

A New Social Contract for Students

Fairness, Parity and Clarity

Autumn 2017



Independent
Report for Scotland

A New Social Contract for Students

Summary of Recommendations

Our recommendations are:



Fair funding

- Entitlement to a Minimum Student Income of £8,100 in both further and higher education
- Delivered through a mix of bursaries and student loans, with means-testing of bursaries to target support for those from the poorest backgrounds
- Student loans available in further education
- Further education loans written off in full for those transitioning from further to higher education
- Student loan terms enhanced by:
 - Repayment threshold being increased to £22,000
 - Write-off period for student loans being shortened from 35 to 30 years
 - Low interest rates continuing (lowest of RPI or 1% above Bank of England base rate)



Parity

- Common funding system across further and higher education, with local face-to-face support
- Common data system and a central budget for student support
- Flexibility for students around when they would receive financial support



Clarity

- A single, centralised online portal to provide information to all students
- Consistent guidance and communications for prospective students of all ages, parents and carers
- Local support to help students navigate the system, especially those with more specialist needs
- These recommendations are complemented by a proposed special support payment for students on benefits in further and higher education, similar to the approach already taken in England, Wales and Northern Ireland



Costs to implement

- To support the introduction of student loans in further education, the Scottish Government should provide an equal split of bursaries and loans for the poorest students in further education
- This would provide an immediate and meaningful improvement in funding to students and would cost an additional £16m per year
- There are other options, some of which would cost less and some more



Student at Stirling University

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Summary by Independent Chair



Highlights

-  A New Social Contract for Students
-  Minimum Student Income entitlement in both further and higher education
-  Minimum Student Income of £8,100
-  Increased means-tested bursaries; and discretionary funds protected
-  Student loans enhanced, including an increased loan repayment threshold
-  Student loans available in further education
-  Debt write-off for students transitioning from further to higher education
-  Common systems of administration within further and higher education
-  A new approach for students on benefits

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Background

When I was asked, almost 12 months ago, to Chair this independent review into student support in Scotland, the politics of student funding was much less acute across the United Kingdom than it is today.

The Scottish Government already funds tuition fees and rightly wanted to consider how they may be able to improve the provision of living costs for students. Better financial support would encourage students from all backgrounds to enter further and higher education, with confidence and clarity about their entitlement to funding.

But the Scottish Government also made it clear in the remit that any recommendations from the Review should be made in full awareness “*of the evident constraint on the public finances*”.

As a result of its comprehensive and independent review of the current system, the Student Support Review Board has considered how to support students fairly, whatever their circumstances and whatever their chosen educational path.

Our recommendations are grounded in meaningful and up to date evidence, gathered from extensive interactions with students and key stakeholders across Scotland.

The Board has also considered various options for how student support could be funded. We have reached a broad consensus which is reflected in our recommendations. I am very grateful to each member of the Board for their time, input, challenge and support.

Education and society

As we grappled with a seemingly daunting list of issues, it was helpful to focus on the true value of education. Of course, education is essential for the economic development and sustainability of Scotland – it is estimated that every £1 of public investment in further and higher education leads to almost £6 of economic impact.

But it is also vital for the social good of our country. Effective societies invest in education for its own sake as well as for productivity and prosperity.

This seems to me hugely important in today's world with its constant changes and challenges. Globalisation, populism and digitisation, added to the traditional social and economic challenges of our society all drive a need for capable and well-educated people – to grow, develop and lead us to peaceful prosperity and economic success.

For me, this means that all education should be valued equally and all students treated with equity, regardless of social background.

In other words, parity is vital. Whether in **further education** in Scotland's thriving college sector, or **higher education** in our historic and newer universities and colleges, students need a level playing field to access the necessary financial support to commence and complete their studies. They need to be confident of relying on a fair standard of living whilst they study. This can help to close the attainment gap and create an environment where students are motivated to give back to the society that supported them.

What we are proposing, therefore, is nothing short of a New Social Contract for Scotland's students.

Summary by Independent Chair

The New Social Contract for Students – fair funding, parity and clarity

In summary, the New Social Contract for Students proposes guaranteed funding for our students at a decent minimum level, with parity across educational sectors and with clarity in terms of what is available to each student at all times.

The principles which underpin the New Social Contract apply to all students – full-time, part-time, supported, independent, estranged, disabled, student parents, carers and care experienced students. And whilst our recommendations focus primarily on full-time students, further work should be carried out to enable the recommendations to be implemented for all students.

Fair funding

Under the New Social Contract, students in both further and higher education will be **entitled** to an amount based on the Scottish Government's Living Wage¹. For most full-time students we calculate this to be £8,100 for each academic year of study.

This is a step change particularly for students in further education, who currently have no guaranteed entitlement to funding and no ability to access student loans.

Students should have more flexibility around when they receive their money depending on their personal requirements. For example, they could choose a per term or a monthly basis, with the option of spreading payments over twelve equal instalments. This could help students to manage their money, especially over the summer months.

This income can be augmented by employment in addition to normal studies. We support the recommendations of the Cubie Review² that employment should ideally be for no more than ten hours a week during term time.

Discretionary funding, for example for hardship, disability or carers, should also be retained.

What will students give in return?

Students will commit to attend their courses, meet their academic obligations and take responsibility for budgeting and managing their funding. However, the current attendance rules in further education are cumbersome and bureaucratic and should be streamlined like those in higher education. Guidelines for a workable arrangement in such cases should be agreed at a national level and administered at a local level. The approach should be flexible and fair and adhered to by students.

¹ As at 26 October 2017

² Cubie Review (Student Finance 'Fairness for the Future', the Independent Committee of Inquiry into Student Finance, 1999)

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Interaction with benefits

Some students are entitled to receive benefits. It is our intention that no student should lose their benefit entitlements because they are in receipt of student funding. As a result, we propose that Scotland develops a new Special Support Payment for these students, similar to that already adopted in England, Wales and Northern Ireland. We recommend that the implementation of this is discussed between the Scottish and Westminster Governments.

Common systems approach

Common administration systems should be developed to deliver funding consistently to all students within further and higher education. The face-to-face support currently operated predominantly in the college sector should be maintained and extended for all students, to provide them with pastoral as well as financial guidance and administrative support.

Clarity – information, advice and guidance

It is vital that the available financial support should be communicated clearly and consistently to students and to their support networks.

I have been surprised by the lack of understanding of the financial support that is available to students and this should be straightforward to address. This Report contains recommendations to remedy this issue.

Additional focus in schools on financial support and financial management for both pupils and parents is also a recommendation of this Review.

Cost – what will the New Social Contract cost and how will it be financed?

The introduction of an entitlement to funding at a level equivalent to the Scottish Government's Living Wage will require a major change in approach.

Currently some students in further education receive discretionary means-tested grants known as bursaries – with an average maximum of £3,195 – but these students are not eligible for student loans. Other further education students receive no guaranteed funding assistance from their college.

In higher education, some students are entitled to smaller bursaries – up to a maximum of £1,875 – but all students can benefit from a student loan.

It is clear that we need to take a fresh look at student loans.

Summary by Independent Chair

Student loans in Scotland – understanding the context

Student loans have received some bad press recently, particularly elsewhere in the United Kingdom. There is evident concern amongst many Scottish families that student loans should be avoided, as it is perceived that they trap students with a long term debt burden. This concern is shared by a number of members of the Board.

However, should our recommendations be implemented, student loans in Scotland would offer the best terms that are available anywhere in the United Kingdom. Student loans offer more generous terms for students than are available through banks, loan companies or payday lenders. The interest rates are low and repayment terms are very favourable. Loans are repayable only when the individual earns a reasonable graduate salary. And students in Scotland are not required, as they are in other parts of the United Kingdom, to fund tuition fees through loans or otherwise.

We found that some students who avoided student loans were later compelled to borrow through expensive forms of credit such as payday lenders. The Board agreed that this outcome should always be avoided, especially when borrowing is available on much more reasonable terms through student loans.

The key questions are therefore:

- how do we make student loans as beneficial for students as possible?
- what is the right balance between loans and means-tested bursaries to meet the £8,100 Minimum Student Income guarantee for students?

We considered these questions and identified three issues:

A The quality of lending terms available in Scotland

The Scottish National Party committed in its Manifesto to enhance the terms of student loans. On the basis of that commitment we recommend that student loans are:

- charged at lower of either 1% over Bank of England base rate or RPI (Retail Price Index). For comparison, **interest rates on Scottish student loans are currently 1.25%**, whereas in England they are between 3% and 6% – depending on earnings.
- **repaid only when a student earns £22,000** – the median graduate salary in Scotland. The Scottish Government should consider increasing this to £25,000 based on current proposals in England. This additional increase would cost around £27m per year.
- **written off in full to the extent they are unpaid after 30 years** rather than the current 35 year period.

We believe that student loans on these terms would give students in Scotland access to preferential lending in order to support their education. **Coupled with the lack of need to borrow to pay tuition fees in Scotland, these loan arrangements would be the most generous in the United Kingdom.**

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B Who should receive a student loan?

There was much discussion by the Board about whether students in further education should be eligible for student loans. For me, **the principle of parity means an entitlement to funding at the level of £8,100 should be made available to students in both further and higher education.**

Realistically, within the current funding options available, I believe this will require the introduction of student loans to further education students to top up existing levels of bursary. And bursaries should continue to be means-tested to focus non-repayable financial support on those from the lowest income backgrounds. The current threshold for means-testing in further and higher education should be harmonised over time.

I absolutely understand the concerns of some Board members regarding the introduction of loans to further education students. To balance these concerns, it is vitally important to ensure that student loans are made available only on the best possible terms, as I have described. In addition, we also recommend that further education loans should be written off in full if the student goes on to higher education and completes their higher education course. Approximately 11,600 students follow this path in Scotland today and our costings continue to assume that this pattern continues. Further work will be required to scope out the precise terms of the write-off in order to ensure a fair and consistent approach for all students.

C The pathway to funding: how should levels of loans and bursaries be balanced?

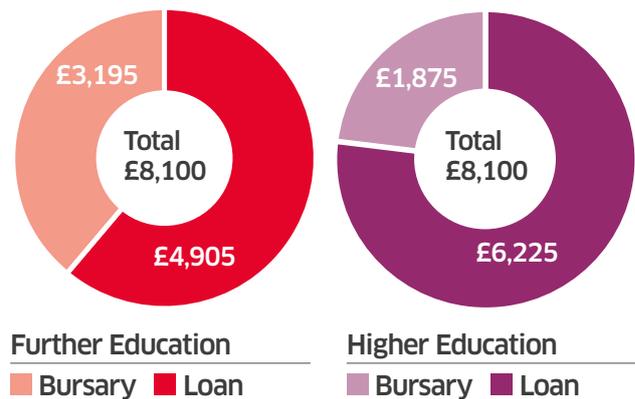
This was arguably the hardest question we considered. The Board found it helpful to view the costs landscape as a journey to be achieved over time. However, the rate of progress to fair funding and parity is for the Scottish Government to determine based on the public funding they wish to allocate in any particular year.

Some Board members would prefer that no loans be used to fund either further or higher education, with students instead receiving non-means tested bursaries of £8,100. We costed this at £459m per year more than the current bursary spend. The general consensus was, however, that this outcome could not be pursued within the terms of this Review. Nevertheless, it was helpful to have the debate, particularly as this was an aspirational outcome for both NUS Scotland and UNISON.

Summary by Independent Chair

We identified three options, with associated costs. In each case the additional cost of student loans is described as notional as there is no immediate direct cash cost, but rather future write-downs to student loans. We understand that the Scottish Government has headroom to consider increasing the use of student loans within existing allocations from the United Kingdom Government.

1 - Status quo for bursaries

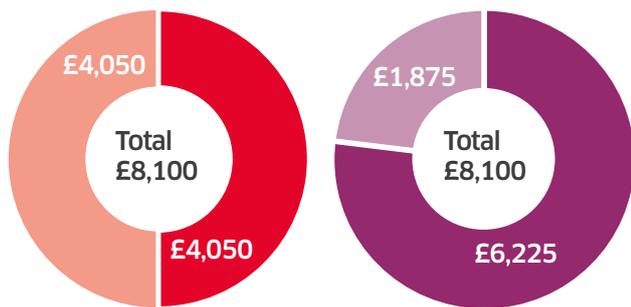


One option would be for current bursary amounts to be maintained and the proposed £8,100 minimum income for students to be achieved by additional funding through student loans. This would meet the budgetary remit of the Review and have a zero additional direct bursary cost to the Scottish Government. The split between loans and bursaries across further and higher education for those from the lowest income backgrounds is shown above.

