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By Instructure

The Lifelong Learning Entitlement (LLE):

Building institutional readiness with trusted credentials

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Executive Summary

The Lifelong Learning Entitlement (LLE) marks a major shift in post- secondary education access in the UK.

From September 2026, eligible learners will be able to apply for funding for courses and modules starting in January 2027. The entitlement provides each learner with a lifetime loan equivalent to four years of full-time study, available up to age 60.

Unlike traditional degree pathways, the LLE enables modular and stackable learning. Students can take micro-credentials and credit-bearing modules across institutions to build qualifications over time.

This model reflects the realities of today's labour market, where career shifts, upskilling and reskilling are increasingly common. However, universities that delay operational readiness may face compliance challenges, rising administrative burdens and reputational risk.

Institutions that adapt early can strengthen their competitive position, attract new learner segments and enhance long-term cost efficiency. With solutions like **Parchment Digitary Services**, they can securely issue, trusted, instantly verifiable digital credentials at scale - a critical capability in the LLE era.

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The Policy Shift: Understanding the LLE

The LLE represents the most significant reform to UK student finance in decades. Enabled by the Lifelong Learning (Higher Education Fee Limits) Act 2023, it signals long-term government commitment to flexible, modular higher education.[1]
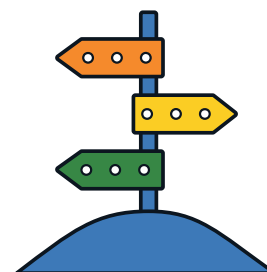
Implementation timeline:

- 2025: Legislative and regulatory framework finalised; sector preparation period begins.
- September 2026: Learners can apply for funding under the new LLE system.
- January 2027: First eligible courses and modules begin under the LLE funding model.

Stackable modules and micro-credentials (minimum 30 credits) align with employer demand and widening skills gaps.[2] For institutions, this reform demands curriculum redesign shift, updated programme structures, scalable credential management and trusted verification to support mobility, transparency and compliance.

As policy evolves, institutions should anticipate stronger alignment between the Lifelong Learning Entitlement and the Growth & Skills Levy (GSL). Preparing for interoperability between funding systems — and employer-supported modular learning — will ensure universities can operate effectively within an integrated lifelong learning ecosystem.

1 https://www.neilmosley.com/blog/2025-q3-review-online-learning-developments-in-uk-higher-education
2 https://www.roberthalf.com/us/en/insights/research/why-and-how-companies-need-to-start-developing-tech-talent-for-the-future-of-work

Why does the LLE Matter to Institutions?

The LLE accelerates a shift from linear degree pathways to modular, credit-bearing units, requiring more sophisticated tracking, enrolment and learner recognition. Students may combine study across institutions, making reliable credit transfer and trusted verification essential.

Success metrics are also changing. Beyond traditional degree completion, institutions must track modular completions, micro-credential stacking and learner re-engagement.

Financial pressures intensify these challenges:
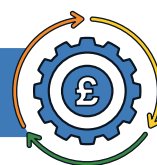
- Domestic fees remain capped at £9,535 for 2025–26, below inflation.[3]

- The Office for Students; modelling warns that up to 72% of institutions could be in deficits by 2025-26 and 40% would have fewer than 30 days' liquidity.[4]

- International student numbers are softer, with a ~15% year-on-year drop in student-route applications in 2024.[5]

- Rising costs from pay, energy, and operations add further financial strain.[6]

Despite these pressures, early LLE adopters can strengthen their position by attracting career changers and working professionals, scaling modular and micro-credential offerings, and diversifying revenue streams through short courses, employer-funded training and paid credentialing services. Modernising credential issuance also enables universities to generate recurring income from replacement certificates and transcripts, while lowering operational costs through automation.

3 https://www.nottingham.ac.uk/fees/tuitionfees/202526/fee-increases.aspx
4 https://www.officeforstudents.org.uk/news-blog-and-events/press-and-media/bold-and-transformative-action-needed-to-address-financial-sustainability-ofs/
5 https://www.theguardian.com/education/article/2024/aug/08/sharp-fall-in-international-applicants-wanting-to-study-at-uk-universities
6 https://researchbriefings.files.parliament.uk/documents/CBP-9886/CBP-9886.pdf

Institutional Challenges: Navigating Complex Demands

The LLE introduces complex operational demands across university functions:

Registrars must track modular pathways, manage inter-institutional credit transfers, issue credentials more frequently and maintain compliance and data accuracy.

