

CROSS BORDER STUDENT FLOWS: HIGHER EDUCATION TUITION FEE LEVELS

April 2005



SCOTTISH EXECUTIVE

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Ministerial foreword

Scottish higher education has a world-class reputation for the quality of its teaching and research. It has a long tradition of attracting students from all over the world to Scotland to study. This is something we value and want to continue. At the same time, we have a duty to ensure that Scottish domiciled students continue to have fair access to opportunities to study at Scottish universities.

I am immensely proud that we abolished tuition fees for eligible full-time Scottish and European Union students in Scotland as one of our first acts. This will not change as a consequence of any of the proposals we are considering in this consultation paper. I do, however, firmly believe that changes being made to tuition fees elsewhere in the UK pose a risk of reducing opportunities for Scottish students.

Until now, we have had arrangements in place – the so-called ‘Quigley’ arrangements - to ensure that there is a broadly level playing field between Scotland and the rest of the UK in terms of the cost of a course of undergraduate study, notwithstanding the additional year of study generally undertaken in Scotland. This balance will be disturbed by increases in fees in England and it is possible that this will encourage substantially more students from the rest of the UK to come to study in Scotland, thereby potentially displacing Scottish applicants. This may be particularly acute in relation to demand for places at Scotland’s medical schools.

I believe we have to respond to that by taking steps to re-balance the relative costs of study between Scotland and the rest of the UK. This consultation therefore proposes that this be done by increasing general fee levels and by possibly setting a separate flat-rate tuition fee for medicine. As I have already indicated, these fees would continue to be paid by SAAS for eligible students ordinarily resident in Scotland.

These measures are not without risk. They are dependent on getting the balance right between protecting the interests of Scottish domiciled students and ensuring that Scotland continues to be a welcoming and attractive destination for all students.

I believe government decision making processes should be open and transparent. I believe that it is essential for all views to be heard and considered fully and fairly before we reach a conclusion on issues of such consequence for Scotland’s future social, cultural and economic growth. I therefore invite you to consider carefully the issues outlined in this consultation paper. I look forward to hearing your views.

Jim Wallace MSP

Deputy First Minister and Minister for Enterprise and Lifelong Learning

Introduction

1. Scottish Ministers have made it clear that their priority is to ensure that Scottish domiciled¹ students are not disadvantaged as a result of the introduction of variable tuition fees in the rest of the UK from 2006 onwards.

2. As part of a package of measures in response to the changes taking place in the rest of the UK, Ministers announced on 24 June 2004 that they would be increasing the level of tuition fees in Scotland from 2006 to a level comparable with those being set in England. This will mainly affect students who come to study in Scotland from other parts of the UK, as eligible Scottish and non-UK EU domiciled full-time students will continue to have their tuition fees met by the Students Awards Agency for Scotland (SAAS).

3. At the same time, Ministers announced that they would examine the case for setting a separate flat-rate fee for medicine, in light of the particular demand for places at Scottish Medical Schools.

4. This consultation paper seeks views on:

- the level at which general tuition fees should be set;
- whether there should be a separate flat-rate fee for medicine; and
- if so, at which level tuition fees for medicine should be set.

In addition, it seeks views on:

- whether Scottish and non-UK EU domiciled students not eligible for SAAS support should be protected from the changes; and
- how to deal with gap year students in 2006 for tuition fee purposes.

How to respond

By post to: Vicki Carson
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Enterprise, Transport and Lifelong Learning Department
2nd Floor, Europa Building
450 Argyle Street
Glasgow G2 8LG

By email to: tuitionfees@scotland.gsi.gov.uk

When by

Responses to this paper are required by **Monday 30 May 2005**

¹ In this context, Scottish domiciled should be taken as equating to “being ordinarily resident in Scotland” as defined in the Students Allowances (Scotland) Regulations 1999.

5. This paper can be found on the Scottish Executive's website at <http://www.scotland.gov.uk/Consultations/Current>

6. We will make all responses available to the public on the Scottish Executive's website and in the Scottish Executive Library unless confidentiality is requested. Any confidentiality disclaimer generated by your computer system in an email will not be treated as such a request. Confidential responses will be included in any statistical summary of numbers or comments received or views expressed. All responses not marked confidential will be checked for any potential defamatory material before being logged in the library or placed on the website. Can you please complete and return the Respondent Information Form with your response.

Alternative formats

7. The text of this paper will be made available, on request, in alternative formats. Anyone who requires the document in an alternative format should contact Vicki Carson at the address above.

Background

8. From 2006, higher education institutions (HEIs) in both England and Northern Ireland will be able to set variable tuition fees of up to £3,000 per course. The Welsh Assembly has not yet decided whether to introduce variable tuition fees. It has set up an Advisory Group to consider the implications for Wales of the changes in the rest of the UK. That Group is due to report by July 2005.

9. Non-Scottish domiciled UK students who choose to study in Scotland are already asked to pay a fee of £1,125 each year. With usual uplifts for inflation that figure will stand at about £1,200 in 2006-07. This means that unless tuition fees are increased, courses in Scotland could become a much cheaper alternative and the pressure on places here could increase significantly, to the detriment of Scottish applicants.

10. The need for the Executive to take action in response to the planned changes in England and the rest of the UK was raised by both the Enterprise and Culture Committee's "Scottish Solutions Inquiry" (December 2003) and the Phase 3 Review of Higher Education (March 2004). There were concerns that higher tuition fees south of the border would stimulate more students from England and elsewhere in the UK to apply for places at Scottish HEIs, thereby putting additional pressure on existing provision and potentially displacing Scottish students.

11. At the time of the Phase 3 Review, it was noted that applications from English students to study in Scotland for academic year 2004-05 had increased by 12% in comparison to the same point in time in the previous year. The latest acceptances data from UCAS show that the number of English domiciled students accepted to study in Scotland from 2004-05 has increased by 4% on the previous year (see Annex E). These figures suggest a reverse in the general trend of recent years, when the number of English students coming to study in Scotland had declined. At the same time, the UCAS data show that acceptances of Scottish domiciled students to study in England fell by over 9%. These figures suggest that there is a need for the Executive to take action to ensure that there is no significant variation from the current pattern of cross-border student flows.