This proposal would not increase direct bursary spend, but would notionally cost £252m per year more for additional student loans.

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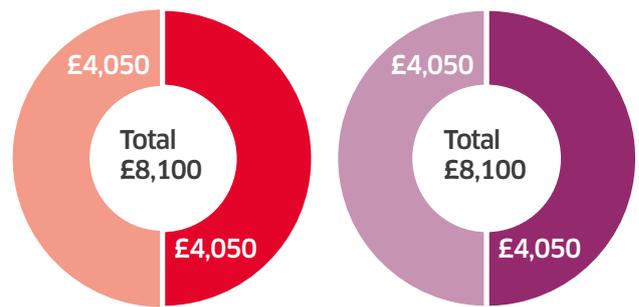
2 - Hybrid approach



A further step on the journey could be to equalise bursary and loan for further education students at £4,050 for each element. Higher education students from the lowest income backgrounds would continue with the current maximum bursary of £1,875, with the remainder in loan. This is shown above.

This approach would increase the direct bursary cost for further education students by **£16m** per year. In addition, it would increase the notional cost of student loans, if the maximum was drawn, by £231m per year.

3 - 50/50 bursary to loan balance



Following the parity principle, it was an aspiration of most of the Board that further and higher education students receive £8,100 a year in minimum income, allocated for those from the lowest income backgrounds at 50% through bursary and 50% through loan – as shown above.

This would cost the Scottish Government an additional **£123m** per year in direct bursary cost and would increase the notional cost of student loans by £153m per year.

Summary by Independent Chair

We considered the pros and cons of each of these approaches:

- Option 1 (status quo for bursaries) provides funding to the level of the Scottish Government's Living Wage through the increased use of student loans at **no additional direct bursary cost**. This option, on its own, is not our recommendation as it relies too heavily on student loans.
- We believe the Scottish Government should move beyond Option 1, through the use of increased bursaries. Option 2 calls for a 50/50 split of bursary to loan in further education only, resulting in a relatively modest additional direct bursary cost of **£16m** per year. This option does not create immediate parity in bursaries across further and higher education, but it does help to manage the introduction of student loans into further education.
- To the extent that additional public funding is allocated, we believe that bursaries should be increased to balance student loans. Option 3 would give an equal balance of bursaries and loans in both further and higher education at an indicative additional direct bursary cost of **£123m** per year.

Given the terms of the remit of this Review, Board members believe that the Scottish Government should adopt Option 2, which provides:

- an immediate and meaningful improvement in funding to students across further and higher education;
- equal split of bursaries and loans for the poorest students in further education to support the introduction of student loans;
- protection of existing bursaries in higher education; and
- access to high quality student loans.

The direct additional cost would be **£16m** per year.

Recognising the aspiration of some of the Board to move beyond this point, particularly NUS Scotland and UNISON, the Scottish Government may wish to consider Option 3, costing an additional **£123m** per year.

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Conclusion

The Scottish Government's focus on funding tuition fees for social and economic prosperity is to be commended.

Based on the work of the Student Support Review Board, we recommend that this focus is channelled into creating a New Social Contract for Students in Scotland. This contract will deliver:

- **fair funding** with a Minimum Student Income entitlement for Scottish domiciled students studying in Scotland, based on the Scottish Government's Living Wage of £8,100;
- **parity** of treatment for students of all backgrounds, whether they are in further or higher education; and
- **clarity** of systems and communications to ensure that students and parents fully understand the financial support available.

The increase in financial support for students can be delivered predominantly through the additional availability of high quality student loans. To the extent that more public funding is allocated, there is the potential to increase bursaries.

And in return, more students from diverse backgrounds will have the chance to become successful graduates, for the social and economic good of Scotland.

We also recommend that the Scottish Government works in collaboration with other interested parties, to look at how the key principles of this Review should be best implemented for part-time students and those currently receiving Education Maintenance Allowance (EMA).

We invite the Scottish Government to accept these recommendations in full.

I would like to thank the Student Support Review Board, the support team and all those who have taken the time to provide evidence or to respond to this Review.



Jayne-Anne Gadhia, CBE

Independent Chair
Student Support Review in Scotland

Summary by Independent Chair

Student Support Review Board

John Gallacher

Scottish Organiser, lead for Further Education,
UNISON Scotland

Russell Gunson

Director, IPPR Scotland

Luke Humberstone

President, NUS Scotland*

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Chief Executive, Money Advice Scotland

Louise Macdonald OBE

Chief Executive, Young Scot

Annag MacLean

former Head Teacher, Castlebay Community
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Erin McAuley

Student and former member of Scottish
Youth Parliament

Alastair Sim

Director, Universities Scotland

Linda Somerville

Director, NUS Scotland*

Shona Struthers

Chief Executive, Colleges Scotland

Angela Toal

Welfare Rights Worker, Child Poverty Action
Group

**NUS Scotland was represented by Vonnie Sandlan
and Philip Whyte until June 2017*

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Remit of the review

The Review's overall remit was to assess the effectiveness of the current system of student support for all students engaged in further and higher education in Scotland, and to make recommendations for beneficial change.

The Minister for Further Education, Higher Education and Science, Shirley-Anne Somerville MSP, made clear that the focus of this Review was living cost support for students in Scotland. The Scottish Government policy on free tuition was not within scope. The Review was asked to be bold and inquisitive, and to be aware "*of the evident constraint on the public finances*".

Our approach in the time available was to undertake a holistic review from a policy perspective. It is necessarily high-level and we have focused on getting the core offer right. The recommendations are based on the Board's assessment of the evidence gathered, and will improve the fairness and effectiveness of student support. We acknowledge that additional work will be needed on the impact on part-time students.

Basis of costings

All calculations are based on publicly available data and information from the Scottish Government via the Student Funding Council (SFC) and the Student Awards Agency Scotland (SAAS). This financial information was provided from January to August 2017. The data available at the time the Board considered the costings in September 2017 was from the 2015-16 academic year.

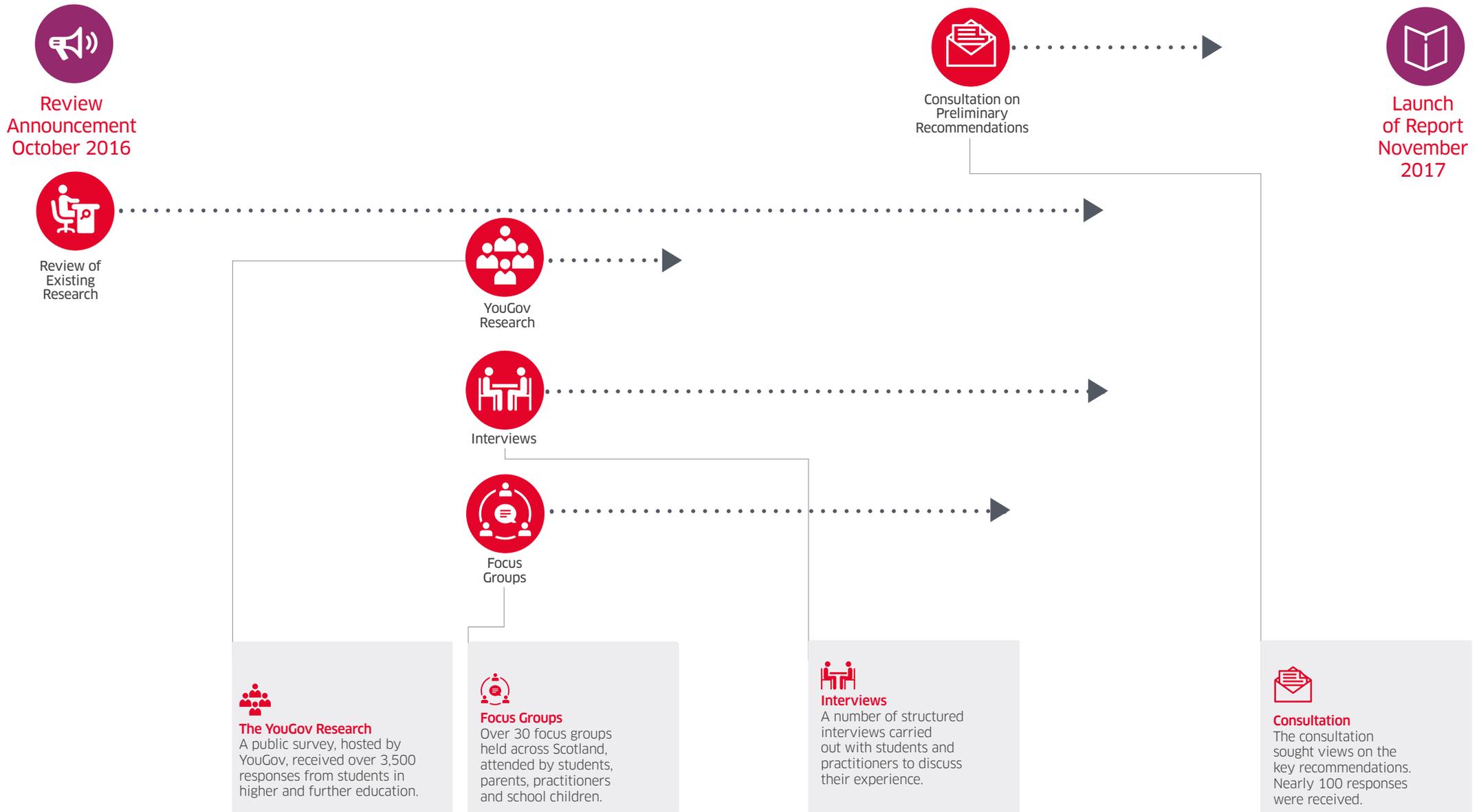
The lack of common data available for further education meant that some assumptions were required, based on macro-economic data. Scottish Government officials checked the calculations prepared for the Board and confirmed that the assumptions appeared reasonable. The Living Wage calculations are based on the Scottish Government's 2016-17 Living Wage of £8.45 per hour (at the time of the final Board meeting on 26 October 2017).

Areas out of scope for the Review:

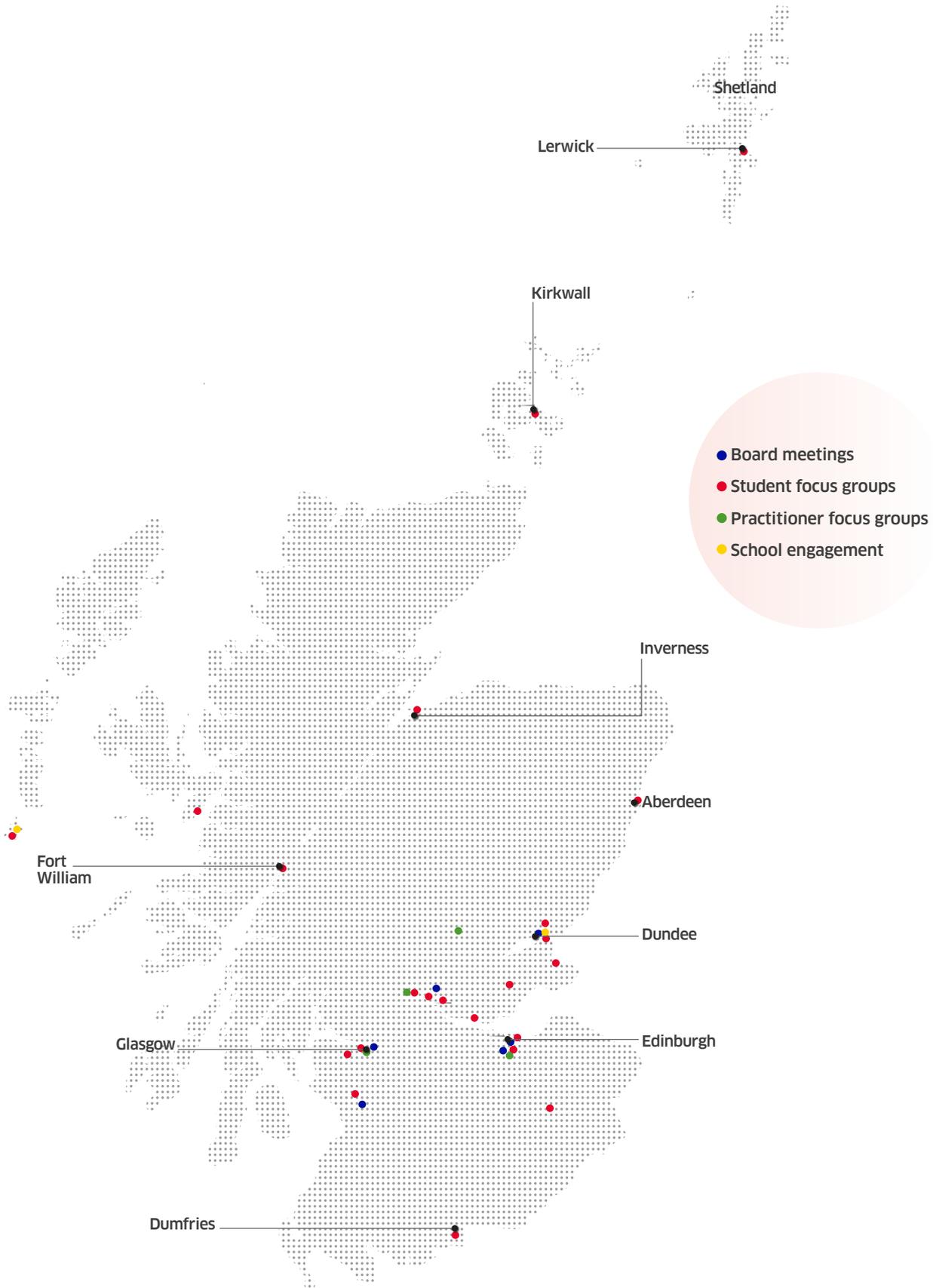
- Tuition fees in Scotland
- Funding for postgraduate studies
- Nursing and midwifery students
- Bursaries for training from industry
- Specific discretionary bursaries and scholarships for individual institutions



