

News

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Hyslop announces way ahead on student support

Cabinet Secretary increases incomes for the poorest students by up to £1,227.

Incomes of students hit by the recession could increase by as much as £1,227 for independent students, the bulk of whom will be 'mature' students, and up to £622 for dependent students, Cabinet Secretary for Education and Lifelong Learning, Fiona Hyslop, announced today.

Speaking as she allocated £30m in the next academic year to increase the income of up to 75,900 students, Ms Hyslop also announced that independent students will for the first time since devolution receive the same levels of income as dependent students supported by their parents.

Following the publication of an options paper earlier this month and recent discussions with NUS Scotland, Ms Hyslop confirmed that:

- £2m will be provided to increase the support available to students who have childcare needs, as originally proposed. This will be implemented by increasing childcare discretionary funds for the next academic year.
- For the first time, a grant for independent students of up to £1,000 will be created, benefitting an estimated 14,000 students of all ages who were previously solely reliant on loans, again as originally proposed.
- The maximum level of the income-assessed student loan, which currently attracts an interest rate of zero per cent, will be increased by £442, benefitting 75,900 or 68 per cent of eligible students and reducing their reliance on commercial loans with higher interest rates.
- Support available for young students will be increased. To ensure this goes as far as possible and is targeted at increasing the income of those in greatest need, this will be done by increasing the additional student loan from £605 to £785. This additional loan will also be extended to independent students. In total, this will benefit up to 44,500 students facing the greatest hardship.

Ms Hyslop said:

“Earlier this month, we announced a range of proposals to further improve the support available for students in the next academic year, building on a host of measures we have already introduced, from abolishing the graduate endowment fee to the £38m to replace loans with grants for up to 20,000 part-time students a year.

“Following detailed discussions with NUS Scotland, I can announce that student incomes will rise by up to £1,227 for independent students and up to £622 for dependent students and we will introduce a new grant for independent students – often mature students with their own families to support – to ensure they get the same help as other students. Overall, this will see the incomes of more than 75,000 students rise and help counter the impact of the recession on students who are finding it increasingly difficult to find part-time employment.

“We also intend, as we said we would, to increase the funding available for students with childcare needs and to increase the income assessed student loan by up to £442 next year.

“We have worked hard in close co-operation with NUS Scotland to ensure this money goes as far as possible and is targeted as effectively as possible. That’s why we will increase the additional loan available to those students in greatest hardship. This demonstrates our determination to adapt our policies in the short-term to raise the income of students when part-time work is harder to come by, when banks are lending money on less favourable terms and when students and their families are facing the greatest financial pressures.”

Background

1. For background on the proposals announced by the Scottish Government earlier this month, see:

<http://www.scotland.gov.uk/News/Releases/2009/10/07102114>

<http://www.scotland.gov.uk/Publications/2008/12/12121638/0>

2. For further information on the consultation on student support, launched on December 15 last year, please see:

<http://www.scotland.gov.uk/News/Releases/2008/12/15104356>

<http://www.scotland.gov.uk/Publications/2008/12/12121638/0>