

# Supporting Scotland's Future



A RESEARCH REPORT BY SCOTLAND'S COLLEGES

A REPORT OF RESEARCH  
CONDUCTED WITH 1,054 STUDENTS  
IN SCOTTISH COLLEGES BETWEEN  
SEPTEMBER AND DECEMBER 2008.

 Scotland's Colleges

# INTRODUCTION

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During the autumn of 2008, Scotland's Colleges surveyed over 1,000 students up and down the country to obtain the views of Scotland's college students studying further and higher education, on their support, funding and attitudes towards debt and hardship. The results are extremely valuable and will inform Scotland's Colleges policy-making on student support into the future.

Scotland's Colleges is currently campaigning for the introduction of bursary support for higher education students in Scottish colleges as our contribution to the debate around student support started by the Scottish Government.

This research adds weight to our arguments, clearly showing the extent to which decisions made by college students revolve around financial support and demonstrating that for those students in colleges, particularly those experiencing student loans first-hand, debt is a far greater problem than hardship.

I look forward to Scotland's Colleges engaging in and leading the debate on student support and hope that this report will direct the focus of discussions towards the concerns and problems facing students in our 43 colleges.

## **Sue Pinder**

Principal of James Watt College  
Lead Principal for Scotland's Colleges

Throughout this report, usage will be made of the terms FE and HE. Further education (FE) students are those studying non-advanced courses such as National Certificates, SVQs, Highers etc. Higher education (HE) students are those studying advanced level courses – Higher National Certificates (HNCs) and Diplomas (HNDs).

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## EXECUTIVE SUMMARY

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The main findings of this research are detailed below.

### **FINANCIAL CONCERNS**

The biggest consideration for students applying to college is, overwhelmingly, money. Nearly half of all students cite money as a key consideration, with older students the most likely to raise it as a concern.

### **UNDERSTANDING OF STUDENT SUPPORT**

More than half of all students do not understand how decisions are made to calculate their student funding and support.

### **FURTHER STUDY**

Nearly three-quarters of further education students are considering studying for an HNC or HND, yet almost half of these do not know that the funding system changes dramatically when moving from FE to HE, from a college bursary to a student loan.

### **DEBT CONCERN**

Three-quarters of students with a student loan were concerned by the prospect of getting into debt when applying to college.

### **DEBT OR HARDSHIP**

A large majority of higher education students in colleges find their debt levels to be a significant problem and would far rather have greater financial hardship than be in debt.

### **RECOMMENDATIONS**

This report recommends an overhaul of the mechanisms of student support in colleges, starting with the removal of the debt burden from HNC and HND students and then looking at ways to simplify the funding systems, making them easier to understand, less complex and more closely interlinked with the benefits system.

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# 1. BACKGROUND

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## 1.1 SCOTLAND'S COLLEGES – KEY FACTS

Scotland's 43 colleges of further and higher education are at the forefront of lifelong learning, education, training and skills. Colleges support individuals, communities and businesses to maximise their potential, development and growth.

- 23% of college activity is higher education, 77% is further education
- More than 30% of young Scots entering higher education for the first time do so in a college
- Colleges enrol more than 360,000 students each year and employ more than 21,000 staff
- 26% of teaching is for students from Scotland's most deprived 20% of postcodes
- The average age of a student in a college is 31, with more than 52% of students aged over 25
- Colleges have over 4,000 local access locations
- For every £1 colleges receive in funding, the economy benefits by well over £3.20
- One in 10 of Scotland's working age population is enrolled in a college

## 1.2 STATISTICAL PROCESS

Between September and December 2008, 1,054 students were surveyed at random by Scotland's Colleges.

No reward was given for completion of surveys and those surveyed were made aware that their responses were confidential. No names or contact details were taken.

A sample size of 1,054 from a population of approximately 360,000 students gives a 95% confidence interval (accuracy level) of  $\pm 3\%$ .

A sample copy of the surveys is contained in the Appendix. All students completed the first page asking generic questions. Students studying FE and HE courses were then given a different second page, this reflects the fact that FE and HE students currently receive different types of funding.

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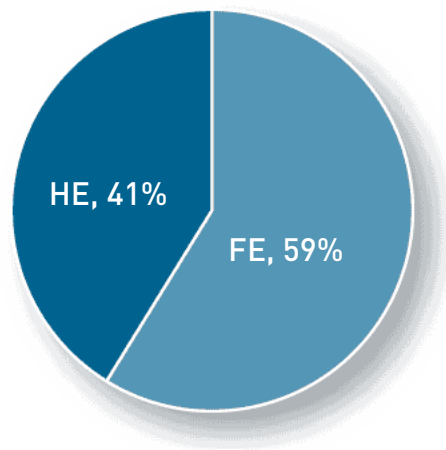
## 2. DEMOGRAPHICS OF RESPONDENTS

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### 2.1 COURSE LEVEL

More students surveyed were studying FE courses than HE courses, reflecting the make-up of students in Scotland's Colleges. Both FE and HE sample sizes are sufficiently large to allow statistically significant conclusions to be drawn.

