



University and College Union

‘Further, higher, better’

**Submission to the government’s
second Comprehensive Spending
Review**

Section 5

5 Public spending on higher education in Scotland

Grant

Recurrent grant for teaching and research, and for capital spending, in higher education in Scotland over the period 1997-8 to 2007-8, has increased by 87% in cash terms, and by 48% above the rate of inflation – a period of growth following many years of cuts under the Conservative government.

Recurrent and capital grant, Scotland

	Recurrent & capital grant		Recurrent & capital grant
	cash £m	% change	Real terms £m
1997-98	549		549
1998-99	528	-3.8%	515
1999-00	588	11.4%	562
2000-01	609	3.6%	575
2001-02	660	8.2%	607
2002-03	676	2.5%	603
2003-04	712	5.3%	619
2004-05	787	10.5%	670
2005-06	853	8.4%	709
2006-7	958	12.3%	777
2007-8	1028	7.3%	813
1997-8 to 2007-8 % change	87.2%		48.0%

Source: Scottish Office and Scottish Executive grant letters; Scottish Executive 'Making a difference for Scotland' pp 12-13, 2000; Scottish Executive: 'Building a Better Scotland', October 2004. Percentage and real terms calculations by UCU, using HMT data @ 23.12.05.

Fees

Over the period 1997-8 to 2007-8, public tuition fee payments in Scotland increased by 52% in cash terms, or 20% above inflation. Upfront tuition fee payments were made by students in Scotland in 1998-9 and 1999-00, but abolished from 2000. Scottish graduates are eligible to make a one-off contribution towards the cost of their higher education, which can be added to the student loan or paid immediately after graduation. The money from this graduate endowment are used to fund bursaries for new students from low income backgrounds.

In 2005 the Scottish Executive announced that it intended to raise full-time undergraduate tuition fees in Scotland in 2006 from £1,200 to £1,700. Eligible Scottish domiciled students, and EU students (excluding rest of UK), will have their fees paid for them by the Student Awards Agency for Scotland; at the same time, fees for medical students will rise to £2,700. At the time of writing the Scottish Executive is committed to using additional fee income to support Scottish students studying in England.

Public tuition fee payments, Scotland

	Fees*
Scotland	cash £m
1997-98	121
1998-99	180**
1999-00	139
2000-01	152
2001-02	158
2002-03	162
2003-04	167
2004-05	172
2005-06	176
2006-7	180
2007-8	184
1997-8 to 2007-8 % change	52.1%

* Public contributions only, with the exception of £15m in 1998-9 and £26m in 1999-00, when flatrate fees were paid by full-time undergraduates. More recent fee figures have been AUT estimates.

** Tuition fees were higher in 1998-9 because of changes in the phasing of fee payments.

Source: Scottish Office and Scottish Executive grant letters, Scottish Executive 'Making a difference for Scotland' pp 12-13, 2000; Scottish Executive: 'Building a Better Scotland', October 2004.

Grant and fees

Total public grants (including capital) and fees in Scotland rose by 81% in cash terms and 43% in real terms over the 1997-8 to 2007-8 period.

All grant & fees, Scotland

	All grants & fees		All grants & fees
	Cash £m	Annual change %	Real terms £m
1997-98	670		670
1998-99	708	5.7%	690
1999-00	727	2.7%	695
2000-01	761	4.7%	718
2001-02	818	7.5%	753
2002-03	838	2.4%	748
2003-04	879	4.9%	764
2004-05	959	9.1%	816
2005-06	1029	7.3%	856
2006-7	1138	10.6%	924
2007-8	1212	6.5%	958
1997-8 to 2007-8 % change	80.90%		43.00%

Source: Scottish Office and Scottish Executive grant letters, Scottish Executive 'Making a difference for Scotland' pp 12-13, 2000; Scottish Executive: 'Building a Better Scotland', October 2004.

Percentage and real terms calculations by UCU, using HMT data @ 23.12.05.

Spending per student

Information on public spending per student in Scotland has not been included because in recent years public grant figures have not disaggregated capital funding from recurrent spending data, making it difficult to calculate recurrent public spending per student.

Scottish funding as a proportion of UK GDP

Recurrent and capital grants, and public tuition payments, have risen in Scotland between 1997-8 and 2007-8 as a proportion of UK GDP, from 0.081% to 0.089%.

Scottish funding as a proportion of UK GDP

	All grants & fees	All grants & fees
	cash £m	% GDP
1997-98	670	0.081%
1998-99	708	0.081%
1999-00	727	0.079%
2000-01	761	0.079%
2001-02	818	0.081%
2002-03	838	0.079%
2003-04	879	0.078%
2004-05	959	0.081%
2005-06	1029	0.084%
2006-7	1138	0.088%
2007-8	1212	0.089%

Source: Scottish Office and Scottish Executive grant letters, Scottish Executive 'Making a difference for Scotland' pp 12-13, 2000; Scottish Executive: 'Building a Better Scotland', October 2004. GDP calculations by UCU, using HMT data @ 23.12.05.

Comment

Scotland has taken a policy decision to invest in HE to support the priority of growing a knowledge economy, by decreasing funding for the Enterprise networks. The real terms increases in public spending on higher education in Scotland over the past decade have been impressive. This has been achieved without students having to pay tuition fees – apart from the single graduate contribution, and the two years for which Scottish undergraduates paid upfront tuition fees.

We strongly urge other countries in the UK to look to the distinctive approach to higher education in Scotland, particularly Scottish funding priorities, and enabling students from all backgrounds to study without fear of racking up high levels of debt.