

EDUCATION, LIFELONG LEARNING AND CULTURE COMMITTEE

Wednesday 14 November 2007

Session 3

£5.00

© Parliamentary copyright. Scottish Parliamentary Corporate Body 2007.

Applications for reproduction should be made in writing to the Licensing Division,
Her Majesty's Stationery Office, St Clements House, 2-16 Colegate, Norwich NR3 1BQ
Fax 01603 723000, which is administering the copyright on behalf of the Scottish Parliamentary Corporate
Body.

Produced and published in Scotland on behalf of the Scottish Parliamentary Corporate Body by RR
Donnelley.

CONTENTS

Wednesday 14 November 2007

Col.

DECISION ON TAKING BUSINESS IN PRIVATE	291
GRADUATE ENDOWMENT ABOLITION (SCOTLAND) BILL: STAGE 1	292
SUBORDINATE LEGISLATION	315
Education (School and Placing Information) (Scotland) Amendment Regulations 2007 (SSI 2007/487)...	315

EDUCATION, LIFELONG LEARNING AND CULTURE COMMITTEE

9th Meeting 2007, Session 3

CONVENER

*Karen Whitefield (Airdrie and Shotts) (Lab)

DEPUTY CONVENER

*Rob Gibson (Highlands and Islands) (SNP)

COMMITTEE MEMBERS

*Aileen Campbell (South of Scotland) (SNP)

Ken Macintosh (Eastwood) (Lab)

*Christina McKelvie (Central Scotland) (SNP)

*Mary Mulligan (Linlithgow) (Lab)

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD)

*Elizabeth Smith (Mid Scotland and Fife) (Con)

COMMITTEE SUBSTITUTES

*Richard Baker (North East Scotland) (Lab)

George Foulkes (Lothians) (Lab)

*Hugh O'Donnell (Central Scotland) (LD)

Shirley-Anne Somerville (Lothians) (SNP)

*attended

THE FOLLOWING GAVE EVIDENCE:

James Alexander (National Union of Students Scotland)

Tom D'Ardenne (Coalition of Higher Education Students in Scotland)

Peter Syme (Open University)

CLERK TO THE COMMITTEE

Eugene Windsor

SENIOR ASSISTANT CLERK

Nick Hawthorne

ASSISTANT CLERK

Andrew Proudfoot

LOCATION

Committee Room 4

Scottish Parliament

Education, Lifelong Learning and Culture Committee

Wednesday 14 November 2007

[THE CONVENER *opened the meeting at 10:00*]

Decision on Taking Business in Private

The Convener (Karen Whitefield): Good morning. I welcome members to the ninth meeting in the Parliament's third session of the Education, Lifelong Learning and Culture Committee. We have been joined by two committee substitutes: Hugh O'Donnell replaces Jeremy Purvis and Richard Baker replaces Kenneth Macintosh. I welcome you both to the committee.

Under the first item on our agenda, we must decide whether to take in private agenda item 4, which is consideration of our approach to the budget process 2008-09. That will include discussion of which witnesses we should invite to give evidence and it is usual to consider such matters in private. Do we all agree?

Members *indicated agreement.*

Graduate Endowment Abolition (Scotland) Bill: Stage 1

The Convener: Agenda item 2 is the taking of oral evidence as part of our stage 1 consideration of the Graduate Endowment Abolition (Scotland) Bill. Following the evidence that the committee received from Scottish Government officials at last week's meeting, I decided to write to the Cabinet Secretary for Education and Lifelong Learning in advance of her appearance in front of the committee on 28 November to seek clarification on a number of issues that had been raised. The cabinet secretary's reply was received this morning and has been circulated to members by the clerks. A copy of it has also been put on one of the committee's pages on the Parliament's website.

I welcome our first witness, Peter Syme, who is the director of the Open University in Scotland. Thank you very much for joining us. I understand that you would like to make a short opening statement, after which we will move to questions.

Peter Syme (Open University): It will be brief.

The Open University's position has always been that, ultimately, decisions about how higher education is funded and who pays are political decisions—although, in general, one would expect an institution with the mission of the Open University to welcome any initiative that made it easier for people to enter higher education.

In the present context, we have one simple point to make: regardless of the merits of the bill, when it is passed, students who are classed as full time, whether they are rich or poor, will not pay tuition fees and students who are classed as part time, whether they are rich or poor, will pay tuition fees, unless they are in the very poorest category.

In our view, that proposal is open to objection on four grounds. It is unjust because it bases financial support not on the ability to pay, but on the choice of mode of study; it is not sustainable, because the distinction between what we call full-time study and what we call part-time study is crumbling under the pressure of flexible provision, modular structures and new technologies; it distorts the market, because, in the end, we cannot compete with free provision; and it sits extremely uncomfortably with the public policy imperative—I think that it is shared by everyone—of upskilling and reskilling not just new entrants to the labour force, but people who are already in it. That goal will be achieved not by taking people out of the workforce and putting them on full-time courses, but by encouraging them to study part time.

There are signs that part-time higher education in Scotland is under pressure, so to us it seems

essential that abolition of the graduate endowment—if that is what the Parliament decides to proceed with—must be accompanied by substantially improved support for the part-time sector. At this point, I confess a little difficulty to the committee, given the timing of the meeting, because I read in the Government's economic strategy, which was published yesterday, a commitment to

"reduce financial barriers to people across Scotland accessing higher education".

I am aware that, later today, there will be a public spending review statement and that the cabinet secretary is committed to a statement on the outcome of the funding for learners review. I do not know what will be in those statements, which poses a certain difficulty for me in answering your questions.

The Convener: Thank you, Mr Syme. I am sure that we do not expect you to tell us what will be in the mind of the cabinet secretary today; nevertheless, you can tell us what you would like him to say this afternoon. Hopefully, that will be reflected in his statement.