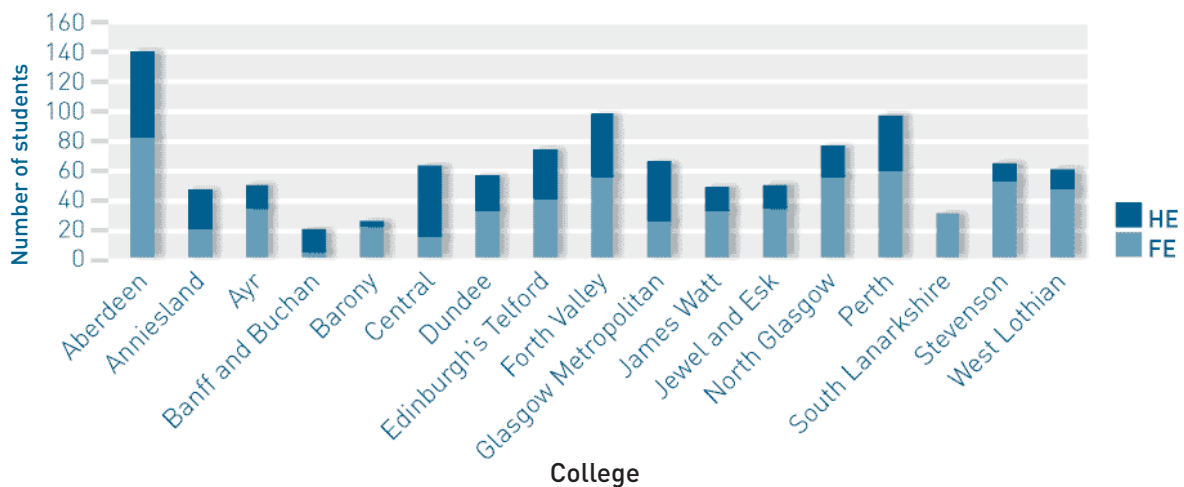
Figure 1: COURSE LEVEL OF RESPONDENTS



### 2.2 GEOGRAPHICAL LOCATION

The 1,054 students were enrolled in 17 individual colleges, spread around the country as demonstrated in Figure 2.

Figure 2: COLLEGES SURVEYED

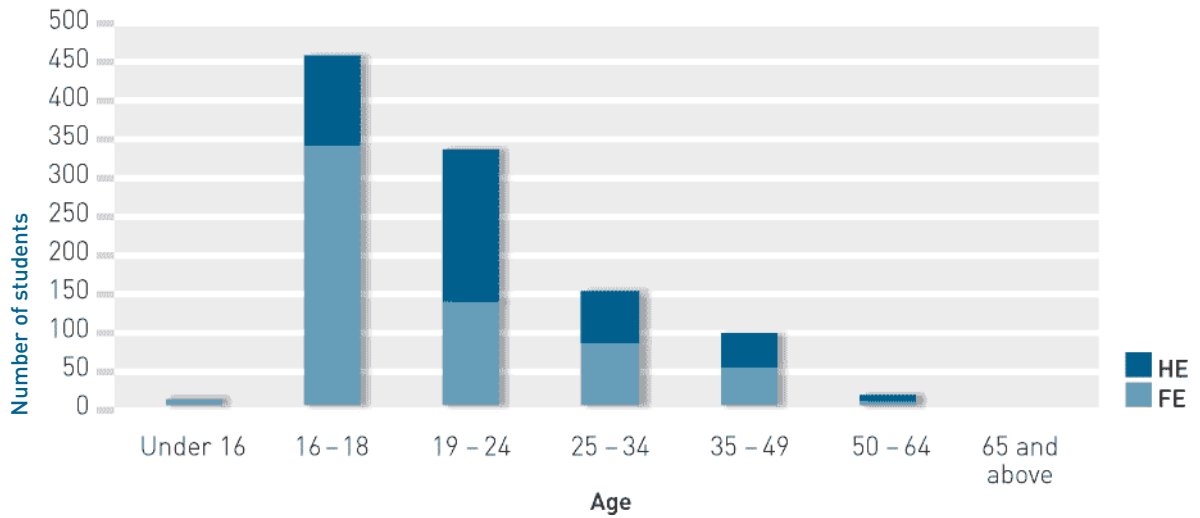


## 2. DEMOGRAPHICS OF RESPONDENTS

### 2.3 AGE

The majority of FE students surveyed were aged between 16 and 18.  
The majority of HE students were between 19 and 24.

