

Review of the Part-Time Fee Grant

Response from The Open University in Scotland

March 2015

Summary

The Open University in Scotland welcomes the opportunity to respond to the Scottish Government's review of the Part-Time Fee Grant. The key points from our response are summarised below:

- Part-time provision plays a significant role in widening access to higher education and ensuring the skills needed for a vibrant economy are supported;
- The Review should result in clear written guidance on eligibility to ensure students on low incomes are not inadvertently excluded from accessing higher education;
- Distance learning students studying full-time (120 credits in one year) should continue to have access to the PT Fee Grant;
- OU students should be awarded the higher fee level of the PT Fee Grant unless they are explicitly studying for a qualification below degree level;
- The 30 credit threshold for the PT Fee Grant should be dropped;
- Fee support for part-time students would benefit from more joined up thinking between the team responsible for the ILA 200 and the team responsible for the PT Fee Grant;
- There is a strong case for the PT Fee Grant to be offered to students in other forms of education to enable more efficient learner journeys;
- A review of the timescales for processing the PT Fee Grant as well as exploring whether the process could be moved to a computerised system would be helpful.

Introduction

The Open University in Scotland very much welcomed the Scottish Government's decision to extend the Part-Time Fee Grant in July 2013 to a wider group of students which put part-time students in Scotland on an equal footing with full-time students for the first time.

A streamlined fee-support system for part-time students had previously been overlooked by successive governments, despite the key roles that part-time provision plays in widening access and supporting a vibrant and growing economy through up-skilling the workforce.

As OU students are the largest group of beneficiaries of the PT Fee Grant, The Open University has worked closely with the Scottish Government on the development and

implementation of the grant. We are therefore aware that there have been a number of issues with the grant and that these have mostly arisen from a lack of clear written guidance on eligibility criteria. As a result, we very much welcome this review and hope the review will result in clear eligibility criteria that ensures no part-time students on low incomes are inadvertently excluded from accessing higher education [on the basis of ability to pay].

Our response falls into three sections:

1. Benefits of part-time higher education
2. Policy issues related to the PT Fee Grant
3. Processing issues related to the PT Fee Grant

SECTION 1 - BENEFITS OF PART-TIME HIGHER EDUCATION

Part-time provision has often been seen as the 'Cinderella' of the higher education sector, with little attention paid to the needs of those students who do not enter full-time, campus-based study. This has been a missed opportunity given the vital roles that part-time plays in widening access to higher education and maintaining the skill levels needed for a vibrant economy.

i) Promotes wider access to higher education

Part-time study plays a key role in extending educational opportunities to people from non-traditional backgrounds and/or to students who would otherwise be excluded from higher education due to their personal circumstances, such as having caring responsibilities, living in a remote or rural area and/or having a disability.

The profile of part-time students differs significantly from that of full-time students. For example, only 6% of full-time students entering UK universities are aged 30 or over compared with 60% of part-time students¹. The average age of students entering The Open University in Scotland is 30, with many of our students tentatively returning to study later in life, often after a bad experience of learning at school and/or having left school without traditional entry qualifications for university. Evidence suggests that such students, particularly those from 'hard to reach' communities, feel more comfortable studying below full-time intensity and taking one module at a time, until they reach higher levels of confidence.

Data collection across the sector on part-time students is not as comprehensive as it is for full-time students. However, The Open University accounts for nearly 50% of the part-time market in Scotland and using data from our students we can illustrate how our students differ from that of full-time students.

OU students are more likely to come from non-traditional backgrounds. For example, in 2012/13, 45% of OU students were in households with an income of less than £16,500, with a further 11% of our students earning less than £22,000. In addition, in 2012/13, almost 40% of our students came from SIMD 20 and 40.

¹ HESA General Statistics Statistical First Release 210 – Table 6A and 6B

In 2013/14, there were over 2,000 students with a declared disability studying with the OU in Scotland (accounting for 16% of our undergraduates). We know that many of these students choose to study with the OU because of the flexibility of part-time provision and/or because full-time campus based provision would not be possible for them.

ii) Raises the skills level of the workforce

A strong and vibrant part-time higher education sector is essential to grow Scotland's economy through offering flexible provision to support re-skilling and up-skilling to those already in the workforce or those wishing to enter it. Almost 70% of OU students are in full-time or part-time employment. We know that the majority of part-time undergraduates study for vocational and professional qualifications, with a stated aim of furthering their careers. In addition, we know the vast majority of part-time students are in work and that most are able to immediately apply the skills and knowledge learnt on their courses to their jobs and bring real-time experience to their studies.