12. Ministers considered setting quotas and increasing the number of funded places for home students, in response to significant demand from students from the rest of the UK for places at Scottish HEIs. Quotas were quickly discounted as being formulaic, difficult to manage and not in line with the Scottish higher education sector's profile as a net importer of students – with some 20,000 students from England and other parts of the UK coming to study in Scotland each year. At the same time, it was not considered appropriate to deviate from the current policy of consolidating the size of the Scottish higher education sector – a policy that was adopted after a period of expansion in the 1990's and as an outcome of Phase 2 of the Higher Education Review (March 2003). This led Ministers to take the decision to increase general tuition fee levels to a level that would maintain broad parity between the cost of studying in Scotland and England. This will ensure students can continue to make their decisions based on academic merit and not price.

13. Further, Sir Kenneth Calman's Review of Basic Medical Education in Scotland (June 2004) highlighted the exceptional cross-border pressure which already exists for medical places and argued that this was contributing to the difficulty of recruiting and retaining sufficient numbers of medical graduates and doctors into NHS Scotland. The Calman report also highlighted that the changes in fee levels in England might make this problem worse. Ministers therefore decided to examine the case for setting separately a higher flat-rate fee for medicine.

Further and Higher Education Bill

14. At the same time as Ministers are reviewing tuition fee levels, the Executive is preparing legislation to merge the Scottish Further and Higher Education Funding Councils. This provides an opportunity to review existing legislation on setting tuition fees for home students.

15. Under existing legislation, Ministers have powers to set tuition fees for home students at any level. This means that Ministers could increase general tuition fee levels without any consultation, the approval of Parliament or any changes to legislation. However, new legislation is required to permit Ministers to set separate tuition fee levels for different subjects.

16. This led Ministers to decide to use the Further and Higher Education Bill to revise their powers relating to setting the level of general tuition fees and to include the ability in exceptional circumstances to set a separate level of tuition fee for different subjects. Ministers made clear in their Policy Memorandum that the power to set different levels of tuition fees is only intended to be used sparingly. Its purpose is to allow Ministers the flexibility to act in situations where Scottish students may have less chance of being accepted to study a particular subject due to an increase in the number of suitably qualified applicants from other parts of the UK. At the moment, the only area this is likely to apply to is medicine. Ministers believe it is essential that any further differentiation is carefully focussed and has the approval of Parliament.

17. The inclusion of these powers in the draft Bill has given rise to a number of concerns about the use they could be put to by future Administrations. The Executive is therefore laying amendments to the Bill which, if approved by the Parliament, would ensure that there

will be full consultation before any changes are made either to general tuition fee levels (above the rate of inflation) or a separate flat-rate fee is set for any particular course.

18. Ministers believe that it is essential for the decision making process on important issues such as tuition fees to be open and transparent. They also believe that those affected should be involved in that decision making process and that all views are heard and considered fully and fairly before reaching a conclusion. Including the need to consult in primary legislation will significantly increase the openness and transparency of the decision making process with regard to tuition fees. It will end the current arrangements, whereby Ministers are free to determine the general level of tuition fees without any discussion or consultation.

19. Since the Further and Higher Education (Scotland) Bill is currently being considered by Parliament, the final format of the bill will be for Parliament to determine.

Concern over “top-up” tuition fees

20. There are particular concerns that the draft Bill will allow the introduction of top-up tuition fees. In Scotland, there is a Partnership Agreement commitment not to introduce top-up tuition fees. Establishing free tuition at the point of entry for eligible Scottish domiciled students was one of the Executive’s first achievements under devolution. Ministers have made it clear that they have no intention to introduce top-up fees now or in the future.

21. Variable tuition fees in England and elsewhere in the UK are being introduced to increase the level of funding available to the higher education sector. In Scotland, the Executive has committed to maintaining the competitive edge of the Scottish higher education sector, without increasing the financial burden on students. Under the most recent Spending Review, the Scottish higher education sector received a significant allocation of additional resources. By 2007-08, the sector will receive an annual allocation of over £1 billion, representing an increase of almost £300m more than in 2003-04 (28% in real terms).

22. The decision to raise the general level of tuition fees was taken to maintain the current level of cross-border students flows by ensuring broad alignment between the cost of studying in Scotland and in England. It will not increase materially the amount of funding going to Scottish HEIs. From 2006-07, there will be a change in the balance of funding an HEI receives from the Scottish Higher Education Funding Council (SHEFC) and SAAS/the student/other funding provider, but the total sum they receive per student will remain the same. This means there will be no incentive for Scottish HEIs to recruit more students from England or other parts of the UK. Further, there will be no variability of fee amongst Scottish HEIs. Tuition fees for all full-time home students of any subject will be the same, whichever Scottish HEI they choose. Similar arrangements will apply to students studying at the Scottish Agricultural College, which is funded by SE Environment and Rural Affairs Department.

23. The measures under discussion are designed to protect the interests of Scottish domiciled students. They are not designed to alter the level of funding available for HEIs. By reducing the element of funding provided by SHEFC, there will be a reduction in the level of teaching funding the Executive needs to provide the Funding Council. Ministers have made clear that the first call on these funds will be to meet the cost of providing non-means tested loans to Scottish domiciled students who decide to go to England to study (estimated to

be about £6m). Ministers have also made clear that the small saving that will accrue over and above the level of funding required to meet the cost of offering these loans will be used as a pooled resource for the Scottish higher education sector. But this sum will only be available after meeting any residual costs of the Quigley agreement and any additional costs which the Ministers are still to agree they will meet for Scottish domiciled students studying in Wales or Northern Ireland.

Implementation Advisory Group

24. At the time of their announcement in June, Ministers recognised that they needed to consider in detail a number of issues pertaining to the decision to increase the general level of tuition fees. They therefore decided to set up an Implementation Advisory Group (IAG) to advise Ministers and oversee the introduction of the new funding arrangements. Comprising key stakeholder bodies (listed at Annex C), the remit of the Group is shown below:

- advise on categories of students that may require special exemption from higher fees through the SHEFC Fee Anomaly Scheme;
- consider and advise on how we introduce this change in such a way as to minimise any new administrative burdens on SHEFC, SAAS, institutions and students;
- scrutinise the revision of funding allocated to SHEFC and SAAS as a consequence of the new arrangements and ensure this is done in a transparent way;
- contribute to consideration of the case for a separate fee for medical students studying in Scotland;
- contribute to consideration of whether similar fee arrangements should be introduced for HE in FE; and
- contribute to advice to Scottish Ministers on final fee level for Scottish HEIs.