You say that there are signs that part-time higher education is under pressure in Scotland. What do you mean by that?

Peter Syme: It is always difficult to get concrete evidence to prove why people are not doing something, but I can give you three indicators. First, our recruitment figures—for recruitment to the largest provider of part-time higher education in Scotland—have fallen since 2003-04 in a way that is not reflected in other parts of the United Kingdom. There is something different about the position in Scotland. Secondly, we have conducted market research of various kinds and there is no doubt that the cost of study is a factor in the decisions that people make early on. They may not even get to us, so we cannot discuss with them the options for financial support. There is a perception that studying will cost more than they are prepared to pay. Thirdly, although it is not in my territory, I note with interest the concerns about recruitment to higher national qualifications in one way or another and the place of part-time study within that. There is evidence that part-time higher education is under pressure.

The Convener: Is there a difference in the level of support that is offered to students who embark on part-time higher education in Scotland compared with the rest of the United Kingdom, which might account for the difference in Scotland, or is the situation more complex than that?

Peter Syme: I will answer that in two parts. First, yes, there is a difference. In Scotland, students may benefit from the Scottish Further and Higher Education Funding Council's fee-waiver

scheme, which is an excellent scheme and something that I hope will be kept in being. However, the scheme has quite limited thresholds—basically, it covers people who are on benefits of various kinds. In addition, students in Scotland who are eligible can take advantage of individual learning accounts, the threshold for which was increased this year to individual incomes of £18,000. That would cover most forms of Open University undergraduate study to the level of £200 support.

In England and Wales, there are separate structures. Financial support on a tapering basis is provided through the access to learning funds that are available in England and is available to students with a household income of up to £30,000 or so. In Wales, a new structure came into place following the Graham review there; it is a little more complex than I would like to set out here, but it could easily be looked at. It provides a more generous level of support than is provided in Scotland. In the UK context, therefore, support in Scotland has fallen behind.

Secondly, yes, I think that the situation is complex. There are a range of factors to consider. It is not just a matter of the basic cost and the financial support; there is an issue of perceptions and getting the message across. Our market research finds that, even when financial support is available, people are not aware that it is available. Any news, good or bad, that comes out of a public spending review must be accompanied by a campaign—which I hope that the committee would endorse—that is in favour of learning and which explains to people what is available to them.

Other elements are involved. They can be quite small, but an important one is what is sometimes called the digital divide—that is, people's ability or inability to access computers and the internet in order to take full advantage of what the OU is uniquely able to offer through our tremendous open library, which provides access to sources and resources of all kinds. That is an issue as well.

The picture is quite complex but, basically, Scotland has fallen behind.

The Convener: Is it your view that the new Administration needs to address that issue to ensure that potential Scottish students who want to enter part-time education are not disadvantaged because they live in Scotland rather than in another part of the United Kingdom?

Peter Syme: You will not be surprised to learn that my answer to that question is yes.

Rob Gibson (Highlands and Islands) (SNP): Is there any indication that there has been a greater lack of knowledge about the support systems for students, which you have just described, in the

past two or three years? Has the problem become worse?

Peter Syme: I do not think that it is down to anything that anyone has done, and I am not sure that I have strictly comparable information. There is a problem, however, in the fact that there has been a lot of noise around top-up fees in England, student debt and various types of financial support that might or might not be available. It is quite a confusing picture for people. For that reason, people can pull back at an early stage either because the system seems too complicated or because they do not think that the financial support is available.

Rob Gibson: Are you suggesting that there is a growing fear of student debt and the cost of taking up higher education in any form?

Peter Syme: There is no doubt that there is debt aversion among our students who come from areas in which there are financial pressures.

Rob Gibson: Are you aware that the Scottish National Party's election manifesto said that it would review the situation of part-time and postgraduate students and that it would support efforts to attract more international students?

Peter Syme: We took great heart from that.

Rob Gibson: Therefore, you would expect that something will be done about that.

Peter Syme: I would very much welcome that.

Rob Gibson: That would set a tone for expecting that the anomaly that you have raised will begin to be dealt with. Of course, the Graduate Endowment Abolition (Scotland) Bill is nothing to do with that directly.

Peter Syme: No. I can operate only on what is in front of me at the moment, and I take great heart both from what was in the manifesto and from what I read in the economic strategy yesterday.

The Convener: Do part-time students perceive debt any differently from full-time students? Has any research been conducted into debt aversion and the different impacts that it has on those who enter full-time and part-time courses?

Peter Syme: I know of no research that makes that direct comparison. It is difficult to sort the issue of debt aversion from attitudes towards price in one way or another. All that I can tell you is that a price that may involve people in indebtedness is a deterrent.

The Convener: I am sure that the Open University paid close attention to everything that was said in all the parties' election manifestos, but you will be particularly keen to look at the new Scottish Government's manifesto. Am I right in

believing that, if the commitments in the present Government's manifesto are not fulfilled, that will be a cause for concern for the Open University?

10:15

Peter Syme: We would welcome any step forward in the support for part-time learners, from whatever party or source.

The Convener: Absolutely. Thank you.

Hugh O'Donnell (Central Scotland) (LD): In your opening remarks, you said that decisions on funding are clearly political decisions. The graduate endowment issue is a small component of that. Has the Open University considered how it would wish part-time students to be dealt with? What support mechanisms beyond the proposed abolition of the graduate endowment would you like to see in place?

Peter Syme: We have argued consistently to all parties and Administrations over several years that, in practice, the distinction between full-time students and part-time students is disappearing. The logic of the argument is therefore that students should be treated the same, pro rata, whether that involves paying the graduate endowment, not paying it, or whatever. They should be treated on an equivalent basis. If the bill is passed, the objective should be that part-time students should be treated on the same basis as full-time students, so they would also not pay a tuition fee.

