

# NESCOT FEES POLICY

## 2020-21

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## 1. Introduction

This fees policy is approved by the Corporation in accordance with the Articles of Government, and sets out the general framework under which the College operates its management of fees.

## 2. Setting and approval of fees

The fees that the College charges for the courses it provides are set each year by the College's Senior Management Team (SMT), taking into account the requirements of government legislation and of the funding agencies.

The Finance and General Purposes (F&GP) Committee will review the Fees Policy on an annual basis, and will recommend any changes to the Corporation for approval.

Where the government and/or funding agencies propose a change in policy which will significantly change the existing level of tuition or other fees, such changes will be reported at the earliest opportunity to the F&GP Committee. The F&GP Committee will consider the impact on this policy and approve any changes required. Transitional arrangements may be made to minimise the risk of any significant rise in fees causing a subsequent significant decline in the level of student enrolments.

## 3. Tuition fees

Tuition fees cannot be charged to students aged 16 to 18 in full time or part time education.

For adult learners (aged 19+) on **Further Education (FE)** courses, the following fees will be charged:

### **FE students aged 19+**

Full time - all levels below Level 3:	£3,000
Full time - Level 3:	Not to exceed advanced learner loan cap
Part time – Level 2 and below:	70% of National Base Rate (NBR)*
Part time – Levels 3 and 4:	Not to exceed advanced learner loan cap

\*The College's policy for charging tuition fees for **Further Education (FE)** courses for adult learners on part time courses at Level 2 and below is to charge 70% of the Education and Skills Funding Agency's (ESFA) national base rate (based on 50% of the NBR increased by 5% each year since 2017/18 to account for rising costs of delivery). This excludes any courses funded by advanced learner loans, which have a cap set by the Student Loans Company (SLC).

For **Higher Education (HE)** courses, the College has set the level of tuition fees to allow for a 64% contribution to non-staffing overheads. During the planning of curriculum, the College may decide to vary these rates for particular courses in response to market demand and competition. Due to the requirements of the Office for Students (OfS), the College must publish tuition fees around 18 months before the courses start. Once published, these fees may not be changed.

The College sets tuition fees for HE courses on an annual basis. The fees are approved by the OfS following submission to the OfS of an 'Access and Participation Plan' that sets out how the College will support widening participation in higher education and the proposed fees. The OfS gives its approval to fee policies for courses running a full academic year in advance i.e. fees agreed with the OfS in 2019 will apply to courses in 2020-21.

The Access and Participation Plan has been developed in accordance with the College's Equality and Diversity Policy and Action Plan designed to meet the requirements of the Equality Act 2010. In 2020-21 the College will spend 12.5% of Higher Fee income above the basic fee on access, student success and progression measures and financial support to underpin its commitment to widening participation. This is set to rise to 12.8% in 2022-23. The College pays, on average, 15% of the fee income it receives to its validating HEIs in the form of capitation fees. The average full time student tuition fee is £6,356. After adjustment for capitation, the net additional income from fees above the basic rate is negative.

Course tuition fees are set for new entrants to an HE course and would normally apply for the anticipated 'standard' duration of a student's programme. The College reviews tuition fees each year and course fees for new entrants may increase, subject to the agreement of the OfS. The expectation is that the College will increase fees for continuing students each year normally in line with inflation as specified by Parliament, normally using the Retail Price Index (RPI) of inflation. Course fees may therefore rise in line with inflation for each year of subsequent study.

Where an HE student's programme exceeds the 'standard' duration of study for reasons of academic performance, deferral or approved extenuating circumstance claims, the College reserves the right to increase tuition fees in line with its fees policy for new entrants to a course.

Due to the introduction of the apprenticeship levy, the College operates in an increasingly competitive market. The College's pricing policy for **apprenticeships** needs to be sufficiently flexible to compete. The College structures its pricing in the first instance around the maximum funding rates available for each standard or framework. The College plans so that the pricing ensures at least 64% contribution to central overheads. Pricing depends on the model of delivery, cost of materials and size of employer. We will allow flexibility for some negotiation around the price and seek to adjust delivery costs accordingly. The College's apprenticeship fees policy is set out at Appendix 1.