Building the Evidence Base



Building the evidence base



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Places visited by the Review Team



Board meetings at colleges and universities:

Abertay University
 Ayrshire College, Kilmarnock Campus
 City of Glasgow College
 Edinburgh Napier University
 Forth Valley College
 University of Edinburgh



Student focus groups across Scotland:

Abertay University
 Ayrshire College, Kilmarnock Campus
 Borders College
 City of Glasgow College
 Dumfries and Galloway College
 Dundee and Angus College, Kingsway Campus
 Fife College, Glenrothes Campus
 Fort William College
 Forth Valley College, Alloa Campus
 Forth Valley College, Stirling Campus
 Inverness College
 Lews Castle College, Barra Campus
 Open University (by conference call) 
 Orkney College
 Sabhal Mòr Ostaig, Skye
 Shetland College
 University of Aberdeen
 University of Dundee
 University of Edinburgh
 University of St Andrews
 University of Stirling
 University of the West of Scotland,
 Paisley campus



Practitioner focus groups:

Further Education Student Support Advisory Group (FESSAG), held at Colleges Scotland, Stirling
 Further Education Student Support Advisory Group (FESSAG), held at Student Funding Council, Edinburgh
 The National Association of Student Money Advisers
 Money Advice Scotland
 Annual Conference, Crieff
 Student Awards Agency Scotland (SAAS), Annual Conference, Glasgow



School engagement:

Castlebay Community School – Barra
 Children's Parliament – Dundee

The importance of education

This Review has been undertaken against a context of increasing debate and political controversy over student fees, particularly in England. The Scottish Government's policy of funding free tuition provides a solid foundation on which to build a strong student social contract. Students in Scotland face lower levels of average debt compared to their English counterparts. In 2017 in Scotland, the average loan balance at the start of repayment was £11,740. The equivalent balance in England was £32,220³.

This Board argues that investment in education will benefit both society and individuals. Not only is it essential for the economy and national prosperity, it is a powerful agent for social progression and contributes to cultural life and civil society. For these reasons we believe more can and should be done to support students through their studies in Scotland.

The economic and social benefits of further and higher education

- › It is estimated that every £1 of public investment in further and higher education leads to almost £6 of economic impact in Scotland and the UK⁴. The return on investment figure for higher education is £6 and for further education it is £5.70.
- › Participating in tertiary education enables individuals from lower income backgrounds and their families to enter higher skilled and better paid jobs.
- › For business to flourish in Scotland it needs to rely on a supply of skilled, well qualified people from a diverse range of backgrounds.
- › Aside from economic benefits, we believe that achieving equality of educational opportunity is essential in the maintenance of social and political cohesion. Education is also a powerful enabler of social mobility. In short, we believe education has the power to transform lives.

3 Student Loans Company – average loan balance on entry to repayment

4 Sources: Higher Education: Riddell et al, 2016; Further Education: Economic Modelling Specialists International (EMSI)

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Student at Sabhal Mòr Ostaig, Skye

A New Social Contract for Students

Highlights

-  Fair funding; entitlement to a Minimum Student Income
-  Parity of financial support
-  Clarity of funding



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The key provisions of the New Social Contract for Students put forward by the Board are:

- Students should be **entitled** to a Minimum Student Income based on the Scottish Government's Living Wage for the time they spend studying. For most students this is calculated to be £8,100 per academic year.
- Both further and higher education students should be **entitled** to receive the same Minimum Student Income.
- The Minimum Student Income can be augmented by paid work during term time which – in line with the Cubie Review⁵ – should not be more than 10 hours per week.
- Bursaries should continue to be focused on those from the poorest backgrounds. We recommend that the current means-testing process should continue and should be harmonised over time between further and higher education in the interests of parity.
- The approach to students on benefits should be revised so that no student is worse off as a result of a positive decision to enter tertiary education.
- Students should be expected to complete their studies by maintaining appropriate standards of attendance. National guidance should be introduced which is both fair and flexible and consistent across further and higher education.
- Students should have flexibility around when they receive their money. For example, they could choose a per term or a monthly basis, with the option of spreading payments over twelve equal instalments.
- Carers, parents and disabled students should continue to have access to additional support through the existing non-core funding such as the Disabled Students Allowance and the Lone Parent Grant. And in exceptional cases applications can still be made to discretionary funds.
- The New Social Contract and Minimum Student Income should be extended to Care Experienced students, based on the Scottish Government's current policy of providing full non-repayable bursaries.
- The whole approach should be effectively administered and communicated clearly and concisely to ensure that it is well understood and efficiently administered.

5 Cubie Review (Student Finance 'Fairness for the Future', the Independent Committee of Inquiry into Student Finance, 1999)

A New Social Contract for Students

Fair funding

Highlights

-  Entitlement to a Minimum Student Income in both further and higher education
-  Minimum Student Income of £8,100
-  Certainty and clarity about funding

Background

Throughout this Review we heard evidence, particularly from further education students, that the discretionary nature of bursary funding creates unfairness, uncertainty and anxiety. In our consultation, there was clear support for a Minimum Student Income across both further and higher education, which will give students certainty and clarity about funding.

Our YouGov research found that 40% of students felt that financial support was poor in meeting their needs. 70% of students had to supplement the financial support they receive. 14% of these students topped-up their finances with credit cards or other types of loans, including payday loans – with those in the lowest household income brackets more likely to supplement their income in this way. The Board agreed that this is an outcome which should always be avoided.

During our focus groups, we repeatedly heard that work placements cause financial hardship either because they are not funded or because they require expensive travel or materials. This can cause specific challenges particularly in remote locations such as the Highlands and Islands. In one example, a college student from Barra had a work placement on the mainland because no equivalent placement could be offered closer to home. However, the additional travel and accommodation costs involved were not fully funded.

During our public consultation we asked what a minimum income should be. There was widespread support for linking student funding to the Scottish Government's Living Wage. Only seven respondents did not support this, citing concerns about the possible impact for students on benefits – an issue we have addressed elsewhere in our recommendations for students on benefits.

“Too many people have had to leave further education to go and find a job because they can't afford it.”

Student
Dumfries and Galloway College

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How has the Minimum Student Income of £8,100 been calculated?

The Board unanimously agreed that students should be entitled to an amount based on the Scottish Government's Living Wage for the time they spend studying. There was widespread support for this in the public consultation.

We have based our calculations on the assumption that most students are in academic session for approximately nine months of the year. Based on a Living Wage of £8.45 per hour*, this equates to £8,100 per academic year for most students.

More specifically, the £8,100 is calculated on the following basis:

- Scottish Government's Living Wage: £8.45 per hour
- Notional hours of study per week: 25 hours
- Weeks per academic session†: 38 weeks
- £8.45 x 25 hours x 38 weeks = £8,027
- Rounded to **£8,100**

This can be augmented by external work which should be of no more than ten hours a week (as per previous research findings in the Cubie Review). In a normal week, therefore, students could expect to receive support for a notional 25 hours of study out of a typical 35 hour working week.

**Based on the Scottish Government's 2016-17 Living Wage as at the time of the final Board meeting on 26 October 2017.*

†Based on the maximum average number of weeks per year across colleges and universities that offer full-time further and higher education courses.

Why the Scottish Government's Living Wage?

During the consultation there were a number of calls for any minimum income guarantee to be linked to the Scottish Government's Living Wage, as calculated by the Scottish Government on an annual basis.

Why 10 hours of work?

We believe it is fair to assume that the Minimum Student Income can still be augmented by employment or other sources. In order to protect the interests of students and to support them to study effectively, the Review supports the recommendations from the Cubie Review – which advised that employment for students should be for no more than ten hours a week during term time (Student Finance 'Fairness for the Future', the Independent Committee of Inquiry into Student Finance).

A New Social Contract for Students

Fair funding

Means-testing in higher education - current approach

The current approach in higher education is to apply means-testing to both bursaries and loans. This means that students from lower income backgrounds can receive higher amounts of bursaries and loans on a sliding scale relative to household income, as illustrated in the table below.

One of the results of this approach is that students from the lowest income backgrounds graduate with the highest levels of student loan debt. This is an issue which has been highlighted by a number of academics⁶.

 Household Income ↓	Young Students (Dependent Students)			Independent Students		
	Bursary	Loan	Total	Bursary	Loan	Total
£0 to £18,999	£1,875	£5,750	£7,625	£875	£6,750	£7,625
£19,000 to £23,999	£1,125	£5,750	£6,875	£0	£6,750	£6,750
£24,000 to £33,999	£500	£5,750	£6,250	£0	£6,250	£6,250
£34,000 and above	£0	£4,750	£4,750	£0	£4,750	£4,750

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Means-testing in further education – current approach

Unlike in higher education, there is currently no national and consistent means-testing process to determine the eligibility of further education students for bursaries. Bursaries are determined locally by individual colleges and allocations are discretionary. Students studying for the same qualification with the same socio-economic backgrounds can receive different levels of financial support – based on when and where they made their applications, not on their need. This can lead to inconsistent outcomes depending on location, which some refer to as a ‘postcode lottery’ for student funding.

Our recommendations will address these inconsistencies through the provision of a guaranteed Minimum Student Income for both further and higher education students. In addition means-testing will be restricted to bursaries.

Household income	Remaining award
Less than £24,275	£3,157.41*
£24,275	£3,112.41
£35,000	£1,978.26
£41,735	£1,264.74
£45,000	£918.83

*This is an example maximum bursary from a particular college for illustrative purposes based on a bursary of £3,157.41. Amounts can be different in each college. The illustrative maximum used in our costings is £3,195.

“ Education should be a way out of poverty, not into it. ”

STUDENT PARENT

A New Social Contract for Students

Fair funding

The New Social Contract: entitlement to £8,100

There was universal support during the Review for parity across further and higher education, with all students being entitled to the Minimum Student Income of £8,100, regardless of household income.

Our recommendation for the Minimum Student Income gives students vital certainty, clarity and consistency on core funding levels for the duration of their course. It would bring to an end the variable discretionary bursary funding which currently operates in further education. It would bring Scotland into line with other international comparators who do not differentiate between further and higher education in overall funding levels. And the entitlement to the Minimum Student Income can be delivered without negatively impacting students on benefits.

The New Social Contract: means-testing for bursaries

We recognise that bursaries are a vital form of support for those from the lowest income backgrounds. Bursaries can help to close the attainment gap. They also assist those from the lowest income backgrounds to receive their entitlement to the Minimum Student Income without relying solely on student loans or other forms of debt.

We therefore recommend that bursaries should continue to be means-tested to ensure they are allocated fairly. The differing approaches taken to bursaries in further and higher education should be harmonised over time.