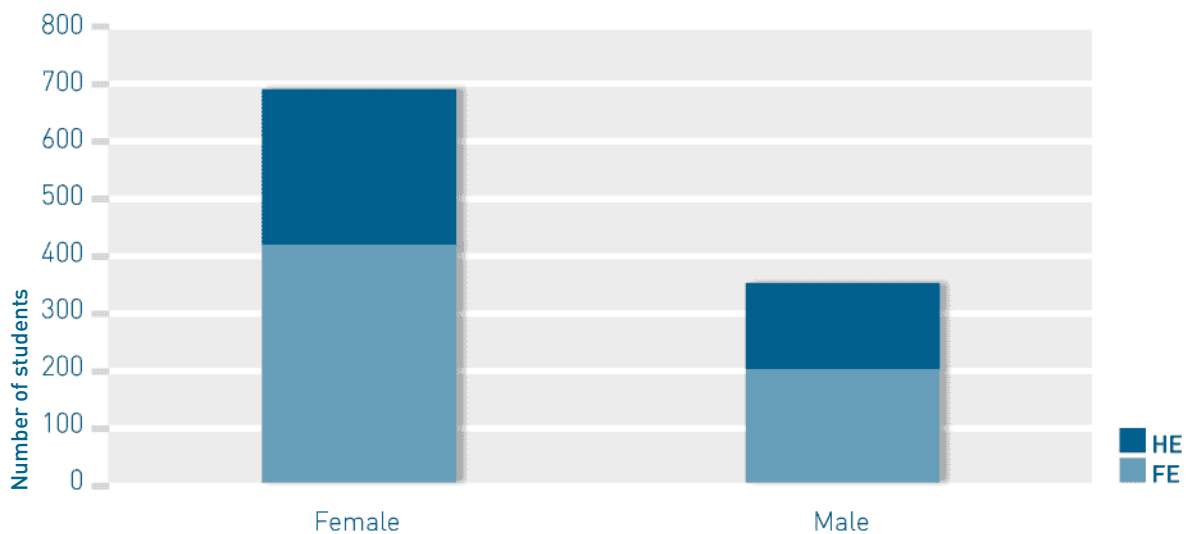
Figure 3: AGE AND LEVEL OF STUDY



### 2.4 GENDER

The majority of students surveyed at both FE and HE level were female.  
This is reflective of the demographics of Scotland's Colleges.

Figure 4: GENDER



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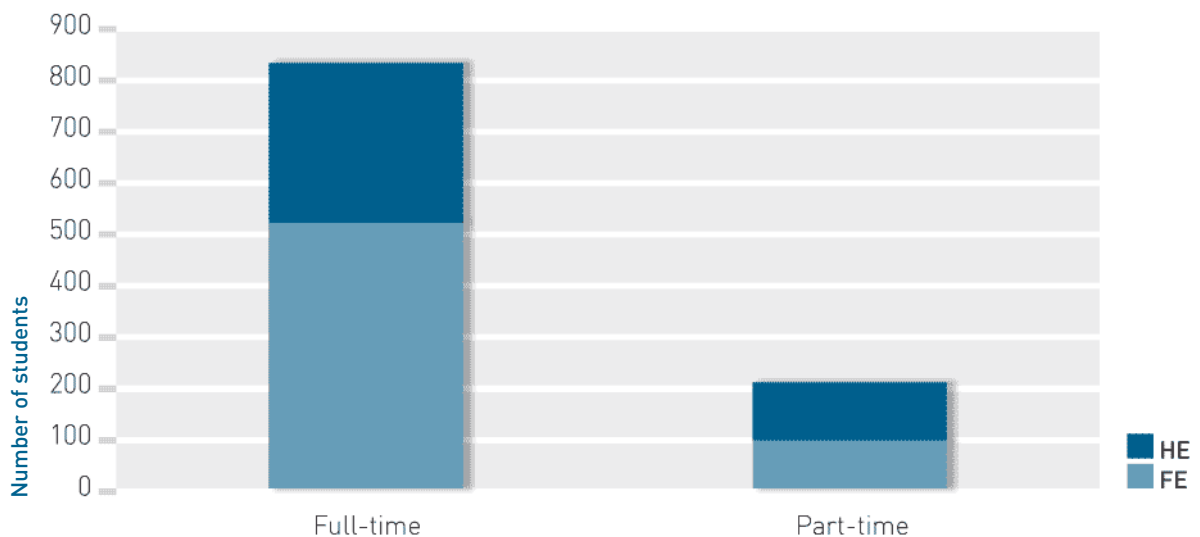
## 2. DEMOGRAPHICS OF RESPONDENTS

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### 2.5 MODE OF STUDY

The majority of students surveyed at both FE and HE level were full-time. This indicates a slight bias towards full-time students in the results. Full-time students attend college more frequently and are therefore more likely to have been available to complete surveys. This has resulted in many of the findings relating primarily to full-time students – the findings will still be useful in assessing the experiences of part-time students, but will be slightly less accurate (approximately  $\pm 7\%$ ).

