

Reconsider cuts to Postgraduate funding and increase Doctoral Loans to match UKRI Stipend

Y Pwyllgor Deisebau | 4 Mawrth 2024
Petitions Committee | 4 March 2024

Reference: SR24/7850/9

Petition Number: P-06-1403

Petition title: Reconsider cuts to Postgraduate funding and increase Doctoral Loans to match UKRI Stipend

Text of petition: Postgraduates play a pivotal role in advancing knowledge, innovation, and cultivating expertise. However - the Welsh Government's Draft Budget 2024/25 announced the removal of £12.8m from Postgraduate grants and bursaries. This will discourage aspiring Postgraduate students due to increased financial burdens, jeopardise the diversity of our academic programmes, hinder the competitiveness of our institutions globally and have an impact on the growth of the Welsh economy and communities.

This petition also calls for the Welsh Government to increase Doctoral Loans to match the annual UKRI Stipend. Doctoral students who receive a loan from Student Finance Wales, receive £28,395 to cover tuition fees and living costs overall for three to four years of full-time study (anyone who meets the requirements can apply to these). Whereas those on a UKRI Stipend (only available to students funded by a Research Council) receive £18,622 per annum solely for living costs. This disparity leaves Doctoral Students on loans in very precarious positions, with many working multiple jobs while in full-time study, using food banks, and even leaving their Doctoral study. With the current cost-of-living crisis, the decline in funding and studentships available, and the pitiful rate of Doctoral loans, Wales runs the risk of a substantial



decline in students pursuing Doctoral study which will have a serious impact on innovation and research.

1. Current postgraduate student funding support

1.1. Postgraduate Master's Finance

A student starting either a taught or research based Master's course can currently apply for a combination of loan and grant to help with their course and living costs. In the 2023-24 academic year, this includes:

- A £1,000 non-means-tested base grant which is available to all students;
- A maximum means-tested grant of £6,885 (including the £1,000 base grant); and
- A non-means-tested loan to provide total support (grant plus loan) of up to £18,770.

There are a number of eligibility criteria including a student's nationality and residence, the course and university, a student's age and their previous study.

The Welsh Government has also made funding available for the following three bursaries for those studying a Master's degree in Wales:

- £4,000 for people over the age of 60. The grant aims to provide additional support for these students who are unable to access the Postgraduate Masters Finance;
- £2,000 for graduates of all ages studying STEM subjects (these include a Master's degree in Science, Technology, Engineering, Mathematics or Medicine); and

- £1,000 for studying through the medium of Welsh. The grant aims to support the development of Welsh speakers and support the Welsh Government's aim of a million Welsh speakers by 2050.

1.2. Postgraduate Doctoral Loan

Doctoral students, who are usually resident in Wales, starting a part-time or full-time course can apply to Student Finance Wales (SFW) for a [Postgraduate Doctoral Loan](#). The loan is not based on household income.

Eligible students in the 2023-24 academic year can borrow up to a maximum of £28,395 over the period of their doctoral programme. Continuing courses starting from the academic year 2018-19 or later, but before 1 August 2023, are eligible for support at the rate applicable to the academic year they started.

Payments are made in tranches across the number of years of the doctoral programme, with the maximum amount of support payable in any one year capped at 50%.

There are a [number of criteria](#) used to determine whether or not a student is able to receive a Postgraduate Doctoral Loan. These include a student's nationality and residency, age, course, university or college, previous study and other sources of funding.

A student is not eligible for a Postgraduate Doctoral Loan if they receive an allowance, bursary or an award provided by a Research Council or UK Research and Innovation (UKRI). This is provided for by [The Education \(Postgraduate Doctoral Degree Loans\) \(Wales\) Regulations 2018](#).

The Welsh Government's response to the petition says:

The contribution to costs loan is not intended to meet the full costs of undertaking postgraduate doctoral study and the Welsh Government has no plans to change this.

The Postgraduate Doctoral Loan is similar to the [Doctoral Loan](#) available through Student Finance England where students, usually resident in England, can borrow up to £28,673 for the 2023-24 academic year which is paid in instalments over the course. Such loans aren't available in Scotland or Northern Ireland.

1.3. UKRI studentships and doctoral training

UK Research and Innovation (UKRI) is a body that brings together the seven Research Councils in the UK along with Innovate UK and Research England. Each Research Council has their own portfolio which covers a variety of subjects, including medical and biological sciences, physics, chemistry and engineering, social sciences, economics, environmental sciences and the arts and humanities.

UKRI provides funding to research organisations (normally universities and research councils) to cover the fees and living costs of doctoral students.

Studentships are the places universities offer to a doctoral student using this UKRI funding. Therefore, students need to apply to their university for a studentship and not to UKRI or a research council.

A student who is awarded a studentship receives a minimum stipend to cover living costs and support for tuition fees. For the 2023-24 academic year, the stipend is an annual payment of £18,622 and a minimum of £4,712 for tuition fees. The stipend is paid directly to the student and is usually non-taxable and does not need to be paid back. The tuition fees are paid directly to the research organisation.

A student in receipt of an allowance, bursary or an award from a research council or UKRI is not eligible for a Postgraduate Doctoral Loan from Student Finance Wales.

2. Welsh Government's Draft Budget 2024-25

2.1. Draft Budget reductions to postgraduate funding

In December 2023, the Welsh Government published its Draft Budget for 2024-25. In a letter to the Children, Young People and Education (CYPE) Committee, the Minister for Education and Welsh Language, Jeremy Miles MS, said that: "we have protected pre-16 education budgets as far as possible, which has meant some difficult choices to refocus funding from further and higher education".

The Welsh Government said that "in acting to support as far as possible undergraduate students, we are reprioritising £9.6 million from postgraduate grants but switching to providing support only through loans to new students from 2024-25 academic year". This refers to the Postgraduate Master's Finance, where students can receive up to £18,770 with a maximum grant of £6,885 and a

loan of £11,885 if the student's household income is £18,370 or less. The minimum grant a student will receive is £1,000 with the remaining £17,700 as a loan.

The Welsh Government's Draft Budget 2024-25 also includes a £3.2 million reduction which is the removal of postgraduate incentive bursaries for Welsh-domiciled taught Master's students. The Welsh Government says that "this funding disproportionately benefits females and is used to support training in science, technology, engineering, mathematics and medicine". This will therefore bring to an end the funding Welsh Government currently provides for three Master's bursaries and that it has done since the 2019-20 academic year.

2.2. Committee scrutiny of the Draft Budget

The CYPE Committee questioned the Minister for Education and Welsh Language on discontinuing the grants for new postgraduate Master's students and switching to loans from the 2024-25 academic year. He said:

The provision for postgraduates here in Wales is amongst the most supportive across the UK, so these changes start from that point, if you like. [...] In terms of prioritising, what I decided was that we have to spend the money we have in the most innovative way we can— so, where that money has the most impact to give people the best opportunities. And we know from evidence from all sides that the sooner you spend that money in an educational journey, that's where you see the most positive impact during people's lives. *[paragraphs 26-27]*

The Committee also asked the Minister about ending postgraduate incentive bursaries. He said:

...we're talking about a relatively small cohort of people, and this support is with the most generous, if you like, so it's support that's available on top of other support for graduates. *[paragraph 32]*

In the Committee's report on the Draft Budget, it expressed its "disappointment at the ending of grants for postgraduates and that these will be replaced with loans which will need to be repaid". It added that "there may also be economic consequences from the replacement of post-graduate grants with loans as often these are the types of people whose innovation and expertise drive economic growth."

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.