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Tracking higher education funding in England

Analysis for Universities UK, July 2026



Executive Summary (1/2)

- London Economics were commissioned by Universities UK to **assess the change in undergraduate higher education (HE) funding in England between 2012-13 and 2024-25**. The analysis covers both teaching funding (i.e. tuition fees and teaching grants) as well as maintenance funding.
- We consider both the total funding and the ‘source’ of funding in terms of the relative Exchequer contribution vs. the student/graduate contribution, where:
 - The **expected ‘Exchequer contribution’** includes the teaching grant, maintenance grants, and the share of tuition fee and maintenance loans that is expected to be written off by Treasury; and
 - The **expected ‘student/graduate contribution’** includes the share of tuition fee and maintenance loans that is expected to be repaid by graduates, as well as any tuition fees that are paid upfront (i.e. without loans) .
- The analysis covers **English domiciled undergraduate students studying in England** in each academic year.
- We assess several key metrics, including total funding across all students, in **absolute terms** and as a **proportion of total gross domestic product (GDP)** in England in each year, as well as the **average funding per student**.
- The work follows on from our **recent analysis for Universities UK** estimating the change in **teaching funding per student over time** ([published here](#)).

Categories of funding included in the analysis

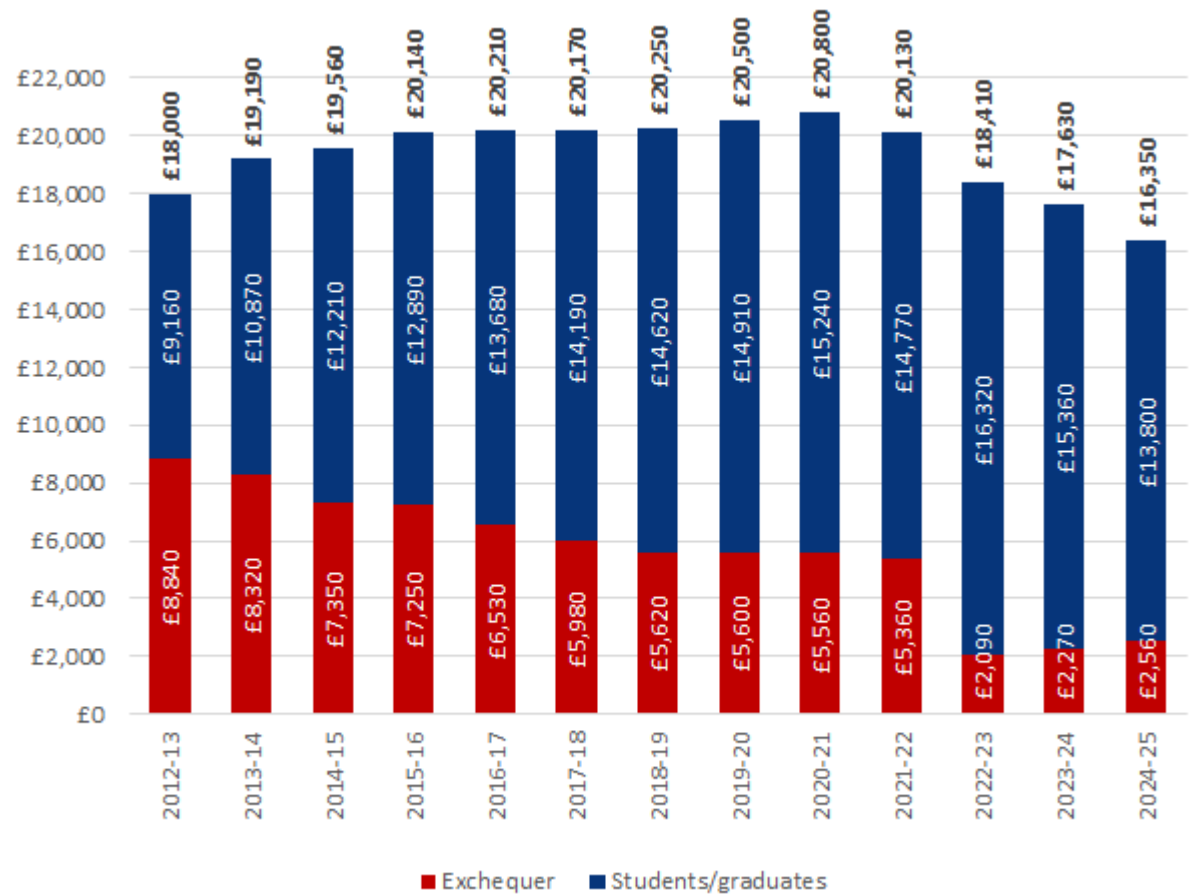
Type of funding		Exchequer contribution	Student/graduate contribution
Teaching funding	Teaching grants	HEFCE/OfS teaching grant	-
	Tuition fee loans	Tuition fee loan outlay x RAB ¹	Tuition fee loan outlay x (1-RAB)
	Upfront fees	-	Tuition fees paid upfront
Maintenance funding	Maintenance grants	Maintenance grants	-
	Maintenance loans	Maintenance loan outlay x RAB	Maintenance loan outlay x (1-RAB)

2 ¹ The RAB (Resource Accounting and Budgeting) charge refers to the estimated proportion of the total loan balance that is expected to be written off at the end of the statutory loan repayment period. In each instance, it includes the expected write-off for both tuition fee loans and maintenance loans taken out by students. For more detail, see [this slide](#) and [Annex I](#).

Executive Summary (2/2)

- In real terms (in 2025-26 prices), since 2012-13, the average funding per full-time undergraduate student (from England studying in England) has declined by 9%, from £18,000 in 2012-13 to £16,350 in 2024-25. The overall decrease is entirely driven by a substantial decline in recent years: Average funding per full-time student has **dropped by 21% in the 4 years since 2020-21**, from £20,800 to £16,350, as high levels of economy-wide inflation have eroded the real-terms value of HE funding since then.
- There has been a substantial shift in the burden of cost from the Exchequer onto students/graduates. The average expected Exchequer contribution per full-time student has *decreased* by 71% over the period, from £8,840 in 2012-13 to £2,560 in 2024-25. At the same time, the expected student/graduate contribution has *increased* from £9,160 to £13,800 (a 51% increase).
- Following a similar pattern to funding per student, the expected Exchequer contribution as a % of GDP has declined substantially since 2012-13, from 0.42% to 0.12% in 2023-24¹.
- The expected Exchequer contribution is **sensitive to the assumed RAB charges**, which are inherently uncertain as they rely on forecasts of loan repayments and macroeconomic conditions many years into the future. We therefore undertake a sensitivity analysis (see [this slide](#)) of the estimated Exchequer vs. student contribution changes when different RAB charge assumptions are used. Irrespective of which set of RAB charges is applied here, the expected Exchequer contribution declines substantially between 2012-13 and 2024-25.
- More generally, while it affects the relative Exchequer vs. student contribution, the RAB charge affects neither the *total* level of funding nor the amount of funding received by HE providers to deliver teaching.

Total teaching and maintenance funding per *full-time* student, in real terms (in constant 2025-26 prices)



Note: All numbers relate to English domiciled undergraduate students studying in England. Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £10. Totals may not add up to the sum of sub-components due to rounding. Tuition fees include both SLC tuition fee loans as well as fees that are paid upfront by students who do not take out a tuition fee loan.

¹ GDP data was only available until 2023, so that 2023-24 is the most recent year included in the GDP proportions here (instead of 2024-25).

Introduction and context



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Introduction and context

- To support the Treasury Select Committee's inquiry into student loan repayment terms ([here](#)), London Economics recently undertook research for Universities UK on the level of teaching funding per full-time first degree student from England studying in England, and the relative Exchequer contribution vs. the student/graduate contribution to this funding. That analysis (published [here](#)) focused on the 2012-13 and 2025-26 academic years, only covered first-year students in those years (i.e. was undertaken on a 'cohort basis'¹), and only included teaching funding (i.e. tuition fees plus teaching grants) but excluded any maintenance funding provided to students.
- Universities UK subsequently commissioned us to undertake a more in-depth analysis of the evolution of the level of higher education (HE) funding associated with English domiciled undergraduate students in England over time, outlined here.** This new analysis has a **wider scope**, and covers the following:

Time series	Each academic year between 2012-13 and 2024-25 ² (i.e. a full time series)
Types of funding	Teaching <i>and</i> maintenance (fees (loans + upfront payments), teaching grants, maintenance grants and loans)
Study mode + level	Both full-time and part-time undergraduate students; both first degrees and sub-degree qualifications
Year of study	All students enrolled in each academic year (i.e. both first-year and continuing students)

- In addition, the analysis here also assesses a **wider range of metrics**. On top of the **average funding per student**, we assess the **total funding across all students, in absolute terms and as a proportion of total gross domestic product (GDP) in England in each year**.
- All main results presented here are in *real* terms in constant 2025-26 prices** (and nominal-terms results (i.e. *not* adjusted for inflation) are presented in [Annex II](#)).
- The latest academic year covered by the analysis here is 2024-25, meaning that more recent changes in government policy are not accounted for.** The changes to Plan 2 loan repayment terms announced in the November 2025 budget (see [here](#)) and the reduction in the Strategic Priorities Grant announced in July 2026 (see [here](#)) will both have a downward impact on the expected Exchequer contribution to HE funding.

¹ By 'student cohort', we mean *first-year students* (i.e. student entrants) starting their qualifications in a given year. For example, the 2012-13 cohort refers to students starting HE qualifications in 2012-13.

² 2024-25 is the most recent academic year for which all of the various datasets required for the analysis are currently available.

Introduction and context

Categories of funding included in our analysis

Type of funding		Exchequer contribution	Student/graduate contribution
Teaching funding	Teaching grants	HEFCE/OfS teaching grant ¹	-
	Tuition fee loans	Tuition fee loan outlay x RAB ²	Tuition fee loan outlay x (1-RAB)
	Upfront fees	-	Tuition fees paid upfront ³
Maintenance funding	Maintenance grants	Maintenance grants	-
	Maintenance loans	Maintenance loan outlay x RAB	Maintenance loan outlay x (1-RAB)

Importantly, the estimates of the relative Exchequer vs. graduate contribution depend on the assumed RAB charges. These are:

- **Forecasts** of graduate earnings and associated loan repayments over 25 years (for Plan 1 loan borrowers), 30 years (for Plan 2), and 40 years (for Plan 5). These estimates are **highly uncertain** and rely on (and are sensitive to) forecasts of graduate earnings, loan repayment terms, earnings growth, and inflation many years into the future. The *actual* student loan write-off cost to the Exchequer will not be known for many years (e.g. the actual write-off for students that started HE in 2012/13 will not be known until the 2040s!);
- **London Economics' own estimates** of the expected loan write-off. The Department for Education (DfE) publishes official *forecasts* of the RAB charge ([here](#)), but not retrospective official RAB estimates for previous academic years that reflect changes in loan repayment terms or in its underlying methodology for calculating the RAB charge over time. This is a **key gap in the data published by the DfE**, and, as a result, our analysis necessarily relies on our own RAB estimates⁴;
- Our best estimates of the Exchequer's **expected loan write-off cost based on the loan repayment terms that were in place at the time**. For example, the RAB charge for Plan 2 borrowers (who entered HE between 2012-13 and 2022-23) does *not* account for the new repayment and interest threshold freezes that were announced in the November 2025 Budget ([here](#), see p.108), but is instead based on the Plan 2 loan repayment terms that were originally in place in each historical academic year.

¹ This includes the total recurrent funding allocations to HE providers allocated by the Higher Education Funding Council for England (for 2012-13 to 2017-18) and the Office for Students (from 2018-19 onwards). For example, for 2024-25, this includes the funding for undergraduate students for high-cost courses (including high-cost subject funding plus other supplementary/targeted funding), funding for student access and success, and funding for specialist providers. Note that any additional (and separate) capital grant funding is excluded from the analysis.

² The RAB (Resource Accounting and Budgeting) charge refers to the estimated proportion of the total loan balance that is expected to be written off at the end of the statutory loan repayment period. In each instance, it includes the expected write-off for both tuition fee loans and maintenance loans taken out by students. For more detail, see the [next slide](#) and [Annex I](#).

³ This relates to fees that are paid upfront by students who do not take out a tuition fee loan (e.g. either because they are not eligible or decide not to draw down a fee loan).