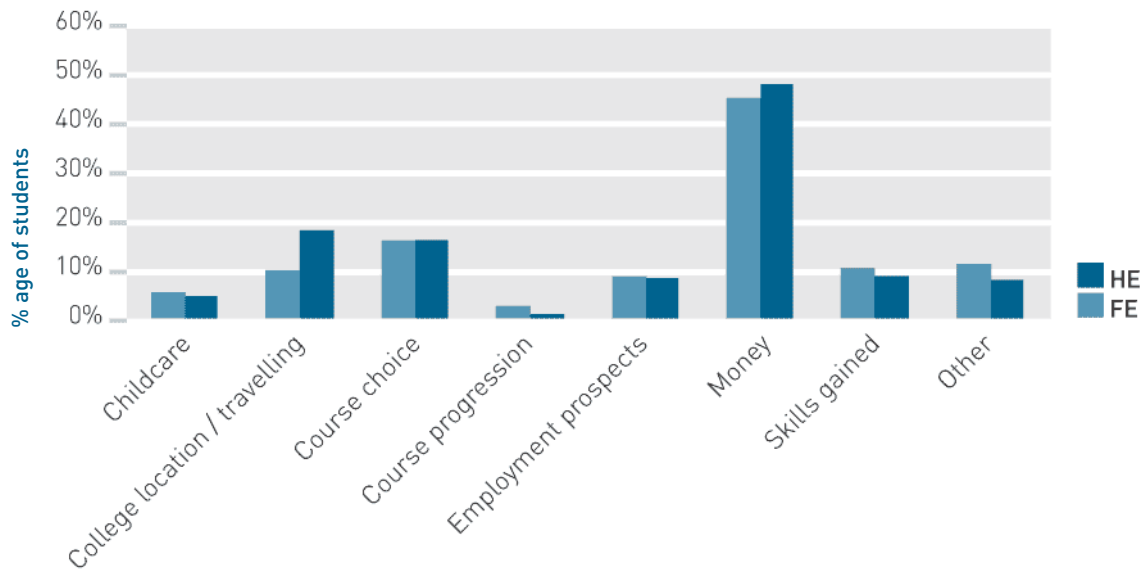
Figure 5: MODE OF STUDY



### 3. CONSIDERATIONS ON APPLYING

All students were asked what their biggest considerations were when deciding whether or not to undertake learning. This graph is plotted as the percentage of all students answering this question who stated each consideration. 80% of students stated just one consideration, however because a small group of students cited more than one consideration, the overall percentages for FE and HE total slightly more than 100%.

**Figure 6: MAIN CONSIDERATIONS WHEN APPLYING TO COLLEGE**



Almost half of all students state that money is a key consideration when deciding whether or not to attend college. Financial factors are, by far, the biggest consideration for students going to college. Given this, it can be suggested that financial factors may well be one of the biggest factors in students deciding not to go to college.

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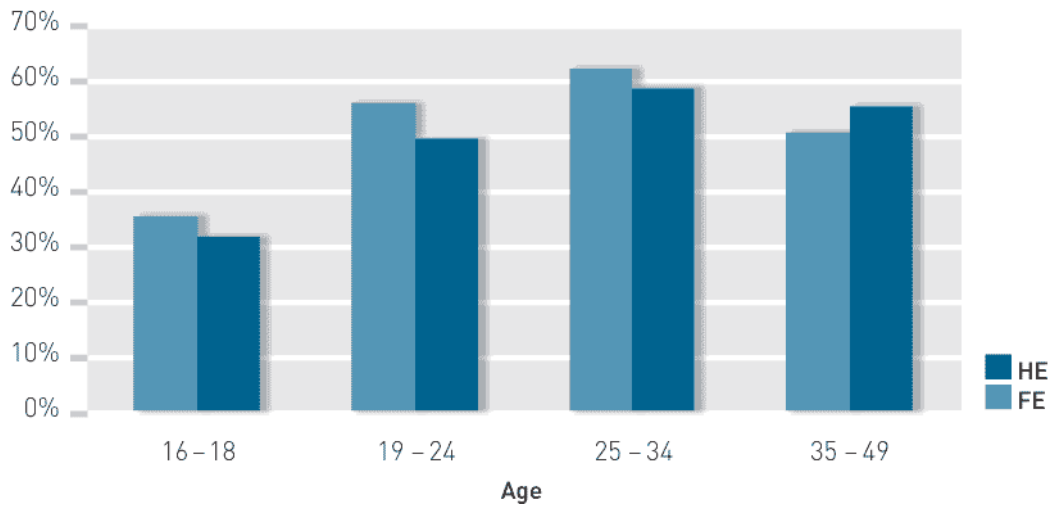
### 3. CONSIDERATIONS ON APPLYING

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#### 3.1 MONEY AS A CONSIDERATION BY AGE

When broken down by age, older students are those most likely to classify money as a consideration. This reaches a peak in the 25-34 age group, with approximately 60% of students stating this.

