

Consultation on the Frequency of Student Support Payments

The consultation document can be downloaded from the DEL website:

www.delni.gov.uk/frequency-of-student-support-payments

Respondent Information Form

Please complete the following information.

NAME:

ORGANISATION:
(IF APPLICABLE)

Fermanagh and Omagh District Council

POSTCODE:

BT74 7BA

E-MAIL ADDRESS:

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FREEDOM OF INFORMATION

The Department will publish a summary of responses following completion of the consultation process. Your response, and all other responses to the consultation, may be disclosed on request. The Department can only refuse to disclose information in exceptional circumstances. Any automatic confidentiality disclaimer generated by your IT system will be taken to apply only to the information in your response for which confidentiality has been specifically requested. Before you submit your response, please read the paragraph below on the confidentiality of consultations and it will provide you with guidance on the legal position regarding any information given by you in response to this consultation.

The Department will handle any personal data you provide appropriately in accordance with the Data Protection Act 1998. The Freedom of Information Act gives the public a right of access to any information held by a public authority, namely, the Department in this case. The right of access to information includes information provided in response to a consultation. The Department cannot automatically consider as confidential, any information supplied to it in response to a consultation. However, the Department does have the responsibility to decide whether any information about your identity, should be made public or treated as confidential.

Responses can be submitted electronically via e-mail or sent to the following address:

Higher Education Consultation Team
Department for Employment and Learning
Adelaide House 6th Floor
39-49 Adelaide Street
Belfast
BT2 8FD
E-mail: hefpb@delni.gov.uk

by 5pm on 27th September 2015

For further information:

Tel: (028) 902 57756
Email: hefpb@delni.gov.uk

The Department cannot accept responses by telephone. General enquiry calls may be made to the above number.

Which category best describes you?

Individual:

Current higher education student:

Prospective higher education student:

Former higher education student:

Parent:

Higher education employee:

Employer:

Representing an organisation (please specify):

Fermanagh and Omagh District Council

N/A

Please tick this box if you do not wish for your response to be published.

Please use the comment box below to explain why.

N/A

Consultation on the Frequency of Student Support Payments

The consultation will be open for submissions from 3rd August 2015 until 27th September 2015. The consultation document can be downloaded from the DEL website at www.delni.gov.uk/frequency-of-student-support-payments

Please use additional pages should you run out of space while answering any of the questions.

Policy Options

Question One:

Which option do you believe best addresses the support needs of full-time undergraduate students whilst also taking into account existing and future public spending constraints in Northern Ireland?

Option One – Status Quo: Tri-annual Payments

Option Two – Equal Monthly Payments

Option Three – Front-loaded Monthly Payments

Option Four – The Scottish Model

Unsure

X

Please explain your answer.

Fermanagh and Omagh District Council (Council) believes that the existing method and frequency of Student Support Payments currently in place is both adequate and working sufficiently.

The Council has a number of concerns regarding the implications of introducing new Student Support Payments within Northern Ireland, not just regarding the financial implications for the Government Departments but also for the extra pressures which may be transferred onto the individual students themselves.

In relation to Option Two (Equal Monthly Payments) the Council is concerned that students may struggle financially in the early parts of each semester, particularly at the start of each Academic Year. The beginning of each Academic Year is normally an expensive time for all students. Therefore, whilst this option may allow a 'fixed' monthly income for each student, it may leave students struggling with bulk costs such as initial book/stationary costs and deposits for accommodation, which in many cases is the equivalent to an additional month's rent.

Option Three, whilst affording students some extra funding 'up front', may still leave some students struggling with bulk costs at the start, or indeed throughout, the Academic Year. Although this option would give students some more flexibility than the existing methods in place, it may also give students a false impression of their 'monthly financial instalments' if they receive an extra allowance 'up front'.

(Please see overleaf)

Most money/financial advice centres itself on ensuring that income and expenditure is at least 'equalised' every month. The 'front loading' of monthly payments may cause confusion and difficulties for on-going budgeting for students.

If a student in Higher Level Education gets into financial difficulty early in the semester (or Academic Year) it may become increasingly difficult for that person to overcome the financial stresses. Each monthly payment afterwards will take the same form and amount, which the individual will have to budget in accordance to their needs i.e. rent, food, on-going stationary costs, transport costs, etc. Therefore, this regular and similar amount will allow very little 'excess funds' to pay off any financial pressures from the previous month(s).

The Council would be strongly opposed to Option Four being introduced within Northern Ireland i.e. 'front loaded monthly payments with no payments made over the summer months'. Within Northern Ireland a number of 'Higher Education' students study during the summer semester, sitting exams in August. Therefore, if this option was introduced it would directly affect them and potentially their studies. Also, many students who rent their accommodation privately in Northern Ireland do so on 12 month leases/agreements. This means that even if they are not partaking in Higher Education over the summer months, many students still have regular outgoings which may include rent, electricity, and so on.

