



# Education (Graduate Endowment and Student Support) (Scotland) Act 2001

## 2001 asp 6

### **1 The graduate endowment**

- (1) A graduate who is of such description as may be specified in regulations made by the Scottish Ministers shall be liable to pay to the Scottish Ministers in respect of the higher education benefits afforded to the graduate an amount to be known as the graduate endowment.
- (2) The graduate endowment is—
  - (a) such amount as may be specified in regulations made by the Scottish Ministers; or
  - (b) such amount as may be so specified as increased, on such dates as may be so specified, by reference to such percentage increases in the retail prices index as may be so specified.
- (3) A graduate who—
  - (a) has attained such age as may be specified in regulations under subsection (1) above; or
  - (b) falls within such other class of graduate as may be specified in, or determined under, such regulations,shall be exempt from liability for the graduate endowment.
- (4) The Scottish Ministers may by regulations—
  - (a) make provision for and in connection with the times at which, and manner in which, graduate endowments are to be paid; and
  - (b) make such other provision as they consider necessary and expedient for and in connection with the graduate endowment.
- (5) In this section—

“the 1992 Act” means the Further and Higher Education (Scotland) Act 1992 (c. 37);

“graduate” means a person who, having undertaken a course of higher education at a publicly-funded institution—

  - (a) has been awarded a degree in respect of such course; or

- (b) has not been awarded such a degree but, on ceasing to undertake such course, satisfied the academic requirements for the award of such a degree;

“higher education”, subject to any regulations made under subsection (6) below, shall be construed in accordance with section 38 of the 1992 Act;

“higher education benefits”, in relation to a graduate, means—

- (a) the financial support provided in respect of the graduate by way of a grant, loan or other payment such as is mentioned in the definition of “publicly-funded institution” below; and
- (b) any financial support provided to the graduate by way of any—
  - (i) allowance for living costs; or
  - (ii) loan,

payable by virtue of section 73(f)(i) of the Education (Scotland) Act 1980 (c. 44);

“publicly-funded institution” means—

- (a) an institution which, by virtue of section 4 or 40 of the 1992 Act, is in receipt of a grant, loan or other payment; or
- (b) a central institution (as defined in section 135(1) of the Education (Scotland) Act 1980 (c. 44)) which is in receipt of a grant, loan or other payment from the Scottish Ministers; and

“the retail prices index” means—

- (a) the general index of retail prices (for all items) published by the Office for National Statistics; or
- (b) where that index is not published for a month, any substituted index or figures published by that Office.

- (6) The Scottish Ministers may by regulations prescribe that such course, or class of course, falling for the time being within section 38 of the 1992 Act as may be specified in the regulations shall, for the purposes of this section, be treated as not falling within that section.
- (7) Any power of the Scottish Ministers under this section to make regulations shall be exercisable by statutory instrument; and, subject to subsection (8) below, any such statutory instrument shall be subject to annulment in pursuance of a resolution of the Scottish Parliament.
- (8) A statutory instrument containing the first regulations under this section shall not be made unless a draft of the instrument has been laid before, and approved by a resolution of, the Scottish Parliament.

## 2 Graduate endowment: use of income

- (1) The Scottish Ministers shall, in making budget proposals to the Scottish Parliament, include provision that the income arising from the graduate endowment for the financial year to which the proposals relate be used for the purposes of student support.
- (2) In subsection (1) above—
  - “budget proposals” means proposals made, in relation to each Bill for a Budget Act, for the use of resources; and
  - “student support” means the provision of—
    - (a) allowances for living costs; and

(b) loans,  
under section 73(f)(i) of the Education (Scotland) Act 1980 (c. 44).

### **3 Financial support for students**

- (1) The Education (Scotland) Act 1980 (c. 44) shall be amended as follows.
- (2) In paragraph (f) of section 73 (power of Scottish Ministers to pay allowances), for the word “attending” there shall be substituted—
  - “(i) undertaking; or
  - (ii) who have undertaken”.
- (3) In subsection (2) of section 73B (power to require amounts payable under loans to be paid directly to institutions), for the word “attending” there shall be substituted “undertaking”.
- (4) In subsection (1) of section 73D (maximum amounts of certain allowances: application of section), the words “attendance on” are repealed.

### **4 Council tax: students to be exempt from liability**

- (1) The Local Government Finance Act 1992 (c. 14) shall be amended as follows.
- (2) In subsection (4) of section 75 (exemption of certain persons from liability to pay council tax)—
  - (a) after the word “discount” there shall be inserted “either”; and
  - (b) after the word “impaired)” there shall be inserted “or, being a student, by virtue of paragraph 4 of that Schedule”.
- (3) In subsection (2) of section 77 (exemption of certain spouses from liability to pay council tax)—
  - (a) after the word “discount” there shall be inserted “(a)”; and
  - (b) after the word “impaired)” there shall be inserted “; or  
(b) being a student, by virtue of paragraph 4 of that Schedule.”.

### **5 Short title and commencement**

- (1) This Act may be cited as the Education (Graduate Endowment and Student Support) (Scotland) Act 2001.
- (2) Section 4 of this Act shall come into force on such day as the Scottish Ministers may appoint by order made by statutory instrument; and any such order may make such transitional or savings provision as appears to the Scottish Ministers to be necessary or expedient.