In summary, our recommendations on fair funding are:



- Entitlement to the Minimum Student Income of £8,100 in both further and higher education
- Delivered through bursaries and, for those who wish, student loans
- Means-testing of bursaries to target support for those from the poorest backgrounds
- Harmonisation of the means-testing process between further and higher education over time

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Students at Borders College

A New Social Contract for Students

Student loans

Understanding the context

The Board recognises the general concerns that student loans should be avoided, as it is perceived that they trap students with a long term debt burden. Indeed, this concern is shared by a number of members of the Board.

However, the Board took a fresh look at the terms of student loans available in Scotland, and worked on enhancements that can be made to ensure that students in Scotland can be offered the best lending terms that are available anywhere in the United Kingdom.

Current student loan terms in Scotland and comparisons

Before describing our recommendations, it is important to understand the context of student loans as they currently operate in Scotland, including comparisons with other parts of the United Kingdom.

Currently Scottish students studying undergraduate higher education courses in Scotland are at an advantage over other students in the rest of the United Kingdom. This is partly because they do not have to pay any tuition fees which are funded by the Scottish Government. As a result, the total maximum annual borrowing of students in Scotland is lower than elsewhere in the United Kingdom, as shown in the table below:

	Maintenance grant	Maintenance loan	Total maintenance	Tuition fee grant	Tuition fee loan	Total fee	Total annual borrowing
Scotland (example based on under 25)	£1,875	£5,750	£7,625	£0	£0	£0	£5,750
Wales	£5,161	£2,778	£7,939	£4,954	£4,046	£9,000	£6,824
Northern Ireland	£3,475	£3,750	£7,225	£0	£4,030	£4,030	£7,780
England	£0	£7,097	£7,097	£0	£9,250	£9,250	£16,347

Table: Maximum student support, low income higher education students living at home, by country of domicile (studying in home country, not in London)

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In addition to lower annual borrowing figures, the interest rates for Scottish student loans are lower than the equivalent rates for England. Our research showed that this advantage was often not appreciated by Scottish students or some practitioners. The different rates are shown below:

	Interest rate	Repayment threshold	Write-off
Scotland	Lowest of RPI or 1% above the BoE rate (currently set at 1.25%)	£17,775	35 Years
England	RPI plus 3% while studying. Varies with income when students start to repay: <ul style="list-style-type: none"> - £21,000 or less - RPI - Between £21,000 and £41,000 - RPI plus up to 3.1% - £41,000 and above - RPI plus 3.1% (currently 6.1%) 	£21,000	30 Years

Table: Comparison of current English and Scottish loans

Consultation on student loans

In our consultation we asked for suggestions for improvements in the terms and conditions of student loans. The main theme to emerge was the need to reconsider the repayment threshold.

Several of the respondents, particularly individuals and those from the student representative and university groups, wanted to see the threshold increased from the current amount of £17,775. Some suggested the threshold should be brought in line with other nations of the United Kingdom or aligned with the Scottish graduate starting salary (currently the median higher education graduate salary is £22,000).

Additionally, we received many consultation responses which commented on interest rates for student loans. The suggestions for interest rates were that they should:

- be a maximum of 1% above bank base rate;
- be a guaranteed interest rate for the life of the loan;
- be more favourable than commercial loans;
- not exceed mortgage interest rates and should drop when rates drop;
- be competitive and transparent; and
- be matched to base rate and change in line with inflation.

A New Social Contract for Students

Student loans

Consultation feedback

Loans in further education

Almost half of respondents who replied to our public consultation voiced support for access to student loans across further and higher education. A third of responses urged caution around the introduction of student loans to further education, with particular concern from these respondents about:

- any consequent reduction in benefits or bursaries;
- the increased level of debt in general; and
- the level of debt for further education students who progress to higher education.

The Board carefully considered the extension of student loans into further education and addressed the consultation concerns as follows:

Concern:	Proposed:
1) The entitlement to student loans in further education could impact students receiving benefits	A new approach for students on benefits, described later in this Report
2) The entitlement to additional student loans would be funded by the reduction in bursary levels	No reduction to bursaries. Indeed, bursaries enhanced for students from the poorest backgrounds in further education
3) The introduction of student loans would increase the level of debt	<ul style="list-style-type: none"> • Bursaries weighted toward those from lowest income backgrounds • Student loans minimised in further education – in most further education colleges, loans would be for the duration of a one year course. • Students in Scotland would continue to enjoy the lowest levels and costs of annual borrowing to fund their studies • Loan terms will remain the best in the United Kingdom
4) The level of debt for further education students who then progress to higher education	Complete write-off of further education loans when a student goes on to higher education and then completes their higher education course

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Recommendations

Taking into account the consultation responses and recognising the inherent advantages of Scottish student loans, the Board recommends that student loans are:

- charged at lower of either 1% over Bank of England base rate or RPI (Retail Price Index). For comparison, **interest rates on Scottish student loans are currently 1.25%**, whereas in England they are between 3% and 6% – depending on earnings.
- **repaid only when a student earns £22,000** – the median graduate salary in Scotland. The Scottish Government should consider increasing this to £25,000 based on current proposals in England. This additional increase would cost around £27m per year.
- **written off in full to the extent they are unpaid after 30 years** rather than the current 35 year period.

To address the concern regarding the extension of student loans to further education students, the Board recommends a **write-off of further education loans where a student goes on to higher education and then completes their higher education course**.

This protects those with longer learner journeys and would benefit the c.11,600 students who follow the path from further to higher education in Scotland today. Further work will be required to scope out the precise terms of the write-off in order to ensure a fair and consistent approach.

It should be emphasised that students should be able to access student loans to the level they require up to the Minimum Student Income. There is no intention to make it mandatory to take any or all of the amount of the loan available.

In summary, to enhance the quality of student loans in Scotland we recommend:



- Further education loans written off in full when a student goes on to higher education and completes their higher education course
- Repayment threshold increased to £22,000 – the median graduate salary in Scotland
- Write-off period reduced from 35 to 30 years
- Interest rates to continue at the lowest of RPI or 1% above Bank of England Base Rate

A New Social Contract for Students

Parity of financial support



Student at West College

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Highlights



Common funding systems approach for further and higher education



Enhanced by local face-to-face support



More choice for students around when they receive financial support

Background

During our evidence gathering we found considerable differences in the administration of funding in further and higher education.

In recent years there has been very little macro-level reform to the system of support in further education. Student funding in further education has been on a discretionary basis and is designed to work in tandem with the benefits system. However, the allocation of funding has been inconsistent. As explained earlier, the level of bursary awarded depends on which college the student applies to, when they apply and how much budget remains available at the point of application. Students find this approach confusing. It also makes the monitoring of student support applications across colleges more difficult, given the individual approaches taken by each college.

A New Social Contract for Students

Parity of financial support

Common funding systems approach

During our Review, we heard that students find the current system confusing and time-consuming to navigate. Some students were asked for financial information and other types of evidence multiple times. These tend to be students with additional support needs, whose applications can be far from straightforward.

The Student Awards Agency Scotland (SAAS) system does not interact regularly with other national government systems such as Her Majesty's Revenue and Customs (HMRC) and the Department of Work & Pensions (DWP). Students are asked for parental documentation which, particularly for those students who are estranged, can be difficult to obtain. These issues can cause delays in the distribution of bursaries and student loans and we repeatedly heard how they can cause hardship and anxiety for students.

During the public consultation we asked 'how could the administration of student support funding be improved and made fairer?'. 73% of respondents answered and some of the suggestions included the need for:

- a single, centralised funding application and system for colleges and universities; and
- local face-to-face support, particularly for those who need additional support due to their personal circumstances.

“Colleges agree that it would be beneficial for the sector to have one system for processing applications for support.”

PRACTITIONER

“I'm pulling out now because if that's how stressful a form on a computer is, to deal with your money, what is the course going to be like?”

Student
Inverness College

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The Board concluded that the most effective way to deliver the New Social Contract is through one common funding system across both further and higher education, supported by local face-to-face support. This would include a common data system and a central budget. Implementation will require more in depth system analysis. There may be associated costs to achieve this, and this should be considered in more detail during implementation.

A common funding system will promote consistency of support for all students and ensure that the right payments are made to the right individuals – all on time.

The move to a common funding system will result in a significant improvement in the central management information (MI) available across further and higher education. It should also make data sharing, where appropriate, easier between the various parties, including SAAS, HMRC, DWP and the Student Loans Company (SLC). This will help to minimise mistakes and delays in funding.

Face-to-face support

It was clear from our evidence gathering, particularly our focus groups, that support staff in colleges and universities are vital to the student support process. And, whilst the New Social Contract will be simpler and easier to understand, local support staff will remain an essential point of contact, especially for students who require additional support. In particular, discretionary funds will continue to be administered locally by colleges and universities, recognising some local variations in individual student needs.

The Board welcomes the commitment of student support staff, particularly in colleges, and notes that they will be essential in the effective implementation of the recommendations of this Review.

“Funding is not consistently available. It varies by college and area and so does the information about how to access it.”

CONSULTATION

A New Social Contract for Students

Parity of financial support

Timing of payments

We heard clear evidence that both further and higher education students would benefit from more flexibility on the timing of financial support. This is particularly the case where students have entered into rental agreements which cover a 12 month period, but where funding is drawn down over a shorter period – an issue that regularly came up in our focus groups.

During the public consultation we asked ‘how could the delivery of financial support be improved?’. 65% of respondents commented and some of the suggestions included the need for:

- flexibility to spread payments over 12 months if students prefer;
- flexibility within the system to deal with individual circumstances;
- a choice of payment dates to suit money management; and
- payments to help cover upfront costs such as rent deposits.

We recommend that students should be given choice on the timing of payments, within a set of pre-defined parameters tailored to student needs.

“It is important that the way support is paid to students is flexible enough to support them with significant one-off expenses, such as rent deposits.”

CONSULTATION

In summary, to achieve parity of financial support we recommend:



- A move to a common funding system across further and higher education, with local face-to-face support
- A common data system and a central budget
- Flexibility for students, within parameters, around when they can receive financial support

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Education Maintenance Allowance (EMA)

The means-tested Education Maintenance Allowance (EMA) is used in colleges for students aged 16-19. On occasion this is used as a substitute for bursary for 18-19 year olds at college. It is paid in arrears at £30 per week and students must achieve 100% attendance to receive the payment.

The Board heard that the current application of EMA is inconsistent across colleges. As an initial step to promote fairness and parity, it is recommended that greater consistency is introduced in the award of EMA to students in colleges. Furthermore, the attendance criteria should be revised to be flexible and fair. They should be agreed at national level and administered at local level.

We recommend that further work is undertaken to review the use of EMA in further education, with input from key stakeholders.

Part-time students

Part-time students are not currently eligible for the core package of financial support for living costs, but they can apply for discretionary funding and this is important for those on benefits.

In considering this aspect of our work we received evidence from the public consultation and via focus groups from organisations such as the Open University Scotland. Common themes included the complexity of the application process, a lack of information on support available and issues regarding the relationship between benefits and student support.

Suggestions for a better approach included:

- more information on what is available to students, particularly part-time students who sometimes find it harder to understand what is available to them due to the nature of their study;
- advice in an uncomplicated format, in plain English, that students can easily digest;
- a dedicated website for part-time students to access advice;
- an online calculator to determine eligibility for funding; and
- availability of student loans to part-time students.

We have addressed many of these suggestions through our other recommendations, particularly on clarity of communications and a common data system.

As there are over 230,000 part-time students in Scotland we recommend that the Scottish Government works, in collaboration with other interested parties, to look at how the key principles of this Review should be implemented for the benefit of part-time students. The Scottish Government should consider the application of any enhancements in support for full-time students on a pro rata or other reasonable basis for part-time students.

A New Social Contract for Students

Parity for disadvantaged groups

Parity for disadvantaged groups

During our Review we received evidence from a range of inclusion groups and organisations, including Borders Carers Centre, The Centre for Excellence for Looked After Children in Scotland (CELCIS), the Equality Challenge Unit, Four Square (Scotland), Lead Scotland, the National Deaf Children's Society, the Scottish Childminding Association and Stand Alone.

The Board was grateful for the detailed and careful submissions from these groups. In arriving at our recommendations we have listened to these special interest groups, a number of whom advocated a smoother interaction between student financial support and benefits in particular.

Independent students

Independent students* include those who are:

- aged 25 or over; or
- student parents of any age; or
- students of any age, who have supported themselves from earnings for any three years before the start of their course.

Estranged students

Estranged students are distinct from independent students. They have been permanently estranged from their parents and do not have parental support. Also they do not benefit from having the Scottish Government as corporate parents, as is the case for Care Experienced students.