However, we are nothing if not realists and democrats. Because politicians of all parties have told us so, we understand perfectly that that might not be an immediately achievable or affordable objective. We want to see a step forward and there are several mechanisms that the Government could use to move things on; one of those measures would be improved support through the ILA system, for example. Any support mechanism would have to be reasonably substantial to make a difference; that is all I am saying.

Mary Mulligan (Linlithgow) (Lab): You said that recruitment to part-time courses has fallen since 2003-04. Apart from facing what might be perceived as a financial cost, many part-time students are in employment. Has anything changed amongst employers that would bring about a reduction in the number of part-time students? Could employers do anything to encourage people to take up their studies?

Peter Syme: Yes. How long have you got?

Mary Mulligan: As long as you need.

Peter Syme: I will take one step back here. Much of the discussion about part-time higher

education flows back to the Dearing report of 10 years ago. That report said a variety of things about the partnership between the employer, the individual and the state, in relation to part-time higher education in particular. It also took on board a range of figures and statistics that it had collected. By and large, the Dearing report was a disappointment to those of us who are engaged in adult learning and part-time higher education.

I am delighted to draw to the committee's attention an article in *The Guardian* earlier this year, in which Lord Dearing got as close as he is likely to get to a recantation on that report. When he was asked if there was anything that he regretted, he said that the first thing was that the report had not done more for part-time learners; he said that it was wrong about that. There was an assumption that the ideal employer would invest in the long-term, full-time employee. I do not have to tell the committee that the world is not always like that, and that a beneficent employer will not come along for someone who is temporarily out of the labour market, working at home, or juggling a family and a part-time job. For someone who is in part-time employment—whether they are on a supermarket checkout or a production line—the chances of getting employer support to pay fees are vanishingly thin.

We have noticed a general and slow decline in the extent to which employers are prepared to pay the fees of part-time students at the Open University. Support is not universal, although there are some noble and notable exceptions. The majority of students in employment are not financially supported by their employer. However, in some cases financial support may not be all that matters. Some people may get moral support from their employer—for example, a bit of time off for an exam, or encouragement from a manager.

Mary Mulligan: I think that you have answered a point that I wanted to get at. You have answered questions on financial issues, but I wondered whether other things were encouraging or discouraging people. If we want to widen access, we have to ensure that there are no barriers.

Peter Syme: Employers have a very important role. They must give positive and encouraging signals that are backed up with tangible action—such as encouraging groups to discuss their studies, providing time off for exams, giving moral support through appraisal processes, and saying, “Yes, we want you to do this.” They should also offer recognition in the form of reward and promotion. There are lots of things that employers can do.

Mary Mulligan: The trade unions clearly have a role in encouraging people.

Peter Syme: Yes. I am pleased that earlier this year we signed a memorandum of understanding with the Scottish Trades Union Congress at the Rolls-Royce plant at Inchinnan. We are very enthusiastic about the possibilities there.

Christina McKelvie (Central Scotland) (SNP): Good morning, Mr Syme. Were you aware that the Scottish Government's skills strategy has a section on improving the support that is given to people in the workforce who are studying part time, and on increasing participation in learning among the workforce? Does that address some of the concerns that you have raised? Does the strategy offer a way forward?

Peter Syme: Do not get me wrong: everything that I have seen—from the manifesto commitment to the economic strategy and the statement on the skills strategy—is extremely welcome. However, you will forgive me, because we have not yet seen the statement on the funding for learners review. I am in quite a difficult position: I cannot pre-empt the statement because I do not know what it will say.

All the signs are positive that people understand the issues that we have been raising for some time, so we look forward to the outcome. That is all that I can say at this stage.

Richard Baker (North East Scotland) (Lab): I want to follow up on the convener's final question. You say that part-time study is falling, and we do not know what other measures the Government will provide to support part-time study. Call me cynical, but if those measures were inadequate, could the passing of the Graduate Endowment Abolition (Scotland) Bill not result in an even greater impact on your potential to recruit? Could recruitment fall further?

Peter Syme: The Open University does not do cynicism.

Richard Baker: Of course not, but I do, unfortunately. If we could enter into the hypothesis it would be useful.

Peter Syme: I am optimistic that something will come, although I cannot be drawn on that. If nothing happened and the bill were to be passed, the consequence would be a wider gap between the support that is available to full-time students and the support that is available to part-time students.

Richard Baker: Would that impact on recruitment?

Peter Syme: Yes.

Richard Baker: In the policy memorandum, we are told that no options to widen access other than the bill were considered, although there has been talk of providing a wider package to address

student support. Do you think that other options should have been considered at the same time as the bill, and what measures should have been brought forward?

Peter Syme: How do I address that question? If you will excuse me, I will rephrase it and ask: could the money be spent in a different way with a different effect on widening participation? In the end, I cannot assess competing claims on public expenditure. Fortunately, that is your job, not mine.

I am well aware that the political parties that are represented round this table put forward in their manifestos commitments on the graduate endowment and that they are now seeking to deliver on them. Whatever private view I might take one way or another, I respect that process and would not wish to dispute it. That is how the world should be in a democratic society.

In that sense, I will not be drawn on the position on the graduate endowment. However, I have lived and worked for the past 20 years in adult learning. I am passionate about what part-time higher education can do for social justice and the economy. If you asked me whether it would be a good idea to invest public expenditure in part-time higher education, I think you know what my answer would be.

Richard Baker: If you were being partisan, you would say that £17 million could be better spent elsewhere, but you are not being partisan in this committee.

Peter Syme: I am not evading the question: I honestly think that it is an issue of our position in a democratic society. Something has been put to the electorate, and the electorate has responded. We respect that, as we are realists and democrats.

Elizabeth Smith (Mid Scotland and Fife) (Con): I want to ask about the Open University statistics and the numbers of students who are taking up places. There has been a slight downturn in Scotland in the past couple of years, which seems to be more extensive in undergraduate rather than postgraduate courses. Is there any reason for that?