**Figure 7: PERCENTAGE OF STUDENTS IN EACH AGE GROUP STATING MONEY AS A CONSIDERATION**



Note: age groups in Figure 7 where the numbers have become so small as to become statistically unreliable have been removed. These age groups are under 16, 50-64 and over 65.

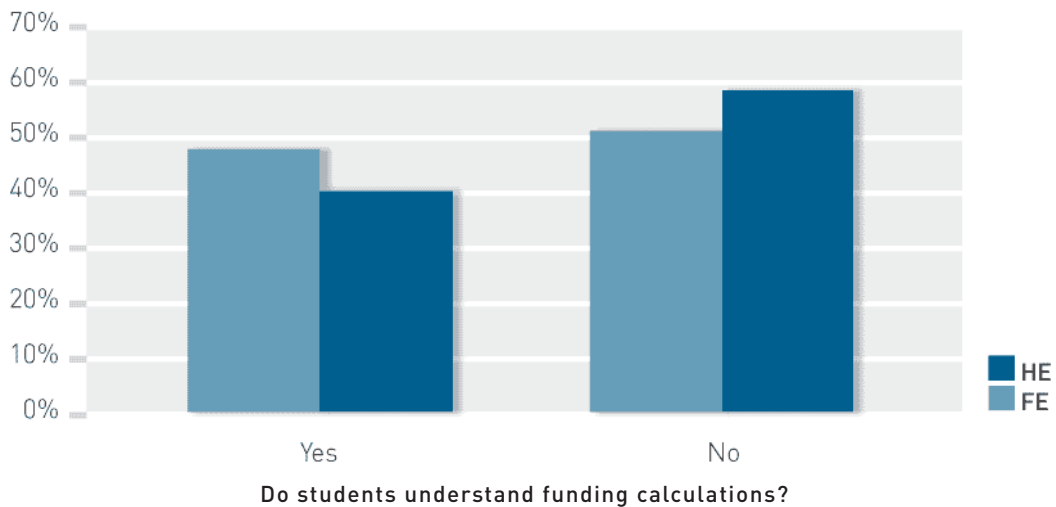
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## 4. UNDERSTANDING OF STUDENT FUNDING

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All students surveyed were asked whether they understood the calculations that were made in order to work out their student funding.

**Figure 8: UNDERSTANDING OF FUNDING CALCULATIONS**



The level of understanding of funding calculations does not vary significantly between the group of students that stated money as a key factor when considering college, and those that did not.

A large number of students, more than half of both FE and HE students, do not understand how their level of student support has been calculated. HE students find their support hardest to understand. This may be because they do not have the advantage of seeing a bursary officer face-to-face that FE students have, or because student loans have a far less favourable interaction with the benefits system, leading to far greater complications with HE student funding. This could also reflect the nature of the FE and HE funding systems and suggest that a localised and individually responsive funding model, as used for FE courses, could be easier for students to comprehend.

Despite Figure 6 revealing that funding is the single biggest consideration, the majority of students do not know how their funding has been calculated. This imbalance must cause difficulties for students considering taking on a college course.

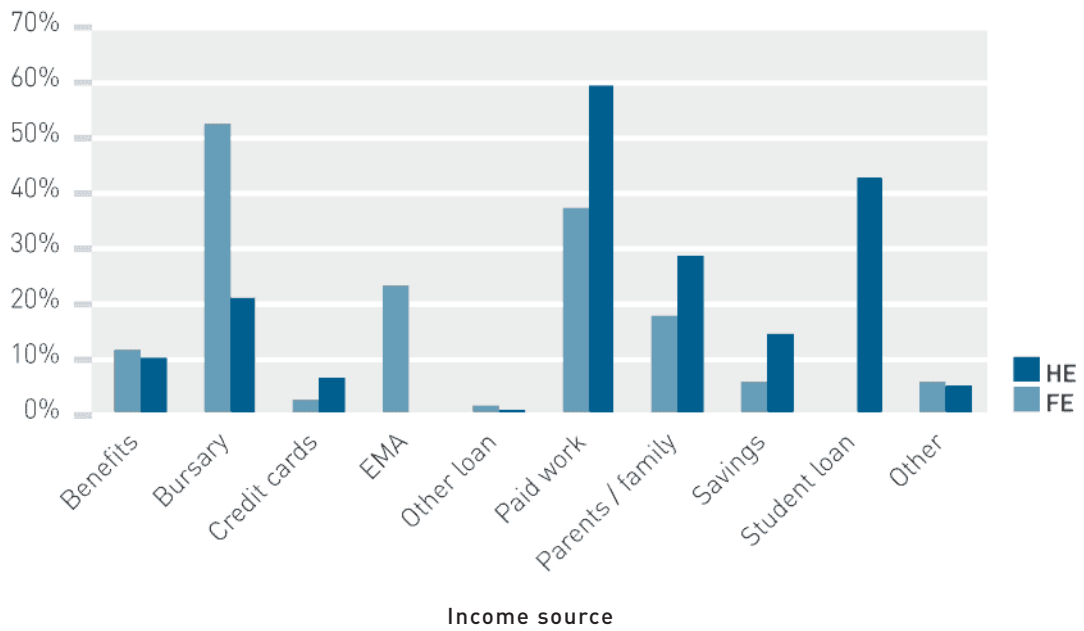
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## 5. SOURCES OF INCOME