The Board considers it important that both independent and estranged students are treated in a similar way to other groups of students. This is in line with the principles of parity outlined in this report and it is important to apply this in both further and higher education.

*For a full definition of independent students, see Higher Education Student Support in Scotland 2016-17, SAAS.

“A wide discretion should be afforded to named support officers in institutions to tailor support for each disadvantaged student so difficulties that present a risk to the student succeeding (or dropping out) can be accommodated, even if not wholly academically related.”

FOUR SQUARE

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Care Experienced students

During this Review we heard compelling evidence from Care Experienced Students. They are a group of people, under 26 years old, who have all experienced major difficulties in their lives and are acutely vulnerable.

Following careful consideration of the responses to consultation from The Centre for Excellence for Looked After Children in Scotland, amongst others, we recommend that, in line with existing Scottish Government policy, Care Experienced students under the age of 26 should receive the

Minimum Student Income of £8,100 as a bursary in both further and higher education. In reaching this conclusion we are mindful of the legal responsibility of the Scottish Government and other public bodies to act as corporate parents to such students.

We also heard evidence that the summer periods can be especially challenging for this group. We therefore recommend that the existing Care Experienced accommodation grant is retained.

“Only 7% of care experienced children go to university.”

CARE EXPERIENCED STUDENT

“I cannot stress how important summer support is. With no funding from family to call on, I have struggled significantly since starting university. I have been homeless as a direct result of the funding gap.”

CARE EXPERIENCED STUDENT

A New Social Contract for Students

Non-core support

Parity in non-core and discretionary funding

Non-core support is additional funding targeted at students with additional needs. Discretionary support is funding available in exceptional circumstances, including hardship.

As part of the move to the Minimum Student Income, the Board debated whether discretionary funding should be reduced or

removed. The Minimum Student Income puts more money in the pockets of the general student population, and so could reduce demand on discretionary funding.

As context, the latest available cost of non-core discretionary support is £80m across further and higher education. This is broken down as follows:

(£m)	Further Education	Higher Education	Total
Non-core support:			
Disabled Student Allowance	£0.0	£7.7	£7.7
Additional Support Needs	£3.4	£0.0	£3.4
EMA (2014-2015)	£7.9	£0.0	£7.9
Adult Dependant	£0.0	£0.6	£0.6
Lone Parent Grant	£0.0	£3.0	£3.0
Vacation Grant for care leavers	£0.0	£0.0	£0.0
Childcare	£11.7	£4.2	£15.9
Sub-total	£23.0	£15.5	£38.5
Discretionary support:			
Travel Costs	£15.8	£0.0	£15.8
Study Costs	£6.8	£0.0	£6.8
Discretionary	£6.9	£7.2	£14.1
Ad-hoc Payments	£0.0	£5.1	£5.1
Sub-total	£29.5	£12.3	£41.8
Total	£52.5	£27.8	£80.3

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Students with additional support needs



Dependents

In higher education students can claim an income-assessed grant for their husband, wife, civil partner, partner or other adult dependents they act as a carer for. Students cannot claim this grant for another student. The dependent person's income is means-tested as part of the assessment.



Lone parents

In higher education, students can claim a means-tested grant if they are single, widowed, divorced, separated or their civil partnership has dissolved and they are bringing up children on their own.



Disabled students

In higher education, students can claim for certain extra expenses that arise because they are studying if they have a disability or learning difficulty. This is not currently means-tested.

A New Social Contract for Students

Non-core support

The Board concluded that non-core and discretionary funding should remain a vital means of additional support for Care Experienced students, carers, students from protected groups, refugees and asylum seekers, independent students with no family support and those from lower income households or disadvantaged backgrounds. We recognise that the value of non-core and discretionary funding is particularly important for some of the inclusion groups who responded to our public consultation, including CELCIS, Stand Alone and the Scottish Childminding Association.

We believe that non-core and discretionary funds provide responsive financial support for life events. However, to support the New Social Contract, such funds will require management from a central source of funding to make the availability of these funds more consistent. And they should be distributed under national guidelines but administered locally. This is an effective way to target discretionary funds to those in most need.

Further detailed work is required to determine whether the non-core funds in higher education can be made into national entitlements and extended into further education.

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“At college you have to have a 95% attendance rate to receive your funding. If you drop below that they take a whole month’s funding.”

Student, Forth Valley College,
Stirling

“85% said there should be a minimum income guarantee across all students.”

CONSULTATION

”

In summary, to achieve parity for young college students, part-time students and disadvantaged groups we recommend:



- The Scottish Government should do further work to implement the principles of the New Social Contract for part-time students and to review the use of EMA in further education
- The full Minimum Student Income of £8,100 should be paid in bursary for care experienced students – following the current approach of the Scottish Government
- Non-core and discretionary funds should be managed from a central source, these should be distributed under national guidelines but administered locally

A New Social Contract for Students

Clarity of funding



Student at Borders College

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Highlights

-  Information that is clear, consistent and concise
-  A single, centralised online portal
-  Comprehensive advice and guidance for students and practitioners
-  Face-to-face local support in colleges and universities

Background

We found there was a lack of understanding of the financial support available for students. The Board agreed that resolving the issues around clarity of advice and guidance would have a significant impact for students across Scotland. For this reason **information, advice and guidance** was a specific area of focus for the Board.

In higher education, SAAS serves as the primary source of information and guidance for students and their families. Information is available through a range of channels and has evolved over recent years to include YouTube guides and social media streams. SAAS also undertakes around 300 visits per year to schools, colleges and universities and attends other open events. Whilst there can always be improvements around the margins, the information is generally provided by SAAS in a clear and consistent manner.

The situation is different in further education. This is because student funding has evolved on a discretionary basis, rather than as an entitlement. Decisions are made at a local level and depend on the funding available to each college, as we have outlined previously. There is no consistent application of national guidelines for students or a central source of information. This means students are reliant on the information provided by the individual colleges.

A New Social Contract for Students

Clarity of funding

Research findings

Our YouGov research highlighted the need for well sign-posted, clear and reliable information.

During our consultation we asked ‘what type of information on funding would be helpful to students’. 78% of respondents commented.

The need to have clear, simple and concise information was a common theme.

Respondents suggested that information should be available from one location, and suitable for parents, students and other relevant parties. The availability of an online calculator to help students work out their funding entitlement was also a common suggestion.

Specific enhancements identified by respondents included:

- more information on interest rates and repayment terms;
- information on how student support interacts with benefits;
- signposting to relevant support agencies;
- case studies showing how the rules apply in various circumstances;
- information on the full range of available support and how to access this, including timelines;
- clear information on the documentation required;
- debt advice; and
- information on emergency funding.

“ Half of students are unaware of services in college or university which could help with money management of budgeting. ”

YOUGOV

“ We need a ‘one stop shop’ advice service for Scotland which is easy for all students to access. ”

FESSAG

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In addition, some respondents noted the need for tailored advice, particularly for those students with specific needs and also to take into account any local college variations.

Finally, the need for face-to-face advice, as well as advice available via a number of channels, was a consistent theme during our Review.

Being clear about student loans

During our evidence gathering, and in particular our focus groups with students, it was clear that the understanding of student loans was mixed – particularly with regard to interest rates and repayment terms.

Sometimes there was confusion between the terms of Scottish student loans and the terms of loans from other parts of the United Kingdom. As we outlined previously, Scottish student loans have lower rates of interest compared with loans available to students in England and Wales, and this was not often understood.

During the public consultation we asked ‘what could be done to help students understand more about student loans?’. 72% of respondents made suggestions and the main theme was the need for clear, concise, accurate and jargon-free information about student loans. Many respondents wanted information provided on student loans to include examples of repayment levels in chart or table form.

“13% of respondents didn’t claim financial support because they were not aware that any support was available.”

YOUNGOV

“The rate of interest on student loans is lower than most other loans, and student loans don’t affect individual credit rating in the same way as other loans, such as mortgages or a bank loan. But there are many students and their families who may not fully understand this relationship.”

CONSULTATION RESPONSE

A New Social Contract for Students

Clarity of funding

Role of parents/carers

We found that parents and carers often play a significant role in decisions that students make on financial support. It is vital that parents and carers have access to robust, user-friendly information too.

Role of schools

Students told us about the key role that schools have to play in helping students move into further and higher education. There was a number of comments during our evidence gathering on the need for education on student finances to begin in school.

“ There should be effort made to help people distinguish between the idea of ‘good’ debt accrued through educational loans at acceptable rates of repayment, compared to ‘bad’ debt which includes payday loans, store cards etc. ”

CONSULTATION RESPONSE

“ One of the biggest problems on student loans was not that I didn’t understand, it was that my parents didn’t. ”

STUDENT

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When asked what more could be done to help parents and carers to understand the student support funding available, respondents to our consultation suggested that information could be provided through schools, including at parent evenings, via parent teacher groups, or at school information sessions.

We also heard evidence that information on the current system of financial support is not as well linked as it could be to the Scottish Government's 'Learner Journey' initiative. SAAS is reliant on being invited into schools to be able to present to parents and prospective students. Information on higher education funding is often shared after students have made their UCAS selections. Better alignment between student financial support information and the secondary school education process would help to encourage prospective students into further and higher education.

Recommendations

Based on the consultation responses gathered, the Board believes the information which students can access should be clear and consistent – and the simplicity of the New Social Contract lays the foundations for that. Students should be able to calculate what financial support is available to them, and be directed to a relevant source in the event that more information is required. It should all be accessible via one portal which is frequently maintained and supported by well-trained, local support in colleges and universities – especially for those students with additional support needs.

A New Social Contract for Students

Clarity of funding

“The biggest problem was trying to communicate to my parents how student loans work.”

Student
University of St Andrews

“78% of respondents said information should be provided at the pre-application stage.”

CONSULTATION

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In summary, to improve the clarity of funding, information and guidance we recommend:



- A single, centralised online portal which provides information to all students on all elements of student support – which could be hosted by Scottish Government. The portal should provide:
 - Comprehensive and consistent advice, with advanced pathways for distinct groups of students that may require further support;
 - Detailed information and guidance on student loan repayment terms, including simple guidance on amounts to be re-paid;
 - A budgeting calculator; and
 - Up to date information which is refreshed regularly – to ensure there is no confusion with student funding available elsewhere in the United Kingdom.
- Consistent guidance and communications should be used throughout Scotland:
 - for schools and prospective students of any age, with consideration given to an appropriate benchmark for advice to aid consistency;
 - for parents/carers, closely linked to the offering from schools; and
 - for students, to help teach them how to manage their money, including ways to reduce expenditure or boost income.
- Student facing support should be retained locally at colleges and universities in order to support students to access the system, especially those with more specialist needs

A New Social Contract for Students

Costs to implement

Highlights

-  Additional funding for students
-  Increased bursaries
-  Student loans available for further education
-  Debt write-off for further education students progressing into higher education

Background

The New Social Contract proposes that a Minimum Student Income of £8,100 is available to students while they study. The Review explored and costed a broad range of options to fund this.

Importantly, in considering these options, the Board did not want to erode the current levels of bursary available to any student. And in its costings, the Board assumed that the current means-testing of bursaries would continue to apply.

We used publicly available data and Scottish Government officials, checked the calculations prepared for the Board and confirmed that the assumptions appeared reasonable. The lack of available data for students in further education meant that some assumptions had to be made – something which our recommendation on a common funding system is intended to address.

The Board acknowledged the remit of this Review, that any recommendations should be made in full awareness “*of the evident constraint on the public finances*”. We acknowledge that there are probable constraints on the direct cash budget that supports bursaries. However, we understand that the Scottish Government has headroom to consider increasing the use of student loans within existing allocations from the United Kingdom Government.

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Current core funding for students

The data for the academic year 2015-16 showed that the cost of bursary support was £126m, split equally between further and higher education. The cost of student loans in higher education for the same period was also £126m (sometimes referred to as the Resourcing and Accounting Budget 'RAB charge'). This is based on total lending of £486m.

Bursary and loan costs are accounted for in different ways by the Scottish Government. They are treated as separate costs which are not interchangeable. It is not possible to subsidise one from the other.

“ The interest rate [on student loans] should be low and the financial implication for the person’s future should be explained before they are allowed to take the loan. ”

CONSULTATION

Technical Accounting Notes:

The Annually Managed Expenditure (AME) charge is the present value of total new loans issued plus capitalised interest less the cost of loan repayments to give the cost of providing the loans in a particular year.