Peter Syme: We can pinpoint the downturn pretty precisely. Broadly, it is coming from men, rather than women, in computing and technology subjects—there are others, but those are seeing the strongest downturn—and in the middle years of life. Relatively speaking, we are increasing numbers at either end of the age spectrum. The downturn involves people who are vocationally oriented and whose family incomes might be under severe pressure, so it is a question not just of overall income but of the calls on that income.

Elizabeth Smith: That must be an area of concern, particularly as computing and technology industries have a high profile in the economy, and you mentioned the importance of the skill factor. Do you have any suggestions about how that specific issue could be addressed?

Peter Syme: The answer to that question could be quite lengthy; factors on both the supply and demand sides are involved. Those factors include the signals that are coming from the employment market and the relative cost to the individual of investing in their own training. In this context, I would say simply that placing barriers in the way of people who are in work to prevent them from improving or upskilling in those areas does not seem congruent with the skills strategy.

Elizabeth Smith: Are some of those barriers more significant than the barrier that someone might feel because part-time students are not getting the same level of financial support? Are the economic barriers more extensive?

Peter Syme: Do you mean the barriers from employment signals and so forth?

Elizabeth Smith: Yes.

Peter Syme: I do not know how such factors could be weighed up.

Elizabeth Smith: You have no evidence on that.

Peter Syme: I have no specific evidence on that, but we have little doubt that employment market signals are playing a part.

10:30

Mary Mulligan: I am always suspicious of statistics. I wonder whether the decrease that you mentioned in the number of middle-aged men who are applying to do computing and technology courses is because there may have been a sudden surge in those areas in the previous 10 years, when the situation was changing quite quickly. Rather than a drop, might we be seeing a levelling off of the figures? Is that possible?

Peter Syme: That might be the case in computing, but I am less clear that it is true in technology, in which the employment market is shifting from areas such as oil and engineering to environmental and other areas. I do not think that what you suggest is necessarily the case.

However, I share your suspicion of statistics. I am slightly reluctant to comment because, as I said to one of your colleagues, such matters are not simple. We cannot simply draw a graph.

Aileen Campbell (South of Scotland) (SNP): How is the Open University actively targeting or engaging with the sectors of society in which people might once have taken Open University

part-time courses but no longer do so? We have seen a decline in certain areas—Mary Mulligan mentioned computing and technology. As an organisation, are you doing anything to counteract that?

Peter Syme: Part of that is about a shift. As economic signals and the employment market shift, so too must our provision shift. One of the jobs with which we can rightly be charged is keeping our curriculum alert to changes. That is something that we watch regularly.

The principal targeting that we have been doing relates to widening participation. As a proportion of our student population, the number of students in the lowest quintile of the Scottish index of multiple deprivation has grown proportionately over the past few years. That is the result of deliberate policies on our part, together with the benefit that we can get from the Scottish funding council's fee-waiver scheme, which is undoubtedly a help in that regard.

We do a great deal in the territory of widening participation, much of which we do in partnership with other people. As an organisation, we are unique in being a member of all four of the regional wider access forums in Scotland. We have led a major project called diverse routes, which is aimed at black and minority ethnic communities and new immigrant communities in Scotland. I am delighted to say that we are back working on widening participation projects in Dumfries and Galloway, where we like to work. That was where the open road project—which is one of the best bits of educational development that I have seen—ran for four years; we are now picking up some of the threads of that work. We do a lot of work in that territory, which is where we belong.

The Convener: I thank Mr Syme very much for his attendance at today's meeting. I am sure that committee members will reflect carefully on the points that he has made.

I suspend the meeting to allow for the changeover of witnesses.

10:33

Meeting suspended.

10:35

On resuming—

The Convener: I reconvene the meeting and welcome our second panel of the morning. We have been joined by James Alexander, who is president of the National Union of Students Scotland, and Tom D'Ardenne, who is president of

the Coalition of Higher Education Students in Scotland. Thank you for joining for us.

I am grateful to you for waiving your right to make a short opening statement, as that will allow committee members to move straight to questions. I thought that it might be helpful if the first questions were to find out who you are, whom you represent and how you reach your policy decisions. I invite Mr Alexander to go first.

James Alexander (National Union of Students Scotland): I thank the committee for once again having me before it. I am president of the National Union of Students in Scotland. We represent 600,000 students in colleges and universities across the country. The vast majority of college and university student associations are affiliated to NUS Scotland through the NUS in the United Kingdom.

We set policy at democratic conferences, which are held every six months. A council event took place just last weekend. We also hold an annual NUS Scotland conference every March, at which officers—my office and members of our executive committee—are elected, our policy is passed and motions are voted on that have been tabled by students and student associations from across Scotland. Any student who is a member of a student association that is part of the NUS can stand to be a delegate at the conference; the only restriction is that there is a maximum number of delegates from each institution. In that way, our policy processes represent every part of the student movement in Scotland that is affiliated to the NUS.

Tom D'Ardenne (Coalition of Higher Education Students in Scotland): I thank the committee for inviting me before it for the first time. I am president of the University of St Andrews students association and the chairman of CHESS, which stands for the Coalition of Higher Education Students in Scotland. CHESS represents students at the University of Strathclyde, the University of Dundee, the University of St Andrews, the University of Aberdeen and the Open University, as well as students who are represented by the University of Glasgow students representative council. In total, that amounts to just under 100,000 students. It is important to say that the organisation represents three student bodies that are not currently in the NUS—those of the universities of St Andrews, Dundee and Glasgow.

The Convener: The previous witness gave specific evidence on part-time students. As organisations, do you believe that student debt affects full-time and part-time students differently or is it an issue for all students?