25. IAG has now met four times. It has identified a number of practical issues that need to be addressed before the changes can be fully implemented. It has also discussed issues of principle concerning categories of Scottish students who may be affected by increased tuition fees and the proposal to set a separate flat rate tuition fee for medical students. From its first meeting, IAG has identified the need to provide clear information about the changes to students and student advisers. The Group is continuing to identify ways in which this might be achieved, as well as taking forward all other aspects of its remit. IAG will continue its work over the next three months and its discussions will be taken into account as part of this consultation exercise. The notes of IAG meetings can be found at: <http://www.scotland.gov.uk/Topics/Education/Higher-Education/16640/IAG/iagdocuments>

General tuition fees

26. As has been made clear, Ministers' intention is to set fee levels at a level that will maintain broad parity between the cost of studying in Scotland and in England and therefore maintain current levels of cross border flows. To achieve this, Ministers have identified a series of principles to inform the level of general tuition fees. They are:

- the Executive will have regard to eventual fee levels in England, particularly the fees being set in the most comparable types of provision to those courses which attract the most English and other fee-liable students to Scottish HEIs (see Annex D);
- the new Scottish fee level for fee-liable students should be sufficiently high to influence demand;
- but there is no desire to make 4-year courses in Scotland more expensive in terms of overall fee cost than 3-year courses in England;
- in calculating what new fee should be charged, the cost of financing the support package for Scottish students going to English HEIs should be considered, and the fee should be set high enough, at minimum, to generate enough savings to cover that cost; and
- the marketplace for HE in the UK in 2006 is likely to be a volatile one. The Executive therefore intends to avoid a rise which is so high that it risks any significant reduction in students coming to Scotland from the rest of the UK.

Question – do you agree with the principles on which the general fee level should be based?

Question – if you do not agree, please suggest alternatives.

27. The final level of fees to be set in England and in the rest of the UK is not yet clear. Before they can introduce variable fees, English HEIs have to agree an Access Agreement with the Office for Fair Access (OFFA). Access Agreements have to be agreed with OFFA by the end of March 2005. Thereafter, English HEIs will be able to reduce - but not increase - the level of tuition fee they set for each course. They will also be able to offer scholarships and bursaries, to offset the price of their tuition fees. The final position of tuition fees in England is therefore unlikely to be clear until much later in 2005.

28. Similar arrangements are being introduced in Northern Ireland, where HEIs will be able to set tuition fees of up to £3,000 per course from 2006-07, subject to agreeing a widening access strategy with the Department for Employment and Learning in Northern Ireland (DELNI).

29. The Welsh Assembly has given a commitment that variable fees will not be introduced any earlier than 2007-08.

30. Taking this volatility into account, Ministers set in June an expected range for the level of general tuition fees, based on the principles listed above. They suggested that the fee increase should be between £500 and £700 per year. This is on the basis that the total cost of tuition fees in England would be between £2,200 and £2,500, making an allowance for bursaries and scholarships offered by individual HEIs. Over the three years of their degree, students at an English HEI would be liable to pay between £6,600 and £7,500. Allowing for the four year degree in Scotland, the equivalent annual fee range in Scotland would be c£1,700 and c£1,900. If the current fee in Scotland were only to rise by inflation, it would be £1,200 in 2006-07.

Question – at what level should general tuition fees be set for 2006-07?

Who will pay the new level of tuition fees?

31. Full-time Scottish domiciled and non-UK EU students undertaking study up to first degree level, including PGCE, in Scotland (SAAS supported students) have not paid fees since the abolition of fee contributions in 2000-01. This will not change.

32. The increased tuition fees will mainly affect full-time students from other parts of the UK: England, Wales and Northern Ireland. Responsibility for determining student support for these students lies with the Department for Education and Skills (DfES), the Welsh Assembly and DELNI respectively.

Self funded Scottish domiciled students

33. Some 5% (c 6,500) of Scottish domiciled full-time undergraduate degree students are not entitled to tuition fee support from SAAS because they have already received support to study at the same level. The previous study rules are designed to ensure that the resources available for student support are used to help as many people as possible to attain higher education qualifications. Students whose fee support is affected by these rules could, therefore, be affected by the new fee arrangements.

34. Ministers asked IAG to offer advice on categories of students that may require protection from the higher rate of tuition fees. IAG has identified three broad categories of Scottish domiciled full-time students who are not eligible for SAAS tuition fee support and are therefore liable to meet the cost of their own tuition fees. They are:

- students studying for a second undergraduate degree (approx 600)
- students with an HND who enter university in first year and are therefore liable to pay tuition fees for one year (approx 300-400)
- students who repeat one or more year (approx 4,000).

35. EU anti-discrimination rules mean that we must treat students from member states of the EU in the same way that we treat Scottish domiciled students with regard to tuition fees. Therefore, it is likely that measures taken to protect Scottish domiciled students from the full effect of these changes will also apply to non-UK EU students.

36. The number of non-UK EU students liable to pay their own tuition fees is approximately 800. The percentage of such students falling into the categories identified by IAG broadly follows the same pattern as self funded Scottish students.

37. IAG is of the view that all full-time Scottish domiciled students should be protected from the change. They are suggesting that they should be entitled to partial tuition fee remission, equal to the difference between the current level of tuition fees (adjusted for inflation) and the new level of tuition fee.

Question – should any self funded Scottish and non-UK EU domiciled students be protected from the increased level of tuition fee?

Question - if you agree, which categories of Scottish and non-UK EU domiciled students should be protected from the increased level of tuition fee?

