

PM launches review into tuition fees and funding



By Oscar Bentley, Editor (2018)
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The Prime Minister aims to reform the university system whilst retaining some level of tuition fees [Image: DOD photo by Jette Carr]

Prime Minister Theresa May has launched a review into university funding and tuition fees. The review, to be chaired by author and financier Philip Augar, will be year-long, however the Prime Minister has ruled out scrapping tuition fees completely, saying that a fee scrap would cause a rise in taxes and lead to a limiting in the number of university places.

In a speech in Derby on 19 February, the Prime Minister stated that under the current system students in England were faced with “one of the most expensive systems of university tuition in the world”, while also noting that “the level of fees charged do not relate to the cost or quality of the course”, possibly alluding to the fact that humanities students have significantly less spent on them that science students, despite paying the same level of fees.

The government is looking to address issues which pertain to younger voters who overwhelmingly backed Labour at last year’s general election. Last year’s temporary freeze in tuition fees, announced only a year after the £9000 cap was lifted and fees were set to be allowed to rise with inflation beginning from £9250, is now set to remain for the next year as the government’s review is ongoing.

In her speech the Prime Minister rejected the idea that tuition fees should be scrapped altogether, which was one of Labour’s key policies at last year’s general election, saying that she believed in the principle that students “who benefit directly from higher education should contribute directly to-wards the cost of it”.

She also argued that a fee scrap would mean a tax rise for people who did not go to university, which would be unfair on them, and lead to universities competing with schools and hospitals for funding, and

that limits would most likely have to be introduced on the number of university places. The review will focus on four issues: ensuring everyone can access higher education; the funding system; incentivising choice and competition; and how to deliver the skills the country needs, while also looking at how students and graduates contribute towards their education.

The Prime Minister also focused on how those students from poorer backgrounds are awarded higher loans than those who are better off, noting that poorer students should have an “equal chance” to their better off peers, though she admitted that this left them with a higher level of debt upon graduation.

The Institute for Fiscal Studies (IFS) found that while the average student is left with £50 000 of debt upon graduation, poorer students owe an average of £56 000 of debt upon graduation. Justine Greening, who was removed from her portfolio of Education Secretary in January’s reshuffle, has since called for the return of maintenance grants, which would help ease the financial burden of living costs while at university for the poorest students.

Angela Rayner, Shadow Education Secretary, dubbed the review an “unnecessary waste of time” and claimed that “Labour will abolish tuition fees, bring back maintenance grants and provide free, life-long education in further education colleges”.

Tuition fees currently are charged 6.1 per cent interest, with £5400 the average interest already accrued by graduation. Graduates only begin to pay back their loans once they are earning £25 000, and any unpaid debts are written off after 30 years. In Scotland Scottish students do not pay fees, while fees are capped at £4030 in Northern Ireland.

A Higher Education Policy Institute (HEPI) poll revealed that 63 per cent of students polled thought that all full time courses should have the same fee level, however 57 per cent favoured higher fees for courses which cost more to teach when pushed for a preference in the case that differential fees were introduced. 39 per cent thought that lower fees should be charged for arts subjects such as English and history, however only nine per cent supported lower fees for law.

17 per cent backed higher fees for courses which are precursors for careers with higher wages, while seven per cent backed higher fees for more prestigious universities. However, only 38 per cent of those were in support of lower fees for poorer students, with 59 per cent opposed.



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