Tuition fees for **non government funded courses** must generate sufficient income to deliver in excess of 64% contribution bearing in mind the likely student numbers. The proposed fees for all new full cost courses are reviewed with the Director of Strategic Partnerships and Delivery; and the Deputy Principal (Finance & Resources). Approval is needed by the Deputy Principal (Finance & Resources) if the contribution is less than 64%.

Tuition fees for **international/ overseas students** are as follows:

Source of funding	Mode	Student	Tuition fee	Exam/ registration fee	
<b>International / Overseas</b>	Self-finance	FE Full time	Overseas student	Additional £500 on Home fee	As stated by the Awarding Body
	Self-finance	FE Part time	Overseas student	Equivalent of the weighted NBR of the qualification with area cost weighting (1.12) applied	As stated by the Awarding Body
	Self-finance	HE Full time	Overseas student	Additional £500 on Home fee	As stated by the Awarding Body
	Self-finance	HE Part time	Overseas student	Based on FTE pro-rata of additional £500 charged to full time students	As stated by the Awarding Body

#### **4. Examination and registration fees**

The College's policy is to pass on the charge made by the awarding body except where funding rules preclude it. This applies to 16-18 year old students on FE courses; students that are aged over 19 on FE courses that have received full funding from the ESFA; and those enrolled on English and mathematics courses. The College does not pass on the charge to HE students where the level of tuition fee income charged should also cover the cost of awarding body registration.

For students retaking examinations, the College's policy is to pass on the charges made by the awarding body.

#### **5. Charges for materials**

Students on courses where the use of materials is significant may be charged a contribution to the material costs. Any such charge must be included on the course information sheets and in the College prospectus, and specifically mentioned at the interview stage. Students must be advised of the cost before they enrol.

It is a requirement under consumer protection guidance that students on HE courses are made aware in advance in a clear and unambiguous way of all of the costs that will be incurred by studying a particular course at the College. These will be set out clearly on the relevant course and tuition fee pages of the website. Students will also receive details of these costs in the official offer letter.

16-18 year old students on funded FE courses, and students that are over 19 that have received full funding, will not be charged for any materials that are essential to their learning.

Materials used in a learning activity will be charged if the student wishes to keep them outside of the learning environment. Any such charges must be determined by the Head of Department when working with the course teams when planning the course activities.

## **6. Educational visits**

The College's policy is to charge students for the actual cost of any educational visits, which includes transport, subsistence and entry costs and incorporates the costs for any supervising staff and an administrative charge of 10%.

16-18 year old students on funded FE courses, and students that are over 19 that have received full funding, will not be charged where the visit is a compulsory requirement in order to successfully achieve on their course. Where a trip is not a compulsory requirement but curriculum related, charges will be made.

## **7. Payment of fees**

All students must be issued with an ID card before they may start a course. To obtain an ID card, a student must either:

- pay in full / the first instalment and set up a payment plan for the balance;
- provide proof to enable remission / exemption; or
- bring a purchase order from their employer confirming that their employer will pay their fees; or
- sign a declaration that they are applying for an HE/FE loan.

16-18 year old students (on 31 August prior to the start of the course) on ESFA funded courses are exempt from the payment of fees.

Overseas students are expected to pay their fees in full when they enrol. Overseas students must also pay 15% of their fees as a non refundable deposit. If a student requires a Certificate of Acceptance of Studies (CAS) in order to apply for a Tier 4 General Student Visa, the student is required to pay their fees in full before the CAS is issued. If the visa application is unsuccessful, then the fees less 15% are refunded.

Students may pay by cheque or by major credit / debit card.

## **8. Local College waiver or reduction of fees**

Fees will be applied strictly in accordance with this policy unless the written approval for their reduction or waiver has been obtained from the Deputy Principal (Finance & Resources).

## **9. Payment of fees by instalments**

The College expects all students to pay their fees at the point of enrolment. In exceptional circumstances, students may apply for credit facilities which are outlined in Appendix 2. There will be no administration charge for instalments. Any student who has a poor payment record, or who has a current debt to the College, will not be eligible for credit.