⁴ As discussed in further detail in [Annex I](#), our RAB estimates tend to be *lower* than the forecasts published by the Department for Education (DfE). Instead, our RAB estimates are typically very similar to the RAB charges estimated by the Institute for Fiscal Studies.

Introduction and context

Core RAB charge assumptions by academic year, loan plan, and study mode

Academic year	Plan 1 (students who entered pre-2012-13)		Plan 2 (students who entered between 2012-13 and 2022-23)		Plan 5 (students who entered from 2023-24 onwards)	
	FT	PT	FT	PT	FT	PT
2012-13	26%	-	23%	31%	-	-
2013-14	26%	-	23%	31%	-	-
2014-15	26%	-	23%	31%	-	-
2015-16	26%	-	23%	31%	-	-
2016-17	26%	-	23%	31%	-	-
2017-18	26%	-	23%	31%	-	-
2018-19	26%	-	23%	31%	-	-
2019-20	26%	-	23%	31%	-	-
2020-21	26%	-	23%	31%	-	-
2021-22	26%	-	23%	31%	-	-
2022-23	26%	-	6%	22%	-	-
2023-24	26%	-	6%	22%	15%	27%
2024-25	26%	-	6%	22%	15%	27%

Note: See [Annex I](#) for further detail on these RAB charge assumptions.

There is no RAB charge for part-time (PT) students under Plan 1, since PT students entering HE prior to 2012-13 were only eligible for grants (but no loan funding). Plan 5 was only introduced for students entering HE from 2023-24 onwards.

- Given the Government's introduction of different student loan repayment plans over time, the analysis relies on different RAB charge estimates for Plan 1, Plan 2, and Plan 5 student loan borrowers. These RAB charges are then applied to the total fee and maintenance loan outlay in each academic year (by plan and study mode) to estimate the expected long-term Exchequer cost of these loans. The remainder (1-RAB) instead represents the expected student/graduate contribution.
- The table on the left-hand-side presents the RAB charges assumed throughout the core analysis here. As outlined in [Annex I](#), these RAB assumptions are based on the *original* loan repayment terms in each year *at the time*, to in part reflect the costs of loan write-off that would have been recorded in the DfE's accounts at the time. In addition, for a like-for-like comparison over time, these assumptions adjust for changes in wider economic factors over time by using the *same underlying discount rate* in each year to discount future repayments into today's money terms (using the *current 2025-26* discount rates rather than the original discount rates in each academic year).
- For simplicity, the RAB charges here are estimated only for specific individual cohorts (rather than separately for *each academic year*), and are therefore mostly constant over time. The only exception is for Plan 2, where we use the estimated RAB charge for the *2012-13 cohort* of starters up until 2021-22 inclusive, but then use the RAB charge estimated for the *2022-23 cohort* for 2022-23 onwards, to account for the **substantial changes to Plan 2 repayment terms introduced at the time** (as part of the DfE's response to the Augar Review)¹.
- Given the impact of the assumed RAB charge on the level of expected Exchequer vs. student/graduate contribution to student loans, in addition to the core analysis, we also test the **sensitivity of the results with respect to two alternative sets of RAB assumptions**. For more detail, please see [Annex I](#) (for the sensitivity assumptions) and [Annex II](#) (for the results of the sensitivity analysis).

¹ While these changes also applied to previous student cohorts retrospectively, we focus on the loan repayment terms that were *in place at the time* when each relevant cohort started their studies, so that we only account for these policy changes in the academic years *after* they were implemented. This is to more accurately reflect the DfE's funding decisions in each year over the period.

Summary of findings

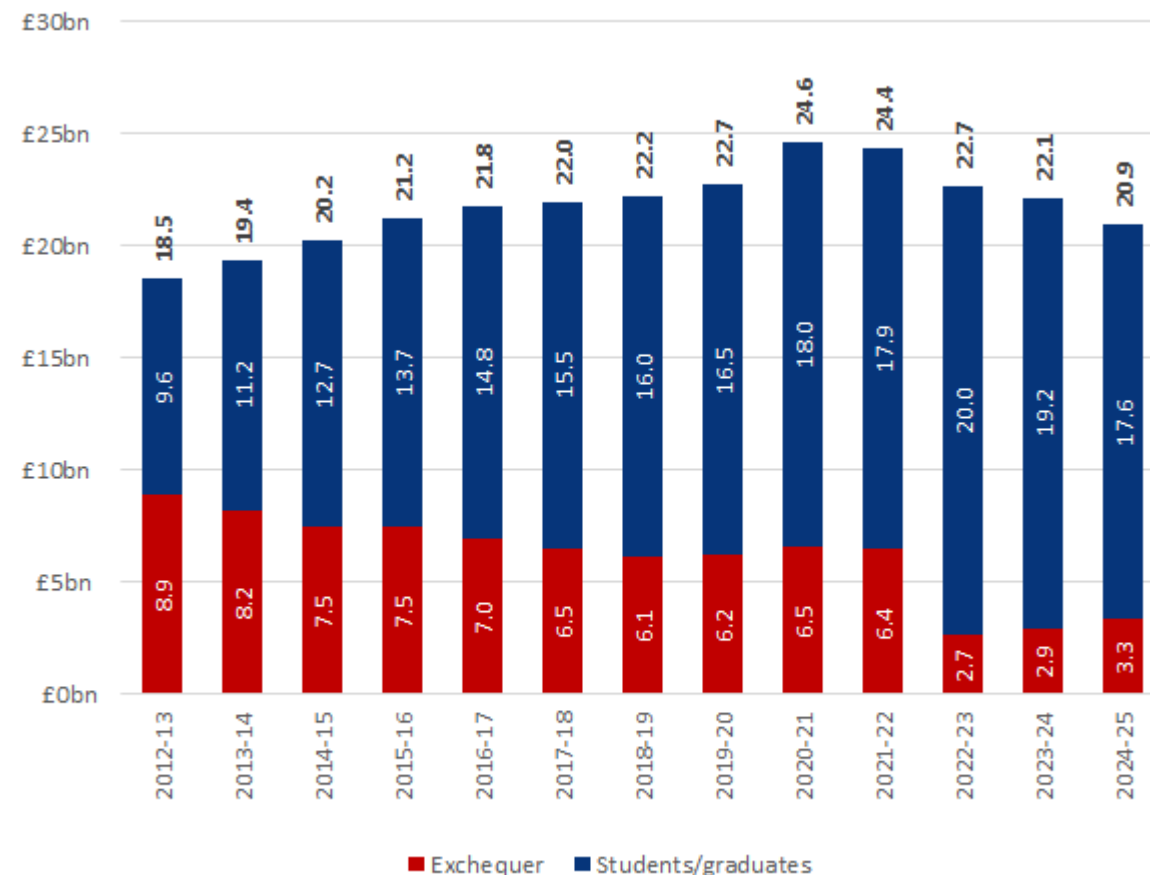


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Results: Total funding over the period

- There has been a 13% real-terms increase in total funding (including teaching and maintenance funding) for English domiciled undergraduate students in England over the period, from £18.5 billion in 2012-13 to £20.9 billion in 2024-25. The associated number of students *also* increased by 13% (1.25m to 1.41m students, see [this slide](#)), i.e. real-terms funding has just about increased in line with student numbers. However, the number of *full-time* students has increased by as much as 28% (from ca. 940,000 to 1.20m); therefore, the average funding per full-time student has declined considerably (see [this slide](#)).
- The expected Exchequer contribution to total funding has declined from £8.9 billion in 2012-13 to £3.3 billion in 2024-25 (i.e. a decline of 63%; also see the [next slide](#) for more detail). In contrast, the expected student/graduate contribution has increased from £9.6 billion in 2012-13 to £17.6 billion in 2024-25 (by 83%) – i.e. the cost of HE expansion since 2012-13 has been borne by students/graduates.
- Total funding initially increased, to a peak of £24.6 billion in 2020-21. The increases between 2012-13 and 2016-17 were caused mostly by the **uplift in tuition fees for students starting from 2012-13 onwards**, as ‘old-regime’ (pre-2012-13) students on lower (£3,000) fees were phased out and replaced with ‘new-regime’ students from 2012-13 who were charged a maximum fee of £9,000 per year (see [Annex II](#) for a breakdown of total funding by component). There was also an underlying steady increase in the number of (full-time) students, with a particularly large increase in 2020-21, driving the ‘jump’ in total funding in that year. **However, total funding has been declining since 2020-21.** This is predominately due to **high levels of economy-wide inflation** eroding the real-terms value of HE funding (i.e. funding increases have not been keeping up with inflation) ¹.

Total teaching and maintenance funding by academic year, in real terms (in constant 2025-26 prices)



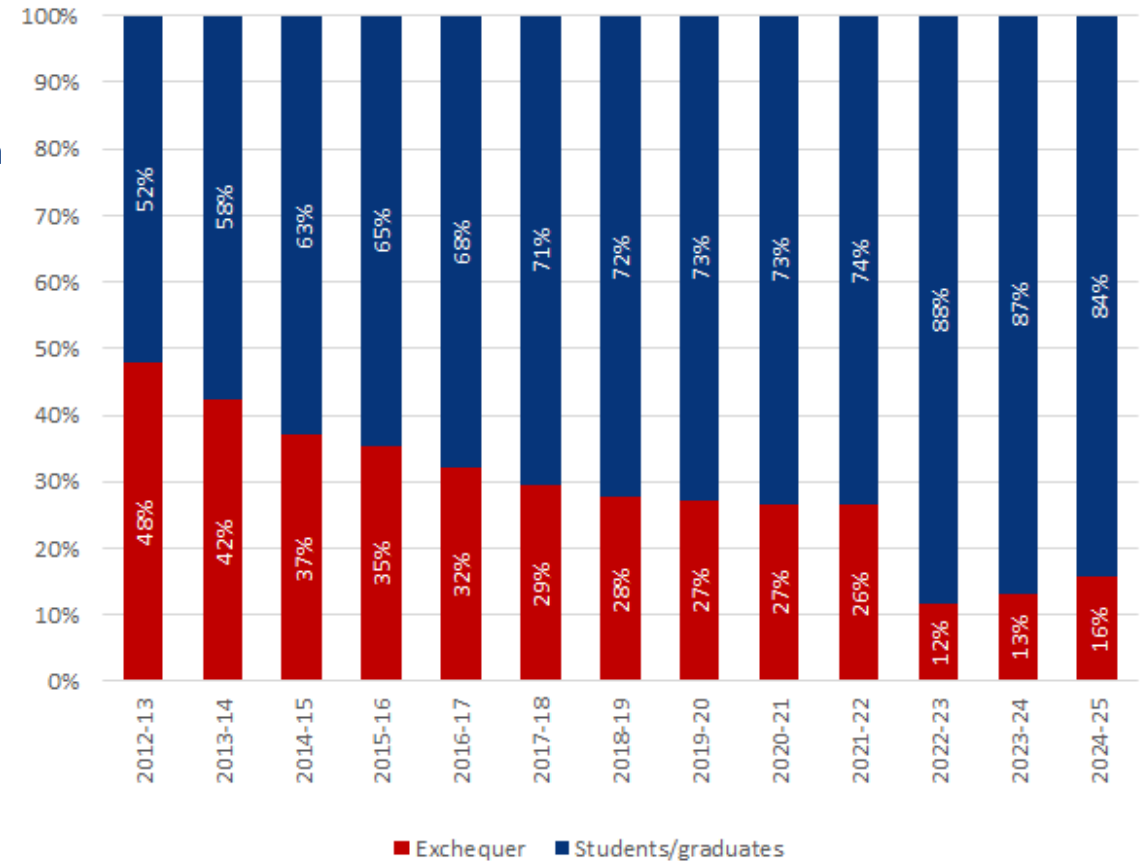
¹ There was also a fall in funding in 2024-25 in *both real and nominal terms*, due to a decline in the Student Loan Company’s loan outlay for both fee and maintenance loans. Please note that the underlying data included *provisional* results only for 2024-25 (as of August 2025), while the *final* outlay data for 2024-25 will only be published in around November 2026. See [this slide](#) in Annex II for the nominal-terms results.

Note: All numbers relate to English domiciled undergraduate students studying in England. Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £0.1 billion. Totals may not add up to the sum of sub-components due to rounding.

