INDEPENDENT REVIEW

HIGHER EDUCATION FUNDING AND STUDENT FINANCE

Putting Students First: A Radical plan for Choice

Tuesday, October 12, 2010. (Full Report available from 7am at www.independent.gov.uk/browne-report)

Lord Browne of Madingley has today published his Independent Review into Higher Education Funding and Student Finance.

His recommendations present a radical plan to shake up higher education in England and a charter for choice for students, who will be entrusted with far more power to shape their own future.

Under a new system, to be called the Student Finance Plan, no student will pay anything until they graduate and are in work.

After leaving university, graduates will only begin repaying when they reach annual earnings of over £21,000 a year, up from £15,000 under the current system. Even then, the payments will be small, for example at an income level of £25,000 a year the repayments will be £7 a week.

"Our higher education system is world-renowned but too often it enshrines the power of universities and not the power of students," Lord Browne said, "These reforms will put students in the driving seat of a revolutionary new system.

"Under these plans universities can start to vary what they charge but it will be up to students whether they choose the university. The money will follow the student who will follow the quality. The student is no longer taken for granted, the student is in charge.

"We have been guided by three principles: participation, quality and sustainability. Any student who has the academic potential should be able to participate in and benefit from higher education.

"Students do not pay anything upfront. Only graduates pay and only then, when affordable according to the level of their earnings. Under our proposals, the bottom 20 percent of earners will pay less than today and only the top 40 percent of earners will pay back close to the full amount."

The other key recommendations from Lord Browne's report are:

- The current cap on fees of £3,290 per year will be removed, allowing universities to put quality first and charge accordingly. A tapered levy on institutions charging more than £6,000 per year will ensure that those which charge the most contribute more to supporting the poorest students. In addition, universities that wish to charge more will be required to demonstrate to the regulator and to their students both improved standards of teaching and fair admission.
- Demand for higher education will continue to increase and we will fund more places so that everyone who has the potential to benefit from HE gets the opportunity to do so. A 10% increase in student places will be factored into the system over the next four years.

- Careers advice is in need of a radical overhaul. Part of empowering our young people is ensuring they have the right information, advice and guidance to make the correct choice. This means careers advice in all schools of the kind currently being given in the private sector.
- Those who wish to pursue part-time study should have equal entitlement to tuition support under the Student Finance Plan. Part-time study provides a second chance for people who missed out earlier in their lives and it is important to level the playing field between part-time and full-time study.

Lord Browne said: "We must not flinch from putting a value on education. Once we do this - and make that value portable - we will allow generations of students to reshape their higher education experience. Their choices will build a vibrant, well-funded and tailored university sector."

On the new careers advice he added:

"We must overhaul the way pupils are advised when still in school. We must end the days when a minority of schools get unfair advantages because of their expertise in plotting entry to the best institutions. Under these plans every student, no matter where they come from, will get advice on where to apply and what is best for them."

On the effect on part time education he said:

"We must put part time students, no matter what age, on a level playing field and open up our universities to people of all ages.

"Under these plans no student or parent pays a penny upfront. This rule also applies to part time students. This adds up to a revolutionary change in the way part time study is perceived and chosen.

"Higher education is about much more than a three year degree at 18."

AVAILABILITY OF REPORT AND EXECUTIVE SUMMARY

A link to the Executive Summary and the Report itself can be found at www.independent.gov.uk/browne-report

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