Student services face challenges with guiding diverse learners through flexible funding, module stacking, and course options, ensuring clarity and accessibility.

Academics are tasked with redesigning programmes into standalone 30-credit modules that meet both academic standards and market needs. This requires careful alignment to maintain coherence, learning outcomes and employability relevance.

IT teams must ensure the institution has the digital infrastructure, capacity and data management processes required to support modular provision, increased registrations and reliable credentialing workflows.

COOs and CFOs must balance rising costs, uncertain demand, upfront investments in curriculum redesign, marketing, and technology — while mitigating financial risk and maximising revenue potential.

Successfully navigating these demands is critical to delivering a seamless learner experience and achieving institutional financial sustainability in the era of LLE.

Credential Management: LLE's Engine

A secure, scalable credential management system is central to the LLE's success within institutions. With more frequent and diverse awards, learners moving across universities and increased administrative complexity, trusted systems for issuing, sharing and verifying badges, transcripts, certificates, letters, statements and diplomas will be essential.

Institutional benefits:

- Automated issuance and instant verification helping to minimise print costs.
- Tamper-proof digital storage and reduced fraud risk.
- Employer recognition and enhanced learner trust.
- Scalability to issue credentials for short courses and micro-awards.
- A means to generate additional revenue streams

Learner benefits:

- 24/7 access to verified records.
- Instant, shareable credentials supporting employability
- Secure, portable recognition of lifelong achievements.
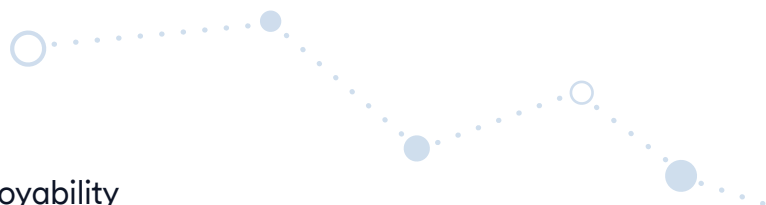
The LLE's modular, lifelong structure empowers learners to take control of their own development — choosing when, where and how to upskill throughout their careers. By recognising smaller units of learning and enabling them to stack toward larger qualifications, the LLE promotes a culture of continuous professional growth and innovation. This approach encourages learners to explore new disciplines, strengthen employability and maintain agility in a fast-changing job market — turning lifelong learning from aspiration into practice.

Taking Steps Toward Institutional Readiness

Institutions preparing now will be ready before applications open in September 2026. Key readiness steps include:

1. **Audit current processes:** Evaluate curriculum, approval workflows and administrative capacity for modular and micro-credential offerings.

2. **Map curricula to 30-credit units:** Identify existing modules, redesign courses for stackability and ensure alignment with market demand

3. **Integrate systems:** Ensure the institution's digital systems and data processes can support modular learning—maintaining accurate records, managing increased registrations and enabling reliable credentialing workflows, even where systems come from different vendors.

4. **Pilot digital micro-credentials:** Test workflows, gather learner feedback and optimise processes.

5. **Engage employers early:** Align content with skills needs, ensure credential recognition and explore co-branded or partnership opportunities

GET STARTED NOW

Starting now allows enough time for curriculum redesign, technology integration, and employer engagement, ensuring universities can offer compliant, attractive LLE pathways from launch time.

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LLE: A Catalyst for Institutional Transformation

The LLE is more than a funding reform — it's a systemic transformation. With courses starting in January 2027 under the LLE, universities have a narrow window to prepare. Those acting early can modernise teaching, strengthen digital infrastructure, enhance learner outcomes and generate additional revenue.

New learner demographics become accessible, including career changers, mid-career upskillers and returning students. The LLE drives the adoption of micro-credentials and robust credential systems, enabling institutions to deliver focused, skills-based awards with secure, verifiable, and efficient processes.

The learner journey is reshaped: Pathways become flexible, portable, and responsive, with modular learning integrated seamlessly with employer expectations. Institutions can modernise teaching, strengthen digital and administrative infrastructure, and improve market responsiveness.

