

Board of Management Students, Staff & Equalities Committee

Date of Meeting	Wednesday 16 January 2019
Paper No.	SSEC3-E
Agenda Item	9
Subject of Paper	Audited Student Funding Support 2017/18 and 2018/19 Update
FOISA Status	Disclosable
Primary Contact	Gillian Plunkett, Student Experience Director
Date of production	4 January 2019
Action	For Noting

1. Recommendations

The Students, Staff and Equalities Committee is asked to note this paper.

2. Purpose of Report

To provide both an overview of the audited student support funds expenditure for 2017/18, and an update on student support funding activity for 2018/19.

3. Strategic Context

A key strategic priority for the College is **Strategic Priority 2 - To enable individuals to excel and realise their full potential** and in order to achieve this students are provided with a range of information, advice and support, including financial support, which is person centred and responsive to individual needs.

Student support funds are governed by the Scottish Funding Council (SFC) and the Students Awards Agency Scotland (SAAS) Policy and Guidance. This Policy and Guidance outlines student eligibility (including residency eligibility), assessment processes, and appropriate use of funds, management and audit requirements. Links to the Policy and Guidance documents for 2017/18 are provided below.

[2017 -18: National policy for further education bursaries](#)

[2017-18 National policy: further education discretionary fund](#)

[2017-18 National policy: childcare funds for further and higher education students in Scotland's colleges](#)

[Higher Education Discretionary Funds Guidance Academic Year 2017-2018](#)

To provide students with financial support the College receives an annual support fund allocation which is managed through the student services department. Students on further education (FE) courses, which are courses below Level 7 on the Scottish Qualifications Credit Framework (SCQF), apply directly to the college for funding and are assessed prior to course commencement with payments made directly to students at 2 and 4 weekly intervals throughout the year. Students on higher education (HE) courses, which are courses at Level 7 and above on the SCQF, apply to the Student Awards Agency Scotland (SAAS) and Student Loans Company

(SLC) for their main support, although the college does award childcare and emergency hardship funds for HE students.

Student support funds are subject to an annual audit with the final audit certificate and back up information returned to the SFC for analysis related to a range of social and economic indicators.

4. Student Support Fund Expenditure 2017/18

Expenditure on student support funds for 2017/18 was £9,910,887 and Table 1 provides a breakdown across all student support funding streams.

Table 1 – Student Support Fund Expenditure 2017/18*

Fund Type	Total Expenditure per Fund	No. of Students Supported	Average Annual Payment	Average Weekly Payment
Further Education Bursary Fund	£7,074,032	3,122	£2,266	£63
Further Education Childcare Fund	£483,995	149	£3,248	£90
Higher Education Childcare Fund	£447,611	107	£4,183	£116
Further Education Hardship Fund	£1,053,201	1,281	£822	£23
Higher Education Hardship Fund	£852,048	4,325	£197	£5
Total Expenditure	£9,910,887*	8,984	£1,103	n/a

*Externally Audited October 2018

4.1 Further Education (FE) Bursaries

Table 1 shows that over 70% of student support funds are spent on FE Bursaries however, although most students may be eligible to receive a FE Bursary (eligibility includes residency), not all students will do so as FE Bursaries are means tested against parental income and will vary from a maximum of approx. £3,600 to £0. This contrasts dramatically with HE students who, if eligible, will receive a £4,750 loan as a minimum regardless of parental income, rising to £7,600.

Table 1 shows that the average FE Bursary provided to students at City of Glasgow College is £2,266 which equates to around £63 per week and is less than half of what HE students can expect via their minimum loan. It goes without saying that most students struggle with money, however FE students are worse off than their counterparts on HE courses.

To help redress this balance for 2018/19, the College has removed the most stringent financial penalties related to absence for FE students which were compounding financial problems for students, and particularly the most disadvantaged such as those with health issues and chaotic lifestyles. This is a sector leading initiative wholly supported by CitySA and the NUS and recently reported in the [Times Educational Supplement](#).

Although we have relaxed financial penalties around attendance, we will continue to remain vigilant by supporting students who are absent to re engage with their studies and we will continue to monitor the impact that this change has on student engagement, participation and success.