Medical tuition fees

38. Ministers consider that there is already a particular problem with demand from English students for places at Scottish medical schools (see Annex F). They are concerned that this situation will be exacerbated, once variable tuition fees are introduced in England. Their views echo the findings of the Calman Review which highlighted the current exceptional cross-border pressure and the potential impact on the number of graduates entering NHS Scotland. A copy of the Calman Review can be found at: <http://www.scotland.gov.uk/library5/health/rbmes-00.asp>

39. Statistics show that a Scottish domiciled graduate is more than twice as likely to be working in Scotland 10 years after graduation than those domiciled elsewhere. The Scottish Executive Health Department is projecting that the proportion of Scottish domiciled entrants to that of all UK entrants to medicine will fall to around 7% - below both our population share of around 9% and our share of higher education provision of around 11%.

40. Standard medical courses are of equal length in Scotland and England. It is anticipated that all English medical schools will set their tuition fees at the highest level of £3,000. If Ministers continued to set medical tuition fees in Scotland at the same level as for all other courses, it would be at least £5,500 cheaper in terms of tuition fees for English students to come to Scotland to study. This could lead to Scottish domiciled students being displaced due to increased demand from English domiciled students.

41. Ministers therefore consider that this situation meets the conditions set out in the Policy Memorandum that accompanies the Bill. Referring to the powers to set a different fee level, the Policy Memorandum states: "It is important to be clear that this power if used is only intended to be used sparingly. Its purpose is to allow Ministers the flexibility to act in situations where Scottish students may be disadvantaged in specific subject areas by an increasing flow of students from elsewhere in the UK. At the moment, the only area this might apply to is medicine. Ministers believe it is essential that any further differentiation is carefully focussed and has the approval of Parliament."

42. To inform their decision making, Ministers have already sought some initial views on this proposal. Views are mixed. Many respondents took the opportunity to comment more widely on how the Executive might respond to the broader issues raised in the Calman report, in particular how to widen access to medical education in Scotland.

Comments included:

NUS Scotland

"NUS Scotland believes that it is wrong to believe that introducing such a negative measure (to be applied when an individual begins or concludes their training) would be as productive as introducing genuine incentives to actually practice medicine in Scotland, which is the root of the problem. We believe there are a range of suitable incentives that have not been properly considered, and will take this opportunity to propose a range of alternatives.

In summary, we believe the Scottish Executive's reaction to variable fees in England has so far been fair in terms of keeping a flat level fee and rejecting a market-based system. To accept that the principle of variable or differential fees is wrong, divisive and exclusive for

every course in Scotland except medicine leaves us confused as to the Scottish Executive's true beliefs, and we find it very disappointing.”

Comments are welcome on this statement from NUS Scotland

Universities Scotland

“Universities Scotland considers that it is fair and reasonable that the Scottish Executive should seek to optimise the benefit to Scotland of its investment in medical education, and accordingly supports the principle that a higher flat-rate fee might be set for medical courses from 2006.

As regards the practical issues, the most important point is that any action taken should be proportionate. It should be borne in mind that some of the students from other parts of the UK who qualify from Scottish medical schools do remain in Scotland, and that an increase in the tuition fee is not the only, or probably even the most effective, way of addressing the perceived problem: it is making a medical career in Scotland appear attractive that is the surest way of retaining doctors, whatever their domicile prior to their medical studies.

Therefore, while supporting the principle, we advocate caution in determining the level of a higher flat-rate fee for medical courses. As for other courses, it should not be set at a level which would result in the fee burden on an English-domiciled student attending a Scottish medical school being greater than would have applied had the same student attended a medical school in England.”

Comments are welcome on this statement from Universities Scotland

BMA Scotland

“We also appreciate the predicament faced by the Scottish Executive in that the introduction of variable tuition fees in England may result in Scottish education becoming a cheap alternative for a significant number of English-domiciled students who cannot afford to study at the better-funded and more expensive English universities. We understand your concerns that this may have a negative impact on the future number of doctors working in Scotland, and so would ask that attention be given to the removal of existing artificial barriers to medical education for Scottish domiciled students, eg the requirement for 5 ‘A’ grade Highers at a single sitting, and the development of attractive postgraduate career structures for all Scottish medical school graduates, including those from elsewhere in the UK and from overseas. You will appreciate that we have a problem in principle with any proposals that seek to shift the burden of educational costs further onto students. Given this we are very uncomfortable with any plans to increase tuition fees in Scotland, particularly the prospect of a separate higher fee for medicine. Given that students from lower socioeconomic backgrounds are generally more debt-averse than those from professional or managerial backgrounds, such proposals would seem to run counter to moves to widen participation in medicine, such as the Working in Health Access Programme.”

Comments are welcome on this statement from BMA Scotland

43. All the points raised are being considered within the context of the Executive's response to the Calman Review. Full details of the replies can be found at <http://www.scotland.gov.uk/Topics/Education/Higher-Education/16640/medfee/medfeedoc>

44. In the context of this consultation paper, views are being sought on the specific proposal to set tuition fees for medicine at a level that will maintain parity between the cost of studying medicine in Scotland and in England and therefore allow students to make choices on the basis of academic merit rather than cost. The mechanisms for handling the increased tuition fees would be the same as for the general level of tuition fees i.e.:

- no eligible Scottish or non-UK EU domiciled full-time student would be affected;
- self funded Scottish and non-UK EU domiciled students would be treated in the same way as self funded Scottish and non-UK EU domiciled students studying other subjects;
- there would be no financial incentive for individual HEIs or variability of fees across Scotland's five Medical Schools;
- the fees would be set at a level that maintains broad parity between the cost of studying medicine in Scotland and England;
- there would be no change to the Graduate Endowment scheme for any Scottish domiciled medical student; and
- the increased savings would be used as part of the pooled resource for the Scottish higher education sector and could be used to support an increase in the number of funded medical places at Scottish HEIs.

Question - do you agree with the principle of using tuition fee levels to protect the interests of Scottish domiciled students by setting fee levels for medicine that are broadly comparable with those being set elsewhere in the UK?

Question – if you agree, at what level should tuition fees for medical courses be set?

Question – if you do not agree, what alternative measures could be taken to protect the interests of Scottish domiciled students?

Implications for FE

45. From 2006 onwards, further education colleges in England will be able to set their own fees for HNCs/HNDs within a range from £0 to £3,000 per year per course. IAG has considered the possible implications of this for demand for places at Scottish further education colleges. Its initial view is that there is no need to alter the current level of tuition fees for HNC/HNDs in Scotland, but that this should be kept under review.

