

Lynne Neagle AS/MS
Ysgrifennydd y Cabinet dros Addysg
Cabinet Secretary for Education



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref P-06-1403
Ein cyf/Our ref LN/05553/24

Jack Sargeant MS
Chair - Petitions committee
Senedd Cymru
Cardiff Bay
Cardiff
CF99 1SN

15 July 2024

Dear Jack,

Thank you for your letter of 18 June 2024 regarding '*Petition P-06-1403 Reconsider cuts to Postgraduate funding and increase Doctoral Loans to match UKRI Stipend*'. You note that the petitioner has raised further concerns regarding impact on individuals.

The Welsh Government's budget settlement for 2024-25 is up to £700m lower in real terms than was expected at the time of the Autumn Budget and Spending Review 2021 and £3bn lower than if it had increased in line with GDP growth since 2010. This is not sufficient to respond to the extraordinary pressures Wales faces and difficult decisions have had to be taken to radically reshape our budget to prioritise our finite resources.

An impact assessment was undertaken in connection with the change to the provision of statutory student support to postgraduate Master's (PGM) students. Section 8.2 of the impact assessment acknowledges the impact on those from low-income households via the removal of grants and by extension, some of those with protected characteristics who may typically have low incomes.

The assessment also notes that student debt will likely increase. However, repayment of loans is income contingent. This means an increase in student debt does not directly result in an increase in repayments. Borrowers repay 6% of their income above a specified threshold (£21,000 p.a.). The repayment amount does not increase unless the borrower's income increases. Those with lower incomes pay back less than those on higher incomes. The progressive nature of repayment policy mitigates against the impact of increased debt as a result of this change.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
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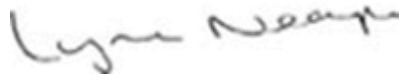
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

The Integrated Impact Assessment is available at <https://www.gov.wales/postgraduate-masters-support-2024-2025-academic-year-impact-assessment>.

Yours sincerely

A handwritten signature in black ink that reads "Lynne Neagle". The signature is written in a cursive style.

Lynne Neagle AS/MS

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Cabinet Secretary for Education