Results: Exchequer vs. student/graduate contribution

- While total funding for English domiciled undergraduate students studying in England has increased, the expected Exchequer contribution to this funding has declined substantially - both in absolute terms and as a % of total funding. In other words, the increase in funding has been borne entirely by students/graduates.
- The expected Exchequer contribution declined from £8.9 billion in 2012-13 (48% of the total) to £3.3 billion (16% of the total) in 2024-25. This equates to a 63% decline, and was predominantly caused by:
 - The reduction in teaching grant funding, as 'old-regime' students, whose studies were funded mostly through teaching grants rather than tuition fees, were phased out (see the [previous slide](#));
 - The removal of maintenance grants for new students who started their studies from 2016-17 onwards; and
 - The DfE's post-Augar Review reforms to Plan 2 student loans (announced in February 2022¹), which have led to a significant reduction in the expected RAB charge for Plan 2 loans for 2022-23 onwards (see [above](#)). In turn, this results in a sharp fall in the expected Exchequer contribution to fee and maintenance loans from 2022-23 onwards.
- This change in the balance of contribution was a key point of concern about current student loans policy raised by the Treasury Select Committee in its recent report². The Committee recommended that 'in the long term, the government should return the balance between the individual and the state to a 50:50 split'.

Expected balance of contribution to total teaching and maintenance funding



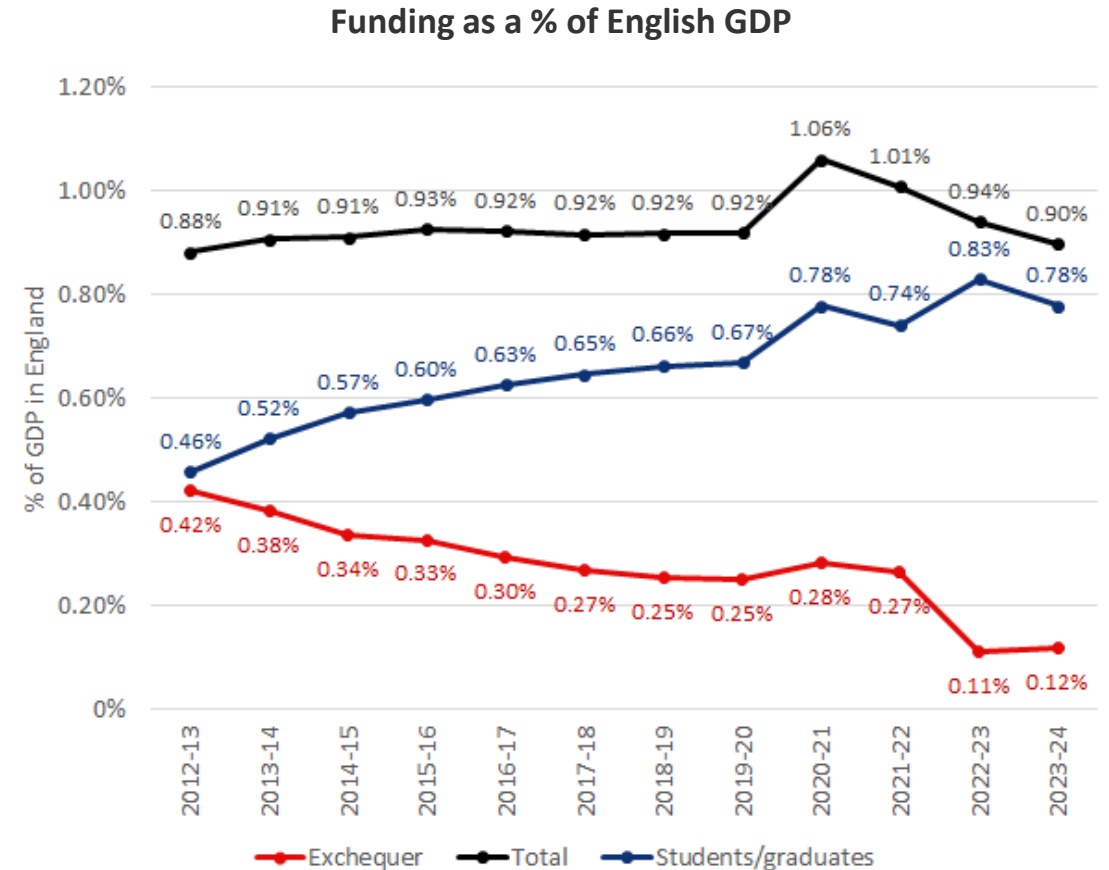
Note: All numbers relate to English domiciled undergraduate students studying in England.

¹ See [here](#). The DfE published its response to the Augar Review in February 2022, announcing key policy changes for Plan 2 student loan borrowers including a freeze and change in the subsequent annual uprating mechanism for the loan repayment threshold (from April 2023).

² See [here](#).

Results: Funding as a percentage of GDP

- In *relative* terms, when expressed as a percentage of English GDP, the total funding for English domiciled undergraduate students in England has remained broadly stable over the period, at approximately 0.90% to 1.0% of GDP. In other words, funding has broadly moved in line with English GDP.
- However, following a similar pattern to funding in absolute monetary terms, the expected Exchequer contribution as a % of GDP has declined substantially since 2012-13, from 0.42% to 0.12% in 2023-24¹:
 - In terms of **teaching funding**, the expected Exchequer contribution has declined from 0.27% of GDP in 2012-13 to 0.09% in 2023-24². As noted [above](#), this is driven by the decline in teaching grants and the drop in the estimated RAB charge (in 2022-23).
 - The expected Exchequer contribution to **maintenance funding** has also declined, from 0.15% to 0.03% of GDP. Again, this is driven partly by the removal of maintenance grants as well as the decline in the RAB charge.
- The decline in expected Exchequer funding (whilst overall funding as a % of GDP has remained stable) means that the expected students/graduate has increased from 0.46% of GDP in 2012-13 to 0.78% in 2023-24.
- There was a noticeable **jump in total funding as a percentage of GDP in 2020-21 (to 1.06%)**, predominantly due to a contraction in English GDP in that year caused by the Covid-19 pandemic.



Note: All numbers relate to English domiciled undergraduate students studying in England.

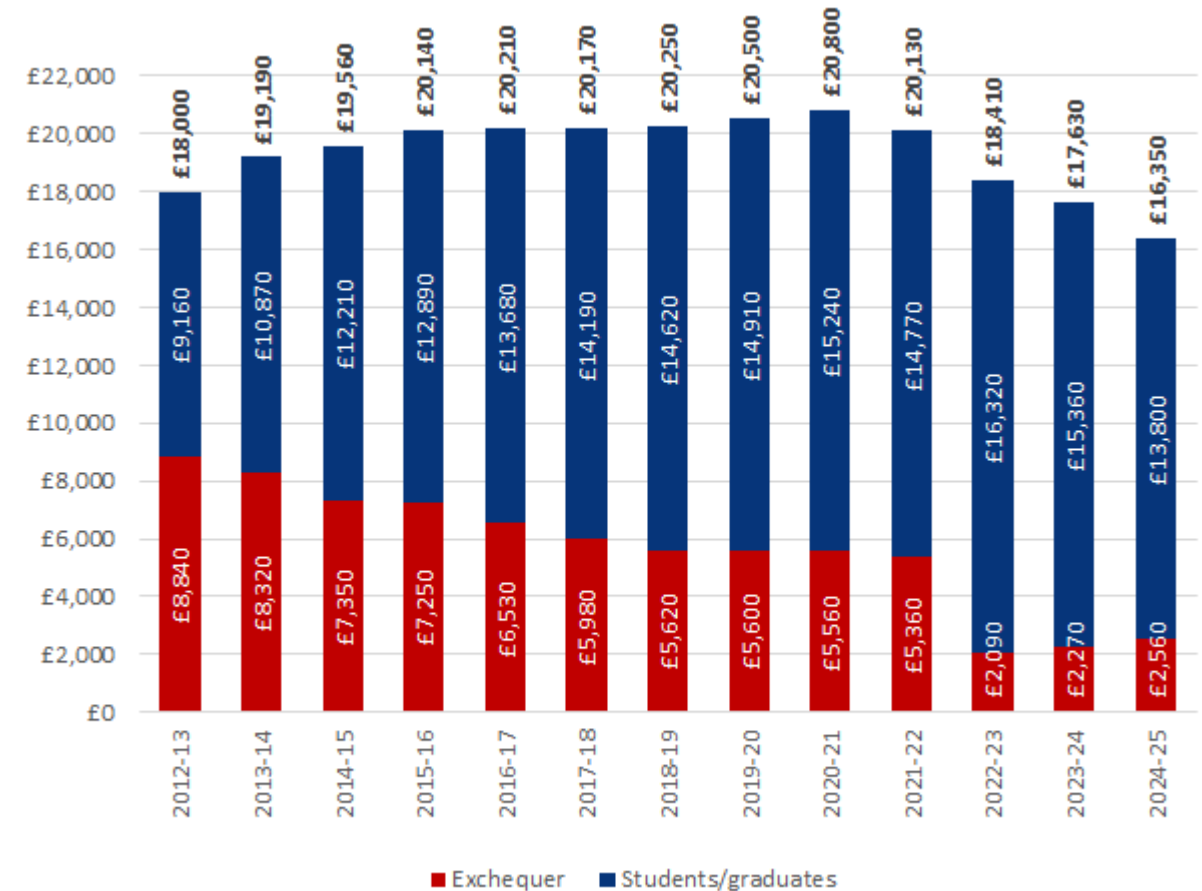
¹ GDP data was only available until 2023, so that 2023-24 is the most recent year included here (instead of 2024-25).

² See [Annex II](#) for the more granular results by component. **Total teaching funding** generally accounts for roughly 0.55% to 0.60% of GDP, with **maintenance funding** providing the remaining 0.35% to 0.40%.

Results: Funding per full-time student

- Finally, we also look at total funding on a per-student level, for full-time students only (and the corresponding results for part-time students are presented in [Annex II](#)).
- Real-terms funding per full-time student has declined substantially since 2020-21 (by 21%). Again, this was largely due to high inflation eroding the real-terms value of both tuition fees and maintenance funding per student, with funding levels not keeping up with economy-wide price inflation.
- Reflecting the above findings on total HE funding, the expected Exchequer funding per full-time student has declined sharply over the period, from £8,840 in 2012-13 to £2,560 in 2024-25. This equates to a 71% decline. At the same time, the expected student/graduate contribution has increased from £9,160 to £13,800 (a 51% increase).
- In contrast to the total level of funding (which has increased by 13% since 2012-13, see [above](#)), the average funding per full-time student has *declined* by 9% in real terms since 2012-13, from £18,000 in 2012-13 to £16,350 in 2024-25.
- Funding per full-time student first *increased* at the start of the period, to a peak of £20,800 in 2020-21. This initial increase was mostly driven by the increase in tuition fees for 2012-13 student entrants (see the [next slide](#) for a breakdown by funding component).