Question – do you agree that the Executive should retain current tuition fee levels for HNs?

Question – if you do not agree, please suggest an alternative.

Transitional arrangements

46. Ministers have announced that the new arrangements will not affect any student who enters higher education before 2006-07. Ministers have however yet to announce whether this should include gap year students who are accepted for entry to university before 2006-07 but do not take up their course of studies until that year.

47. DfES Ministers have decided that gap year students should be treated as having entered an English HEI in the year in which they are accepted by that institution. Scottish Ministers are minded to use the same criteria, in the interests of simplicity from the student's point of view.

Question - do you agree that gap year students should be treated as having entered HE in 2005-06, i.e. prior to the planned changes taking effect.

Question – if you do not agree, please suggest an alternative.

Part-time students

48. Domestic part-time students currently pay a fee as a proportion of the full-time flat-rate fee. They are not eligible for fee assistance from SAAS, but may benefit, if they are on a low-income, from assistance under SHEFC's "part-time fee waiver" scheme. The Executive does not wish the change in the flat-rate fee to increase the costs faced by this group of students. Therefore, the flat-rate fee level and other funding arrangements for part-time students will not be changed. IAG has discussed how the SHEFC's funding model for part-time students can be altered to ensure that neither the student nor the HEIs are affected by the planned changes for full-time tuition fees.

Non-UK EU students

49. These new arrangements will not affect Non-UK domiciled EU students. Their tuition fees will continue to be met by SAAS. It is likely that any measures taken to protect self funded Scottish domiciled students from the full effect of tuition fee changes will also apply to non-UK EU domiciled students.

Overseas students

50. These new measures will not affect overseas students, who are already subject to separate, full-cost fee arrangements.

Timetable

51. Ministers hope to make an announcement about the outcomes of this consultation and their plans for what they intend to do by end of June 2005. Ministers consider it is vital that students are given sufficient notice about any proposals to change fee levels to allow them to make informed decisions about their future.

52. At that point, it is anticipated that the Further and Higher Education (Scotland) Bill will have completed its Parliamentary process. However, it is likely that the Bill will not receive Royal Assent until July, and therefore will not have been enacted when a June

statement is made. The Act, which will give Ministers powers to set a different fee level, if that is the preferred outcome, may look different than expected. Ministers wish to act, pending new legislation, in the spirit of the anticipated legislation and hence this consultation. Notwithstanding existing powers to increase general fee levels without resort to Parliament, it would be Ministers' intention to seek Parliamentary approval after the summer recess for any new fee level, but, in the meantime – and acting on advice from the IAG, Ministers wish to give potential students as much information and notice as possible. Any differential fee level for medical courses will require separate Parliamentary approval, but again Ministers think it important to give as much notice as possible as to what they intend to lay before Parliament.

Summary of questions

General tuition fees

Question – do you agree with the principles on which the general fee level should be based?

Question – if you do not agree, please suggest alternatives.

Question – at what level should general tuition fees be set for 2006-07?

Self funded Scottish domiciled students

Question – should any self funded Scottish or non-UK EU domiciled students be protected from the increased level of tuition fee?

Question - if you agree, which categories of Scottish and non-UK EU domiciled students should be protected from the increased level of tuition fee?

Medical tuition fees

Question - do you agree with the principle of using tuition fee levels to protect the interests of Scottish domiciled students by setting fee levels for medicine that are broadly comparable with those being set elsewhere in the UK?

Question – if you agree, at what level should tuition fees for medical courses be set?

Question – if you do not agree, what alternative measures could be taken to protect the interests of Scottish domiciled students?

Comments are welcome on the statement from NUS Scotland.

Comments are welcome on the statement from Universities Scotland.

Comments are welcome on the statement from BMA Scotland.

Implications for FE

Question – do you agree that the Executive should retain current tuition fee levels for HNs?

Question – if you do not agree, please suggest an alternative.

Transitional arrangements

Question - do you agree that gap year students should be treated as having entered HE in 2005-06, i.e. prior to the planned changes taking effect.

Question – if you do not agree, please suggest an alternative.

List of consultees

Academy of Medical Royal Colleges and Faculties in Scotland
Association of Head Teachers in Scotland
Association of Managers of Student Services in Higher Education (AMOSSHE)
Association of Scottish Colleges
Association of University Teachers
BMA Scotland
Coalition of Higher Education Students in Scotland (CHESS)
Commission for Racial Equality
COSLA
Council of Heads of Medical Schools
Disability Rights Commission
Education Institute of Scotland (EIS)
Enterprise and Culture Committee
Equal Opportunities Commission
45 Scottish Further Education Colleges
General Medical Council Scotland
Head Teachers Association of Scotland
Higher Education Funding Council for England (HEFCE)
20 Scottish Higher Education Institutions
HM Inspectorate of Education
Implementation Advisory Group
National Association of Schoolmasters Union of Women Teachers in Scotland (NASUWT)
NHS Education for Scotland
NUS Scotland
Professional Association of Teachers
Quality Assurance Agency Scotland
Royal Society of Edinburgh
Student Awards Agency for Scotland
Scottish Academy for Health Policy and Management
Scottish Agricultural College
Scottish Civic Forum
Scottish Funding Councils for Further and Higher Education
32 Scottish Local Authorities
Scottish Medical Royal Colleges
Scottish MEPs
Scottish Qualifications Authority
Scottish Refugee Council
Scottish Secondary Teachers' Association
Scottish Youth Parliament
SKILL: National Bureau for Students with Disabilities
STUC
Student Loans Company
UNISON
Universities Scotland

Membership of Implementation Advisory Group

NAME	ORGANISATION
Riona Bell	Scottish Higher Education Funding Council (SHEFC)
Lorraine McSheaffrey	Student Awards Agency for Scotland (SAAS)
Melanie Ward	NUS Scotland
Steve Cockburn	Edinburgh University Students Association (EUSA)
Forbes McCallum	Educational Institute of Scotland (EIS)
Alastair Hunter	Association of University Teachers, Scotland (AUT)
John Martin	Association of Managers of Student Services in Higher Education (AMOSSHE)
Neil Cuthbert	Association of Scottish Colleges (ASC)
David Coyle	Director of Finance; University of Strathclyde
David Caldwell	Universities Scotland
Paul Smith	Student Loans Company
Peter Syme	Open University in Scotland
Gill Troup	Scottish Executive
Ann McVie	Scottish Executive
Peter Lloyd	Scottish Executive
Susan Whittaker	Scottish Executive
Chris Graham	Scottish Executive