Under the current student support package total loans given out by SAAS account for £486m, this is from the capital AME budget. The current RAB charge of 26% means that £126m of this is written off, the government expects to only get £0.74 back for every £1 borrowed, and is part of the ringfenced DEL budget. The current bursary offer costs £126m and is included in the RDEL budget.

A New Social Contract for Students

Costs to implement

Pathway to funding

Bursary only approach

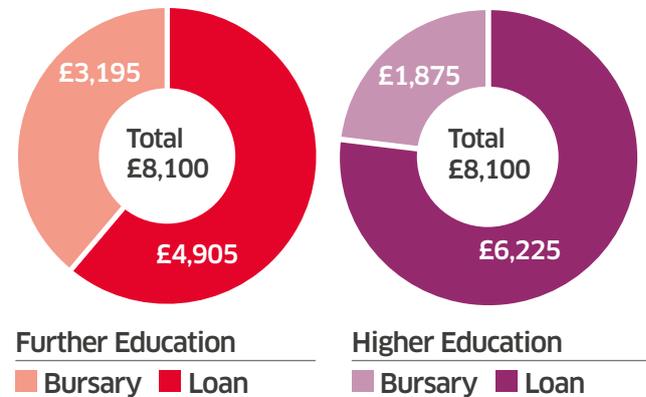
The Board considered the cost of increasing bursaries to achieve the full £8,100 per academic year for students in both further and higher education, with no student loan contribution. The cost of this was £459m per year more than the current bursary spend. Whilst this could be supported by some members of the Board, the general consensus was that this outcome could not be pursued given the remit of the Review.

The Board identified three options with associated costs. In each option, the additional cost of student loans is described as notional as there is no immediate direct cash cost, but rather future write-downs to student loans.

Option 1

Status quo for bursaries

Consistent with the remit of the Review that the Board should be “*aware of the evident constraint on the public finances*” we considered a cost neutral approach. To achieve the £8,100 funding without increasing the direct bursary cost and using the existing resource streams available to the Scottish Government, additional student loans could be made available to top-up existing bursaries. This balance of loans and bursaries is shown below:

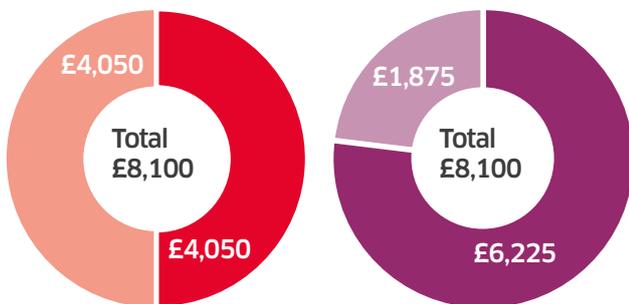


This option would **not increase** direct bursary spend, but would notionally cost £252m per year more for additional student loans.

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Option 2 Hybrid approach

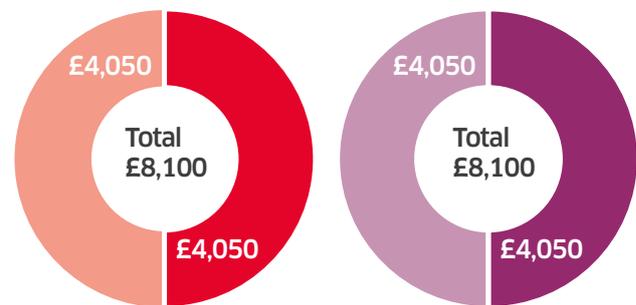
The Board considered a number of ways in which a journey to a balanced 50/50 bursary to loan approach could be managed. In the hybrid approach shown below, bursaries for higher education would remain the same and means-tested bursaries for those from the poorest backgrounds would be increased to £4,050 for further education students. This option does not create immediate parity in bursaries but it does help to manage the introduction of student loans into further education. This balance of loans and bursaries is shown below:



This option would increase the direct bursary cost for further education students by **£16m per year**. In addition, it would increase the notional cost of student loans by £231m per year.

Option 3 50/50 bursary to loan balance

To achieve parity across further and higher education bursaries, the Board considered the cost of providing all further and higher education students with £8,100 a year in minimum income, split 50% through bursaries and 50% through loans for those from the poorest backgrounds. This is shown below:



This option would cost the Scottish Government and additional **£123m per year** in direct bursary cost and would increase the notional cost of student loans by £153m per year. This option was the preference of NUS Scotland and UNISON.

In summary, to fund the introduction of the Minimum Student Income for both further and higher education students we recommend:



- The Scottish Government should adopt Option 2 which provides:
 - an immediate and meaningful improvement in funding to students across further and higher education
 - equal split of bursaries and loans for the poorest students in further education to support the introduction of student loans

Interaction of the Minimum Student Income and benefits

Highlights



New approach for students on benefits



Introduction of a new special support payment, similar to that already adopted in other parts of the United Kingdom

Background

During the course of this Review we heard evidence that the interaction between the benefits system and the student support system is complex, difficult to understand and needs improvement.

It is important to understand that many United Kingdom-wide benefits that are income-assessed treat student support (including loans) as income, reducing benefit entitlement – sometimes pound for pound. This applies even if the loan is not taken. This would mean that for some students who can claim income-assessed benefits, every pound of student support entitlement would result in an equivalent pound reduction in benefits. Equally, it could mean that some students would have to leave the benefits system entirely – which can be highly disruptive.

In England, Wales and Northern Ireland, students with an entitlement to income-assessed benefits often do not receive student support in the same way as other students. Instead, they receive ‘Special Support Grants’ (‘Special Support Loans’ in England) which do not count as income and therefore do not count against their benefits in the same way. This means that students can receive such ‘Special Support Grants and Loans’ in addition to their benefit payments, and they can often remain within the benefits system.

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Students on benefits in Scotland

The current approach to students on benefits in Scotland differs between further and higher education. It also differs from the rest of the United Kingdom.

In further education, students can often remain on benefits while they study. In higher education students are not normally able to remain on benefits while they study. The difference in approach is because:

- Students from the lowest income backgrounds in **further education** are not entitled to any specific amount of student support. Instead, student support is allocated on a discretionary basis so that the funding from their college can be tailored to maximise their entitlement to benefits as a student.

- Students from the lowest income backgrounds in **higher education** are currently entitled to access £7,625 in student support (through a mix of bursary and loan). This can reduce their entitlement to benefits, whether they access the full £7,625 or not.

Under the current approach to students on benefits in Scotland, an entitlement to a Minimum Student Income in further and higher education would count as income for the purposes of benefits. This could therefore reduce or remove benefit entitlement for some students. The Board agreed that Scottish students should not be disadvantaged in this manner and proposed a new and enhanced approach, more aligned with the position in the rest of the United Kingdom described earlier.

“It would also be much better for students who are eligible for benefits not to have to take on debt in the form of a student loan.”

Child Poverty Action Group

“If there was to be parity in funding across further and higher education then we would be keen to see a system that supports students who are eligible for social security benefits to remain mainly on those benefits, rather than having to come off the security of social security benefits.”

Child Poverty Action Group

Interaction of the Minimum Student Income and benefits

New approach for students on benefits in Scotland

For students on benefits, we recommend that the entitlement to bursaries is replaced by two separate payments, a **'Special Support Payment'** and a **'Maintenance Award'**. These would operate to provide a total support package that matches the bursary available to students from the lowest income backgrounds.

These payments could be supplemented by social security benefits, up to at least the level of the Minimum Student Income. Importantly, and unlike the other nations of the rest of the United Kingdom, students in receipt of income-assessed benefits while they study would not accrue student loan debt. The Board's proposed approach is illustrated in the table below:

	 FE	 HE	
1. Special Support Payment	£1,995	£675	This would be an amount for course related costs and expenses. This would not count against social security entitlement, and would be paid in addition to social security benefits.
2. Maintenance Award	£1,200	£1,200	This would be an amount for maintenance that can be paid as income without materially impacting social security benefits.
<i>Sub-total</i>	<i>£3,195</i>	<i>£1,875</i>	<i>This is the value of the current means-tested maximum bursary (in further education this is an illustrative maximum).</i>
3. Social security benefits (in place of student loans)	Minimum of £4,905	Minimum of £6,225	These would be paid in addition to elements 1 and 2 above through existing UK-wide benefits and would take account of regional differences, for example housing.
Total	Minimum of £8,100	Minimum of £8,100	This is the minimum income which students on social security benefits would receive. Some students may be entitled to additional benefits.

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Other support for students on benefits

Students on benefits can face additional challenges where, for example, there is a gap between the point at which their benefit payments end and the point at which their student support payments begin.

In such cases, students should be able to access additional discretionary funding for hardship, with advances of payments where appropriate. These funds would be centrally held and subject to national guidance, but administered locally.

Costs to implement

The recommendation to introduce a **Special Support Payment** and a **Maintenance Award**, which together match the minimum bursaries, will require a proportion of the current bursary budget to be repositioned within the current cost.

In addition, further work will be required to understand:

- the cost of creating the entitlement to special support payments for those in further education, which were previously allocated on a discretionary basis and depended on each college's budget; and
- the position of those higher education students who would receive social security benefits, funded by the Department of Work & Pensions, instead of having to take out student loans. This may require discussions between the Scottish and Westminster Governments on implementation.

In summary, to support the introduction of the New Social Contract for those on benefits we recommend:



- **A new approach for students on benefits**
- **The introduction of a new Special Support Payment and Maintenance Award for students on benefits, which together match the equivalent value of the maximum bursary for those from the lowest income backgrounds**
- **Continued access to discretionary funds for students on benefits to provide support when transitioning between the student support and benefits systems**

The New Social Contract for Students: Q&A

Q Will it apply in colleges and universities?

A Yes, we propose to create parity across both systems.

Q Will it apply to all students?

A It should apply to all Scottish domiciled students (i.e. those who permanently live in Scotland).

Q How does it apply to part-time students?

A The improvements in systems and communications will help part-time students. We recommend the Scottish Government looks at how the key principles of this Review can be implemented for part-time students.

Q Why the Scottish Government Living Wage?

A It is calculated by the Scottish Government and represents a wage “which people need to live”.

Q Will there be attendance criteria?

A The current 100% attendance criteria in colleges creates hardship for some students. We recommend it is replaced with flexible and fair attendance criteria. National guidance should be introduced which is both fair and flexible and consistent across further and higher education.

Q How does it apply to students on benefits?

A We recommend a new benefits approach to complement the New Social Contract. We propose that Scotland develops a new special support payment for these students, similar to that already adopted in England, Wales and Northern Ireland. This will ensure that no student will be worse off from taking a positive decision to enter further or higher education.

Q Who will administer the system?

A More consistency in the delivery of student support is needed to support parity in further and higher education. We recommend a move to a common systems approach to deliver financial support, backed by local face-to-face support.

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Q What happens to local face-to-face support?

A This will be maintained and extended over both further and higher education students to provide them with pastoral as well as financial guidance and administrative support.

Q How would it be paid?

A Students will be given choice on timings of payments (within a set of pre-defined parameters tailored to student needs).

Q What happens to the Education Maintenance Allowance (EMA)?

A The use of EMA should be more consistent across colleges to promote fairness and parity. We recommend that further work is undertaken to review EMA, given the complex interaction with benefits.

Q What happens to other discretionary funds?

A In addition to their core student support, students will continue to be eligible for discretionary funds, which are administered locally based on clear national guidelines.

Q How do the recommendations change student loans and is debt written off?

A The repayment terms of loans will be changed such that only those who enter paid employment with an income of over £22,000 will start to repay loans (the current threshold in Scotland is £17,775) and consideration should be given to increasing this to £25,000. These will be written off after 30 years (currently 35 years). Additionally, those students who progress from further education into higher education will have any student debt which they accrued in further education written off.

Q How does it apply for students doing existing four year degrees over three years?

A These individuals can continue to be part of the New Social Contract, with funding adjusted to ensure that funding is aligned with their course.

Q What about Sharia compliant student loans?

A As part of a Westminster initiative the UK Government in developing a Sharia-compliant alternative finance for students. This was raised during our evidence gathering and should be monitored by the Scottish Government.