Total teaching and maintenance funding per *full-time* student, in real terms (in constant 2025-26 prices)



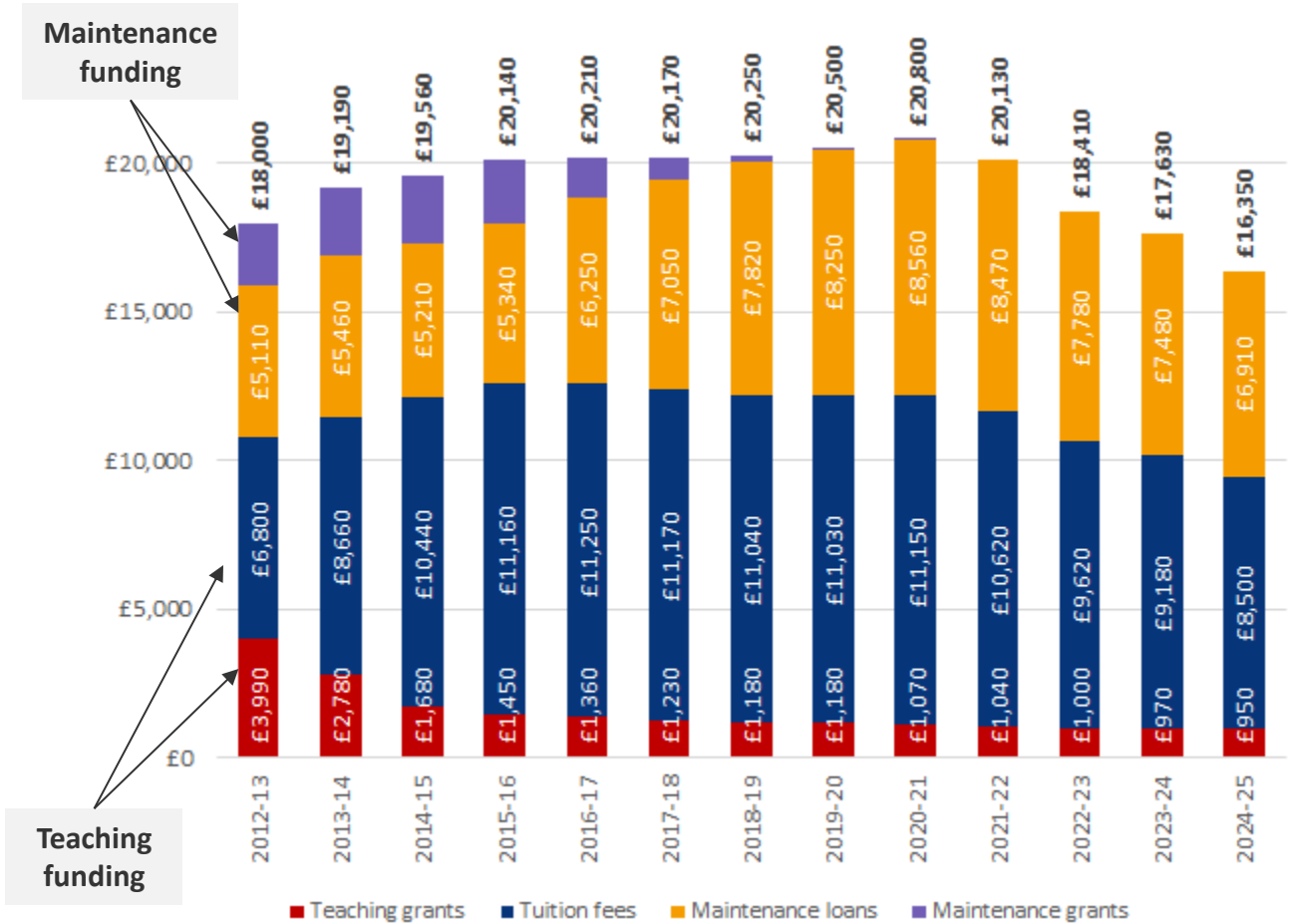
Note: All numbers relate to English domiciled undergraduate students studying in England. Estimates per student refer to full-time students only. Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £10. Totals may not add up to the sum of sub-components due to rounding.

Results: Funding per full-time student by component

- It is important to look at how the different components of the average funding per (full-time) student have changed over time.
- As shown in the chart on the right, the decline in the average funding per full-time student is mostly a result of a (12%) reduction in teaching funding (fees plus teaching grants) per student, from £10,790 to £9,450. Teaching funding per student initially increased at the beginning of the period due to the introduction of higher fees, and then remained broadly stable in between 2015-16 and 2020-21 (at around £12,400). However, since 2020-21, it has reduced by £2,780 (23%). The undergraduate tuition fee cap in England has traditionally remained frozen in cash terms in most years over the period (except 2017-18), and has only just started increasing in line with inflation since 2025-26; therefore, the high levels of inflation in recent years have led to a particularly strong erosion of tuition fees in real terms.
- In contrast, maintenance funding per full-time student has remained roughly constant over the period (£6,910 in 2024-25 compared to £7,220 in 2012-13). This is in spite of the removal of maintenance grants for new student entrants in 2016-17, and likely reflects the fact that the maintenance support package available to English domiciled full-time undergraduate students typically rises with inflation forecasts each year¹.

¹ While the maximum maintenance loan per student typically increases with predicted RPIX inflation, the household income threshold below which students are eligible for the maximum loan has remained frozen at £25,000 since 2008/09 (and the Government [recently confirmed](#) that it will remain at £25,000). This has led to a decline in the proportion of students that are eligible to receive the maximum/full level of maintenance funding each year (e.g. the % of students that received the full maintenance loan outside of London has declined from 56.6% in 2012/13 to 37.5% in 2021/22, see [here](#)).

Total teaching and maintenance funding per *full-time* student, in real terms (in constant 2025-26 prices) – by component

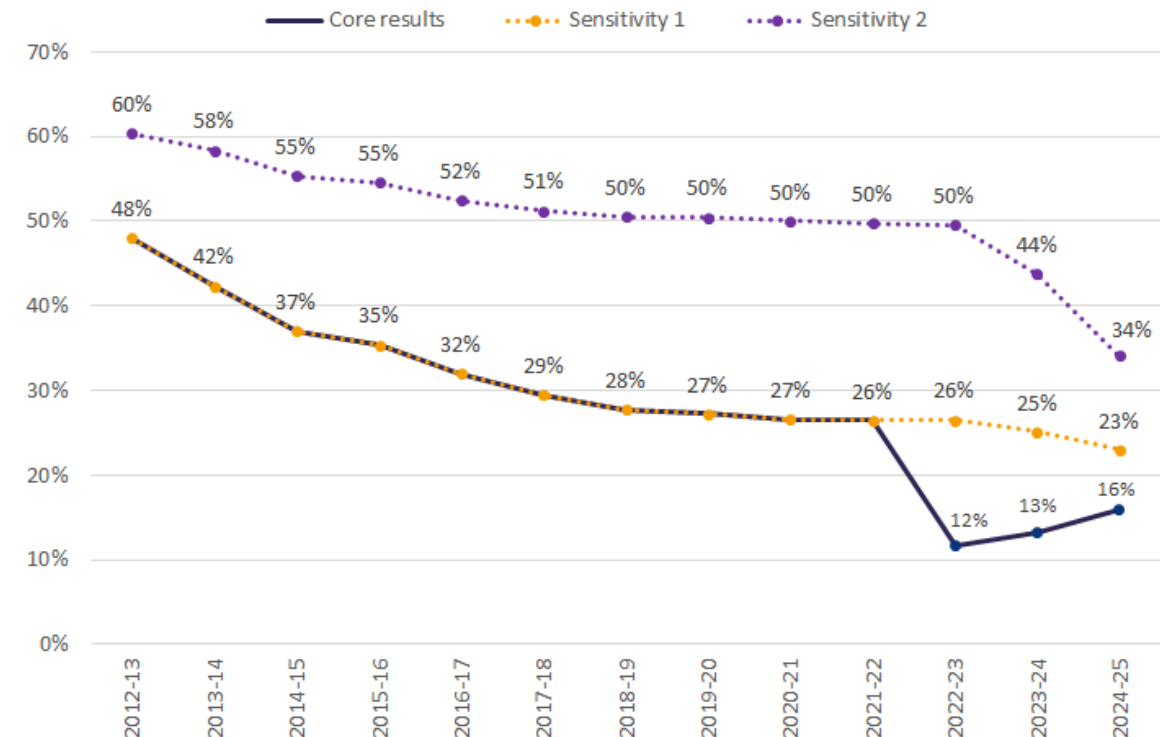


Note: All numbers relate to English domiciled undergraduate students studying in England. Estimates per student refer to full-time students only. Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £10. Totals may not add up to the sum of sub-components due to rounding. Tuition fees include both SLC tuition fee loans as well as fees that are paid upfront by students who do not take out a tuition fee loan.

Results: Sensitivity analysis

- The RAB charges used for the **core results** consider the loan repayment terms that were *originally* in place in each academic year, as this best reflects the DfE's funding position at the time. We use constant discount rates to isolate the effect of changes in government policy over time (rather than changes in expected funding being caused by wider economic conditions).
- Along with the core results, we also repeat the analysis using two alternative sets of RAB charge assumptions as sensitivity analyses. **Sensitivity Analysis 1** uses a consistent Plan 2 RAB charge over time (rather than adjusting the Plan 2 RAB charge from 2022-23 to account for the DfE's Augar response in that year). **Sensitivity Analysis 2** also uses a consistent Plan 2 RAB charge, but then applies the **original discount rates** in place at the time for each cohort that the RAB charges are estimated for. See [Annex I](#) for more detail.
- The expected Exchequer % in **Sensitivity Analysis 1** follows the same path as the core results until 2022-23. After this point, the expected Exchequer contribution continues to **decline steadily** rather than seeing a sharp fall in 2022-23. **The expected Exchequer contribution in 2024-25 would be 23% (instead of 16%).**
- The expected Exchequer contribution under **Sensitivity Analysis 2** is **higher in all academic years**, as higher discount rates lead to higher RAB charges. However, using these alternative RAB charges still leads to a **substantial fall in the expected Exchequer contribution over the period, from 60% in 2012-13 to 34% in 2024-25.**
- In other words, irrespective of which set of RAB charge assumptions is applied here, the **expected Exchequer contribution declines substantially between 2012-13 and 2024-25.** However, under the sensitivity analyses, the decline would be smaller than in the core analysis (**25pp-26pp decline in Sensitivity 1 and 2, vs. 32pp in the core analysis**).
- The expected Exchequer contribution is extremely sensitive to the RAB charges used. As the calculation of RAB charges relies on long-term forecasts, there is **substantial uncertainty over the actual balance of contribution between the Exchequer and students/graduates.**

Expected Exchequer contribution to total teaching and maintenance funding (in % terms), by scenario



Note: All numbers relate to English domiciled undergraduate students studying in England.

Conclusion

Our key findings on the evolution of HE funding for English domiciled undergraduate students in England are as follows:



KEY FINDINGS

- The expected Exchequer contribution to teaching and maintenance funding for English undergraduate students in England has declined between 2012-13 and 2024-25, across every metric:
 - In aggregate real terms, the expected Exchequer contribution fell by **63%**, from **48%** of total funding in 2012-13 (**£8.9bn**) to only **16%** in 2024-25 (**£3.3bn**).¹
 - The expected average Exchequer contribution per full-time student has decreased by **71%** over the period, from **£8,840** to **£2,560**.
 - The expected Exchequer contribution as a % of GDP in England has reduced from **0.42%** of GDP in 2012-13 to **0.12%** in 2023-24.²
- Aggregate real-terms teaching and maintenance funding (across the Exchequer and students/graduates) has increased from **£18.5bn** in 2012-13 to **£20.9bn** in 2024-25 (**13%**). However, as the expected Exchequer contribution has fallen over time, there has been a **substantial shift in the burden of cost from the Exchequer onto students/graduates**, with the expected student/graduate contribution increasing from **52%** (**£9.6bn**) to **84%** (**£17.6bn**).
- While total funding has *increased*, the average funding per full-time student has *declined* by **9%**, from **£18,000** in 2012-13 to **£16,350** in 2024-25 (in real terms). Again, whilst the overall average funding per full-time student has fallen, the expected student/graduate contribution to this funding has increased from **£9,160** to **£13,800** (a **51%** increase).

¹ Even assuming higher/alternative RAB charges (i.e. assumed loan write-off) as part of the sensitivity analysis, the expected Exchequer contribution as a proportion of total funding has declined substantially between 2012-13 and 2024-25.

² GDP data was only available until 2023, so that 2023-24 is the most recent year included here (instead of 2024-25).