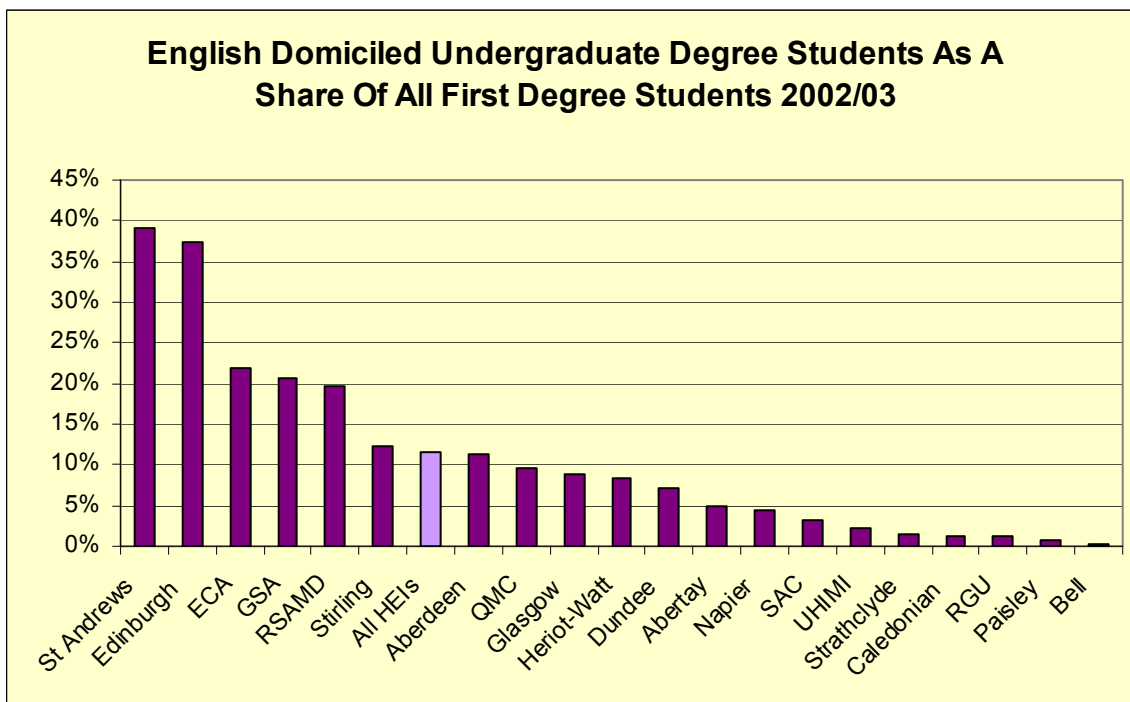
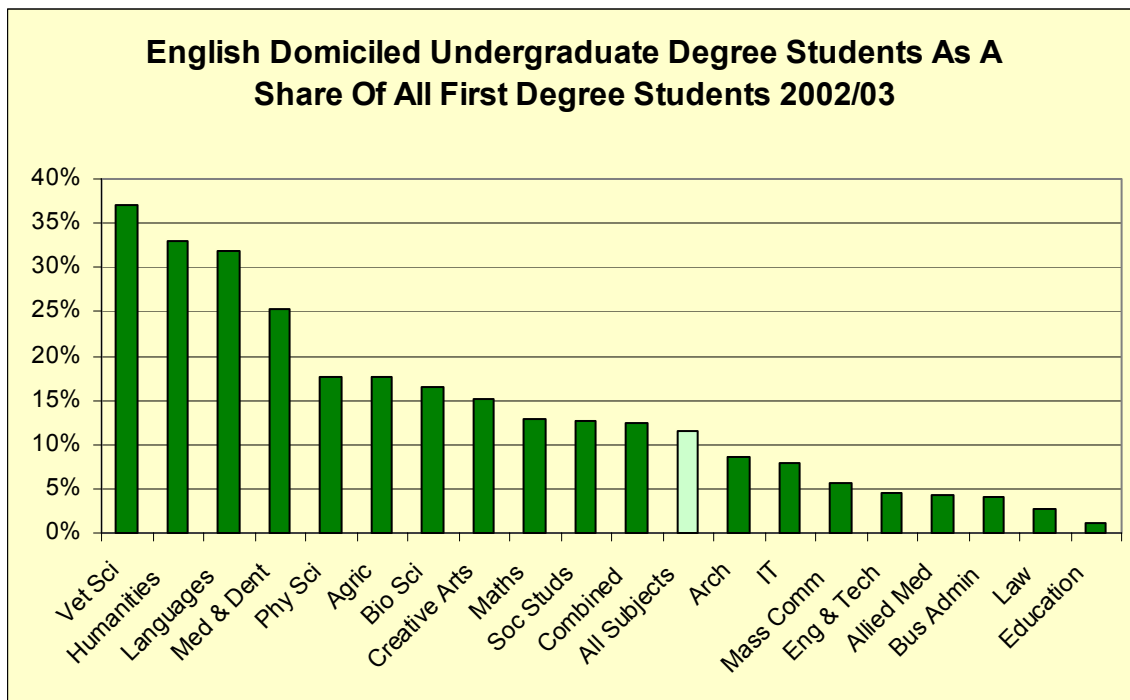
Annex D

English domiciled students at Scottish HEIs by institution and subject grouping, 2002/03

