POLICY NOTE

THE EDUCATION (FEES AND STUDENT SUPPORT) (MISCELLANEOUS AMENDMENTS) (SCOTLAND) REGULATIONS 2018

SSI 2018/307

The above instrument was made in exercise of the powers conferred by sections 73(f), 73B and 74(1) of the Education (Scotland) Act 1980. The instrument is subject to negative procedure.

Policy Objectives

These Regulations make a number of miscellaneous amendments to the Repayment of Student Loans (Scotland) Regulations 2000 ("the Repayment Regulations") and the Education (Student Loans) (Scotland) Regulations 2007 ("the Loans Regulations"), The policy objectives of the main amendments are summarised below.

Reduce the maximum student loan repayment period from 35 to 30 years.

Regulation 2 amends the maximum loan repayment period set out in the Repayment Regulations.

The terms and conditions under which Income Contingent Repayment (ICR) student loans are repaid are laid out in the Repayment Regulations. They currently stipulate that unpaid student loans will be written off after the following periods:

- When the student reaches the age of 65 (for ICR loans taken out before 2007); or
- After 35 years (IRC loans taken out after 2007).

The amendments will reduce the maximum repayment period for ICR loans taken out after 2007 from 35 to 30 years.

Pre-2007 borrowers will have a maximum repayment period of whichever condition is met first:

- The borrower reaches the age of 65; or
- The borrower reaches the 30th anniversary of the date that the borrower became liable to repay their student loan.

This distinction is required to ensure that the move to a maximum repayment period of 30 years (the policy intention of which is to provide more favourable terms and conditions for new and existing borrowers) does not disadvantage older pre-2007 borrowers who may reach the age of 65 less than 30 years after originally taking out their student loan and would therefore be disadvantaged by the change to a universal 30 year repayment period compared to the terms and conditions under which they currently repay.

The 2018 Scottish Government Programme for Government made a commitment to reduce the maximum student loan repayment period from 35 to 30 years.

Support for Educational Psychology students

Regulation 3 excludes students in receipt of an 'Educational Psychologist Training Grant' provided for under section 42 of the Standards in Scotland's Schools etc. Act 2000, from accessing a postgraduate tuition fee and living-cost loan. The purpose of this is to remove the scope for duplication of funding for postgraduate Educational Psychology students.

Currently students undertaking postgraduate degrees in Educational Psychology can access a tuition fee loan and living-cost loan of up to £10,000 per year. From academic year 2018-2019, in order to secure a sustainable supply of educational psychologists, a new training grant to cover the tuition fees and living costs for students undertaking postgraduate Educational Psychology masters degrees, as well as a further year professional practice placement, is being implemented and funded by the Scottish Government Learning Directorate in partnership with local authorities. It is the policy intention that this support should be provided instead of, rather than in addition to, the current postgraduate student loan package.

Consultation

A consultation was not considered necessary due to the nature of the amendments.

Impact Assessments

An Equality Impact Assessment has been carried out for the amendments relating to the loan repayment period. An EQIA for the other amendments was not considered necessary due to the nature of the amendments.

Financial Effects

A BRIA is not necessary as the instrument has no impact upon business, charities or voluntary bodies.

Scottish Government
Directorate for Advanced Learning and Science
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