Authors

Jack Booth, Senior Economic Consultant
jbooth@londecon.co.uk

Maike Halterbeck, Partner
mhalterbeck@londecon.co.uk

Dr Gavan Conlon, Partner
gconlon@londecon.co.uk

James Wilkins, Economic Consultant
jwilkins@londecon.co.uk

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**London
Economics**

Somerset House, New Wing, Strand
London, WC2R 1LA, United Kingdom
info@londoneconomics.co.uk
londoneconomics.co.uk
+44 (0)20 3701 7700

ANNEX I

Methodology and assumptions

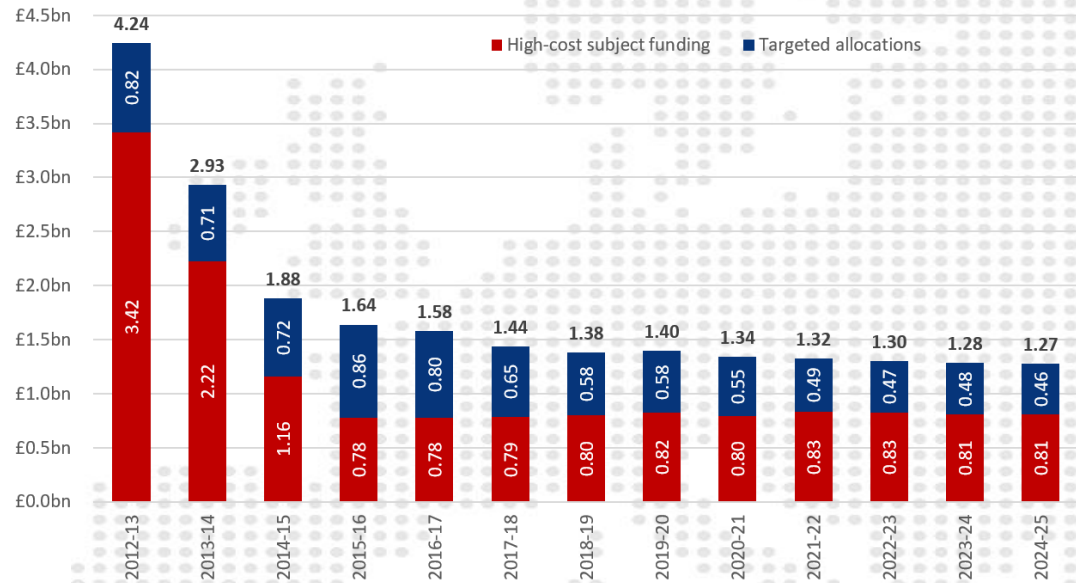


Assumptions and methodology

- Teaching grant funding captures the recurrent **Strategic Priorities Grant (SPG)** funding that is allocated by the Office for Students (OfS)¹ each year, including funding for **high-cost courses** and a range of **other targeted allocations**. Teaching grant data are collected from OfS and HEFCE annual sector grant tables.²
- High-cost funding** includes **both old-regime students** (i.e. those who started their studies before 2012-13) and **new-regime students until 2014-15 inclusive**, after which the higher funding rates for old-regime students were phased out. We exclude any teaching grant funding for **employer-funded students, Sandwich Year Out (SWOUT) students, and postgraduate taught students**. We include funding for HE provision at **both HE and FE providers**.
- Targeted allocations** include various categories of OfS/HEFCE funding relating to **widening participation**, additional funding for **specialist providers**, and **Erasmus** and other overseas programmes, among others. These funding categories apply to different groups of students.
 - To isolate the level of funding that applies to **undergraduate students specifically** (by study mode), we first determine which groups of students each category is applicable to (by study level and study mode). Next, we split each category of funding across these groups, based on the number of OfS-fundable FTEs by group. This is then summed for each group of students (by study level and study mode) in each academic year to arrive at the total targeted allocation funding applicable to UG students only, separately for FT and PT UG students.
- Capital grant funding is excluded from the analysis** (as this type of funding applies to both teaching and research activities, so it is not possible to straightforwardly isolate the level of capital grant funding for teaching). This funding is only relatively small compared to the SPG anyways, standing at **£92 million in 2025-26** (see [here](#)), but has declined substantially since **2012-13** (when it stood at **£265 million** (see [here](#))).

- SPG funding is allocated to English HE providers for **all UK domiciled students**. To estimate the SPG funding relating to **English domiciled students only**, we adjust the estimated total level of undergraduate funding by the **proportion of UK domiciled undergraduate students studying in England that are English domiciled**, separately by academic year and study mode, using Higher Education Statistics Agency (HESA) data.³ This proportion is generally around 96%-99% (i.e. English domiciled students account for the vast majority of total OfS/HEFCE SPG funding).
- Since 2015-16 (the first year that old-regime funding was phased out), there has been a decline in targeted allocation funding of approximately **£400 million**, whilst high-cost subject funding has increased slightly in real terms.

SPG funding for English domiciled undergraduate students studying in England, by funding type, in real terms (in constant 2025-26 prices)



Note: All numbers relate to English domiciled undergraduate students studying in England. Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £0.01 billion. 'Old-regime' funding was phased out in 2015-16. Totals may not add up to the sum of sub-components due to rounding.

¹ Previously the Higher Education Funding Council for England (HEFCE).
² See [here](#) for 2012-13 to 2017-18 and [here](#) for 2018-19 onwards. In each instance, we use the final allocations as of the end of each academic year.
³ See [here](#) for 2012-13 to 2013-14, [here](#) for 2014-15 to 2019-20, and [here](#) for 2020-21 to 2024-25

Assumptions and methodology

Fee and maintenance support

- Data on tuition fee and maintenance support were collected from the Student Loans Company,¹ separately by **type of support** (i.e. tuition fee loan, maintenance loan, maintenance grant), **study mode**, and student **cohort** (where possible). We also collected information on part-time **tuition fee grants** and **course grants**, which applied to part-time students who started before 2012-13.
- Similar to the SPG teaching grant data, **adjustments were required** to estimate the funding that related specifically to **English students studying in England**, since the SLC data relates to English domiciled students studying *anywhere in the UK*. Specifically:
 - The original data on **FT maintenance grants, FT maintenance loans, and all PT support** (from 2013-14 onwards) covered **English students studying anywhere in the UK**. We therefore adjusted these totals by the **proportion of English domiciled UG students studying in the UK that are studying in England specifically**, separately by academic year and study mode, again using student numbers published by HESA.
 - Data on PT support in 2012-13 related to **all English domiciled students studying in the UK and EU students studying in England**. In this instance, EU students studying in England were also included in the denominator for the adjustment.
 - The SLC data on **FT tuition fees is provided by country of study**, so no adjustments were required here (as the original data allowed us to identify the specific funding amounts associated with students studying in England).

¹ See [here](#) for 2012-13 and [here](#) for all other years.

² E.g. see [here](#) for more information.

³ See [here](#). The DfE published its response to the Review in February 2022, announcing key policy changes for Plan 2 student loan borrowers including a freeze and change in the subsequent annual uprating mechanism for the loan repayment threshold (from April 2023).

RAB charges

- We applied RAB charges to **tuition fee and maintenance loan outlay** to estimate the expected Exchequer vs. student/graduate contributions to the cost of student loans. These RAB charges were applied to the loan outlay for **Plan 1, Plan 2 and Plan 5** borrowers separately, and estimated using London Economics' in-house modeling of HE funding for England².
- When calculating the RAB charges for the **core analysis**, we used a **constant discount rate** to isolate the effect of changes in government policy over time. We assume a discount rate of **-0.55% + RPI up to and including 2029-30**, and **+0.35% + RPI from 2030-31 onwards**, based on the current official HM Treasury discount rates for financial instruments to be applied as of 31st March 2026 (see [here](#) and [here](#)).
- The RAB charges for each repayment plan are based on **specific individual cohorts of students**:
 - For **Plan 5 borrowers** (students starting from 2023-24 onwards), we use the RAB charge estimated for the **2025-26 cohort** in our recent earlier research for Universities UK (again, see [here](#)).
 - For **Plan 2 borrowers** who started their qualification before the Department for Education (DfE) announced various policy changes in response to the Augar Review³ (those **starting between 2012-13 to 2021-22**), we use the RAB charge reflecting the **original Plan 2 (before the Augar response changes) with current discount rates, estimated based on the 2012-13 cohort**. This approach mirrors Scenario B in our earlier research for UUK ([here](#)).
 - For **Plan 2 borrowers who started in 2022-23** (i.e. after the DfE's Augar response), we use a **separate RAB charge estimated for the 2022-23 cohort**, to incorporate the freezing of the repayment threshold between 2022-23 and 2024-25 (inclusive) and the lowering of subsequent annual uprating. Whilst these policy changes also affect earlier cohorts, the analysis aims to focus on the loan repayment terms in place **at the start of each cohorts' studies**.
 - For **Plan 1 borrowers**, we estimate the RAB charge for the 2011-12 cohort of starters, which is the last cohort that Plan 1 was applicable to.

Assumptions and methodology

- The **RAB charges applied throughout the core analysis** are as follows:

Loan plan	Based on:	FT	PT
Plan 1	2011-12 cohort ¹	26%	- ²
Plan 2 (up to 2021-22)	2012-13 cohort	23%	31%
Plan 2 (2022-23 onwards)	2022-23 cohort	6%	22%
Plan 5	2025-26 cohort	15%	27%

- We repeat the analysis using **two further sets of RAB charges as a sensitivity analysis**.
- In the **first sensitivity analysis**, we use a **consistent Plan 2 RAB charge over time**, i.e. applying the RAB charges for Plan 2 up to 2021-22 in the table above in *all* years (rather than assuming a lower Plan 2 RAB in 2022-23 and beyond).
- To show the impact of discount rates on RAB charge modelling and estimates of HE funding by the Exchequer and graduates, we also undertake a **second sensitivity analysis** using the ***original* discount rates that were in place at the time that each relevant cohort started their studies**. In this second sensitivity analysis, we again use a consistent Plan 2 RAB charge over time.

For both the **Plan 1 and Plan 2 RAB charges**, we use an **alternative (higher) discount rate of 2.2% + RPI**. The **Plan 5 RAB charges remain unchanged**. The alternative RAB charges used in the sensitivity analysis are as follows (and are higher than the core assumptions due to the higher discount rate):

Loan plan	FT	PT
Plan 1	43%	-
Plan 2	49%	46%
Plan 5	15%	27%

The **next slide** shows the alternative RAB charges under Sensitivity Analysis 1 and 2.

- The RAB charges estimated here (in the core analysis) **tend to be lower** than those published by the Department for Education (DfE) (and previously the Department for Business, Innovation and Skills (BIS)). This is primarily for **two reasons**:
 - The **use of current discount rates** results in a **lower RAB charge** for the 2011-12 and 2012-13 cohorts and a **higher RAB charge** for the 2022-23 cohort. Taking the 2012-13 cohort as an example, the use of *current* discount rates **reduces the full-time RAB charge by approximately 26 percentage points** (i.e. 49% to 23%). Official RAB charge estimates published by BIS for 2012-13 at the time show similar RAB charges to those used in our sensitivity analysis (e.g. see [here](#) (p.88) and [here](#) (p.66)) where original discount rates are used instead.
 - Our RAB charge estimates are derived from graduate earnings estimates based on a combination of Labour Force Survey and British Cohort Study data. In recent years, the official DfE model (see [here](#)) has moved towards using microdata on student loan borrowers from the Student Loans Company (which are not publicly accessible) combined with Longitudinal Educational Outcomes data. This data source provides **more pessimistic graduate earnings forecasts**, resulting in a higher Exchequer contribution than estimated in our modelling.
- Further note that the published SLC data usually does not include information on tuition fee and maintenance loan outlay *by loan repayment plan*. Whilst the historical data is split into pre-2012 and 2012-13 onwards (so that the Plan 1 loan outlay (pre-2012) can be isolated), **the more recent data do not include a split between Plan 2 and Plan 5**. Therefore, for the 2023-24 and 2024-25 academic years, we instead use DfE data (see [here](#)) on loan outlay by repayment plan, study mode, and type of support (i.e. fee loan or maintenance loan) to **estimate the split of the loan outlay by plan in each academic year**. We then apply these proportions³ to the loan outlay data to estimate the tuition fee loan outlay and maintenance loan outlay by repayment plan, academic year and study mode. We then apply the relevant RAB charges to this loan outlay, separately by repayment plan, to estimate the Exchequer vs. student/graduate contribution to the cost of student loans.

¹ Again, by 'student cohort', we mean *first-year students* (i.e. student entrants) starting their qualifications in a given year, e.g. the 2012-13 cohort refers to students starting HE qualifications in 2012-13. ² There is no RAB charge for PT students under Plan 1, as PT students starting in academic year 2011-12 or before were only eligible for grants. ³ Rather than using the DfE loan outlay estimates directly in our modelling, we apply the Plan 2 and Plan 5 proportions to the data to ensure consistency with the other data relating to tuition fee and maintenance support, and since data is based on actual cash outlay.