With Options Two, Three and Four there is also the substantial cost for implementing a new system within Northern Ireland. These costs have been estimated at between £250,000 and £350,000, which will have to subsequently be found by the Department.

If any changes to the Frequency of Student Support Payments **are** implemented, Council strongly recommends that they should be done so in a 'Phased Scheme' whereby it only applies to new students. This will mean however that there will be a series of different payment systems running for a number of years which will also increase the potential administration costs of providing Student Support Payments.

One of the major issues with regards Higher Education within Northern Ireland is regards to student retention. As the consultation document state in the 2012/2013 year 595 full-time undergraduate students left Higher Education before gaining a qualification. It is also worth noting that in Northern Ireland, where currently the 'Tri-Annual Payment Method' is utilised, non-continuation rates are the lowest in the UK – substantially lower than those in England, Scotland and the UK average. Scotland, however, where monthly 'Student Support Payments' are made has the highest non-continuation rate in the UK.

Question Two:

Please place in rank order, with (1) being the option which best addresses the support needs of full-time undergraduate students.

Option One – Status Quo: Tri-annual Payments

Option Two – Equal Monthly Payments

Option Three – Front-loaded Monthly Payments

Option Four – The Scottish Model

1
2
3
4

Please explain your answer.

Please see response to Question 1.

Question Three:

Are there any other options which you think would better address the support needs of full-time undergraduate students?

The Council understands that students, as well as government departments, are continually under increasing financial pressure.

One option which may address the support needs of full-time undergraduate students would be to provide additional support and information about budgeting and the initial financial costs which will be incurred at the start of each Academic Year. This could be provided to students during their inductions or when they receive confirmation/acceptation into their Higher Education courses.

The relevant information would include approximate costs on 'initial' bulk costs including; books, tuition fees, deadlines, etc. This would assist each student to be able to budget effectively as they will have a reasonable indication of their regular monthly outgoings.

Application of the Options

Question Four:

Bearing in mind the costs involved, do you think that any new payment system should be applied to all students?

Yes

No

Unsure

X

Please explain your answer.

The Council believes that any new system or Student Support Payment system should only apply to new students, i.e. students that are beginning their academic careers automatically do so on the 'new' Student Support Payment method.

This will not only cause the least amount of confusion for those who are receiving funding currently, but also it should prove to be fairest as they may have identified budgeting strategies/mechanisms which could be impacted by any changes to the Student Support Schemes.

In addition, by only applying any change in system to 'new students' it will allow the scheme to almost be run on a pilot system. This will identify any difficulties, errors or oversights which can be ironed out before larger numbers of individuals receiving support through the scheme are impacted.

Question Five:

Bearing in mind the costs involved, do you think that any new payment system should be applied to new students only?

Yes

No

Unsure

X

Please explain your answer.

Please see response to Question 4.

Additional Comments

Question Six:

Do you have any additional comments on any of the policy options presented within the consultation?

As with any budgeting exercise, one of the key issues is certainty. Budgeting for students with regards to their 'Student Support Payments' is no different. The Council believes, that any option which is chosen by the Department as their ideal Student Support Payment option, students should be given a degree of certainty. This certainty should include fixed dates for payment i.e. a particular date within each semester, and a fixed amount of funding each semester. This will allow students to budget effectively by knowing exactly the amount of finance they will have and the dates/period of time they will be budgeting for.

In addition, when the changes to 'Higher Education Student Support' were made in Scotland, a number of Scottish Higher Education Authorities were in the process of changing from a more traditional pattern of academic term (i.e. three semesters of equal length) to a new pattern of academic year which consists of two longer semesters which consist of a shorter exam period.

If this ever occurs with some, or all, of the Higher Education Authorities in Northern Ireland then the method and frequency of 'Student Support Payments' may need to be re-evaluated.

However, in conclusion, it must be stated that currently Northern Ireland has the lowest 'non-continuation of studies' rate in the UK, with Scotland (which utilised the monthly 'Student Support Payments') having the highest.

It is also worth noting that within Northern Ireland there are various additional discretionary support mechanisms, namely the Student Support Fund and the Hardship Fund (both collectively referred to as the Hardship Funds). Should students enter into financial worries/difficulties, they can apply through the assistance with on-going living costs. As per the current Student Support Payment system applications for the Hardship Funds peaks at times towards the end of the first two academic semesters. A monthly payment of student support may spread the need for students to apply for these Hardship Funds across the year, rather than having two peak times. This could potentially leave less assistance available to those applying later in each semester compared to previous years.

Further Information

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