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All groups of students were asked to outline their main income sources.

**Figure 9: SOURCES OF INCOME**



Paid work is the main source of income, followed by student loans for HE students. College bursaries and paid work are the key income streams for FE students.

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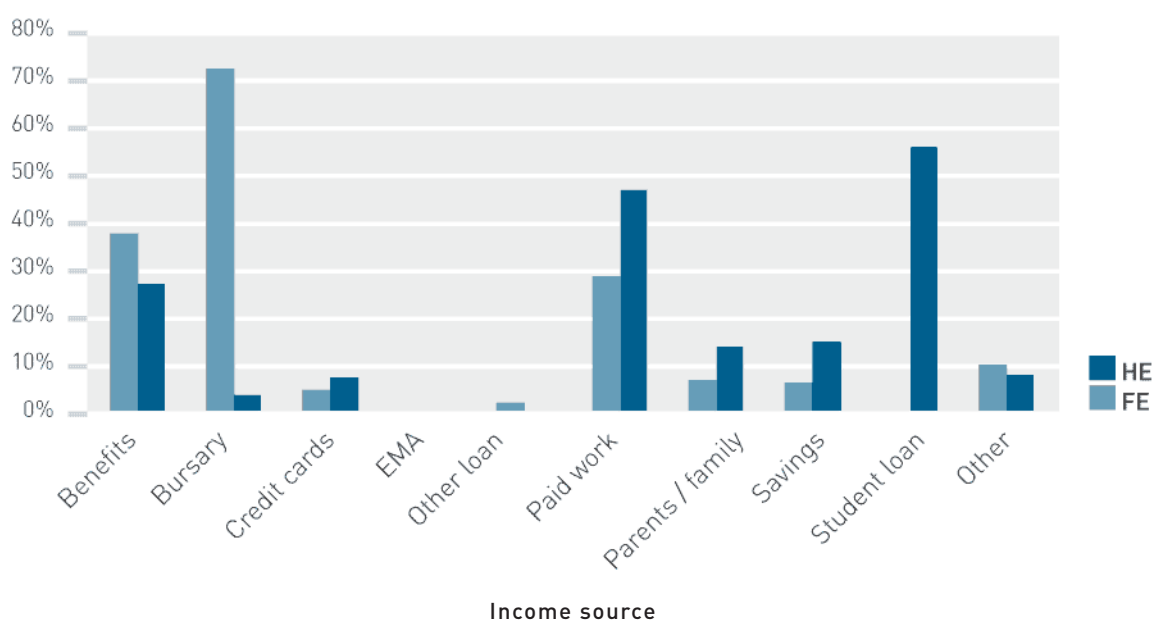
## 5. SOURCES OF INCOME

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### 5.1 INCOME FOR THOSE OVER 25

For students over the age of 25, the pattern of income sources changes. While bursaries, student loans and paid work remain important income sources, benefits become an increasingly important income stream to many students. Almost 40% of FE students over 25 surveyed receive some form of benefits.

Figure 10: SOURCES OF INCOME FOR OVER 25s



Note: EMAs are only available for students under 20, therefore this income source reduces to zero for this age group.

### 5.2 IMPACT OF COLLEGE ON BENEFITS

Those students receiving benefits were asked to state what impact going to college had on their benefits. Very few students took the time to answer this question, however of those that did, almost all stated that going to college had reduced or stopped their benefits altogether. Some also added that this had made it very hard to live whilst at college.

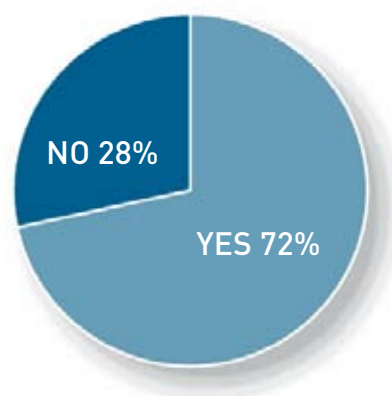
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## 6. CONSIDERING FURTHER STUDY

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Students studying FE level qualifications were asked whether they were considering studying for an HNC or HND in the future. Almost three-quarters said they were considering moving onto HE level study.