Assumptions and methodology

Assumed RAB charges by academic year, study mode, and loan repayment plan – by scenario

Core analysis

Academic year	Plan 1		Plan 2		Plan 5	
	FT	PT	FT	PT	FT	PT
2012-13	26%	-	23%	31%	-	-
2013-14	26%	-	23%	31%	-	-
2014-15	26%	-	23%	31%	-	-
2015-16	26%	-	23%	31%	-	-
2016-17	26%	-	23%	31%	-	-
2017-18	26%	-	23%	31%	-	-
2018-19	26%	-	23%	31%	-	-
2019-20	26%	-	23%	31%	-	-
2020-21	26%	-	23%	31%	-	-
2021-22	26%	-	23%	31%	-	-
2022-23	26%	-	6%	22%	-	-
2023-24	26%	-	6%	22%	15%	27%
2024-25	26%	-	6%	22%	15%	27%

Sensitivity Analysis 1: Consistent Plan 2 RAB charge

Academic year	Plan 1		Plan 2		Plan 5	
	FT	PT	FT	PT	FT	PT
2012-13	26%	-	23%	31%	-	-
2013-14	26%	-	23%	31%	-	-
2014-15	26%	-	23%	31%	-	-
2015-16	26%	-	23%	31%	-	-
2016-17	26%	-	23%	31%	-	-
2017-18	26%	-	23%	31%	-	-
2018-19	26%	-	23%	31%	-	-
2019-20	26%	-	23%	31%	-	-
2020-21	26%	-	23%	31%	-	-
2021-22	26%	-	23%	31%	-	-
2022-23	26%	-	23%	31%	-	-
2023-24	26%	-	23%	31%	15%	27%
2024-25	26%	-	23%	31%	15%	27%

Sensitivity Analysis 2: Consistent Plan 2 RAB charge + original discount rates

Academic year	Plan 1		Plan 2		Plan 5	
	FT	PT	FT	PT	FT	PT
2012-13	43%	-	49%	46%	-	-
2013-14	43%	-	49%	46%	-	-
2014-15	43%	-	49%	46%	-	-
2015-16	43%	-	49%	46%	-	-
2016-17	43%	-	49%	46%	-	-
2017-18	43%	-	49%	46%	-	-
2018-19	43%	-	49%	46%	-	-
2019-20	43%	-	49%	46%	-	-
2020-21	43%	-	49%	46%	-	-
2021-22	43%	-	49%	46%	-	-
2022-23	43%	-	49%	46%	-	-
2023-24	43%	-	49%	46%	15%	27%
2024-25	43%	-	49%	46%	15%	27%

Note: There is no RAB charge for part-time (PT) students under Plan 1, since PT students entering HE prior to 2012-13 were only eligible for grants (but no loan funding). Plan 5 was only introduced for students entering HE from 2023-24 onwards. The assumed RAB charges for Plan 5 loans are unaffected by the change in the assumed discount rate under Sensitivity Analysis 2, since these RAB charges are modelled based on the 2025-26 cohort of student entrants, so that the 'original discount rates' for this cohort equal the 'current discount rates' as of 2025-26.

Assumptions and methodology

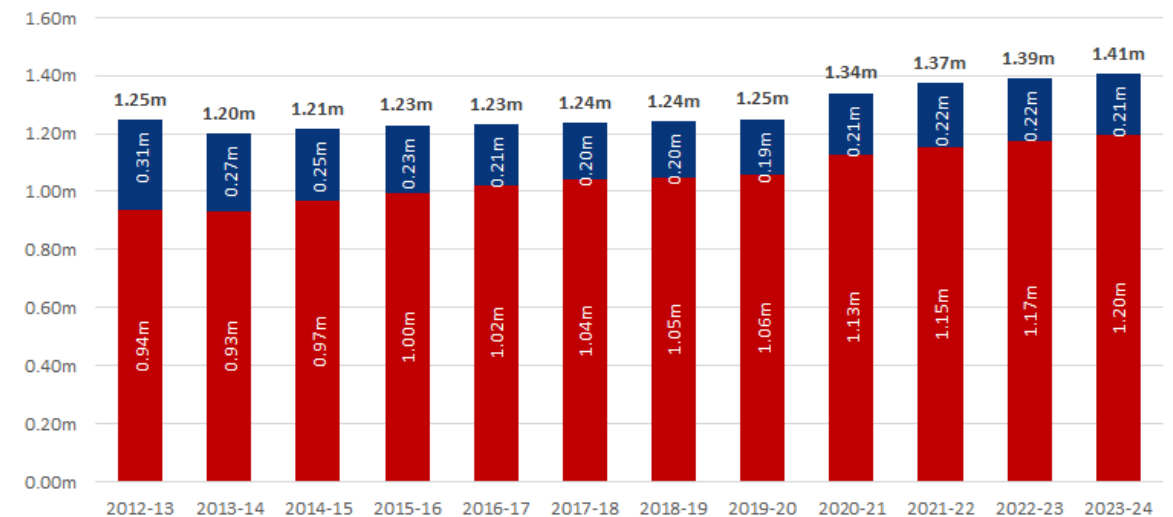
Upfront fees

- On top of tuition fee loans, the analysis also includes the level of fees paid upfront by students who do not take out a fee loan from the SLC. The aggregate amount of tuition fees paid upfront is estimated by **multiplying the number of students who do not take up fee loans (i.e. who pay upfront) by the average tuition fee**.
- To estimate the **number of students who pay fees upfront**, we subtract the number of English undergraduate students studying in England who received tuition fee loans (based on the SLC data) from the total number of English undergraduate students studying in England (from the HESA data). To isolate the number of English students that are studying in England in the SLC data, we use the same adjustments as used for tuition fee and maintenance support funding (see [this slide](#) above).
- Next, we use the SLC data to **estimate the average tuition fee paid per student**:
 - For **full-time** students, we use SLC data on the average fee loan paid to those that take a tuition fee loan (i.e. we assume the same tuition fee for students that pay upfront as for those that take out a fee loan). Since the SLC data is split into pre-2012 and post 2012-13 cohorts, we estimate a weighted average fee loan across these cohorts to arrive at the overall average amount paid to full-time undergraduate students in each academic year.
 - For **part-time** students, the SLC data did not directly include information on the average fee loan paid per recipient. Instead, we derived this information by dividing the total part-time fee loan outlay in each year by the number of part-time fee loan recipients.
- Lastly, we multiply the **number of students** assumed to pay fees upfront by the estimated **average fee**, to get to the total amount of fees paid upfront (by academic year and study mode).

Inflation, GDP, and student number adjustments

- To convert the results into **2025-26 prices**, we use Office for Budget Responsibility data ([here](#)) on **CPI inflation**. In each instance, we use CPI data by fiscal year (i.e. tax year) as a proxy for inflation in each academic year.
- We calculate HE funding as a percentage of GDP using English GDP data from the Office for National Statistics (see [here](#)). GDP data is published by calendar year but not by financial or academic year, so we **align each calendar year's figures with the academic year that starts within it** (e.g. we use GDP data for 2012 for the 2012-13 academic year). GDP data is only available until 2023, meaning that the analysis relating to HE funding as a percentage of GDP necessarily **ends in 2023-24**.
- The **per-student analysis** divides the total estimated level of funding in each instance by the relevant number of students from published HESA data¹ (again focusing on English domiciled UG students studying in England only).

Number of English domiciled undergraduate students studying in England, by study mode and academic year



¹ See [here](#) for 2012-13 to 2013-14, [here](#) for 2014-15 to 2019-20, and [here](#) for 2020-21 to 2024-25. Note that the data prior to 2014-15 excluded students studying at alternative providers, whereas the data from 2014-15 onwards include these providers.

ANNEX II

Supplementary results from the core analysis plus sensitivity analysis

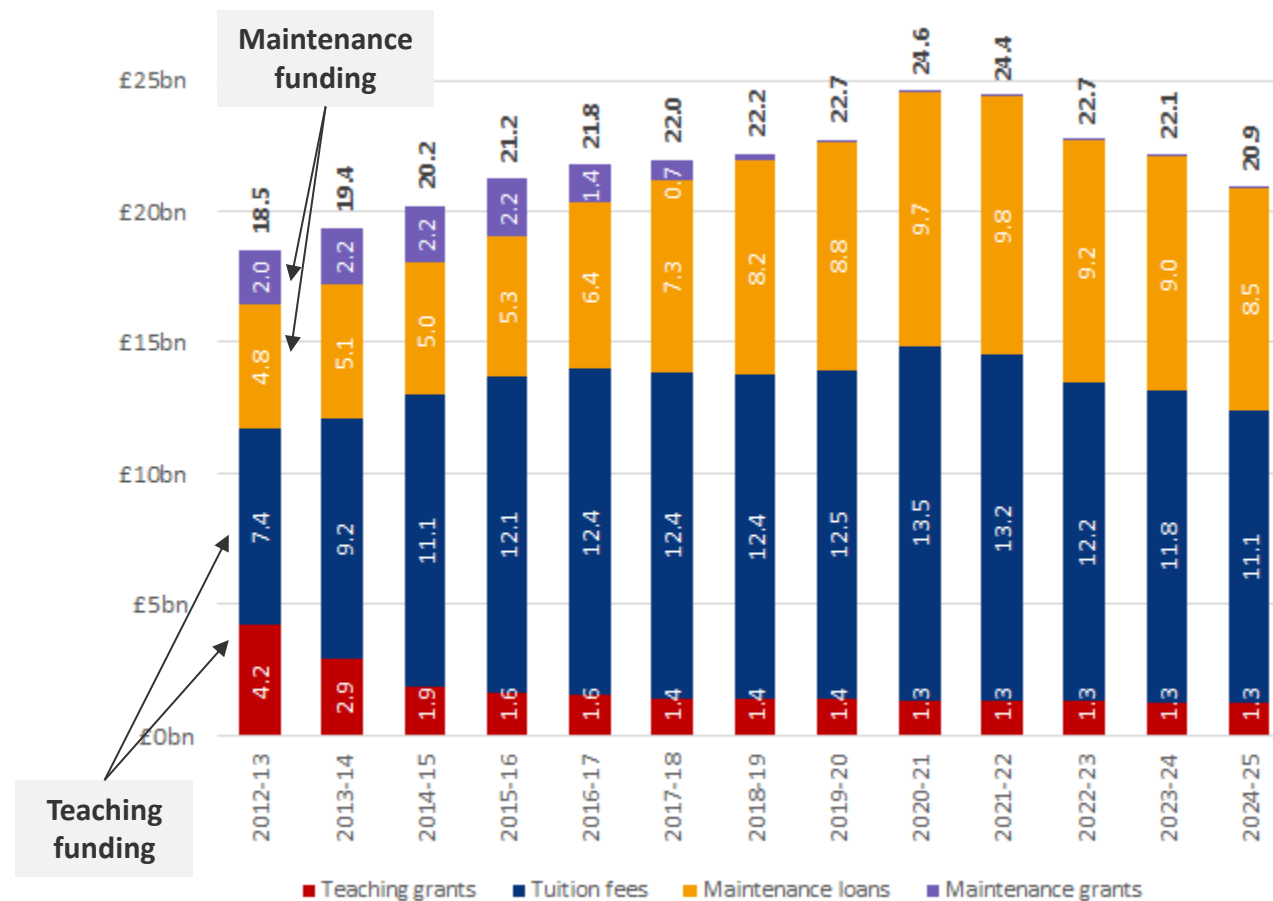


Additional results from the core analysis

Total funding by component, 2025-26 prices

- Reflecting the many different changes in higher education funding policy in England since 2012-13, the components of the total funding for English undergraduate students studying in England (presented on [this slide](#)) have changed over time.
- Total teaching funding (fees + teaching grants) has increased slightly across the period, from £11.7 billion in 2012-13 to £12.4 billion in 2024-25. This funding has shifted ‘away’ from teaching grants paid to HE providers by the OfS/HEFCE towards tuition fees, following the increase in tuition fees to £9,000 for 2012-13 student entrants. As a result, teaching grant funding declined from £4.2 billion to £1.3 billion over the period, whereas total tuition fee payments increased from £7.4 billion to £11.1 billion (including both Student Loans Company (SLC) fee loans and fees paid upfront by students who do not take out a loan).
- Maintenance funding (loans + grants) has increased by ca. 25% since 2012-13, from £6.8 billion to £8.5 billion in 2024-25. This funding is now provided entirely through maintenance loans, since maintenance grants were abolished for new students starting from 2016-17 onwards. This has resulted in a greater expected student/graduate contribution to maintenance funding (and total funding more generally).
- A more detailed breakdown of each of these funding elements, including the resulting expected Exchequer vs. graduate contribution, is presented on the [next slide](#).

