

FUNDING OPTIONS FOR UNDERGRADUATE STUDENTS IN ENGLAND - 2019/2020

The OU works with around 300 employers across the UK to deliver a high-quality social work training programme, approved by The Health and Care Professions Council. In our collaborative teaching model:

- The OU provides teaching and support to students through a range of formats, which include group workshops as well as the distinctive, flexible distance learning for which we are known.
- The employer arranges two practice learning opportunities and enables students to be released from their substantive responsibilities for the duration of their practice learning.

In some organisations, the training budget may not be able to meet the demand from employees seeking to train as social workers. If your agency is in this position, there is a range of ways to support your staff to participate in the programme, which might make it more affordable than you think.

YOU COULD SECURE A QUALIFIED SOCIAL WORKER IN YOUR TEAM JUST BY SUPPORTING AND ORGANISING TWO PRACTICE PLACEMENTS

Many of our students contribute to the cost of their own study – they are motivated to do so because they will gain a valuable degree and become eligible to apply for professional status as a social worker. These students still need the support and commitment of their employer to enable them to take part in the practice learning opportunities, but pay in part or in full for their course fees. Funding arrangements differ between sponsoring agencies and range from full funding, to minimal financial support (while still providing full support for students' practice learning).

SCENARIO 1: STUDENT IS FULLY FUNDED BY THE EMPLOYER

The employer covers all the costs associated with the degree.

SCENARIO 2: COSTS ARE SHARED BETWEEN THE EMPLOYER AND THE STUDENT

Many employers and students make agreements between themselves about splitting the costs. For example, the student may pay the module fees, while the employer offers paid leave for study and practice days and covers the other costs (travel, etc.).

SCENARIO 3: STUDENT IS FULLY SELF-FUNDED

Student pays their own course fees and other associated costs, using annual leave and unpaid leave for study time and to participate in the practice learning. The employer provides the two practice learning placements and agrees the necessary leave.

Some agencies offer a limited number of fully funded places each year, allocated through a competitive process, but also undertake to provide practice learning opportunities for additional students on a part-funded or unfunded basis.

Students who are funding their own tuition fees may choose to pay up front using their debit or credit card, however there are a variety of options available to help them spread the cost:

- At least one of our existing sponsors operates a salary sacrifice scheme to support self-funding students to pay by instalments. The employer pays the module fees to the OU then makes a corresponding reduction in the staff member's gross annual salary, resulting in a tax saving for the individual concerned. (This is the same mechanism as, for example, childcare vouchers.) Your payroll or finance team will be able to advise on whether this may be an option for your organisation.
- Students can apply for a Study Loan with The Open University Student Budget Account Ltd (OUSBA). Further information on this option is available overleaf.



APPROXIMATE COSTS ASSOCIATED WITH THE SOCIAL WORK DEGREE AT 2019/20 RATES (for a new student entering the undergraduate programme with no prior degree-level study)

COURSE TUITION FEES

3 years at £6,024 per year = £18,072 (pro-rata for part-time study).

PRACTICE LEARNING*

Cost of releasing your staff member for 170 placement days. Cost of providing a suitably qualified Practice Educator.

STUDY LEAVE

Cost of releasing your staff member for study time. Our recommendation is 36 days per year (pro-rata for part-time study).

ADMISSION CHECKS

Fees associated with medical and DBS checks needed for entry to the programme (many applicants already have these in place for their current employment role).

BOOKS

Individual computer and broadband internet access is needed. There may also be additional costs associated with set books and travel to tutorials.

TRAVEL AND SUBSISTENCE

For attendance at face-to-face workshops and external practice learning placements. Costs will vary according to location.

* Government funding is currently provided to help with the costs of practice learning on qualifying social work degree programmes at the rate of £20 per day for 170 days, payable to the placement provider. This is subject to annual review, hence may change in future.

FUNDING OPTIONS FOR POTENTIAL OU STUDENTS

The sections below were adapted from the OU's online prospectus in March 2019. For the most up-to-date information, visit our website www.open.ac.uk/courses/fees-and-funding

PART-TIME TUITION FEE LOAN

OU students who do not already hold an undergraduate degree can apply for a Part-time Tuition Fee Loan from Student Finance England. This is the most popular way of financing Open University studies. More than 70% of students studying with us in England take out a tuition fee loan.

