

Postgraduate Taught Fees
A note by the Union President – Paul Beaumont

Background

1. The National Union of Students (NUS) has published and is campaigning for a new postgraduate taught (PGT) funding model.
2. This model proposes institutions have their PGT student numbers capped and a maximum fee of £6,000 imposed in order to make a sustainable financial model on which to offer support (for Home & EU students). Within this model students cannot take the £6,000 loan and pay the difference in tuition fees, if the fee is higher than £6,000.
3. The NUS is encouraging member unions to campaign to their MPs on this model.
4. There is no maintenance element to their model, just the tuition fees.
5. Partly by virtue of being a STEM institution, very few of the current PGT courses offered by Imperial are charged at less than £6,000 (and prices set for next year are more in the £7,000 and more region - <http://www3.imperial.ac.uk/studentfinance/2013-14tuitionfees#PGT>).
6. The College has increased prices for 2013-14 intakes from the 2012-13 intake prices for Home & EU students, with (smaller) increases in already very high fees for International students.
7. In 2015 the first students on £9,000 undergraduate fees will be starting PGT courses. There is a worry that – since these students have been paying £9,000 for three years – there will be a ‘perception of value’ problem with a degree that costs less than £9,000pa, but at the same time there is the ‘not overcharging unnecessarily’ argument.
8. Career Development Loans are the main way of funding PGT courses currently, though the NUS is opposed to these due to them being offered to only certain institutions, and there is the problem that someone with a CDL is required to repay the loan regardless of whether they have a job or not upon graduating.
9. Career Development Loans do have higher interest rates than the NUS proposed loans.
10. The College currently does not have a ‘policy’ or official plan on what its PGT fees strategy is – giving the Union a brilliant opportunity to input into the development of such a plan, though I did meet with the College’s Chief Financial Officer to discuss plans going forward.

Suggested Beliefs

1. There is a serious problem with regards to PGT fees on the horizon, and a solution needs to be found.
2. The NUS proposal would not work for Imperial College Union
 - a. By virtue of the courses being STEM, and we would rather not have underfunded courses
 - b. Because we don’t believe in capping an institution’s intake in this manner to limit student’s choice of their first choice university.
3. That to provide other sources of ‘PGT courses’ (or equivalents), Imperial College London should:
 - a. Continue to bid for Doctoral Training Centre place funding as part of funded Postgraduate Research (PGR) courses, and should use this as a method of funding

PGT courses as much as possible. This should be possible at institution like Imperial that is able to attract research funding relatively easily.

- b. Introduce integrated masters undergraduate courses in departments currently without them (Life Sciences, for instance)

Though we accept that this will not solve the problem, it will at least alleviate it.

4. That Career Development Loans with fairer payment terms that require payment once a graduate is in employment are a fair way to fund a PGT course.
 - a. This could be achieved through a 'hybrid' agreement with the College and (a) bank(s), where by the College to some extent was able to delay loan repayments for a year so that students could find employment upon graduating.
5. We would prefer CDLs with a lower interest rate, closer to that as proposed in the NUS model.
 - a. This may be achievable with the College's backing, as the College is currently able to borrow at a much lower rate than students, due to the minute chance of defaulting. By a College-bank relationship there may be possibilities of preferential rates for students.
6. That in the balance of 'perception of value' versus 'not overcharging unnecessarily' the latter should always win out; Imperial College's reputation is strong enough to defeat the perception of value issue. Pricing some students 'out of the market' will only be detrimental to the quality of PGR intakes in future years.

Suggested Resolves

1. To lobby our local MPs and BIS (Business, Innovation and Skills) on points 1, 2 and 4.
2. To lobby the College on points 3, 4 and 5.
3. To work with the College on Background point 10 to develop a policy for PGT Fees going forward.