## **10. Refund of fees**

The rules governing the refund of fees are detailed in Appendix 3.

## **11. Fee remission**

Tuition fee remission is available to students over 19 years old on some FE courses in the following circumstances:

1. Individuals on Job Seeker's Allowance (JSA) or Employment and Support Allowance (ESA) in the Work Related Activity Group (WRAG) for skills training in order to help the individual into work.
2. Students aged 19-23 years of age studying their first full Level 2 or 3 qualification.
3. Entry or Level 1 aims (excluding Basic Skills) where a student has an entitlement to a full Level 2 qualification, in that they must have a highest prior attainment of Level 1 or below, but need a step up from basic skills in order to progress to Level 2 and are aged 19-23.
4. Students studying English and Maths learning aims.
5. An individual who has not reached GCSE Level C or above in English and Maths undertaking GCSE English and Maths.
6. Unemployed individuals who are in receipt of a means tested state benefit (other than JSA or ESA (WRAG)), who want to enter employment and need skills training to do so are, at the discretion of the Provider, eligible for full funding for units and other learning aims that will help the individual into work.
7. Classroom based ESOL provision will only be fully funded for those who are on JSA, ESA (WRAG) or unemployed and on a state benefit, where it is identified as a barrier to employment.

In all cases where receipt of an appropriate benefit is the reason for the remission of fees, the student must sign a College self declaration form.

Additional fee remission in exceptional circumstances can only be approved by the Deputy Principal (Finance & Resources).

## **12. Advanced Learning Loans**

Loans will be available via Student Finance England (SFE) for eligible students aged 19 and above studying at Level 3 and Level 4 for FE provision on a qualifying course. Fees will normally be charged at the full national base rate unless local market analysis indicates that a lower fee should be charged to ensure recruitment. In this instance, the minimum 64% contribution to central overheads will stand.

## **13. Higher Education (HE) Loans**

For HE courses, students may apply to Student Finance England (SFE) for a tuition fee loan.

## **14. Student withdrawals**

Where **FE students** on an FE course choose to withdraw after 21 days of the official start date of the course, all fees are due to be paid and any future instalments will still be collected. This includes students who are taking an Advanced Learner Loan as payments to the College cease upon withdrawal.

**HE students** are directed to refer to the Withdrawal and Interruption of Studies procedure on the College website, which describes the implications of a decision to withdraw from an HE programme or to defer their studies ('interruption of study') for a period of time, the procedures to be followed, and the payment of fees.

Where students on a **non government funded course** choose to withdraw at any stage, all fees are due to be paid in full.

## APPRENTICESHIP FEES POLICY

### 16-18 Apprentices

1. Non-levy employers > 50 employees, employers pay 5% co-investment
2. Non-levy employers < 50 employees, FREE OF CHARGE
3. Levy employers, as per Apprenticeship Pricing Schedule

### 19-24 Apprentices

1. Non-levy employers < or > 50 employees, employers pay 5% co-investment
2. Levy employers, as per Apprenticeship Pricing Schedule

### 19-24 Apprentices (Formerly in Care or EHCP)

1. Non-levy employer > 50 employees, employers pay 5% co-investment
2. Non-levy employers < 50 employees, FREE OF CHARGE
3. Levy employers, as per Apprenticeship Pricing Schedule

### Course Fees Model

1. Framework or Standard < £3000. The employer sends < 3 apprentices. Payment in advance or on receipt of invoice.
2. Framework or Standard < £3000. The employer sends >3 apprentices. DIRECT DEBIT payment method.
3. Framework or Standard > £3000. DIRECT DEBIT payment method.

### DIRECT DEBIT payment

#### 3 payments in total

1<sup>st</sup> payment is 50% of the course fees within 7 working days

2<sup>nd</sup> payment is 25% of the course fees payable on the 1<sup>st</sup> December

3<sup>rd</sup> payment is 25% of the course fees payable on the 1<sup>st</sup> March

For courses that do not commence at the start of the academic year, bespoke instalment plans may be put into place with the agreement of the Deputy Principal (Finance and Resources)

### Withdrawals

If the apprentice withdraws from the apprenticeship programme after week 6, the employer will be expected to pay 5% of the co-investment course fees for the proportion of the time taken by the apprentice out of the full apprenticeship term.