Total teaching and maintenance funding by academic year, in real terms (in constant 2025-26 prices) – by component



Note: All numbers relate to English domiciled undergraduate students studying in England. Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £0.1 billion. Totals may not add up to the sum of sub-components due to rounding. Tuition fees include both SLC tuition fee loans as well as fees that are paid upfront by students who do not take out a tuition fee loan.

Additional results from the core analysis

Expected Exchequer vs. student/graduate contribution by component, 2025-26 prices

- The table below shows the **breakdown of the total expected Exchequer vs. student/graduate contribution by component** in real terms. This provides a more detailed breakdown of the findings presented on [this slide](#) above.

Academic year	Expected Exchequer contribution					Expected student/graduate contribution				Total	% Exchequer contribution	% student/grad. contribution
	Teaching grants	Fee loan (Exchequer contribution)	Maintenance loan (Exch. contribution)	Maintenance grants	Total	Fee loan (Graduate contribution)	Upfront fees	Maintenance loan (Grad. contribution)	Total			
2012-13	£4.2bn	£1.4bn	£1.2bn	£2.0bn	£8.9bn	£4.4bn	£1.6bn	£3.6bn	£9.6bn	£18.5bn	48%	52%
2013-14	£2.9bn	£1.9bn	£1.2bn	£2.2bn	£8.2bn	£6.1bn	£1.2bn	£3.9bn	£11.2bn	£19.4bn	42%	58%
2014-15	£1.9bn	£2.2bn	£1.2bn	£2.2bn	£7.5bn	£7.4bn	£1.5bn	£3.9bn	£12.7bn	£20.2bn	37%	63%
2015-16	£1.6bn	£2.5bn	£1.2bn	£2.2bn	£7.5bn	£8.2bn	£1.5bn	£4.1bn	£13.7bn	£21.2bn	35%	65%
2016-17	£1.6bn	£2.5bn	£1.5bn	£1.4bn	£7.0bn	£8.4bn	£1.5bn	£4.9bn	£14.8bn	£21.8bn	32%	68%
2017-18	£1.4bn	£2.6bn	£1.7bn	£0.7bn	£6.5bn	£8.6bn	£1.2bn	£5.7bn	£15.5bn	£22.0bn	29%	71%
2018-19	£1.4bn	£2.7bn	£1.9bn	£0.2bn	£6.1bn	£8.8bn	£0.9bn	£6.3bn	£16.0bn	£22.2bn	28%	72%
2019-20	£1.4bn	£2.7bn	£2.0bn	£0.0bn	£6.2bn	£9.0bn	£0.7bn	£6.7bn	£16.5bn	£22.7bn	27%	73%
2020-21	£1.3bn	£3.0bn	£2.2bn	£0.0bn	£6.5bn	£9.8bn	£0.8bn	£7.5bn	£18.0bn	£24.6bn	27%	73%
2021-22	£1.3bn	£2.9bn	£2.3bn	£0.0bn	£6.4bn	£9.4bn	£0.9bn	£7.6bn	£17.9bn	£24.4bn	26%	74%
2022-23	£1.3bn	£0.8bn	£0.6bn	£0.0bn	£2.7bn	£10.4bn	£1.0bn	£8.6bn	£20.0bn	£22.7bn	12%	88%
2023-24	£1.3bn	£0.9bn	£0.7bn	£0.0bn	£2.9bn	£9.9bn	£1.1bn	£8.2bn	£19.2bn	£22.1bn	13%	87%
2024-25	£1.3bn	£1.1bn	£0.9bn	£0.0bn	£3.3bn	£8.9bn	£1.1bn	£7.6bn	£17.6bn	£20.9bn	16%	84%

Note: Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £0.1 billion.

Additional results from the core analysis

Funding for full-time students by component, 2025-26 prices

- The table below shows total funding for **full-time students** by component in real terms. **Full-time funding makes up the vast majority of all relevant funding** (approximately **96%** in 2024-25).

Academic year	Teaching grants	Fee loan (Exchequer contribution)	Fee loan (Graduate contribution)	Upfront fees	Maintenance loan (Exchequer contribution)	Maintenance loan (Graduate contribution)	Maintenance grants	Total
2012-13	£3.7bn	£1.4bn	£4.4bn	£0.6bn	£1.2bn	£3.6bn	£2.0bn	£16.9bn
2013-14	£2.6bn	£1.8bn	£5.9bn	£0.4bn	£1.2bn	£3.9bn	£2.1bn	£17.9bn
2014-15	£1.6bn	£2.2bn	£7.2bn	£0.8bn	£1.2bn	£3.9bn	£2.2bn	£18.9bn
2015-16	£1.4bn	£2.4bn	£7.9bn	£0.8bn	£1.2bn	£4.1bn	£2.2bn	£20.0bn
2016-17	£1.4bn	£2.4bn	£8.2bn	£0.9bn	£1.5bn	£4.9bn	£1.4bn	£20.7bn
2017-18	£1.3bn	£2.5bn	£8.4bn	£0.7bn	£1.7bn	£5.7bn	£0.7bn	£21.0bn
2018-19	£1.2bn	£2.6bn	£8.6bn	£0.4bn	£1.9bn	£6.3bn	£0.2bn	£21.2bn
2019-20	£1.3bn	£2.6bn	£8.8bn	£0.3bn	£2.0bn	£6.7bn	£0.0bn	£21.7bn
2020-21	£1.2bn	£2.8bn	£9.5bn	£0.3bn	£2.2bn	£7.4bn	£0.0bn	£23.4bn
2021-22	£1.2bn	£2.7bn	£9.2bn	£0.3bn	£2.2bn	£7.5bn	£0.0bn	£23.2bn
2022-23	£1.2bn	£0.7bn	£10.1bn	£0.5bn	£0.6bn	£8.6bn	£0.0bn	£21.6bn
2023-24	£1.2bn	£0.8bn	£9.6bn	£0.6bn	£0.7bn	£8.2bn	£0.0bn	£21.1bn
2024-25	£1.2bn	£1.0bn	£8.7bn	£0.7bn	£0.9bn	£7.5bn	£0.0bn	£20.0bn

Note: Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £0.1 billion.

Additional results from the core analysis

Funding for part-time students by component, 2025-26 prices

- The table below shows total funding for part-time students by component in real terms. **Upfront fees** tend to make up the majority of **part-time HE funding**, due to **lower take-up rates of tuition fee loans** among these students.

Academic year	Teaching grants	Fee loan (Exchequer contribution)	Fee loan (Graduate contribution)	Upfront fees	Maintenance loan (Exchequer contribution)	Maintenance loan (Graduate contribution)	Maintenance grants	Total
2012-13	£0.5bn	£0.0bn	£0.1bn	£1.0bn	-	-	£0.1bn	£1.7bn
2013-14	£0.3bn	£0.1bn	£0.2bn	£0.9bn	-	-	£0.0bn	£1.5bn
2014-15	£0.3bn	£0.1bn	£0.2bn	£0.7bn	-	-	£0.0bn	£1.3bn
2015-16	£0.2bn	£0.1bn	£0.2bn	£0.7bn	-	-	£0.0bn	£1.2bn
2016-17	£0.2bn	£0.1bn	£0.2bn	£0.6bn	-	-	£0.0bn	£1.1bn
2017-18	£0.2bn	£0.1bn	£0.2bn	£0.5bn	-	-	£0.0bn	£1.0bn
2018-19	£0.1bn	£0.1bn	£0.2bn	£0.5bn	£0.0bn	£0.0bn	-	£1.0bn
2019-20	£0.1bn	£0.1bn	£0.2bn	£0.5bn	£0.0bn	£0.0bn	-	£1.0bn
2020-21	£0.1bn	£0.1bn	£0.3bn	£0.5bn	£0.0bn	£0.0bn	-	£1.1bn
2021-22	£0.1bn	£0.1bn	£0.3bn	£0.6bn	£0.0bn	£0.0bn	-	£1.1bn
2022-23	£0.1bn	£0.1bn	£0.3bn	£0.5bn	£0.0bn	£0.0bn	-	£1.1bn
2023-24	£0.1bn	£0.1bn	£0.3bn	£0.5bn	£0.0bn	£0.0bn	-	£1.0bn
2024-25	£0.1bn	£0.1bn	£0.2bn	£0.5bn	£0.0bn	£0.0bn	-	£0.9bn

Note: Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £0.1 billion.

Maintenance grants for part-time students includes both tuition fee grants and course grants, which were applicable to part-time students who started before 2012-13. Maintenance loans for part-time students were only introduced in 2018-19.

Additional results from the core analysis

Funding as a % of GDP, by component

- The table below shows total funding as a % of GDP, separately for teaching and maintenance funding, and broken down into the expected Exchequer vs. student/graduate contribution.

Academic year	Teaching funding			Maintenance funding			Total		
	Exchequer contribution	Graduate contribution	Total	Exchequer contribution	Graduate contribution	Total	Exchequer contribution	Graduate contribution	Total
2012-13	0.27%	0.29%	0.56%	0.15%	0.17%	0.33%	0.42%	0.46%	0.88%
2013-14	0.23%	0.34%	0.57%	0.16%	0.18%	0.34%	0.38%	0.52%	0.91%
2014-15	0.19%	0.40%	0.59%	0.15%	0.17%	0.33%	0.34%	0.57%	0.91%
2015-16	0.18%	0.42%	0.60%	0.15%	0.18%	0.33%	0.33%	0.60%	0.93%
2016-17	0.17%	0.42%	0.59%	0.12%	0.21%	0.33%	0.30%	0.63%	0.92%
2017-18	0.17%	0.41%	0.58%	0.10%	0.24%	0.34%	0.27%	0.65%	0.92%
2018-19	0.17%	0.40%	0.57%	0.09%	0.26%	0.35%	0.25%	0.66%	0.92%
2019-20	0.17%	0.40%	0.56%	0.08%	0.27%	0.36%	0.25%	0.67%	0.92%
2020-21	0.19%	0.46%	0.64%	0.10%	0.32%	0.42%	0.28%	0.78%	1.06%
2021-22	0.17%	0.43%	0.60%	0.09%	0.31%	0.41%	0.27%	0.74%	1.01%
2022-23	0.09%	0.47%	0.56%	0.02%	0.36%	0.38%	0.11%	0.83%	0.94%
2023-24	0.09%	0.44%	0.53%	0.03%	0.33%	0.36%	0.12%	0.78%	0.90%

Additional results from the core analysis

Total funding by component, in nominal terms

- The table below shows aggregate HE funding across both study modes by component in **nominal terms** (i.e. in 'cash terms' *without* adjusting for price inflation over time). In nominal terms, total funding for English domiciled undergraduate students studying in England has increased by **£7.4bn (57%)**, from **£12.8bn** in 2012-13 to **£20.2bn** in 2024-25 (**57%**). However, once we adjust for economy-wide price inflation over the period, the increase amounts to only **£2.4bn (13%)**, from **£18.5bn** in 2012-13 to **£20.9bn** in 2024-25 (see [above](#), all expressed in 2025-26 prices).