	Medicine and Dentistry	Allied Medicine	Biological Sciences	Veterinary Science	Agriculture	Physical Sciences	Maths	Information Technology	Engineering & Tech	Architecture	Social Studies	Law	Business Administration	Mass Communication	Languages	Humanities	Creative Arts	Education	Combined	Total	
Abertay		*	20				*	106	9	*	5	*	25								185
Edinburgh College of Art										81							203				284
Glasgow School of Art										78							169				247
Queen Margaret College		106	22								*		36	15			113		*		300
RSAMD																	109				109
Robert Gordon University		43	*			*		*	9	*	*		15	*			*			*	84
Paisley			*			*		*	*		*		*	7			*			*	41
Glasgow Caledonian		52	28			*		*	*	6	5	*	30	*			6				143
Napier		16	32			*		18	35	6	7	*	88	39			87		42		376
Edinburgh	578	113	826	257	55	520	96	151	182	119	600	34	100		656	771	116	38	573		5,785
Glasgow	188	50	142	52		33	13	16	71		100	9	42	27	193	170	*	*	221		1,336
Strathclyde		17	10			15	*		24	12	19	*	35		*	*	5	11	33		194
Aberdeen	193	56	222	15	30	60	*	35	22	9	107	19	33		89	74		*	136		1,106
Heriot-Watt			60		*	81	16	41	53	23	*		83		35		19		83		506
Dundee	196	38	69			11	*	7	14	40	35	23	26		40	*	42	*	48		603
St Andrews	146	38	226			203	81	42			148		44		373	451			361		2,113
Stirling			139		9	12	*	23			61	9	146	44	70	50		*	127		696
SAC					*								*								*
UHIMI													5		*	11	*				18
Bell College		*									*										*
Total	1,301	544	1,802	324	103	946	224	449	428	380	1,105	105	716	137	1,463	1,538	883	53	1,637		14,138

Source: Higher Education Statistics Agency

Note: Some cells have been suppressed in line with data protection practices. These cells generally contain between 1 and 4 students and are denoted by an asterisk.



Accepted Applicants to Scottish HEIs 1998-2004

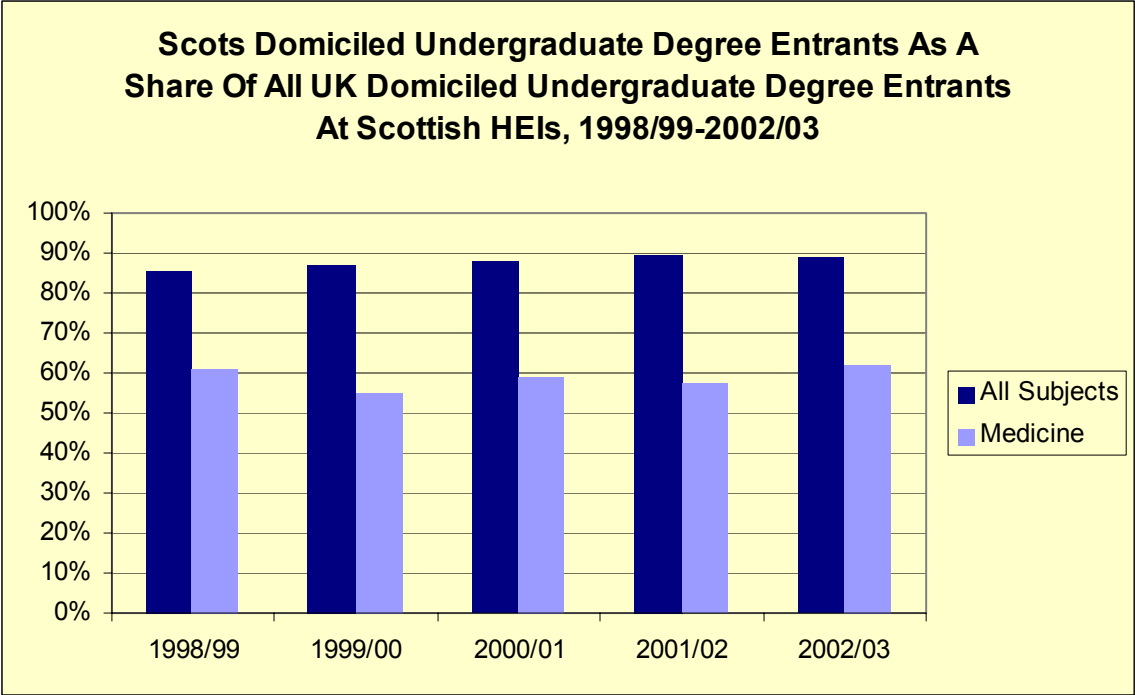
Domicile	1998	1999	2000	2001	2002	2003	2004
England	4,597	4,531	3,860	4,044	3,638	3,897	4,067
Scotland	22,855	22,695	24,943	25,247	25,749	26,199	26,343
Wales	143	110	115	112	101	121	123
Northern Ireland	1,647	1,490	1,338	1,419	1,548	1,302	1,240
EU	1,516	1,349	1,284	1,440	1,672	1,940	2,237
Other overseas	1,194	1,041	1,039	1,395	1,550	1,954	1,970
Total	31,952	31,216	32,579	33,657	34,258	35,413	35,980

Source: UCAS

Accepted applicants by domicile and country of institution

Domicile		Country of institution				Total
		England	Wales	Scotland	Northern Ireland	
England	2004	263,773	9,153	4,067	86	277,079
	2003	263,958	8,986	3,897	89	276,930
	change	-0.1%	1.9%	4.4%	-3.4%	0.1%
Wales	2004	6,102	9,882	123	6	16,113
	2003	6,423	9,726	121	6	16,276
	change	-5.0%	1.6%	1.7%	0.0%	-1.0%
Scotland	2004	1,799	65	26,343	18	28,225
	2003	1,989	71	26,199	19	28,278
	change	-9.6%	-8.5%	0.5%	-5.3%	-0.2%
Northern Ireland	2004	2,833	107	1,240	8,698	12,878
	2003	2,613	92	1,302	8,451	12,458
	change	8.4%	16.3%	-4.8%	2.9%	3.4%
Rep. of Ireland	2004	1,512	317	855	700	3,384
	2003	1,309	297	679	589	2,874
	change	15.5%	6.7%	25.9%	18.8%	17.7%
Other EU	2004	10,318	354	1,382	14	12,068
	2003	8,091	335	1,261	11	9,698
	change	27.5%	5.7%	9.6%	27.3%	24.4%
Other overseas	2004	24,836	932	1,970	59	27,797
	2003	24,788	998	1,954	53	27,793
	change	0.2%	-6.6%	0.8%	11.3%	0.0%
Total	2004	311,173	20,810	35,980	9,581	377,544
	2003	309,171	20,505	35,413	9,218	374,307
	change	0.6%	1.5%	1.6%	3.9%	0.9%

Source: UCAS



Responding to this Consultation Paper

We are inviting written responses to this consultation paper by Monday 30 May 2005. **Please send your response to:**

Tuitionfees@scotland.gsi.gov.uk

or

Vicki Carson
Scottish Executive
Enterprise, Transport and Lifelong Learning Department
2nd Floor, Europa Building
450 Argyle Street
Glasgow, G2 8LG

If you have any queries contact Vicki Carson on 0141 242 0177 or Ann McVie on 0141 242 0179.

