov.je\)](#)

Within the Order there are 6 means tested provisions: Tuition grant, Maintenance grant, distance learning grant, interview allowance, clinical component, and a disabled student allowance.

As noted above, earnings have increased but real time earnings have decreased, resulting in more students losing their eligibility to grants relative to disposable income.

Taking the £110,000 cap on a full Tuition Grant and utilizing the [Gov.je Inflation Calculator](#). Between Sept 2018 and Sept 2023 there has been an inflation rate of 29.7%

- revaluing the cap amount at £142,685.71. This change is substantial for those funding their dependents through further education. It has to be accepted that the purchasing power of today is different than 6 years ago.

g) introduce a sliding scale for the amount of tuition fees that may be awarded;

Paragraph (g) seeks to mirror and extend work already undertaken by the Department in relation the Maintenance Grant, which culminated in a [Ministerial Decision](#) in June 2023, amending Article 13C of the Order, whereby a sliding scale formula is defined to allow a closer tracking of the relevant income, as opposed to the income band system, which is still in place for Tuition.

A worked example of the sliding scale and its effect on maintenance fees is available in Appendix A.

h) bring forward the necessary legislative changes to the [Education \(Grants and Allowances\) \(Jersey\) Order 2018](#) to implement paragraphs (f) and (g), if adopted, with such changes to take effect from the start of the academic year in September 2025;

As with paragraph (e), this paragraph merely provides for the legislative work required and a realistic time frame for completion of the work anticipated.

i) review the threshold for relevant assets detailed within Article 12A of the [Education \(Grants and Allowances\) \(Jersey\) Order 2018](#) with a view to increasing the threshold of relevant assets for those families where their only income is from rental of secondary properties, and to report back to the Assembly on the findings and recommendations of such review no later than December 2024; and

Where a family has relevant assets exceeding £500,000 under the Order, their relevant income is deemed to be at £200,000 or more for the purpose of certain grant awards –

12A Relevant assets exceeding £500,000¹⁷

If the value of a student's relevant assets exceeds £500,000, the student's relevant income is deemed to be £200,000 or more for the purposes of an award of a –

- (a) tuition fees grant;
- (b) maintenance grant; or
- (c) clinical component grant.

Simply, this means that such a student would receive no grant. For the purpose of the Order, “relevant assets”, in respect of a student and for an academic year, means the assets, as at the end of the calendar year preceding the calendar year in which the academic year commences, of the parties whose incomes are taken into account (and not completely disregarded) in assessing the relevant income of the student, not including any asset that is a principal residence of any such party.

Put another way – a second property valued over £500,000 (which includes most properties on the island) from which a student’s parents receive rental income, would result in them not receiving a grant.

It could be argued that that parent ought to then sell the asset so that they can support their child through University. But the result of that might mean that the parent had no further income source. This might be an exaggerated scenario, but this part of the Proposition merely requests the Minister to investigate the matter and to return to the Assembly with recommendations accordingly.

j) work with the Minister for Treasury and Resources to undertake a consultation into making student loans available to Island students.

Once again, this is not a new topic for the Assembly to consider. That said the last time it was seriously considered (publicly) by the Assembly seems to have been in 2016, after the publication of [R.51/2016](#) by the then Minister for Education, stating that no such scheme would be feasible. I don’t think anyone will deny that we are in a rather different world now than in 2016 – and with the rising costs of pretty much everything, it would seem an ideal time to consider implementing additional loan funding for students.

In particular the impact on those supporting students must be considered – despite our generous grant system there are still those who find themselves unable to bridge the gap between the costs incurred and the amount of funding received. Such parents/guardians find themselves struggling to make ends meet without hardship to themselves, the student, or indeed, other family members or dependents. Allowing them a further avenue of loan funding could assist with this process and provide further students an opportunity that may otherwise not be feasible.

