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The Rt Hon Gillian Keegan MP
Secretary of State for Education

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The Rt Hon Sir George Howarth MP
By email: george.howarth.mp@parliament.uk

24 April 2023

Dear Sir George,

Thank you so much for your email of 6 March, enclosing correspondence from your constituent, , about alternative student finance (ASF) options for Muslim students. I apologise for the delay in responding.

I appreciate sharing their concerns.

I can assure you that I understand the issue and the concerns held by some Muslim students and their families about student finance. We want all learners with the potential to benefit from a higher education (HE) to be able to do so, and I can confirm that we remain committed to delivering an ASF product as soon as possible.

To support the delivery of an ASF product, to date, the government has taken new powers in the HE and Research Act 2017 to enable the Secretary of State to provide alternative payments, in addition to grants and loans. We have carried out work with specialist advisers, the Islamic Finance Council UK, on an ASF product for tuition fee and living cost support that is compatible with Islamic finance principles and are now considering how best to deliver ASF.

We have also conducted research on the views of current and potential Muslim students towards student finance and their decisions on HE. This report, published in May 2019, is available on the GOV.UK website at: [tinyurl.com/2P8JN3VZ](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/411111/20190501-Research-report-on-the-views-of-current-and-potential-Muslim-students-towards-student-finance-and-their-decisions-on-higher-education.pdf).

Looking ahead, we are introducing a Lifelong Loan Entitlement (LLE) which will significantly change the ways students can access learning and financial support. In the consultation on the LLE, which closed in May 2022, we sought views on what barriers learners with protected characteristics might face in accessing or drawing on their LLE, noting that answers to this question could include consideration of an ASF product for students whose faith has resulted in concerns about traditional loans.

In our response to the LLE consultation, published on 7 March, we set out our aim to make ASF available as soon as possible after 2025. The outcome is available in full at: [tinyurl.com/42s94zzn](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/411111/20190501-Research-report-on-the-views-of-current-and-potential-Muslim-students-towards-student-finance-and-their-decisions-on-higher-education.pdf).

Work is underway to assess how we can ultimately deliver an ASF product alongside the LLE. We are procuring advice from experts in Islamic finance and will be working with the Student Loans Company (SLC) to better understand timescales for delivery of an ASF product.

We will further continue to undertake significant engagement ahead of implementation of the LLE, to ensure that solutions are evidence-based and directly address the barriers faced by a diverse cohort of students.

A further update on ASF will be provided later this year.

I hope this response is useful to and appreciate you taking the time to write to me on this important matter.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Gillian Keegan', with a long, sweeping flourish extending to the right.

**The Rt Hon Gillian Keegan MP
Secretary of State for Education**