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**Higher Education Grants in England and Wales:  
Academic Year 2005/06 (Provisional)****INTRODUCTION**

This Statistical First Release (SFR) contains provisional figures on the numbers of students in receipt of a Higher Education Grant (HEG) and the associated expenditure in England and Wales in the academic year 2005/06 and also shows comparable data for the previous academic year of 2004/05. It provides more detail and more up to date information on the expenditure on maintenance shown in Table 2C of the Student Loans Company SFR 03/2005, which was published in November 2005. Final figures on expenditure on maintenance will be published in an SFR, scheduled for publication in November 2006.

The HEG was introduced to help students from lower income backgrounds with the cost of HE. It has been available to new students: (a) full-time, (b) sandwich, and (c) part-time Initial Teacher Training students; from September 2004 onwards. Eligible students in the academic year 2005/06 from families whose household income was £15,580 per annum or less (£15,200 or less in 2004/05) were entitled to a full grant of £1,000 per annum; eligible students from families whose household income was £21,565 per annum or less (£21,185 or less in 2004/05) were entitled to a partial grant on a sliding scale. The HEG does not affect the amount of the student loan available to the student.

**KEY POINTS****England and Wales Academic Year 2005/06**

- 165,000 or 27 per cent of those on Higher Education (HE) courses that started on or after September 2004 applying for student support received a full grant of £1,000 per annum, and, in addition, 37,000 or 6 per cent received a partial grant; 410,000 or 67 per cent did not receive a grant.
- The total expenditure on the HEG was £185 million.

## **TABLE**

The table shows the numbers and percentages of those on HE courses that started on or after September 2004 applying for student support in receipt of a HEG in 2004/05 and 2005/06 and the associated expenditure.

## **NOTES TO EDITORS**

### **FUTURE HIGHER EDUCATION GRANTS STATISTICAL FIRST RELEASES**

1. This is the last SFR which will be published as an SFR dedicated to the HEG alone. Future updates to the data contained in this SFR will be incorporated into the Student Support SFR which is released annually in November. The next Student Support SFR is scheduled to be released in November 2006 and will contain information for the 2006/07 academic year.

### **STUDENT SUPPORT ARRANGEMENTS FOR STUDENTS ENTERING HE FROM 1998/99**

#### **Fees Support**

2. New student support arrangements came into effect from the start of the 1998/99 academic year. New entrants to HE were, with certain specified exceptions, expected to contribute up to £1,000 a year (£1,175 in 2005/06) towards the cost of their tuition. The amount depended on their own and, if appropriate, their parents' or spouse's income. The remainder is met from public funds and paid directly to HEIs.

#### **Maintenance Support**

3. In 1998/99, eligible new entrants received support for living costs through both grants and loans. Grants, which were assessed against family income, on average formed about a quarter of the support available. All students were entitled to a non income-assessed loan, which comprised the remaining three quarters of support available, and which was repayable on an income contingent basis. From 1999/2000, all basic support for living costs was through loans as grants were discontinued up until the introduction of the HEG in 2004/05.

#### **Student Loans**

4. The amount available to students through loans was increased to compensate for the reduction in grants until 1999/2000 from which point onwards students received their basic support for living costs solely through loans, approximately one quarter of which were income-assessed. Entrants from 2004/05 onwards may also be entitled to grant support through the HEG.

5. Repayment of student support scheme loans is linked to income after leaving university or college so that leavers only repay as and when they can afford to. Repayments are at the rate of 9% of income above the income threshold which is set at £15,000 gross per annum.

6. Statistics on loans to students in HE in the UK in financial year 2005-06 were published in SLC SFR 01/2006 published on 15 June 2006.

### **Additional Grants and Allowances**

7. The Government retains as grants and allowances those relating to the personal circumstances of students, e.g. for students with dependants; single parent students; care leavers and disabled students. Support for some course-related costs, e.g. extra weeks attendance, are in the form of supplementary loans. Grants for students with dependants and single parent students are income-assessed but the care leavers' grants and disabled students' allowances are not.

### **Access to Learning Fund**

8. From 2004/05 hardship funding has been amalgamated into one non-repayable fund, renamed the Access to Learning Fund. Institutions in England with HE students were allocated £65m in 2005/06 to help students from low income backgrounds and those in financial difficulty to gain access to and stay in HE.

### **Assembly Learning Grant**

9. From 2002/03 the Welsh Assembly Government introduced Assembly Learning Grants (ALGs) to provide extra money for Welsh domiciled students who might otherwise experience financial difficulty when undertaking post compulsory or higher education courses. The maximum amount payable to those in higher education was £1,500. The HE Grant introduced in 2004/05 holds the same purpose as the ALG. Students whose income falls within the same band as those who would otherwise qualify for the maximum ALG received the maximum HE Grant of £1,000 plus a £500 'top up' from the ALG scheme.

## **STUDENT SUPPORT ARRANGEMENTS FOR STUDENTS ENTERING HE FROM 2006/07**

10. A new Maintenance Grant is being introduced for 'new system' students who start their course in September 2006 or later.

The new Maintenance Grant will replace the HE Grant, which was to have been increased to £1,500 in 2006/07 for new, full-time undergraduate students, and the fee remission grant which will not be available to new students from that year. The maximum amount of support available is £2,700 a year, and how much a student receives will depend on their income and that of their household.

Students with household incomes above £17,500 will receive a partial grant, with a minimum grant of £50 payable once household income reaches £37,425. No grant will be payable where household income is above £37,425.

The Maintenance Grant is non-repayable. The equivalent, alternative Special Support Grant (of up to £2,700) ensures that students in the DWP vulnerable groups have their Grant disregarded when entitlement to benefits is calculated.

11. From 2006/07 responsibility for student finance in Wales transfers to the National Assembly for Wales. The ALG for full-time HE students will be combined with the HE Grant to form a new £2,700 grant called an Assembly Learning Grant.

## NATIONAL STATISTICS

12. This is a National Statistics publication. National Statistics are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure they meet customer needs. They are produced free from any political interference.

## HIGHER EDUCATION

**Table 1 : Distribution of Higher Education Grant : academic years 2004/05 to 2005/06 (provisional)  
Student Support Scheme students [1] : England and Wales**

Academic year	Students				Expenditure (£m) [3]	
	Numbers (000s) [2]		Percentage (%)		2004/05	2005/06 [4]
	2004/05	2005/06 [4]	2004/05	2005/06 [4]		
Students receiving a full HE grant	87	165	26	27	87	165
Students receiving a partial HE grant	20	37	6	6	11	20
Students receiving no HE grant	225	410	68	67	.	.
<b>Total [5][6][7]</b>	<b>332</b>	<b>612</b>	<b>100</b>	<b>100</b>	<b>97</b>	<b>185</b>

. = not applicable

Source: Student Loans Company (SLC)

[1] Full-time, sandwich, and part-time initial teacher training entrants to higher education.

[2] Student numbers rounded to the nearest thousand.

[3] Expenditure rounded to the nearest million pounds.

[4] Provisional as at 31/05/2006.

[5] Excludes those students who do not apply to the SLC for any financial support.

[6] Includes awards to students who subsequently withdrew from their course or suspended study during the academic year.

[7] Constituent parts may not add to totals due to roundings.