James Alexander: Mr Syme was absolutely correct when he said that the boundaries that have

traditionally existed between those who are regarded as full-time students and those who are regarded as part-time students are becoming quite blurred. A part-time student might attend their course for three days a week and work the other two days, but that is similar to the pattern of study for people who might be regarded as full-time students, when one takes into account tuition and the number of additional hours that it is expected will be spent on revision, essay writing and studying. Although full-time students are expected to fill their hours in that way, they often have to take on part-time jobs to make up the shortfall between the income that they receive through the student loans and grants system and what they require to be a student.

The same issues apply for part-time students, for whom there is also a shortfall. Indeed, the fact that part-time students have to pay fees means that they almost have to pay a premium to be part time. However, people often choose to become part-time students out of necessity rather than because of a desire to be a part-time student. They may have caring responsibilities, for example, or they may have to pay a mortgage or look after their family. People cannot do such things under the current funding arrangements for full-time students. Debt and hardship levels therefore apply equally to part-time students and full-time students, and there is the additional burden for part-time students of the problem of tuition fees. However, I understand that a review is under way in which that matter is being considered.

Tom D'Ardenne: I concur with pretty much everything that James Alexander has just said. I think that a recent HBOS survey showed that just over two thirds of undergraduate students are engaged in some sort of part-time work to fund their time at university and their working time is often in excess of 20 hours a week. The differences between part-time students and full-time students who must take on part-time jobs to complete their courses are therefore becoming increasingly blurred, as James Alexander said.

Richard Baker: I have a question for James Alexander. Obviously, as a democratic organisation that represents the vast majority of students in Scotland, NUS Scotland sees the financial pressures that students face all the time. During last week's committee meeting, there was a great debate on the bill's policy memorandum, which says that the graduate endowment fee and debt are barriers to widening access. What is your view on the evidence base for that?

James Alexander: We see struggling students all the time; in fact, our members have reported that student association welfare services are inundated with requests for small hardship loans

and short-term bridging loans, and that they are inundated with various other financial concerns that students regularly face. However, there is a major problem with evidence.

I would like the committee to consider ways of developing a stronger evidence base for many different issues. There are, for example, currently very few statistics that relate to why students drop out of universities, although a lot of anecdotal evidence suggests that the racking up of huge credit card debts, their having to work as many hours as they possibly can when they should be trying to study, and their finding that they are putting their academic careers in jeopardy because they work so much can cause students to seriously consider dropping out of their courses. However, there is no structured or strong evidence-gathering process to find out about such things. Similarly, there has been no strong evidence for the Government on the effect of debt on students. There is a host of bodies that deal with widening access throughout Scotland, but none has a Scotland-wide remit. They do a lot of good work in different areas of Scotland, but they often reinvent the wheel in an area, as there is no joined-up approach.

In the education manifesto that we produced prior to the elections, we called for the development of a widening access unit. I continue to call for that. Such a unit would have a formal role in considering and developing evidence on all the issues that students face—it would, for example, consider hardship issues, why students drop out of courses and why people do not go on courses in the first place. It would also have roles that the smaller bodies have. Things would be brought together and there would be a Scotland-wide focus. People would go into schools and speak to young people. They would speak to people who are not going into education—single parents, for example—people in what was formerly described as the not in education, employment or training group, and mature students who want to go back into education. They would come back with reasons why people are not going into education and try to encourage people to go into it. They could come back with policy options that perhaps the committee and the Government could progress. I urge the committee to consider the creation of a body that would have such an impact and perform such a function.

Richard Baker: Your points on other measures to widen access and on research are well made. However, the bill's policy memorandum states:

"No options other than abolishing the GE have been considered."

Do you think that it would have been better—if not, indeed, necessary—for other options to have been considered and suggested? You have mentioned

a range of areas that affect issues such as widening of access and retention of students in higher and further education, but we do not have a wider package of support measures in front of us today. Should that have been considered at the same time?

10:45

James Alexander: There is a need to address many different issues around the student funding system. Students currently get a maximum of £4,000 a year, although we know that it costs far more than £4,000 to study. The poverty line in Scotland is at about £7,000 a year, so we are talking about a minimum income for students of £7,000 a year to alleviate the problems of student hardship. Many students do not get prescriptions that they need and often can barely afford to buy course books and other things that they need. We need a wider range of packages to address issues around student hardship, debt and support as well as wider student access.

The Government's manifesto before the election contained a promise of £236 million in additional funding to be invested in student support—that was the Government's own figure. I hope that, in this afternoon's spending review announcement, we will hear of some moves towards that and some figures that demonstrate that the additional funding will be given. I do not agree that it should be used to pay off the debts of graduates who have already been through the funding system, albeit that it was a bad system. Instead, we should focus on current and future students and ensure that they have the money to take them out of hardship. People must have the money to enable them to access education and, crucially, once they are in education, to stay there.

Rob Gibson: Your submission states:

"The Graduate Endowment has increased the debt burden of graduates and has compounded issues affecting graduates because of their debt."

We all agree—I hope. However, the policy aim of the bill seems to be to address only the small part—maybe a fifth, on average—of each student's debt that the graduate endowment represents. Therefore, it has a limited purpose.

James Alexander: I see the bill as being a small step in a long process towards the large package of measures that are required to address the funding problems that students currently face. I argue that the graduate endowment is not a fifth of the debt that students get into. The Student Awards Agency for Scotland and Student Loans Company debt is only a small proportion of the total debt, which includes credit card loans and bank loans that almost all students have to get to cover basic living expenses. Students are, for

example, buying bread with credit cards, which is a worrying state of affairs. Our figures suggest that, on average, students have debts of £14,000 to £16,000 by the end of their studies. The graduate endowment is only a small proportion of that.

We welcome the bill as being the start of a host of measures. It will make education completely free for students in Scotland—we believe that education is a right. People should not be barred access to education because of financial burdens and debt. The bill is a positive step towards making education accessible for people from all backgrounds and all walks of life, but it is only a small part of what is required.