We would be grateful if you could clearly indicate in your response which questions or parts of the consultation paper you are responding to as this will aid our analysis of the responses received.

This consultation, and all other Scottish Executive consultation exercises, can be viewed online on the consultation web pages of the Scottish Executive website at <http://www.scotland.gov.uk/consultations>. You can telephone Freephone 0800 77 1234 to find out where your nearest public internet access point is.

The Scottish Executive now has an email alert system for consultations ([SEconsult: http://www.scotland.gov.uk/consultations/seconsult.aspx](http://www.scotland.gov.uk/consultations/seconsult.aspx)). This system allows stakeholder individuals and organisations to register and receive a weekly email containing details of all new consultations (including web links). SEconsult complements, but in no way replaces, SE distribution lists, and is designed to allow stakeholders to keep up to date with all SE consultation activity, and therefore be alerted at the earliest opportunity to those of most interest. We would encourage you to register.

Handling your response

We need to know how you wish your response to be handled and, in particular, whether you are happy for your response to be made public. Please complete and return the **Respondent Information Form** as this will ensure that we treat your response appropriately. If you ask for your response not to be published we will regard it as confidential, and we will treat it accordingly.

All respondents should be aware that the Scottish Executive are subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

Next steps in the process

Where respondents have given permission for their response to be made public (see the attached Respondent Information Form), these will be made available to the public in the Scottish Executive Library by 27 June 2005 and on the [Scottish Executive consultation](#) web pages by 4 July 2005. We will check all responses where agreement to publish has been given for any potentially defamatory material before logging them in the library or placing them on the website. You can make arrangements to view responses by contacting the SE Library on 0131 244 4565. Responses can be copied and sent to you, but a charge may be made for this service.

What happens next?

Following the closing date, all responses will be analysed and considered along with any other available evidence to help us reach a decision on tuition fee levels. We aim to issue a report on this consultation process by end of June 2005.

Comments and complaints

If you have any comments about how this consultation exercise has been conducted, please send them to:

Name: Vicki Carson
Address: Scottish Executive
Enterprise, Transport and Lifelong Learning Department
2nd Floor, Europa Building
450 Argyle Street
Glasgow, G2 8LG

E-mail: tuitionfees@scotland.gsi.gov.uk

RESPONDENT INFORMATION FORM: CROSS BORDER STUDENT FLOWS: HIGHER EDUCATION TUITION FEE LEVELS

Please complete the details below and return it with your response. This will help ensure we handle your response appropriately. Thank you for your help.

Name:

Postal Address:

1. Are you responding: (please tick one box)
- (a) as an individual go to Q2a/b and then Q4
- (b) **on behalf of** a group/organisation go to Q3 and then Q4

INDIVIDUALS

- 2a. Do you agree to your response being made available to the public (in Scottish Executive library and/or on the Scottish Executive website)?

Yes (go to 2b below)

No, not at all We will treat your response as confidential

- 2b. Where *confidentiality is not requested*, we will make your response available to the public on the following basis (**please tick one** of the following boxes)

Yes, make my response, name and address all available

Yes, make my response available, but not my name or address

Yes, make my response and name available, but not my address

ON BEHALF OF GROUPS OR ORGANISATIONS:

- 3 The name and address of your organisation *will be* made available to the public (in the Scottish Executive library and/or on the Scottish Executive website). Are you also content for your **response** to be made available?

Yes

No We will treat your response as confidential

SHARING RESPONSES/FUTURE ENGAGEMENT

- 4 We will share your response internally with other Scottish Executive policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for the Scottish Executive to contact you again in the future in relation to this consultation response?

Yes

No

The Scottish Executive Consultation Process

Consultation is an essential and important aspect of Scottish Executive working methods. Given the wide-ranging areas of work of the Scottish Executive, there are many varied types of consultation. However, in general, Scottish Executive consultation exercises aim to provide opportunities for all those who wish to express their opinions on a proposed area of work to do so in ways which will inform and enhance that work.

The Scottish Executive encourages consultation that is thorough, effective and appropriate to the issue under consideration and the nature of the target audience. Consultation exercises take account of a wide range of factors, and no two exercises are likely to be the same.

Typically Scottish Executive consultations involve a written paper inviting answers to specific questions or more general views about the material presented. Written papers are distributed to organisations and individuals with an interest in the issue, and they are also placed on the Scottish Executive web site enabling a wider audience to access the paper and submit their responses². Consultation exercises may also involve seeking views in a number of different ways, such as through public meetings, focus groups or questionnaire exercises. Copies of all the written responses received to a consultation exercise (except those where the individual or organisation requested confidentiality) are placed in the Scottish Executive library at Saughton House, Edinburgh (K Spur, Saughton House, Broomhouse Drive, Edinburgh, EH11 3XD, telephone 0131 244 4565).

All Scottish Executive consultation papers and related publications (eg, analysis of response reports) can be accessed at: [Scottish Executive consultations](http://www.scotland.gov.uk/consultations) (<http://www.scotland.gov.uk/consultations>)

The views and suggestions detailed in consultation responses are analysed and used as part of the decision making process, along with a range of other available information and evidence. Depending on the nature of the consultation exercise the responses received may:

- indicate the need for policy development or review
- inform the development of a particular policy
- help decisions to be made between alternative policy proposals
- be used to finalise legislation before it is implemented

Final decisions on the issues under consideration will also take account of a range of other factors, including other available information and research evidence.

While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.

² <http://www.scotland.gov.uk/consultations>