

Mitigating Educational Disadvantage (including Community Education issues) Working Group

Financial Issues impacting Learners/Students
in Tertiary Education
- A Discussion Paper

Draft Paper

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A Discussion Paper

Key Recommendations

- Ensure learners who have experienced employment loss are informed about their eligibility for COVID-19 Pandemic Unemployment Payment
- Ensure learners are kept informed about the status of their existing payments (SUSI, VTOS, SAF, BTEA, PTEO, One Parent Family payment, Disability Allowance, Illness Benefit and Invalidity Pension, 1916 and other bursary scholarships)
- Explore the possibility of an exceptional further year's SUSI, VTOS, payment for learners as needed
- Waive tuition fees normally resulting from repeat of year in the case that a learner is unable to complete their course in 2020
- Ensure learners have access to appropriate IT equipment or software, and broadband, to allow them to fully participate in any online or virtual learning setting without financial penalty

Students in financial difficulty – immediate issues in Higher Education

Arising from the COVID-19 crisis, students in higher education institutions may now or very soon find themselves in financial difficulty. This may relate to a loss of part-time employment that supported them while studying or their parents or another family member losing employment. Students who have lost employment due to the COVID-19 pandemic qualify for the **COVID-19 Pandemic Unemployment Payment** (subject to the qualification criteria for the payment). Details at <https://services.mywelfare.ie/en/topics/covid-19-payments/>. However, students who have availed of the COVID-19 Pandemic Unemployment Payment have expressed concern over the impact this payment could potentially have on their grant going into next year. For some, the amount awarded through the COVID-19 Pandemic Unemployment Payment is a higher weekly rate than what they would have earned while in employment, which would have broader impact on their new income considered when determining their grant eligibility. Learners would like clarity in relation to this issue.

Students in higher education institutions who find themselves in financial difficulty are also entitled to apply for support under the **Student Assistance Fund (SAF)**. Applications are made directly to their higher education institution. Arising from the COVID-19 crisis, higher education institutions have been given flexibility to transfer ring-fenced SAF allocations for part-time and PME students to their general SAF allocations (where there are still applications from part-time or PME students, these must continue to be prioritised before

allocations can be transferred to the general SAF allocation). However, it should be noted that SAF has only limited funding available to it (€9.1m for 2020).

Potential financial challenges facing students for the 2020/21 academic year

The problems facing some students in relation to successfully completing their course year and exams in the 2019/20 academic year may mean that some students will have to repeat the same course year (or modules as part thereof) in 2020/21. This potentially presents some students and families with the following financial challenges:

- **Tuition fees** are not paid by the State if a student is undertaking a repeat year of study at the same year level. This condition may be waived where evidence of exceptional circumstances, such as cases of certified serious illness, is provided.
- **SUSI grant** is not paid if a student is repeating a year on the same course, or entering the same year (eg year 1), as previously attended on a new course.

Increased demand for SUSI and Student Assistance Fund (SAF)

Many students returning to or entering higher education for the first time in 2020/21 will be doing so in a position of significant financial disadvantage. This includes students who prior to the COVID-19 crisis would not have been considered financially or socio-economically disadvantaged but who or whose family now find themselves in severe financial difficulty. This will mean increased demand on the system of student financial supports such as SUSI and SAF.

Indeed, the financial burden faced by many students and families as a result of COVID-19 may mean that higher education is not a viable option (from a financial perspective) in the immediate short-term future.

If students have to continue their studies next year i.e. they could not complete their studies (due to incomplete course or bereavement), it needs to be clear as to whether they can avail of SUSI payments, which are normally limited to the academic year. The possibility of an exceptional further year's payment needs to be explored.

Consider basing a student's reckonable income for SUSI applications on current year's income and removing the requirement to have a social welfare payment at 31.12.2019 i.e. all applicants with an income below €24,000 are eligible for the special rate of maintenance grant. This can be reviewed in June 2021.

For students who are granted permission to progress to the next year but are carrying modules from 2019/20, it is unlikely to be feasible for them to take up part-time work and a supplementary support may be needed.

Noting that certain supports cease in the summer time (eg SUSI, BTEA, Childcare) and with the expectation that a greater number of students will be preparing for exams and practicals to take place in August. Further discussion is required on how/what supports could continue and what other bridging/cost saving supports could be put in place e.g. access to

closest campus rather than travelling to/funding accommodation at the student's usual campus, extended childcare scheme.

Finance-related issues in FET

If students have to continue their studies next year i.e. they could not complete their studies (due to incomplete course or bereavement). For **VTOS learners**, their payment will continue until the learner completes the outstanding aspects of their course in August/ September (where the payment normally ceases in May). This extended payment until the final course work is completed would be part of the current VTOS payment and not considered to be a year or part thereof.

The challenges in relation to tuition fees: SUSI grants are liable to change as Government continually announce updates and changes. Post-COVID, will see a return of the all of the challenges (and possibly more) faced by learners and FET following the economic crash of 2008, loss of part-time work etc.

Finance-related issues in Community Education

Independent providers, especially those who operate a social enterprise now have significantly reduced (none in some cases) income streams. While this paper is focusing on issues for learners, this **situation for providers** does have an impact on learners in terms of the supports and engagements that can be facilitated by providers at this time.

Learner issues re. technology include cost of exceeding their data allowance when engaging with supports/online learning.

Many learners who pay course fees have seen their own incomes impacted by the crisis and those who perhaps would have considered registering for courses in September will not be in a position to do so. This is particularly critical for part-time learners.

Other General finance-related issues

- The move to online learning will be a financial burden for some students who, in the immediate term, may not have access to or be able to purchase appropriate **IT equipment or software** to allow them to fully participate in any online or virtual learning setting. In the medium-to-long term, a greater move to online and virtual learning and the need to purchase appropriate equipment for same will represent a burden for financially or socio-economically disadvantaged students.
- Although the medium-to-long term impact of COVID-19 on the economy remains to be seen, students who traditionally relied on **part-time or summer employment** to support their studies will have fewer employment opportunities due to the impact of COVID-19 e.g. those seeking work in the tourism and hospitality sector. Similarly, the

ability of students to spend time abroad on summer work visas may be restricted due to global travel restrictions.

- The Department of Employment Affairs and Social Protection made a significant move by providing COVID-19 supports through mywelfare.ie. This was an understandable response given the level of payments the Department has had to process, and a welcome move for many applicants who would not want to queue outside their local Intreo Office. However, for others who need **face-to-face supports** or may not fit neatly into any existing social welfare criteria and require assistance, this new approach presents a challenge.

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