**Figure 11: FE STUDENTS CONSIDERING HN STUDY**



### 6.1 THE CHANGE IN FUNDING MECHANISMS

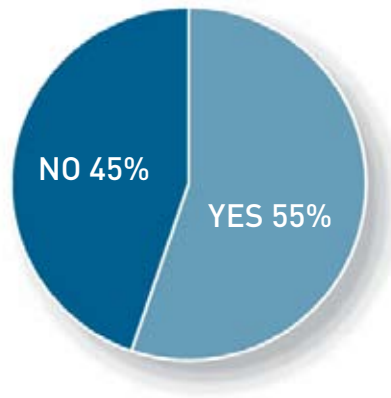
When students move from FE level to HE level, the funding system moves from a bursary administered by the college onto a student loan administered centrally through the Student Awards Agency for Scotland (SAAS). Those students considering applying for HNCs or HNDs were asked whether they knew the funding system changed between FE level courses and HE level courses.

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## 6. CONSIDERING FURTHER STUDY

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**Figure 12: AWARENESS OF CHANGE TO FUNDING SYSTEM BETWEEN FE AND HE**



The level of awareness of the funding system change does not vary significantly between the group of students that stated money as a key factor when considering college, and those that did not.

Earlier findings (Figure 6) have demonstrated that money is an important factor in decision-making before coming to college. Statistics from the Scottish Funding Council show that in actual fact, the numbers transferring from FE to HE courses within colleges is under 15%, far less than the 72% that consider applying.

Given money is the key deciding factor for many students, and that so many more students consider studying at HN level than actually go, the question of why students decide not to attend HE courses is worthy of investigation.

One possible explanation, given the findings above and in Figure 6, is that students pursue their aim of getting an HN, only to be dissuaded once the true nature of the funding system and the debt they will accrue is revealed to them.

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## 7. IMPACT OF DEBT

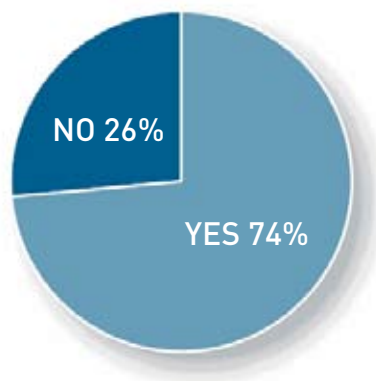
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Both FE and HE students were asked differing questions on the themes of debt and hardship.

### 7.1 HE STUDENTS' DEBT LEVELS

HE students were asked whether they were concerned by the possibility of getting into debt to attend college. Of those students in receipt of a student loan, 74% were concerned about the prospect of debt.

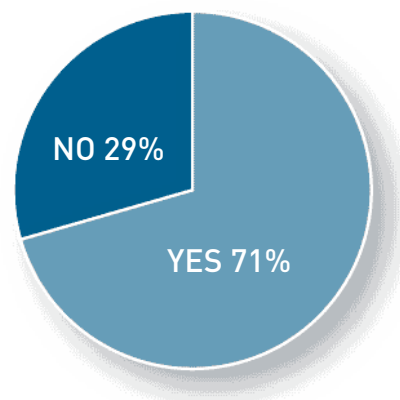
**Figure 13: WERE YOU CONCERNED BY THE PROSPECT OF DEBT?**



### 7.2 HE STUDENTS' PREFERENCE FOR DEBT OR HARDSHIP

HE students were asked whether they would be willing to avoid getting into debt, even if it meant they could have less money. This is to determine whether HE students are more concerned about debt than hardship.

**Figure 14: WOULD YOU PREFER TO AVOID DEBT IF IT MEANT HAVING LESS MONEY?**



71% of HE students find debt to be a bigger problem than hardship.

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## 7. IMPACT OF DEBT

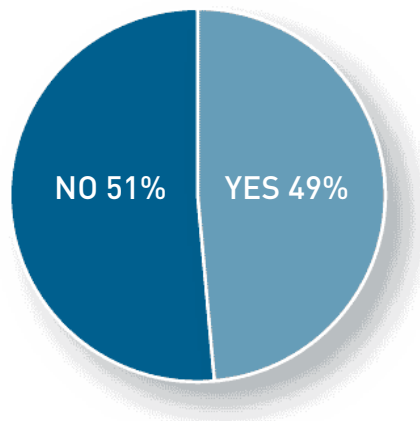
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### 7.3 FE STUDENTS' PREFERENCE FOR DEBT OR HARDSHIP

FE students were asked whether they would like to have more money, if they would have to pay it back (as a loan) once they start to earn money.