Conclusion

Ultimately this Proposition, whilst varied in the effects of its parts, is designed to target small improvements which could help our Young People to achieve and aspire to Higher Education. I hope that you will consider voting for all, or indeed even part, of the Proposition.

Financial and staffing implications

Since Jan 2024 the system moved to Annually managed expenditure (“AME”). The move allows for flexibility in relation to variations in annual inflation and fluctuation in the number of students. The small changes requested within paragraphs (a)-(d) are therefore considered to fall within existing – and now flexible, departmental budgets. It is appreciated that ongoing funding would require allocations within the Government Plan 2024-2025.

- (a) *fund all distance learning courses to the same level as in-person courses, following the same funding application process and criteria;***

Table Group 1

The number of students in all year groups who received a student grant for undergraduate study including a breakdown by on-island and off-island student numbers and costs.

Year	Number of students	Total costs	On-Island students	On-Island costs	Off-Island students	Off-Island costs
2019/20	1248	£13,397,211	193	£2,064,580	1055	£11,332,631
2020/21	1265	£14,674,783	211	£2,322,131	1054	£12,352,652
2021/22	1285	£14,552,975	212	£2,340,846	1073	£12,212,129

With the limited data available it is difficult to even estimate. However, using the above data, the average funding for an off-island student is £11,381.30, and the average for an on-island student is £11,041.73. Applying the off-island average against the number of on-island students, there is a difference of £71,988.43 in additional funding that would be required.

The same Freedom of Information response shows that for the 2022/2023 intake, 21% of on-island students received no grant funding, as opposed to only 14% of off-island students – presumably due to the far lower cap on relevant assets. This would also need to be taken into consideration.

(b) classify a student who has been, and continues to be, living financially independently of their parents or guardians for at least 1 year before the first academic year of the student’s course as an independent student;

As per the data provided within the response to [Written Question 38/2024](#), the number of students who request a disregard of parental income is limited with only 32 such requests being received for the current academic year, and less than 5 appeals received.

(c) include ‘related subjects’ as eligible for a clinical component grant;

The latest public figures for undergraduate students studying for the majority of the related subjects detailed in Articles 14 and 15 are as follows –

	2023/24	2022/23	2021/22
Paramedic Science	4	4	3
Pharmacy	0	2	2
Occupational Therapy	0	2	3
Physiotherapy	3	5	4

<https://statesassembly.gov.je/assemblyquestions/2024/wq.37-2024.pdf>

The clinical grant component currently in the Order is as follows –

Student category	Clinical component grant
A	£1,143
B	£1,068
C	£1,143

Taking the absolute maximum scenario – that is, all students are under the £100,000 related income cap for this article, which has to be seen as exceedingly unlikely, the cost of including related subjects for a clinical component grant (taking an average of 13 students and including potential students for the additional courses of podiatry, osteopathy and chiropractic studies to utilise a figure of 20 students) –

20 * £1,143 = £22,860

It must be recognised that this figure is likely substantially in excess of the amounts actually payable under the extension of this grant.

There will be an additional staffing component in the interim as the changes are implemented, though as the number of students involved is limited it is not anticipated to fall outside of existing budgets. There will be Legislative drafting time required – it is anticipated that this will be limited to amendments to the Order, though it is appreciated that this may not be the case.

- d) *implement guidance to ensure that the clinical course allowance for ‘related subjects’ captures, but is not limited to, the following areas –***
- (i) *Paramedic science;***
 - (ii) *Pharmacy;***
 - (iii) *Occupational Therapy;***
 - (iv) *Podiatry; and***
 - (v) *Physiotherapy/Chiropractic/Osteopathy;***

It is not possible to calculate the financial impact of paragraph (d), as Article 14 states that “the amount of grant that may be made to a student in respect of tuition fees is such amount as the Minister considers appropriate,” for a clinical year.

There are limited staffing implications in relation to drafting and putting forward guidance.