Rob Gibson: We agree that the bill is just the start.

You will be aware that the cabinet secretary has announced that no money will be lost from student support as a result of the bill. Do you agree? Either of you is welcome to answer that question.

James Alexander: I certainly hope so. In this afternoon's statement on the spending review, I expect to hear promises being delivered on funding for student support. I am looking for new money to be announced in the spending review to cover the cost of the bill and the additional promises that the Government has made.

Rob Gibson: The annual contribution of the graduate endowment would be around £15 million; therefore, you would expect the Government to match that if the bill were passed.

James Alexander: Yes.

Hugh O'Donnell: You mentioned widening of access several times. The initial graduate endowment funding stream was intended to support those who are on low incomes or a variety of different benefits. From memory, I think that the figure was £13 million or £14 million. If that funding stream is removed, will it have a negative impact on the widening access agenda? If you think that it will, how would you like to see the funding used?

James Alexander: I would be very concerned if the bill had a negative impact on the widening access agenda when it is intended to do exactly the opposite and to alleviate some of the burden of debt that puts a lot of people off going into education in the first place. When the cabinet secretary refers to the bill having no net cost, or the costs being covered, as we have just discussed, that is what I expect to happen. If there is a negative effect on widening access, I expect the funding shortfall to be covered from other funds.

Mary Mulligan: Do you expect student recruitment to increase following withdrawal of the graduate endowment?

James Alexander: I want everyone who can go into higher and further education not to be put off because of possible debt or because of the cost. The bill will have a particular impact on students from the poorest backgrounds. We talked a lot about widening access because the bill will have an impact on access.

It would be positive to be able to say that education in Scotland is free, irrespective of students' backgrounds and the school that they went to, and that students in Scotland have the opportunity to meet their higher education aspirations. That must be backed up and continued along with a range of other policies to ensure that once aspirations have been raised and we have told people that they have the opportunity to access education free from debt, they get that opportunity without being forced to drop out part way through a course, or having to avoid going into it because the available support package does not cover what they need.

Mary Mulligan: Mr D'Ardenne, do you want to add anything to that?

Tom D'Ardenne: You asked whether there would be an increase in the number of students. I certainly hope that there will be an increase in students from poorer backgrounds who might otherwise have been discouraged by incurring debt. However, even if tuition debt is removed, other costs, such as accommodation, general living expenses, and social and recreational stuff, will all increase and I am not entirely sure whether they will increase to the same level as the burden that is to be removed. In the short term, the bill will mean more applicants, but in the long term, consideration will have to be given to addressing all the issues that James Alexander has mentioned around student support.

Mary Mulligan: Given that poorer students are exempt from the graduate endowment, why do you expect to see more of them coming forward after its removal?

Tom D'Ardenne: It would show the Scottish Executive's well-publicised commitment to doing its very best to getting people from all backgrounds in.

Mary Mulligan: Does not that really mean that we are talking about perception rather than reality, given that those students are not paying the graduate endowment?

Tom D'Ardenne: I would have thought that that is part of it, yes.

Mary Mulligan: What other measures would we need to take to ensure that people are fully informed? The matter came up when we were speaking to the representative from the Open University. We need to ensure that students

recognise the support that already exists for them. How can we do that? What would go beyond removing the graduate endowment, which will probably not help the poorer students anyway?

James Alexander: The problem that we have at the moment is that we do not have a comprehensive student funding system that meets the needs of students—certainly, not one that meets the needs of students from the poorest backgrounds. The bill is a positive step towards making education free for students in Scotland. The next issue for us to consider is student support, which is about guaranteeing a minimum income for students. For students from the poorest backgrounds, I fully expect that income to be provided in the form of grants. Students need an income of £7,000 a year to be able to afford accommodation, transport, medicine if they are ill, textbooks, art materials and musical instruments—depending on their course. Such a grant would mean that students would be able to cover all the costs that are associated with being a student without having to find alternative sources of income. Currently, students get into jeopardy in trying to find other sources of income.

Tom D'Ardenne talked a moment ago about rising costs. On 12 December, we will launch the results of our student housing survey, which looks at the cost of student accommodation. I hope that the committee will take an interest in the figures. We are finding that the cost of accommodation more than swallows the total amount of a student loan. If only accommodation was required, a student loan would be adequate. However, it is not: students need to pay for food, textbooks, medicine and so on. Student accommodation is a major factor in the cost of student living.

Mary Mulligan: It is a novel idea that students need to eat.

I have a final question. Given what you have just said, should there be a review of student finance?

James Alexander: We have had as many reviews as we need. We know what issues students face. To call for another review would be again to stall taking action on the problems that students face, so I would be concerned about any further review. We and the committee are aware of the issues: the financial problems that students face and the costs of being a student not matching the level of student funding. What is required is action on the issues that have been identified. The graduate endowment is part of that, but we need more policy measures to alleviate the problems once and for all. We know what the problems are.

Elizabeth Smith: I direct you back to the issue of students from deprived areas. In your answer to Mary Mulligan and in your submission, you have made it clear that you are concerned that there is

a huge need to attract more people from socially deprived backgrounds. Mary Mulligan was right to say that a lot of students are not liable for the graduate endowment. In identifying the other financial costs that you feel are a real burden, apart from the cost of accommodation, what would you single out as being one of the biggest barriers to people from deprived areas?

James Alexander: Students on art courses have to pay for all their paints, canvases and materials. Those who study music have to pay for instruments and for having them repaired and tuned. I took a maths course and one of the textbooks for a module cost £100. That was just one module out of about 50 that I took throughout my course, and every module had a textbook associated with it. If we want students from all backgrounds to be able to access education, we must ensure that the funding that they receive covers the cost of the materials that they will need for their courses.