Overall, the results were fairly ambiguous, with only slightly more students showing a preference towards financial hardship over getting into debt.

**Figure 15: IF YOU COULD HAVE MORE MONEY BUT WOULD HAVE TO PAY IT BACK AS A LOAN, WOULD YOU TAKE IT?**



Taking a closer look at various groups of FE students produces some rather surprising results.

- The youngest FE students are the most debt-averse, despite other research suggesting mature students are the most reluctant to get into debt.
- The majority of students on benefits would be willing to take out a loan, whilst those not on benefits would prefer to avoid the debt. This could be because the question was phrased in such a way as to suggest that money would be re-paid when students started to earn money.
- Students who receive no college bursary are more debt-averse than those who do receive a bursary.
- The group most strongly opposed to taking a loan are those students receiving Educational Maintenance Allowances (EMAs).

**The unexpected nature of these results is worthy of further research.**

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## CONCLUSION

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In common with most research, this report leads to more questions than it answers.

*Why do so many students consider studying for an HNC or HND, and then decide against it?*

*Why are the youngest students the most deterred by debt, when other research suggests the opposite?*

*Why do so many students, particularly in higher education, find the student support systems so difficult to understand?*

Nevertheless, this research reveals some important realities about our current systems of student funding and support.

Of those college students who are in debt, the vast majority do not want to be. Debt is a huge deterrent for college students, who would far rather live in greater hardship than face mounting student loan debts.

Finance is the single biggest deciding factor for college students on entering education, yet students still face funding calculations that are so complex they cannot be understood, benefits that are reduced when they enter college and debts they do not want.

This report recommends an overhaul of the mechanisms of student support in colleges, starting with the removal of the debt burden from HNC and HND students and then looking at ways to simplify the funding systems, making them easier to understand, less complex and more closely interlinked with the benefits system.

If these changes are not made, students will continue to aspire towards courses they cannot afford to study, and whole groups of Scottish society will never achieve their full potential.

**James Alexander**  
Scotland's Colleges  
January 2009

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or 01786 892 024.**

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## APPENDIX QUESTIONNAIRES

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On the next three pages are copies of the questionnaires given to students to complete.

All students completed the 'General' page, then, depending on their answer to the final question on this page, were given either an 'FE' page or an 'HE' page to complete.

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# CONFIDENTIAL QUESTIONNAIRE

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## GENERAL

Name of college

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Age

16-18    19-24    25-34    35-49    50-64    65+

Gender

Male    Female

Is this your...?

1st year    2nd year    3rd year    4th year +

How many hours every week are you at college?

[Including classes / workshops etc]

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What level of course are you studying?

NQ / SVQ / Highers etc [complete the FE page]

HNC / HND [complete the HE page]

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## CONFIDENTIAL QUESTIONNAIRE

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### IF FE:

What were your biggest considerations when deciding whether or not to come to college?

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Do you understand how calculations were made on your student funding?

Yes  No

What are your sources of income? [Tick all that apply]

- |  |   |
|--|---|
| <input type="checkbox"/> College bursary | <input type="checkbox"/> Credit cards           |
| <input type="checkbox"/> Other loans     | <input type="checkbox"/> Parents, family etc    |
| <input type="checkbox"/> Savings         | <input type="checkbox"/> Benefits / Tax Credits |
| <input type="checkbox"/> EMA             | <input type="checkbox"/> Paid work              |

Other

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If you get benefits or tax credits, what impact did coming to college have on them?

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Are you considering studying for an HNC/HND?

Yes  No, reasons? 

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If so, did you know that the funding system for HNC/HND courses is different from your current system?

Yes  No

If you could have more money, but would have to pay it back (as a loan) once you start to earn money would you take it?

Yes  No

**Thank you for your time!**

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## CONFIDENTIAL QUESTIONNAIRE

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### IF HE:

What were your biggest considerations when deciding whether or not to come to college?

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Do you understand how calculations were made on your student funding?

Yes  No

What are your sources of income? [Tick all that apply]

- |   |   |
|---|---|
| <input type="checkbox"/> Credit cards           | <input type="checkbox"/> Student loan, amount £ _____ |
| <input type="checkbox"/> Other loans            | <input type="checkbox"/> Bursary                      |
| <input type="checkbox"/> Parents, family etc    | <input type="checkbox"/> Savings                      |
| <input type="checkbox"/> Benefits / Tax Credits | <input type="checkbox"/> Paid work                    |

Other

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If you get benefits or tax credits, what impact did coming to college have on them?

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Were you concerned about the possibility of getting into debt to come to college?

Yes  No

If you could avoid getting into debt, but that would potentially mean having less money, would you take it?

Yes  No

**Thank you for your time!**

Reg Co: SC143210 Reg Charity No: SC023848



 Scotland's Colleges

Thanks to Adam Smith College and Cumbernauld College for photography.