Moreover, employers believe that employees studying part-time have the skills and knowledge that are equal to or better than those who gain their qualifications on full-time courses.²

SECTION 2. POLICY ISSUES RELATED TO THE PT FEE GRANT

As stated above, The Open University has worked closely with the Scottish Government and the Students Awards Agency for Scotland (SAAS) on the development and the implementation of the Part-Time Fee Grant. We have highlighted below some areas we believe the grant needs to be adapted or where greater clarity is needed on Scottish Government policy.

Clear guidance

The policy to extend the Part-Time Fee Grant (PTFG) to a wider group of students was introduced in 2012 without regulations or detailed guidance which has led to a number of oversights as well as misunderstandings about eligibility among the Scottish Government, Students Awards Agency for Scotland (SAAS), HEIs and students. In some cases, part-time students on very low incomes who had previously had their course fees paid through the Scottish Funding Council's Fee Waiver Scheme, found that they were ineligible for the PT Fee Grant once it was introduced in July 2013.

On the back of concerns raised by The Open University, the Scottish Government has overturned some of the decisions made by SAAS around eligibility and these are outlined in more detail below. However, it is clear from the misunderstandings to date, that this review must result in clear written guidance on eligibility to ensure part-time students on low incomes are not inadvertently excluded from accessing higher education or subject to arbitrary decisions made by officials in SAAS.

² *Employer perspectives on part-time students in UK higher education* Mason, G. HESCU, Manchester 2010.

Studying full-time by distance learning

A small number of students choose to study full-time (i.e. take 120 credits in the same academic year) with The Open University in Scotland and study by distance learning because they are not in a position to attend a campus-based university. This is often due to a disability, their location in a rural or remote area and/or caring responsibilities. However, we also have students who might choose to study at full-time intensity for just one year of their studies when their personal circumstances allow, for example, in their final year to complete their degree as fast as possible. Before the introduction of the Part-Time Fee Grant these students could access the Part-Time Fee Waiver and get their fees waived if they were in households with incomes of less than £16,500 or on certain benefits.

The OU in Scotland understands that the upper threshold for the PT Fee Grant was originally set at 119 credits based on Scottish Government concerns that giving distance learning students studying 120 credits (full-time) access to the grant might open up legal challenges around providing other forms of support to those students and/or obliging the government to provide funding to private providers outside of Scotland.

The Scottish Government subsequently agreed to increase the upper threshold of the PT Fee Grant to 120 credits to 'non-campus based' HEIs for students in Academic Year 2014/15. The Open University very much welcomed that decision as it has opened up the PT Fee Grant to those students who had previously found themselves in the frustrating position of being ineligible for fee support, classified as neither 'full-time' nor 'part-time'.

This decision needs to be captured in the written guidance that The Open University anticipates will result from the current review.

Course fees over £1,820

A small number of part-time courses at Scottish universities, mainly those in law and business faculties, charge fees above the (higher) fee level of the PTFG (£1,820). The Open University in Scotland took a decision at an institutional level in 2013, ahead of the introduction of the PT Fee Grant, to waive any difference between its module fees and the PT Fee Grant for eligible students. This decision was made in line with the spirit of the Scottish Government announcement to ensure part-time study in Scotland would be free to all students on low incomes. As a result, any OU student who meets the PTFG eligibility criteria does not currently pay any fees.

However, it should be noted that this decision was made on the understanding that OU students would receive the higher payment of the PT Fee Grant (see below for more details of the different fee levels).

Fee level for OU students on modules at SCQF levels 7 & 8

In the absence of detailed guidance, The Open University in Scotland understands that the Students Awards Agency for Scotland (SAAS) has been applying regulations for full-time students to the PTFG (see Appendix 1 for the regulations). Based on those regulations, there are two levels of payments for the PTFG:

- Up to £1820 for publicly funded degree level courses

- Up to £1,285 for publicly funded Higher National Awards

The Open University in Scotland learned in September 2013, that SAAS officials had made a decision to award students undertaking OU modules at SCQF levels 7 and 8 the lower fee level unless the students explicitly stated on their application forms that they were working towards a degree.

Many students, particularly those from non-traditional backgrounds, choose to study with The Open University for the very reason that they can take one module at a time, which is far less daunting than signing up to a degree programme at the outset. The Open University highlighted to the Scottish Government that it made no sense to treat these students differently to any other OU student or indeed any part-time student at another Scottish HEI taking modules that form part of a degree course.

Moreover, as there was nothing in the original announcement or guidelines from SAAS that indicated OU students on modules at SCQF levels 7 & 8 would not be awarded the higher fee, the Open University took the decision to waive any difference between module fees and the PTFG (as outlined above) on the understanding that all OU students would be awarded the higher fee of up to £1820.

On the basis of the above arguments, the Scottish Government agreed in 2014 that all eligible OU students (apart from those explicitly working towards a lower level qualification) would be awarded the higher level of the grant until the current review of the PT Fee Grant was undertaken.