Summary of recommendations and next steps

Our recommendations are:



Fair funding

- Entitlement to a Minimum Student Income of £8,100 in both further and higher education
- Delivered through a mix of bursaries and student loans, with means-testing of bursaries to target support for those from the poorest backgrounds
- Student loans available in further education
- Further education loans written off in full for those transitioning from further to higher education
- Student loan terms enhanced by:
 - Repayment threshold being increased to £22,000
 - Write-off period for student loans being shortened from 35 to 30 years
 - Low interest rates continuing (lowest of RPI or 1% above Bank of England base rate)



Parity

- Common funding system across further and higher education, with local face-to-face support
- Common data system and a central budget for student support
- Flexibility for students around when they would receive financial support



Clarity

- A single, centralised online portal to provide information to all students
- Consistent guidance and communications for prospective students of all ages, parents and carers
- Local support to help students navigate the system, especially those with more specialist needs
- These recommendations are complemented by a proposed special support payment for students on benefits in further and higher education, similar to the approach already taken in England, Wales and Northern Ireland



Costs to implement

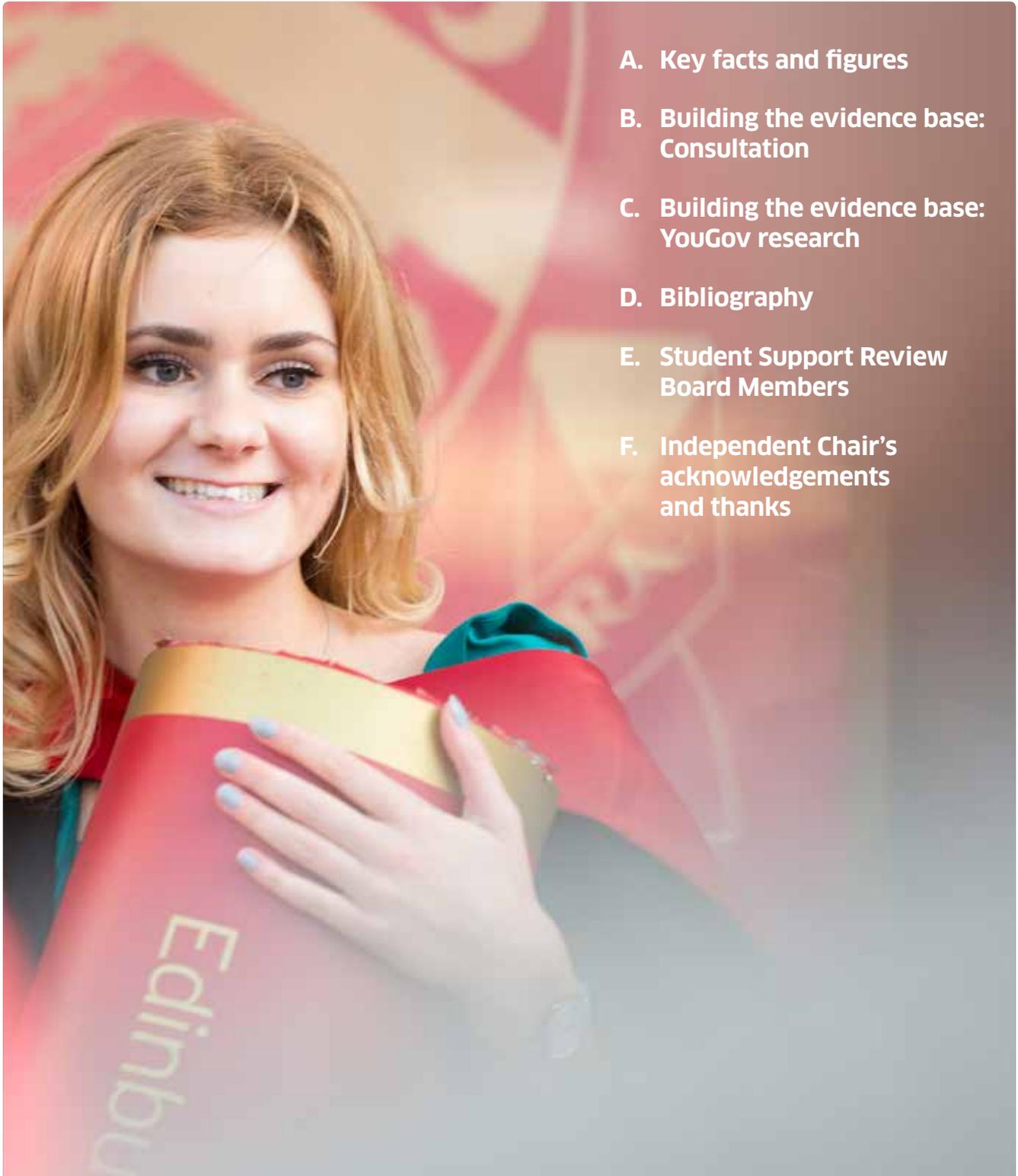
- To support the introduction of student loans in further education, the Scottish Government should provide an equal split of bursaries and loans for the poorest students in further education
- This would provide an immediate and meaningful improvement in funding to students and would cost an additional £16m per year
- There are other options, some of which would cost less and some more

Next steps

We invite the Scottish Government to consider these recommendations and accept them in full

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- A. Key facts and figures**
- B. Building the evidence base: Consultation**
- C. Building the evidence base: YouGov research**
- D. Bibliography**
- E. Student Support Review Board Members**
- F. Independent Chair's acknowledgements and thanks**



Students at the University of Aberdeen

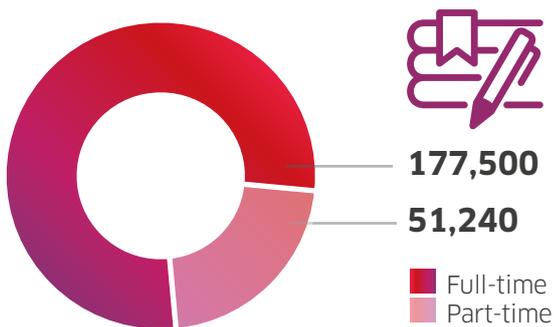
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Appendix A

Key facts and figures

Higher education

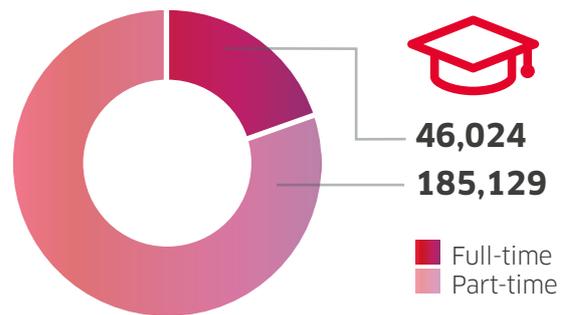
Higher education refers to undergraduate level education, including Higher National Certificate (HNC) and Higher National Diploma (HND). Courses are taught at universities and colleges and can be full-time or part-time. Courses are typically four-year degrees, with some shorter courses offered. For the purpose of the review, post-graduates are not in scope.



- ▶ There are 228,740 undergraduate enrolments in higher education.
- ▶ 177,500 are full-time students and 51,240 part-time students.

Further education

Further education includes any study after secondary education that is not part of higher education (that is, not taken as part of an HNC, HND or undergraduate degree). Courses are taught at colleges and can be full-time or part-time. Courses can vary in length from a few weeks to a full academic year.



- ▶ There are 231,153 enrolments in further education.
- ▶ The majority of these are in part-time courses (185,129), with 46,024 enrolled in full-time courses.

Appendix A

Funding in further and higher education

Higher education

Financial support is consistent across all students in higher education. The level of support available and the mix between bursary and loan depends on household income:

Delivery: Financial support is administered through the Student Awards Agency Scotland (SAAS), although practically the loans are delivered through the Student Loans Company.

Student advice: Advice and guidance is delivered through a number of sources, including SAAS, Money Advice Scotland and Young Scot.

Other: In addition to the above, most universities have their own discretionary bursaries and scholarships. Access to these can depend on the academic and financial circumstances of students. Further support may also be available through Educational Trusts.

 Household Income ↓	Young Students (Dependent Students) ↓			Independent Students ↓		
	 Bursary	 Loan	 Total	 Bursary	 Loan	 Total
£0 to £18,999	£1,875	£5,750	£7,625	£875	£6,750	£7,625
£19,000 to £23,999	£1,125	£5,750	£6,875	£0	£6,750	£6,750
£24,000 to £33,999	£500	£5,750	£6,250	£0	£6,250	£6,250
£34,000 and above	£0	£4,750	£4,750	£0	£4,750	£4,750

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Further education

Financial support available for students in further education can vary depending on where students undertake their studies.

Delivery: Financial support is administered through colleges, following a distribution from the Scottish Funding Council (SFC). National guidelines exist for distribution, but are not followed consistently across Scotland.

Student advice: Advice and guidance is delivered locally, as well as via the third sector.

Age	Type	Household Income is less than:	Living with your Parents	Living away from home	Supporting Yourself
16-17	EMA	£24,421 (£26,884 if more than one child)	£30pw	£38.69pw	
		based on 41 weeks:	£1,230	£1,586	
18-24	Bursary	£24,275	£77.01	£97.33	£97.33
		based on 41 weeks:	£3,157	£3,991	£3,991
25+	Bursary	£20,643	£97.33	N/A	£97.33
		based on 41 weeks:	£3,991	N/A	£3,991

Appendix B

Building the evidence base: consultation

The Board commissioned a public consultation. This ran for 62 days, from 30 June to 31 August 2017.

We received nearly 100 responses from a diverse range of individuals and organisations, including student associations, universities and colleges and special interest groups. To ensure independence of the analysis, the results were analysed by Why Research Ltd.

Respondent profile:

	Number
 Student representation	17
 Inclusion groups and organisations	11
 Colleges	9
 Universities	7
 Unions (staff)	3
Other	5
 Total organisations	52
 Individuals	46
 Total respondents	98

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The responses

Greater alignment of financial support for students

- Most respondents felt there should be parity in funding levels for all students.
- One theme was the need for bursary funding to be means-tested. Respondents wanted to see this for both further and higher education.
- Many respondents felt that means-testing household or personal income was an effective way to determine need.
- In respect of benefits, many respondents stressed that students should not be worse off because they are in education.

A simplification and clarification of the systems

- The key features that may deter or make it more difficult for students to access or stay in college or university are:
 - bureaucracy (for example, the length and complexity of the application process);
 - finance (such as worry over the burden of debt); and
 - concern over the 100% attendance rule for further education students – especially for students with children.
- Ideas put forward for how the administration of student support funding could be improved and made fairer for all students at college or university were:

- the ability for students to be able to spread their funding payments over 12 months or to have access to a discretionary fund over the summer period; and
- the need for consistency and for clear, up to date information.
- In relation to improving the way in which financial support is delivered to students at college or university, respondents commented on the need:
 - to ensure no delays to payments;
 - for a living wage; and
 - for any system to be flexible enough to respond to individual circumstances.

Better communication of the funding available

- Suggestions for the type of information on funding that would be helpful to students included:
 - an online calculator;
 - clear and concise information;
 - tailored, rather than generic, advice; and
 - the need for information to be made available through schools.

Further consideration of the levels of funding required

- Most respondents said that a 'minimum income' guarantee should be introduced across all students.

Appendix C

Building the evidence base: YouGov research

The YouGov research was commissioned to assess whether further and higher education students in Scotland – in particular poorer and more vulnerable students – receive fair and effective financial support. The research was used by the Board in arriving at its recommendations.

The YouGov survey was open for 25 days, from 9 February to 6 March 2017. Over 3,500 further and higher education students responded, providing statistically significant empirical evidence.