Academic year	Teaching grants	Fee loan (Exchequer contribution)	Fee loan (Graduate contribution)	Upfront fees	Maintenance loan (Exchequer contribution)	Maintenance loan (Graduate contribution)	Maintenance grants	Total
2012-13	£2.9bn	£1.0bn	£3.1bn	£1.1bn	£0.8bn	£2.5bn	£1.4bn	£12.8bn
2013-14	£2.1bn	£1.3bn	£4.3bn	£0.9bn	£0.9bn	£2.7bn	£1.5bn	£13.7bn
2014-15	£1.4bn	£1.6bn	£5.3bn	£1.1bn	£0.8bn	£2.8bn	£1.6bn	£14.5bn
2015-16	£1.2bn	£1.8bn	£5.9bn	£1.1bn	£0.9bn	£2.9bn	£1.6bn	£15.2bn
2016-17	£1.1bn	£1.8bn	£6.1bn	£1.1bn	£1.1bn	£3.6bn	£1.0bn	£15.8bn
2017-18	£1.1bn	£1.9bn	£6.4bn	£0.9bn	£1.3bn	£4.2bn	£0.6bn	£16.4bn
2018-19	£1.1bn	£2.0bn	£6.7bn	£0.7bn	£1.4bn	£4.8bn	£0.2bn	£16.9bn
2019-20	£1.1bn	£2.1bn	£7.0bn	£0.6bn	£1.6bn	£5.2bn	£0.0bn	£17.6bn
2020-21	£1.0bn	£2.3bn	£7.6bn	£0.6bn	£1.7bn	£5.8bn	£0.0bn	£19.2bn
2021-22	£1.1bn	£2.3bn	£7.7bn	£0.7bn	£1.8bn	£6.1bn	£0.0bn	£19.8bn
2022-23	£1.2bn	£0.7bn	£9.3bn	£0.9bn	£0.5bn	£7.7bn	£0.0bn	£20.3bn
2023-24	£1.2bn	£0.8bn	£9.3bn	£1.0bn	£0.7bn	£7.8bn	£0.0bn	£20.9bn
2024-25	£1.2bn	£1.1bn	£8.6bn	£1.1bn	£0.9bn	£7.3bn	£0.0bn	£20.2bn

Note: Numbers are presented in nominal terms (current prices) and rounded to the nearest £0.1 billion.

Additional results from the core analysis

Average funding per full-time student by component, 2025-26 prices

- The table below shows the average funding per full-time student by component in real terms. These findings are also shown on [this slide](#) and [this slide](#).

Academic year	Teaching grants	Fee loan (Exchequer contribution)	Fee loan (Graduate contribution)	Upfront fees	Maintenance loan (Exchequer contribution)	Maintenance loan (Graduate contribution)	Maintenance grants	Total
2012-13	£3,990	£1,490	£4,670	£640	£1,260	£3,850	£2,100	£18,000
2013-14	£2,780	£1,940	£6,340	£380	£1,300	£4,160	£2,300	£19,190
2014-15	£1,680	£2,230	£7,430	£780	£1,210	£4,000	£2,240	£19,560
2015-16	£1,450	£2,380	£7,980	£800	£1,230	£4,110	£2,190	£20,140
2016-17	£1,360	£2,380	£7,990	£880	£1,440	£4,810	£1,350	£20,210
2017-18	£1,230	£2,410	£8,090	£670	£1,620	£5,430	£710	£20,170
2018-19	£1,180	£2,440	£8,190	£410	£1,800	£6,020	£210	£20,250
2019-20	£1,180	£2,480	£8,300	£250	£1,890	£6,350	£40	£20,500
2020-21	£1,070	£2,510	£8,400	£240	£1,970	£6,600	£10	£20,800
2021-22	£1,040	£2,370	£7,950	£290	£1,950	£6,520	-	£20,130
2022-23	£1,000	£590	£8,630	£400	£500	£7,290	-	£18,410
2023-24	£970	£680	£8,040	£470	£620	£6,860	-	£17,630
2024-25	£950	£850	£7,120	£530	£760	£6,150	-	£16,350

Note: Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £10.

Additional results from the core analysis

Average funding per part-time student by component, 2025-26 prices

- The table below shows the average funding per part-time student by component in real terms. Again, **upfront fees make up the majority of HE funding** for part-time students, due to the **low take-up rate of tuition fee loans and maintenance loans** (when they were introduced in 2018-19).

Academic year	Teaching grants	Fee loan (Exchequer contribution)	Fee loan (Graduate contribution)	Upfront fees	Maintenance loan (Exchequer contribution)	Maintenance loan (Graduate contribution)	Maintenance grants	Total
2012-13	£1,640	£110	£230	£3,150	-	-	£210	£5,330
2013-14	£1,260	£260	£580	£3,230	-	-	£140	£5,460
2014-15	£1,050	£360	£770	£2,940	-	-	£80	£5,200
2015-16	£840	£410	£890	£2,910	-	-	£40	£5,090
2016-17	£870	£460	£1,000	£2,800	-	-	£20	£5,150
2017-18	£770	£520	£1,140	£2,530	-	-	-	£4,970
2018-19	£730	£530	£1,170	£2,490	£40	£80	-	£5,040
2019-20	£740	£570	£1,240	£2,490	£70	£140	-	£5,250
2020-21	£630	£620	£1,350	£2,520	£70	£160	-	£5,350
2021-22	£570	£540	£1,190	£2,620	£80	£170	-	£5,160
2022-23	£560	£340	£1,220	£2,510	£50	£170	-	£4,850
2023-24	£590	£350	£1,210	£2,570	£50	£170	-	£4,940
2024-25	£600	£360	£1,130	£2,350	£70	£200	-	£4,710

Note: Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £10.

Results from Sensitivity Analysis 1 (Consistent Plan 2 RAB charge over the whole period)

Expected Exchequer vs. student/graduate contribution by component, 2025-26 prices

- The table below shows the **breakdown of the total expected Exchequer vs. student/graduate contribution** in real terms under Sensitivity Analysis 1. Unlike in the core analysis, where there is a sharp fall in the expected Exchequer contribution in 2022-23 (from **26%** to **12%**; see [this slide](#)), the Exchequer contribution sees **no change in 2022-23** and a **small decline to 23% by 2024-25**.

Academic year	Expected Exchequer contribution					Expected student/graduate contribution				Total	% Exchequer contribution	% student/grad. contribution
	Teaching grants	Fee loan (Exchequer contribution)	Maintenance loan (Exch. contribution)	Maintenance grants	Total	Fee loan (Graduate contribution)	Upfront fees	Maintenance loan (Grad. contribution)	Total			
2012-13	£4.2bn	£1.4bn	£1.2bn	£2.0bn	£8.9bn	£4.4bn	£1.6bn	£3.6bn	£9.6bn	£18.5bn	48%	52%
2013-14	£2.9bn	£1.9bn	£1.2bn	£2.2bn	£8.2bn	£6.1bn	£1.2bn	£3.9bn	£11.2bn	£19.4bn	42%	58%
2014-15	£1.9bn	£2.2bn	£1.2bn	£2.2bn	£7.5bn	£7.4bn	£1.5bn	£3.9bn	£12.7bn	£20.2bn	37%	63%
2015-16	£1.6bn	£2.5bn	£1.2bn	£2.2bn	£7.5bn	£8.2bn	£1.5bn	£4.1bn	£13.7bn	£21.2bn	35%	65%
2016-17	£1.6bn	£2.5bn	£1.5bn	£1.4bn	£7.0bn	£8.4bn	£1.5bn	£4.9bn	£14.8bn	£21.8bn	32%	68%
2017-18	£1.4bn	£2.6bn	£1.7bn	£0.7bn	£6.5bn	£8.6bn	£1.2bn	£5.7bn	£15.5bn	£22.0bn	29%	71%
2018-19	£1.4bn	£2.7bn	£1.9bn	£0.2bn	£6.1bn	£8.8bn	£0.9bn	£6.3bn	£16.0bn	£22.2bn	28%	72%
2019-20	£1.4bn	£2.7bn	£2.0bn	£0.0bn	£6.2bn	£9.0bn	£0.7bn	£6.7bn	£16.5bn	£22.7bn	27%	73%
2020-21	£1.3bn	£3.0bn	£2.2bn	£0.0bn	£6.5bn	£9.8bn	£0.8bn	£7.5bn	£18.0bn	£24.6bn	27%	73%
2021-22	£1.3bn	£2.9bn	£2.3bn	£0.0bn	£6.4bn	£9.4bn	£0.9bn	£7.6bn	£17.9bn	£24.4bn	26%	74%
2022-23	£1.3bn	£2.6bn	£2.1bn	£0.0bn	£6.0bn	£8.6bn	£1.0bn	£7.1bn	£16.7bn	£22.7bn	26%	74%
2023-24	£1.3bn	£2.4bn	£1.9bn	£0.0bn	£5.6bn	£8.4bn	£1.1bn	£7.1bn	£16.6bn	£22.1bn	25%	75%
2024-25	£1.3bn	£1.9bn	£1.6bn	£0.0bn	£4.8bn	£8.1bn	£1.1bn	£6.9bn	£16.1bn	£20.9bn	23%	77%

Note: Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £0.1 billion. The different RAB charges assumed in the sensitivity analysis only affect the expected fee and maintenance loan contribution for the Exchequer vs. students/graduates. All other values (i.e. teaching grants, maintenance grants, and upfront fees) are the same as in the [core analysis](#).

Results from Sensitivity Analysis 2 (Consistent Plan 2 RAB + original discount rates at the time)

Expected Exchequer vs. student/graduate contribution by component, 2025-26 prices



- The table below shows the **breakdown of the total expected Exchequer vs. student/graduate contribution** in real terms under Sensitivity Analysis 2. As the RAB charges used for Plan 1 and Plan 2 loans are higher when we use the *original* discount rates applicable at the time, the **expected Exchequer contribution is higher than in the core analysis, in all years**. However, even under these alternative assumptions, the Exchequer contribution **still declines substantially** throughout the period, from **60%** in **2012-13** to **34%** in **2024-25**.

Academic year	Expected Exchequer contribution					Expected student/graduate contribution				Total	% Exchequer contribution	% student/grad. contribution
	Teaching grants	Fee loan (Exchequer contribution)	Maintenance loan (Exch. contribution)	Maintenance grants	Total	Fee loan (Graduate contribution)	Upfront fees	Maintenance loan (Grad. contribution)	Total			
2012-13	£4.2bn	£2.7bn	£2.2bn	£2.0bn	£11.2bn	£3.1bn	£1.6bn	£2.6bn	£7.3bn	£18.5bn	60%	40%
2013-14	£2.9bn	£3.8bn	£2.4bn	£2.2bn	£11.3bn	£4.1bn	£1.2bn	£2.7bn	£8.1bn	£19.4bn	58%	42%
2014-15	£1.9bn	£4.7bn	£2.4bn	£2.2bn	£11.2bn	£4.9bn	£1.5bn	£2.6bn	£9.0bn	£20.2bn	55%	45%
2015-16	£1.6bn	£5.2bn	£2.6bn	£2.2bn	£11.6bn	£5.4bn	£1.5bn	£2.7bn	£9.6bn	£21.2bn	55%	45%
2016-17	£1.6bn	£5.3bn	£3.1bn	£1.4bn	£11.4bn	£5.6bn	£1.5bn	£3.3bn	£10.3bn	£21.8bn	52%	48%
2017-18	£1.4bn	£5.5bn	£3.6bn	£0.7bn	£11.3bn	£5.8bn	£1.2bn	£3.8bn	£10.7bn	£22.0bn	51%	49%
2018-19	£1.4bn	£5.6bn	£4.0bn	£0.2bn	£11.2bn	£5.9bn	£0.9bn	£4.2bn	£11.0bn	£22.2bn	50%	50%
2019-20	£1.4bn	£5.7bn	£4.3bn	£0.0bn	£11.5bn	£6.0bn	£0.7bn	£4.5bn	£11.2bn	£22.7bn	50%	50%
2020-21	£1.3bn	£6.2bn	£4.7bn	£0.0bn	£12.3bn	£6.5bn	£0.8bn	£5.0bn	£12.3bn	£24.6bn	50%	50%
2021-22	£1.3bn	£6.0bn	£4.8bn	£0.0bn	£12.1bn	£6.3bn	£0.9bn	£5.0bn	£12.2bn	£24.4bn	50%	50%
2022-23	£1.3bn	£5.5bn	£4.5bn	£0.0bn	£11.2bn	£5.7bn	£1.0bn	£4.7bn	£11.4bn	£22.7bn	50%	50%
2023-24	£1.3bn	£4.7bn	£3.7bn	£0.0bn	£9.7bn	£6.1bn	£1.1bn	£5.2bn	£12.4bn	£22.1bn	44%	56%
2024-25	£1.3bn	£3.2bn	£2.6bn	£0.0bn	£7.1bn	£6.8bn	£1.1bn	£5.9bn	£13.8bn	£20.9bn	34%	66%

Note: Numbers are presented in real terms (in 2025-26 prices) and rounded to the nearest £0.1 billion. The different RAB charges assumed in the sensitivity analysis only affect the expected fee and maintenance loan contribution for the Exchequer vs. students/graduates. All other values (i.e. teaching grants, maintenance grants, and upfront fees) are the same as in the [core analysis](#).