- (f) *updated thresholds for means tested funding in line with inflation and relative earnings;***
- (g) *introduce a sliding scale for the amount of tuition fees that may be awarded;***
- (h) *bring forward the necessary legislative changes to the Education (Grants and Allowances) (Jersey) Order 2018 to implement paragraphs (f) and (g), if adopted, with such changes to take effect from the start of the academic year in September 2025;***

For paragraphs (f) and (g) it is recognised that additional work and funding will be required. The time frame applied to this part allows for application for additional funding to be addressed within the Government Plan 2025-2028.

There will also be Legislative drafting time required – as per paragraph (e) it is anticipated that this will be limited to amendments to the Order, though it is appreciated that this may not be the case.

- i) *review the threshold for relevant assets detailed within Article 12A of the Education (Grants and Allowances) (Jersey) Order 2018 with a view to increasing the threshold of relevant assets for those families where their***

only income is from rental of secondary properties, and to report back to the Assembly on the findings and recommendations of such review no later than December 2024;

With regards paragraph (i) the requested review will be limited in scope – there are a small number of people who will be impacted by this situation and therefore costs and staff time should be equally limited.

j) work with the Minister for Treasury and Resources to undertake a consultation into making student loans available to Island students.

The consultation requested in paragraph (j) is likely to be larger and more complicated in scope, due partly to the necessary inclusion of the Minister for Treasury and Resources. However, this is a piece of work to address viability and it is therefore limited to the time and financial costs implicated in the consultation.

Children’s Rights Impact Assessment

A Children’s Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the [States Assembly website](#).

Appendix A

Exemplar of sliding scale as applied to Maintenance -

$$MG = MAG - \left((RI(x) - RI(y)) \times \left(\frac{(MAG - MIG)}{(RI(z) - RI(y))} \right) \right)$$

(3) In the formula –

“MG” means the calculated amount of maintenance grant awardable under paragraph (2);

“MAG” means the maximum maintenance grant that, according to the student’s category, would be awardable if Article 13B applied in respect of the student instead of paragraph (2);

“RI(x)” means relevant income of an amount that is less than £89,999.99;

“RI(y)” means £50,000 being the minimum level of relevant income for the purposes of the award of a maintenance grant under this Article;

“MIG” means the minimum maintenance grant that, according to the student’s category, would be awardable if paragraph (1) applied in respect of the student instead of paragraph (2);

“RI(z)” means £89,999.99 being the maximum level of relevant income for the purposes of the award of a maintenance grant under this Article.

A simple example, using a category A student (a dependent student studying elsewhere than Jersey) whose parents earn 80k per annum -

$$MG = 8,572 - ((80,000 - 50,000) * ((8,572 - 1,715) / (89,999.99 - 50,000)))$$

Maintenance Grant = £3,429.25

Applying the previous banded criteria the student would only have been eligible for £1,544. The formula allows for much more appropriate gradation.

[Education \(Grants and Allowances\) \(Amendment No. 3\) \(Jersey\) Order 2022 \(jerseylaw.je\)](http://jerseylaw.je) – Last update to old format of Maintenance fees

2 Article 13 (amount of grant) amended

In Article 13 for Table A there is substituted –

“TABLE A AMOUNT OF GRANT (OTHER THAN FOR DISTANCE LEARNING COURSE)				
Item	Relevant income per year	Grant per academic year		
		Tuition Fees	Maintenance	Total
1	less than £50,000	£9,250	£7,718	£16,968
2	£50,000 or more but less than £60,000	£9,250	£6,174	£15,424
3	£60,000 or more but less than £70,000	£9,250	£4,631	£13,881
4	£70,000 or more but less than £80,000	£9,250	£3,087	£12,337
5	£80,000 or more but less than £90,000	£9,250	£1,544	£10,794
6	£90,000 or more but less than £100,000	£9,250	£0	£9,250
7	£100,000 or more but less than £110,000	£9,250	£0	£9,250
8	£110,000 or more but less than £120,000	£8,325	£0	£8,325
9	£120,000 or more but less than £130,000	£7,400	£0	£7,400