KEY FACTS

- Part-time Tuition Fee Loans aren't means tested, so it doesn't matter how much a student earns.
- Repayments are linked to a student's income, not how much they borrow, and they are deducted automatically from their wages before they receive them, in the same way as income tax.
- **There is nothing to pay up front** and students only start to repay a Part-time Tuition Fee Loan four years after the start of the qualification when they earn over the income threshold, currently £25,000. On an average salary of £27,000, for example, repayments would be £15 a month.
- Students will need to study at a pace that's equivalent to at least 25 per cent of a full-time student, for example, an OU module worth 30 credits each year.
- Even if students study at full-time equivalent intensity with us, they will still apply for a Part-time Tuition Fee Loan.
- Generally, students will need to be studying for their first higher education qualification to be eligible to get a Part-time Tuition Fee Loan. If they already have a higher education qualification but want to top it up to the next level, they may still be eligible for a Part-time Tuition Fee Loan. For example, students may have completed a Certificate of Higher Education and want to study further to top it up to a degree.

- The following table gives some examples of what repayments might be, based on the UK repayment threshold of £25,000 per year.

Income each year before tax	Monthly repayment
£25,000	£0 (salary below threshold)
£27,000	£15
£34,000	£67.50
£49,000	£180

HOW TO APPLY

Students can apply for a Part-time Tuition Fee Loan online via the **Student Finance England** website at any time – their place on the course doesn't have to be confirmed when they make the application. The University will only use an approved loan as payment once the student begins to participate on their module after its start date. Applications for Part-time Tuition Fee Loans open in May.

The online application takes about 15 minutes and students need to give details about proof of residency and identity. It would be useful to have their passport and National Insurance number to hand. If they don't have a passport, it is still possible to apply by post using other forms of ID but might take a bit longer. It can take around eight weeks to approve applications so students need to make sure they apply in time to make sure their student finance is in place for the start of their course.

Students should apply for the maximum loan so that they will only have to make one application to Student Finance England in each academic year; when it is processed, the loan amount will reflect the actual cost of the module fees for that year.

OPEN UNIVERSITY STUDENT BUDGET ACCOUNTS LTD. (OUSBA)

When a student enrolls with us, they will be offered the opportunity to pay their fees through a study loan from OUSBA. If they choose this way to pay, OUSBA pays the fees to The Open University on the student's behalf, and then the student repays OUSBA either in a single sum or in monthly instalments, as they prefer.

Students can repay OUSBA at any time before the course begins. In this case, there's no interest. We call this option 'register now, pay later'.

Alternatively, students can repay OUSBA in monthly instalments payable over up to a year. In this case, interest does apply. The interest rate is fixed for the duration of the course (current Representative APR of 5.1%). We call this 'paying by instalments'.

An Open University Student Budget Accounts (OUSBA) agreement is a legally binding credit agreement between you and OUSBA Ltd. By signing this agreement students will be liable for the repayments in accordance with its terms and conditions.

If you feel you would be unable to obtain an OUSBA loan on your own due to credit history or affordability issues, OUSBA offers the option to apply for a joint loan application with a third party, i.e. husband, wife, partner, parent, sibling, friend etc. In such cases, OUSBA will be required to carry out additional affordability checks separately and/or collectively for both joint applicants who will be jointly and severally liable for loan repayments.

As additional affordability checks are required when processing joint loan applications, unfortunately, an instant decision cannot be given. On average the processing time for a joint loan application is five working days from receipt of the required documentation.

As a responsible lender every application made to OUSBA undergoes a Credit and Affordability Check with a Credit Reference Agency to ensure you can meet your financial obligations.

Many students find OUSBA to be a convenient 'pay as you go' option.



FURTHER INFORMATION

Further information about fees and funding is available on our website: open.ac.uk/courses/fees-and-funding

To **speak to an adviser**, contact the Partnerships Team on: **0300 303 6333**

Read more about **Open University Student Budget Accounts (OUSBA)**: open.ac.uk/courses/fees-and-funding/ousba

Find out more about loans from the **Student Finance England** website: gov.uk/student-finance