In addition, transport costs are high for students who need to travel to and from courses. On top of that, there is the cost of prescriptions, which I have talked about. On the whole, students are eligible for free prescriptions, but they have to fill in a 40-page booklet in order to get them free. A far more pragmatic way to solve that problem would be just to give students free prescriptions.

An income and expenditure survey was carried out by the previous Executive into the costs associated with student life, which revealed that there is a significant shortfall in funding. The single biggest cost is accommodation but, along with other living costs, there is the additional burden of having to buy textbooks, art materials, musical instruments, and so on.

Elizabeth Smith: You speak to school leavers and young people who are likely to enter higher education. Do you have anything other than anecdotal evidence? Has either association undertaken definitive studies of what those young people are saying about your evidence? Is such evidence available, or are you relying on national statistics?

11:00

James Alexander: I would like a widening access unit to be responsible for gathering such evidence. The Parliament and the Government have a responsibility for gathering that evidence when they make such policy decisions. If that evidence is not available, the Government has a responsibility to put resources into gathering it. We try our best, with limited resources—I stress that the NUS has very limited resources—to gather as much evidence as possible, but that evidence can

only be anecdotal given our other resource commitments.

We are not just targeting school leavers, although they are certainly important. Someone from a school in a deprived area is much less likely to go to university than someone who has gone to a private school, for example. Such policy considerations are serious and have to be dealt with.

However, there are potential students from all sorts of backgrounds. For example, someone who left school and worked for a few years might realise that they want to go back into education. Some students are parents; some have other caring responsibilities; and some might have been made redundant and want to re-skill. A host of different groups of people would like to go into education, and this committee, the Parliament and the Government are responsible for ensuring that, whatever a person's background and circumstances, there are options for them to raise their aspirations and realise that they can achieve those aspirations within education.

Elizabeth Smith: Thank you for that very comprehensive answer.

I want to go back to young people who are thinking about entering tertiary education for the first time. For whatever reason, they often get put off at an early age. Could things be done in schools or colleges to prepare people better and to open up new opportunities? Are we doing enough in that area?

James Alexander: Not enough is being done in that area at the moment. Young people, particularly those from deprived backgrounds or schools in deprived areas, are losing, at the age of 10 or 11, the aspiration to go into further learning, and it is far too late to intervene when they are 16, or even when they are 13 or 14. We need to intervene very early on and tell those people that they can achieve whatever they want to achieve, and then ask what they want to do and how they will go about doing it. We need to raise young people's aspirations, and then give them options, routes and pathways so that they can achieve those aspirations within the education system.

Elizabeth Smith: That is a very young age for people to be thinking about those things. I do not think that you have considered the financial elements. Do other non-financial issues need to be addressed in connection with people's aspirations? Perhaps they are put off education because they think that it is not for them as not many people in their area have been to university or college. Do you accept that we need to think about those matters very carefully?

James Alexander: That is a huge area to consider. I hate to keep going back to this but

those are all things for which a widening access unit would be responsible across Scotland. In families in which there is no tradition of people going into higher education—in which neither parent has been through university, for example—it can be very difficult. Potential students can find their family discouraging, especially if their parents say that they need to get a job and earn money. Those potential students have no experience of the value of going to university, and it is hugely important to demonstrate that value to young people. More of that needs to be done.

Christina McKelvie: My questions are for Tom D'Ardenne specifically. We have heard a lot about the NUS's perceptions of what is happening. What are your views on widening access, student poverty and the fear of debt, and what would be the positive impact of abolishing the graduate endowment?

Tom D'Ardenne: CHES suggests that, although the scrapping of the graduate endowment is a step in the right direction, it is only one step in a process that still has a long way to go. We hope that it will open up education to students who would not otherwise have considered university education. Therefore, it is a step that should be applauded.

As has been mentioned, however, there are many other aspects of being a student that need to be addressed immediately. I ask you to consider accommodation as the next big issue. At St Andrews, the cost of certain accommodation in the university exceeds £5,500 for a 36-week period. That is just one of a host of issues. If you are serious about encouraging people from all backgrounds—including backgrounds that are perhaps not traditionally associated with going to university—to attend university, you must consider implementing a host of measures. Whether through the committee or through other means, such as another review—although I do not know about that—we could be looking at a lot of things that would make a real contribution to encouraging people to enter higher education in this country.

Christina McKelvie: Do you agree that, over the past eight years, student poverty and the fear of debt have increased? You say that the bill is a positive step, but £2,289 is a huge chunk of someone's debt.

Tom D'Ardenne: Originally, when people started racking up debts of £10,000 to £15,000, it almost became the thing to do. People expected to get into debt and recognised that having debts of £15,000 was something that they automatically took on when they became students. Over the past two years, however, students have become increasingly aware that it is an incredible responsibility to have to pay that amount back later in life. Such debt is now starting to

discourage pupils of secondary school age, who no longer consider higher education a necessity and are looking at other options for their lives and career paths. They are being discouraged by the debt figure of £15,000 whereas, before, people simply considered debt part of being a student.

Hugh O'Donnell: We keep coming back—entirely legitimately—to the issue of widening access. You may both be aware of the greater opportunities for access to learning for schools—GOALS—project, which is housed in the University of Paisley. Its funding is under serious consideration and serious threat. Do you agree that the project should be encouraged, given the fact that it deals with school pupils in deprived areas, which is where the resources should be targeted? If the bill is passed, might supporting such projects be one way in which to use funds to continue to sustain the widening access agenda for people from those communities?

James Alexander: I fully endorse the GOALS project. In fact, my widening access unit proposal is based on the idea of extending throughout Scotland GOALS and its Edinburgh version, the Lothians equal access programme for schools. Those projects do extremely valuable work by going into schools, speaking to people who are not planning to enter higher education and encouraging them to do so. Crucially, however, because of their size and geographical proximity, they are not able to give a Scotland-wide perspective or carry out proper research into why people are not entering higher education or what can be done to help them to enter higher education. The projects need to be broadened out into a Scotland-wide body.