**NOTICE: If the first payment is not made within the first 5 weeks of the course, the apprentice will be withdrawn**

### CREDIT POLICY FOR FEES

We expect all students to pay their fees at the point of enrolment. In exceptional circumstances, students may apply for credit facilities which are outlined below. Any student who has a bad payment record, or who has a current debt to the College, will not be eligible for credit.

The standard College credit policy is to allow credit to any student with fees of greater than £400.00 chargeable on a course that is of one academic year in duration. The credit start point is set at £400.00 for 2020-21 and is based on the Education and Skills Funding Agency (ESFA) requirement for colleges to charge a tuition fee of 50% of the National Base Rate or as outlined by the current fees table.

In subsequent years, the start point will be adjusted for changes in the Retail Prices Index (RPI) plus any increase in the Funding Councils assumed fee payable by students.

The College will allow credit to any student for fees of £400.00 or more on the following basis only:

1. The fee will be paid in a maximum of three instalments. The initial payment required is 50% of the annual fee and is due at the point of enrolment, with the second instalment of 25% being payable at the end of the autumn term and the third instalment of 25% being payable at the end of the spring term. For courses that do not commence at the start of the academic year or are less than one academic year in duration (but are deemed to be of a suitable length), bespoke instalment plans **may** be put into place by the Finance Department with the agreement of the Deputy Principal (Finance and Resources).
2. The instalments will be paid by Direct Debit/ Recurring card payments.
3. If a student fails to pay for any term, he/she may be excluded from any further tuition and from the use of any College facilities, and may not be eligible to sit any relevant exams until such time as all overdue fees have been paid in full.
4. Any default in payment will be pursued by the College using all legal avenues available to it, including the use of an independent debt collector.
5. Exception to point 1-4 above to be authorised by the Deputy Principal (Finance & Resources).

**FEES REFUND POLICY**

1. A full refund of all fees paid will be made:
  - 1.1 Where the College has made a decision to close a course for any reason.
  - 1.2 For Further Education (FE) courses. Where the student withdraws within 21 calendar days of the official start date of a government funded course which is of one academic year or longer duration.
  - 1.3 For Higher Education (HE) courses. Refer to the HE Fees Refund Policy.
2. Refunds are not given on non government funded courses unless the College has made the decision to close a course for any reason.
3. Where a student transfers to another course within the College, the fees paid for the original course will be transferred to the new course. Where the fee for the new course is higher than for the original course, the balance of fees must be paid. There will be no partial refund if the fee for the new course is lower than for the original course.
4. Examination fees and registration fees which the College has already passed on to examination or professional bodies are only refundable where the relevant body has refunded to the College the amounts paid.
5. Where qualification for fee remission is established after payment of tuition fees has been made, the relevant sum will be refunded.
6. Where the course fees have been paid by a sponsor and the sponsored student leaves before the start of the course, the sponsor will be allowed to transfer the fees paid to a replacement student.
7. Applications for a refund of any fees for any other reason must be submitted in writing to the Deputy Principal (Finance & Resources). All refunds must be approved by the Deputy Principal (Finance & Resources).

## DEBT POLICY

This policy applies to student and non student debtors.

To complete their enrolment, students are expected to either:

- Pay their fees in full.
- Pay 50% and complete a Direct Debit form/Recurring card payment (following the Credit Policy for Fees at Appendix 1).
- Provide evidence of an HE or FE loan with Student Finance England.
- Provide a purchase order/letter from their sponsor.
- Provide evidence of fee remission.

Failure to do so, or defaulting on payments, will result in the implementation of the Credit Control Procedure as follows:

- Statements will be sent.
- Debtors will be contacted by email and telephone.
- Tutors will be contacted.
- First debtor letter will be sent.
- Second debtor letter will be sent.
- Final warning letter will be sent.
- Debt will be transferred to STA International.
- Legal action will be taken.