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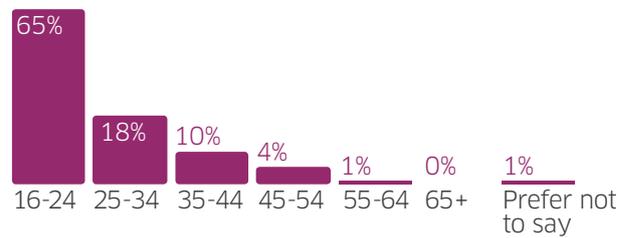
Respondent profile



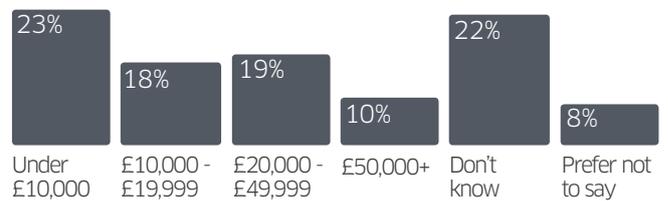
48%
Higher Education Students

52%
Further Education Students

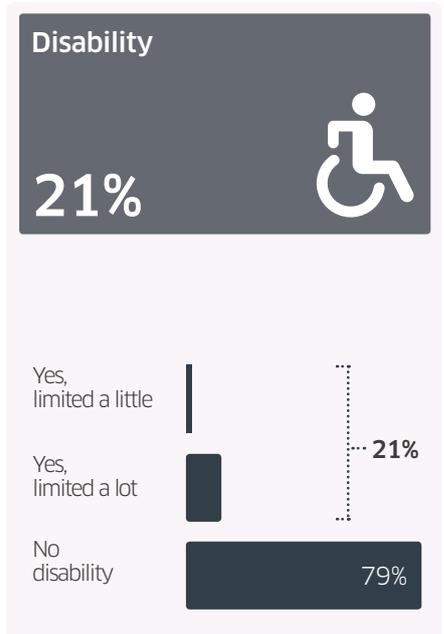
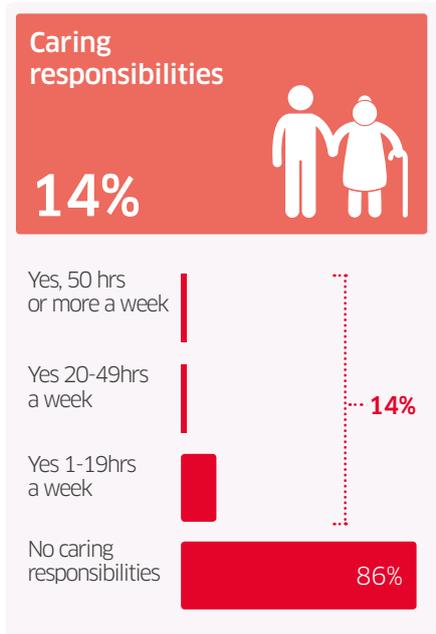
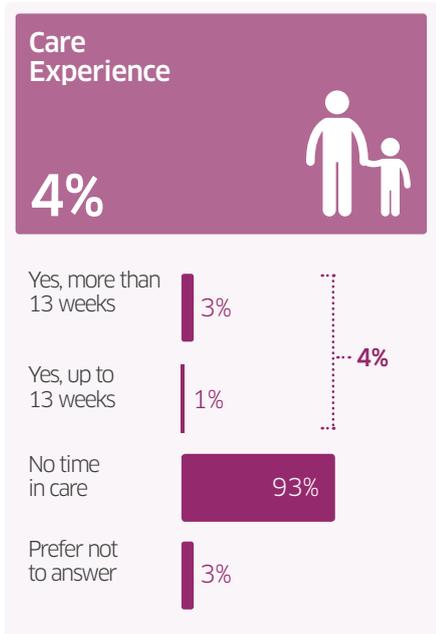
Age



Gross Household Income



Vulnerable Groups



Appendix C



Four in ten students said financial support was poor or very poor in meeting their needs



Seven in ten students have to supplement their financial support in other ways. The majority do part-time work or receive financial help from family and/or friends.



27% of lowest income students did not have the right information to help them apply for financial support.



13% of respondents do not claim financial support because they are **not aware that any support is available.**

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YouGov®



Half of students are unaware of services in college or university which could help with money management or budgeting.



Half of students who claim financial support are very concerned about accumulating debt.



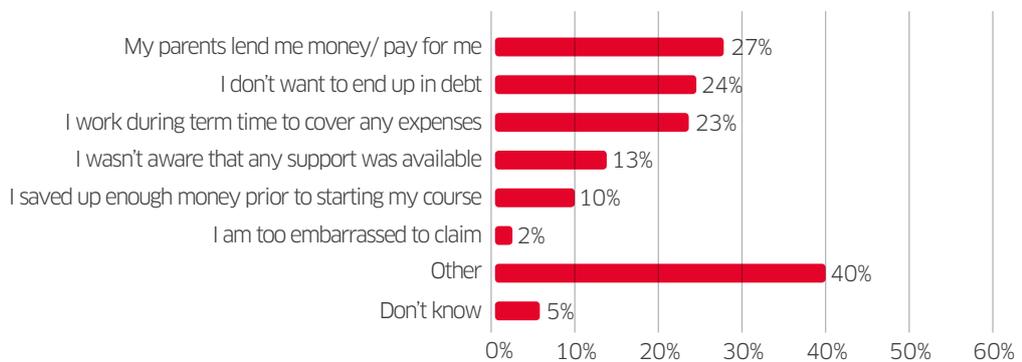
14% top-up their finances with credit cards (9%) or other types of loans (5%).



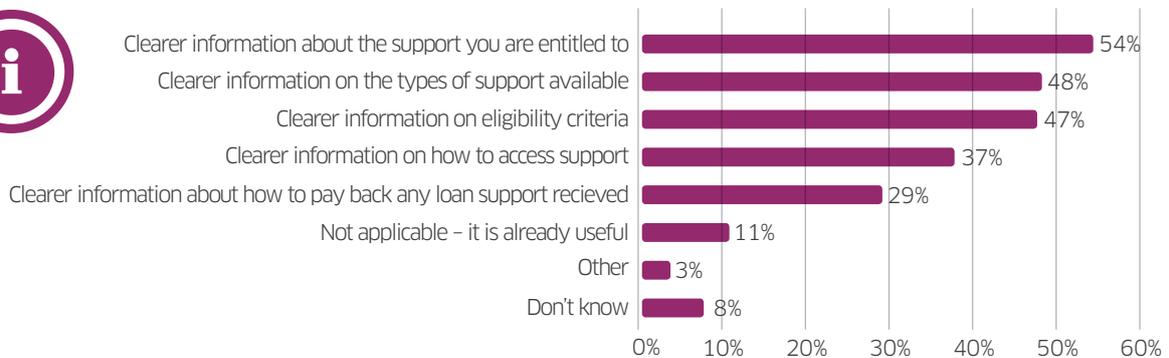
Students place the greatest value on receiving their support at the right time.

Appendix C

Reasons for not claiming financial support



What should be done to make advice more useful?



Around half of students who claim financial support are very concerned about accumulating debt as a result of claiming that support



How concerned are you about accumulating debt?



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Only 54% of students who claim financial support say the process was straightforward



When forced to choose, the vast majority of students prefer to have money in their pocket now, rather than reducing the amount of debt they have.



Having enough money in my pocket to complete my studies

Neither



Reducing the amount of student loan debt I have at the end of my studies



Appendix D

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In addition, the Board referred to publicly available material from the Scottish Government about student support.

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Students at Glasgow Kelvin College

Appendix E

Student Support Review Board members



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Centre of photograph:

Independent Chair: **Jayne-Anne Gadhia, CBE**

From left to right:

SAAS:

Paul Lowe, Chief Executive

IPPR Scotland:

Russell Gunson, Director

NUS Scotland:

Luke Humberstone, President

Child Poverty Action Group:

Angela Toal, Welfare Rights Worker

Student:

Erin McAuley, former Scottish Youth Parliament member

Castlebay Community School:

Annag MacLean, former Head Teacher

Young Scot:

Louise Macdonald OBE, Chief Executive

NUS Scotland:

Linda Somerville, Director

Colleges Scotland:

Shona Struthers, Chief Executive

Universities Scotland:

Alastair Sim, Director

UNISON Scotland:

John Gallacher, Scottish Organiser, lead for Further Education

Not in photograph:

Scottish Funding Council:

Dr John Kemp, Interim Chief Executive

Money Advice Scotland:

Yvonne MacDermid OBE, Chief Executive

Previous Board members

(until leaving office in June 2017):

NUS Scotland:

Vonnie Sandlan, President

NUS Scotland:

Philip Whyte, Policy and Influencing Manager

Appendix E

Sub-groups of the Board and members

Product Design

- Shona Struthers, Chair, Colleges Scotland
- Dr John Kemp, Scottish Funding Council (SFC)
- Lorna Caldwell, Student Awards Agency Scotland (SAAS)
- Angela Cox, Borders College
- Gillian Plunkett, City of Glasgow College
- Erin McAuley, Student and former Scottish Youth Parliament member
- Alastair Sim, Universities Scotland
- Russell Gunson, IPPR Scotland
- Annag MacLean, Head Teacher
- David Wallace, Student Loans Company
- Maggie Wightman, Student Loans Company
- Ann Gordon, University of Dundee/National Association of Student Money Advisers (NASMA)
- Chris Greenshields, UNISON
- Graeme Forrester, UNISON
- Angela Toal, CPAG Scotland
- Philip Whyte, NUS Scotland (until June 2017)
- Vonnie Sandlan, NUS Scotland (until June 2017)
- Fergus Boden, NUS Scotland (from June 2017)

Information, Advice and Guidance and Financial Literacy

- Yvonne MacDermid, Chair, Money Advice Scotland (previously Louise Macdonald, to March 2017)
- Laura McCluskey, Student Awards Agency Scotland (SAAS)
- Angela Toal, CPAG Scotland
- Patricia Murray, UNISON
- Liz Clark, UNISON
- Letitia Friary, Napier University
- Neil Cowie, North East Scotland College (NESCOL)
- Ian Hanson, Skills Development Scotland (SDS)
- Ann Gordon, University of Dundee/National Association of Student Money Advisers (NASMA)
- Louise Macdonald, Young Scot
- Dr Jenny Peachey, Carnegie Trust UK
- Philip Whyte, NUS Scotland (until June 2017)
- Vonnie Sandlan, NUS Scotland (until June 2017)
- Risga Carson, NUS Scotland (from June 2017)

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Benefits and Support

- Russell Gunson, Chair, IPPR Scotland
- Angela Toal, CPAG Scotland
- Erin McAuley, Student and former Scottish Youth Parliament member
- Dr Muir Houston, University of Glasgow
- Steven McAvoy, ENABLE Scotland
- Paul Traynor, Carers Trust
- Satwat Rehman, One Parent Families Scotland
- Robert Foster, WhoCares? Scotland
- Louise Park, Ayrshire College
- Chris Greenshields, UNISON
- Angie Cruikshank, UNISON
- Heather Noller, Carer's Trust Scotland
- Rebecca Scarlett, LEAD Scotland
- Philip Whyte, NUS Scotland (until June 2017)
- Vonnie Sandlan, NUS Scotland (until June 2017)
- Fergus Boden, NUS Scotland (from June 2017)

Effective Administration and Delivery

- Dr John Kemp, Chair, Scottish Funding Council (SFC)
- Paul Lowe, Student Awards Agency Scotland (SAAS)
- Andrew Cunningham, Student Awards Agency Scotland (SAAS)
- Tracey Slaven, University of Edinburgh
- Chris Greenshields, UNISON
- Graeme Forrester, UNISON
- Wendy Brymer, Fife College
- David Wallace, Student Loans Company
- Philip Whyte, NUS Scotland (until June 2017)
- Risga Carson / Fergus Boden, NUS Scotland (from June 2017)

In addition to the four sub-groups, Jayne-Anne Gadhia as Chair of the Review, worked with Scottish Government officials on a Finance sub-group concerned with assembling relevant financial information on the current student support system, with the Chair reporting directly to the Board.

Scottish Government officials provided secretariat support to both the main Review group and the sub-groups. In order to help her carry out aspects of the role of Independent Chair of the Review, Jayne-Anne Gadhia has drawn support from three members of her team within Virgin Money.

Appendix F

Acknowledgements and thanks

I would like to thank the Minister for appointing me to lead this Review. It has been a great privilege to meet so many students with a passion for learning, and I hope that the recommendations will make funding more accessible for all those who want to go into further and higher education in Scotland.

I also wish to thank:

- ▶ all members of the Scottish Student Support Review Board who brought so many ideas, opinions and so much enthusiasm to our meetings and work;
- ▶ all members of the sub-groups of the Board, whose diligent work helped the Board to shape our recommendations;
- ▶ everyone we met at the many colleges and universities we visited;
- ▶ the Scottish Government officials who acted as the secretariat for the Review: Geraldine Campbell, Jennifer Finn, Amanda McDonald and Stephen White; and
- ▶ members of the Virgin Money team for their support.

Finally, I wish to thank all of the students who took time to write or speak to me and to all members of the public who took time to respond to the consultation. Your experiences were so important in shaping the recommendations we have made. I hope that the proposals convey the importance the Board attaches to further and higher education in Scotland being available to everyone, whatever their circumstances and whatever their chosen educational path.



Jayne-Anne Gadhia, CBE

Independent Chair
Student Support Review in Scotland



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