We would urge the Scottish Government to confirm that eligible OU students (apart from those working towards a lower level qualification) will be awarded the higher level of the grant, not least because, if these students were to be awarded the lower level, the OU would need to review its fee policy for 2016/17. Should the OU decide not to waive the difference between course fees and the lower rate, we could have a scenario where OU students on the same course were awarded different rates of the PTFG depending on their study intention, with students on low incomes who had not declared their intention to study towards a degree having to make up the shortfall and in effect paying towards their course.

The 30 credit threshold

In consultation with The Open University in Scotland, the threshold for the PT Fee Grant was set at 30 credits on the basis that students studying below 30 credits could access the ILA 200. However, in July 2012 (just ahead of the announcement about the extended PTFG), the eligibility criteria for the ILA 200 changed (without consultation), with the consequence that HE students studying less than 30 credits were unable to access fee support from Academic Year 2012/13.

The Open University believes the 30 credit threshold should be dropped to ensure there is fee support for part-time higher education students on low incomes regardless of the level of study intensity they are undertaking.

Eligibility for students in other forms of education

The Open University in Scotland believes there are instances when students in other forms of education need to access the PT Fee Grant to undertake additional courses to meet their

learning needs, particularly when access to the grant would offer more efficient, (i.e. shorter) learner journeys.

For example, some HN students use the PT Fee Grant to undertake short HE courses (i.e. modules of 30 credits) to 'top up' to 120 credits to allow them to articulate into degree courses. (HNCs are 96 credits at SCQF level 7 and therefore just short of a 'full year' of credit.) Without access to some form of support to fund these short courses alongside their HNCs, these students would need to undergo an additional year just to get the funding for a short course.

The Open University would strongly urge that the grant is available to students studying in other forms of education to facilitate more efficient learner journeys such as the one outlined above.

Interaction with the ILA200

The eligibility criteria for Individual Learning Account (ILA) 200 changed suddenly in July 2012. As a result of the changes, groups of students taking part-time higher education courses, found that there were no longer eligible for the ILA 200 or the PT Fee Grant and therefore no longer had access to fee support for their studies. Given the potential overlap and gaps between the ILA200 and the Part-Time Fee Grant, the Open University believes that policy in this area would benefit from greater joined up thinking within the Scottish Government between the teams responsible for the ILA 200 and the PT Fee Grant.

Eligible courses

The Open University believes the PT Fee Grant should be available to all eligible students studying on those courses outlined in the 2014-15 operating rules for the part-time fee grant issued by SAAS.

SECTION 3 - PROCESSING ISSUES RELATED TO THE PT FEE GRANT

In addition to policy issues, The Open University would like to highlight issues around processing of the Part-Time Fee Grant. As the Scottish Government is aware, the Students Awards Agency for Scotland (SAAS), process applications for the PT Fee Grant separately from applications from Scottish-domiciled full-time students.

Timescale

Applications for the PTFG generally open at the beginning of June ahead of the start of the academic year in September/October. Due to the fact that processing for the PTFG is still undertaken manually, this timescale puts significant pressure on HE staff to ensure applications are processed before the start of the academic year. In the case of The Open University (the largest user of the PT FG) as the application process does not open until June, staff have to process over 6,000 application forms by hand in the space of 3 months during the busiest period of our academic year. We would welcome a review of whether the

applications process could move from a manual to a computerised system and/or whether there is scope to open the applications process earlier.

One application per year

Currently students are only allowed to apply once in any given academic year for the PTFG. Generally this works for students, although there are some cases where students will decide they want to take up further study later in the year and then find they are unable to access any more of the PTFG.

Conclusion

The Open University in Scotland welcomes the Scottish Government's commitment to equity of treatment between full and part time students, as well as the emphasis it has placed on an individual's ability to succeed in higher education over their ability to pay. The Part-Time Fee Grant is a key tool in enabling the Scottish Government to realise those policy intentions and The Open University welcomes the current review to ensure complete clarity about eligibility for the grant and to ensure no student is prohibited from accessing higher education on the basis of ability to pay.

The Open University in Scotland would be happy to clarify or expand on any of the issues raised in our response.

Further information

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APPENDIX 1 – The Student Fees (Specification) (Scotland) Order 2011

“3. (1) Subject to paragraph (3), the Scottish Ministers specify the following fees payable for a 2012/13 academic year.

(2) Full time post 2011/12 students who are studying at fundable bodies must pay a fee of—

(a) £1,820 in connection with their attending any honours or ordinary degree course; .

(b) £1,820 in connection with their attending a Postgraduate Certificate in Education or Professional Graduate Diploma in Education course; .

(c) £1,285 in connection with their attending any higher level course of education which is not specified in (a).”