EXECUTIVE NOTE TO

THE INDIVIDUAL LEARNING ACCOUNT (SCOTLAND) AMENDMENT REGULATIONS 2008

SSI/2008/1

1. These Regulations amend the Individual Learning Account (Scotland) Regulations 2004 (S.S.I. 2004/83) ("the principal regulations"). The regulations are made by Scottish Ministers under powers conferred by sections 1 and (3)2 of the Education and Training (Scotland) Act 2000. They are subject to negative resolution.

2. The principal regulations provide that Scottish Ministers may vary and determine the amount of grant for which a learning account holder shall be eligible depending upon whether the arrangements are "universal" or "targeted". The effect of these Regulations is to provide flexibility in the future for Scottish Ministers to vary the amount of grant payable, depending not only on whether the learning account holder is qualifying under the targeted or universal arrangements but also depending on the kind of course that they are undertaking and whether the course is full-time or part-time.

Background

3. Improved financial support for part-time higher education students is to be introduced from academic session 2008/09. This will consist of a £500 part-time HE fee grant for all new and existing students who earn £18,000 or less, and who are studying at 50% or more of a full-time course. This new funding is for HNC/HND/undergraduate degree courses (up to SCQF level 10) and will replace the current part-time loan. It will be delivered through a simplified ILA Scotland model.

Policy Objectives

4. Our review of part-time student support concluded that there is a gap in the current funding arrangements for part-time HE students, that is people in work on lower incomes who want to undertake substantial advanced part-time study but for whom the costs of study can be a barrier to participation and retention.

5. Most HE students studying part-time have to pay tuition fees. The only fee support currently available is for those on benefits through the institutional fee waiver scheme, or through ILA Scotland where an annual amount of up to £200 is available for those earning £18k (individual income) or less. Support for additional study costs is from an income assessed £500 loan, limited to independent students studying at least 50% of a full-time qualification and with annual household income of £15, 367 or less. With the average HE course fees for a complete part-time degree programme of around £4,800 in total (or £800 per year), the 'price' of part-time study is a significant issue for a number of part-time learners, both current and prospective.

6. The arguments for encouraging and supporting increased participation in part-time HE study (including distance learning courses) address both economic and social justice objectives. The overall policy aim is to help motivated individuals develop their skills and/or

obtain the qualifications that they need in their professional careers; and to enhance access to and improve participation and retention in part-time study in higher education.

7. Part-time and flexible study will be increasingly important in the future as people of all ages in Scotland look to build their skills and re-train to meet the changing needs of the economy and society.

Consultation

8. There has not been a formal consultation on the improved financial support for parttime higher education students; however we liaised extensively with stakeholders during our review of part-time student support.

Financial Effects of the Amendment Regulations

9. Budget provision of $\pounds 12m/\pounds 13m/\pounds 13m$ has been made for this new support over the period of the Spending Review

10. These regulations have a negligible effect on the Scottish Government, Local Government or on business. It has not been necessary to prepare a Regulatory Impact Assessment.

Higher Education and Learner Support December 2007