Aileen Campbell: Good morning. I am interested to hear from both organisations of your fears when the graduate endowment was introduced. Did you make representations to the Executive?

James Alexander: As far as I am aware, we made representations, but the person who did so was not me.

Richard Baker: It was me.

Aileen Campbell: Sorry. Perhaps we can hear from the two witnesses.

James Alexander: Richard Baker may wish to speak on this. One of the issues that we had with the Cubie review of student finance was that it was not implemented in its entirety. As a whole package, Cubie's recommendations would have delivered a lot for students in Scotland. However, as implemented, they did not and the graduate endowment did not deliver what was intended.

Related to the graduate endowment was the proposal to achieve greater business involvement

in providing the costs of education. There is a role for Scotland's large businesses in that respect. They could be more involved in providing the costs of education and could have much stronger links with the education sector. In a previous evidence session, I think that I said that, according to Organisation for Economic Co-operation and Development statistics, the United Kingdom is quite far down the table when it comes to the money that businesses invest in the higher education system. That issue needs to be addressed.

Tom D'Ardenne: CHESS was relaunched only recently—in its most recent guise, it is probably only six months old. As a result, I am afraid that I cannot give you any feedback on what CHESS believed when the Education (Graduate Endowment and Student Support) (Scotland) Act 2001 was introduced. I am sorry.

Aileen Campbell: That is okay.

If NUS Scotland adopted a policy of abolishing graduate endowment fees in its manifesto before the parliamentary elections, what evidence did it use to reach its conclusion? What evidence was presented to its members?

James Alexander: We used evidence that we came across by engaging with students, evidence from student associations that work with students and evidence that we gathered through our internal evidence-gathering mechanisms. Obviously, our policies are decided through democratic processes at our conferences.

Aileen Campbell: So NUS Scotland is persuaded of the merits of abolishing the graduate endowment fee.

James Alexander: We are certainly persuaded of the merits of scrapping it. In particular, we think that student hardship and debt are big issues for students.

The Convener: Mr Baker wanted to ask a question.

Richard Baker: I have a point of information.

The Convener: Before you make that point, I remind you that this is an evidence-taking session and that you should keep any point of information short. You indicated an interest in asking about future student support. You may make your point of clarification during your question.

Richard Baker: My questions on student support have already been asked. I supported the establishment of a graduate endowment scheme at the time and have therefore been entirely consistent. James Alexander accurately reflected the position of the NUS at the time, although it is not his job to do so.

The Convener: As there are no other questions, I thank James Alexander and Tom D'Ardenne for attending the meeting and for their answers to our questions, which we will reflect on in our stage 1 deliberations.

There will be a brief suspension to allow the witnesses to leave the table.

11:13

Meeting suspended.

11:16

On resuming—

Subordinate Legislation

Education

(School and Placing Information) (Scotland) Amendment Regulations 2007 (SSI 2007/487)

The Convener: Item 3 is consideration of a Scottish statutory instrument that is subject to the negative procedure. Members have a copy of the regulations and a cover note in their papers. No motion to annul has been lodged and the Subordinate Legislation Committee has not drawn the Parliament's attention to the regulations. I invite comments.

Hugh O'Donnell: I am sorry, but as I am here as a committee substitute, may I ask for clarification? Are the regulations connected with, or will they have an impact on, the recent court judgment on placing requests in relation to children with additional support needs?

The Convener: I am afraid that I cannot answer that. It would be best if we wrote to the Minister for Schools and Skills to seek clarification. With that proviso, are members content to make no recommendation on the regulations?

Members *indicated agreement.*

The Convener: That concludes the public part of the meeting. I ask people who are in the public gallery to leave, so that the committee can move into private session. The next meeting of the committee will take place on 21 November.

11:18

Meeting continued in private until 11:29.

Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice at the Document Supply Centre.

No proofs of the *Official Report* can be supplied. Members who want to suggest corrections for the archive edition should mark them clearly in the daily edition, and send it to the Official Report, Scottish Parliament, Edinburgh EH99 1SP. Suggested corrections in any other form cannot be accepted.

The deadline for corrections to this edition is:

Friday 23 November 2007

PRICES AND SUBSCRIPTION RATES

OFFICIAL REPORT daily editions

Single copies: £5.00

Meetings of the Parliament annual subscriptions: £350.00

The archive edition of the *Official Report* of meetings of the Parliament, written answers and public meetings of committees will be published on CD-ROM.

WRITTEN ANSWERS TO PARLIAMENTARY QUESTIONS weekly compilation

Single copies: £3.75

Annual subscriptions: £150.00

Standing orders will be accepted at Document Supply.

Published in Edinburgh by RR Donnelley and available from:

Blackwell's Bookshop

**53 South Bridge
Edinburgh EH1 1YS
0131 622 8222**

Blackwell's Bookshops:
243-244 High Holborn
London WC1 7DZ
Tel 020 7831 9501

All trade orders for Scottish Parliament documents should be placed through Blackwell's Edinburgh.

Blackwell's Scottish Parliament Documentation
Helpline may be able to assist with additional information on publications of or about the Scottish Parliament, their availability and cost:

Telephone orders and inquiries
0131 622 8283 or
0131 622 8258

Fax orders
0131 557 8149

E-mail orders
business.edinburgh@blackwell.co.uk

Subscriptions & Standing Orders
business.edinburgh@blackwell.co.uk

Scottish Parliament

RNID Typetalk calls welcome on
18001 0131 348 5000
Textphone 0845 270 0152

sp.info@scottish.parliament.uk

All documents are available on the Scottish Parliament website at:

www.scottish.parliament.uk

Accredited Agents
(see Yellow Pages)

and through good booksellers