4.2 Further Education and Higher Education Discretionary Childcare Fund

Combined expenditure on childcare for FE and HE groups was £931,606 with 66% of funding supporting students who are also lone parents. Glasgow City has the highest rate of lone parents of all 32 Scottish local authorities with 4 in 10 families with children being lone parent families, and wide neighbourhood differences across the city. Children in lone parent families are at twice the risk of experiencing relative poverty when compared with children in couple families (41% compared to 24%). Lone parents are not just young mothers; the average age of lone parents is around 38 years old; they have fractionally fewer children than couples; 9 out of 10 lone parents are female; 33% of unemployed lone parents have a disability or longstanding illness and; 34% have a child with a disability.

With lone parent figures in Scotland expected to rise over the next 25 years lone parents continue to be a priority group. ([Understanding Glasgow](#), Glasgow Indicators Project, 2017). Lone parents are also the guardians of the next generation, and the Scottish Government has recognised the importance of Childcare and Early Years

Strategies in both providing quality childcare in Scotland and providing opportunities for lone parents to train and work in this area

4.3 Further Education and Higher Education Discretionary Hardship Fund

Combined expenditure on hardship payments for FE and HE groups was £1,905,249. Although the number of students supported from the FE Fund (1,281), compared with the HE Fund (4,325) is higher, this is proportionate to the number of FE/HE students within the College. Due to the disparity, referred to earlier, between amounts awarded to FE students compared with those in HE, FE Discretionary Hardship Fund payments tend to be larger and used in the main to support those in immediate need of accommodation support, while HE students tend to need support with the cost of course materials.

4.4 Other Funds

In addition to the above the College has also sourced additional support from the John Mather Trust totalling £8,000 for bursaries for the Deck Officer Trainee Programme and Engineering Officer Programmes.

5. Update on Student Support Fund Activity 2018/19

The following provides a brief update on student support fund activity in 2018/19.

5.1 Student Financial Support in Scotland: Independent Review

The above Review reported in November 2017, the recommendations of the Review are included at Annexe A. There has been little movement since the report was first published mainly due to controversy around the recommendation to offer student loans to FE students. The NUS and other support groups oppose the recommendations, and in October 2018 the College participated in student focus groups at the request of the Scottish Government to gauge student feeling in relation to the Review recommendations. We will continue to engage and monitor progress.

5.2 Merge of Student Recruitment and Student Funding Functions

Following the restructure, the student recruitment and student funding functions have merged and will be managed by a single Manager. This change will allow further integration of both functions which have similar timeframes, systems and processes and will provide an improved more personalised and responsive service to students.

5.3 Changes to Attendance Monitoring

As mentioned under 4.1 the College has relaxed some of the financial penalties related to student absence which was also an action within the College Mental Health and Well Being Action Plan and Corporate Parent Action Plan, to ensure that those most disadvantaged are supported through short periods of ill health.

5.4 In Year Redistribution of Support Funds

Annually expenditure on student support tends to increase by at least the rate of inflation however, over the last 2 years expenditure has increased by approximately 9%. This can be attributed to various widening access and inclusion initiatives such as targeting those from SIMD10 and care experienced students. For example total expenditure related to students who are care experienced is likely to more than double this year to around £700,000 as a result of both the increase in the number of students disclosing they are care experienced, and an increase in the amount of Bursary they are awarded which has doubled from £4,000 to £8,000 per annum with immunity from means testing.

In addition, the relaxation of attendance monitoring (which could also be referred to as a widening access/inclusion initiative) will result in an additional £154,000 spend in 2018/19. As a result the College has requested and been successful in securing an additional £992,824 student support from SFC in 2018/19.

4. Finance and Resource Implications

Current projections indicate that the college will meet its student support obligations for 2018/19 within budget.

5. Risk to the College

Further widening access initiatives, either internally or externally via the Scottish Government, could impact further upon resources and ability to predict spend with accuracy; and if implemented in full, the recommendations of the Student Support Review would have far reaching implications for the college and sector.

Student Financial Support in Scotland: Independent Review

Summary of Recommendations

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.