For universities willing to embrace these changes early, the LLE represents an unmissable opportunity to expand market reach, enhance institutional agility, and establish trust as providers in a rapidly evolving lifelong learning landscape.
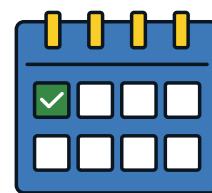
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Why Acting Now Matters:
The Bigger Picture for LLE's Impact on Education

Early action is critical to capitalise on the LLE's transformative potential. Institutions that prepare in advance can meet compliance requirements smoothly, avoiding last-minute operational strain. They can also launch modular and micro-credential offerings ahead of competitors, positioning themselves as leaders in lifelong learning.

Delaying readiness carries clear risks: Universities may fall behind sector trends, lose access to emerging learner markets, and miss opportunities for employer partnerships. Competitors that act early will capture these advantages, leaving slower institutions at a strategic disadvantage.

Proactive planning supports operational efficiency, streamlines credentialing and ensures scalable systems are in place before lucrative funding arrives. It also strengthens institutional reputation, signalling commitment to learner flexibility, market-aligned skills development and trusted outcomes.

January 2027
First eligible courses and modules begin under the LLE funding model.

Institutions that act now can be ready by September 2026, when learners begin applying for LLE-funded courses. Early movers will capture market share and avoid the operational scramble that slower adopters face.

The Parchment Digitary Services Advantage

Parchment Digitary Services helps institutions rethink credentialing as a strategic asset rather than an administrative burden. By combining secure digital delivery, seamless system integration and scalable revenue opportunities, the platform streamlines operations, enhances the learner experience, and positions universities for long-term success in an increasingly digital and modular education landscape.

1. **Secure and Automated Credential Issuance**
    Issue transcripts, certificates, letters, and badges digitally through automated workflows that increase speed, reduce staff workload, and cut administrative costs.

2. **Seamless Integration**
    Connect effortlessly with your Student Information System and payment infrastructure to automate issuance and ensure smooth, scalable operations — ideal for modular and micro-credential programmes.

3. **Improved Student Experience**
    Give learners instant, secure access to transcripts, badges, and letters through digital wallets. No delays, no lost documents — just a modern, intuitive experience

4. **Fraud Reduction and Compliance**
    Advanced security features and encryption protect credentials, reduce fraud risk, and ensure compliance with regulatory standards across global markets.

5. **Trusted by Global Institutions**
    From Europe to Australia, leading universities rely on Parchment to reduce administrative workload, cut print costs, ensure compliance, and support lifelong learner mobility.

6. **Enhanced Alumni Engagement and Learner Mobility**
    Provide secure, lifelong access to credentials via learner wallets — strengthening alumni connections and supporting global mobility.

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Partner With the Right Service Provider: Scale and Monetise Effectively

Parchment Digitary Services streamlines the issuance of digital credentials, elevates the learner experience, and ensures secure, scalable operations — all essential for managing modular, stackable and micro-credential programmes efficiently.

By leveraging a proven provider, universities can reduce administrative burdens, strengthen compliance, and deliver instantly verifiable credentials to learners worldwide. At the same time, scalable digital operations open opportunities to monetise modular programmes, expand reach, and support strategic growth in lifelong learning markets.

The shift to lifelong learning is here. Partnering with an experienced, globally trusted provider ensures your institution is compliant, competitive, and positioned to capitalise on the opportunity.

Institutions ready to take the next step can book a consultation or demo with Parchment's higher education specialists to explore how **Parchment Digitary Services** can support their LLE readiness and broader credentialing strategy.

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Sources

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2. https://www.roberthalf.com/us/en/insights/research/why-and-how-companies-need-to-start-developing-tech-talent-for-the-future-of-work

3. https://www.nottingham.ac.uk/fees/tuitionfees/202526/fee-increases.aspx

4. https://www.officeforstudents.org.uk/news-blog-and-events/press-and-media/bold-and-transformative-action-needed-to-address-financial-sustainability-ofs/

5. https://www.theguardian.com/education/article/2024/aug/08/sharp-fall-in-international-applicants-wanting-to-study-at-uk-universities

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