

Education and Lifelong Learning Committee

Statement to Plenary on Student Hardship

The Minister for Education and Lifelong Learning (Jane Davidson): It gives me great pleasure to announce our plan to introduce a new scheme of student support uniquely for Wales.

This delivers on one of the key recommendations contained in the report published last year, which I commissioned from the independent investigation group into student hardship and funding in Wales, chaired by Professor Teresa Rees. I reiterate my thanks to the group members for giving us solid evidence, which has led to today's statement.

A key area of concern, particularly for students from low-income families, was a perceived financial barrier to continuing with education. The Welsh Assembly Government is committed to breaking down barriers to learning, and today I am announcing a new Assembly learning grant, which will provide a guaranteed source of extra financial support for students in higher education, and, for the first time, in further education as well. This will operate as an entitlement for eligible students, ensuring that everyone has an incentive to continue their education.

When Professor Teresa Rees first presented her report, I said that we needed to give it careful and rigorous consideration, not least with regard to costs. That work is now complete. The new Assembly learning grant will be funded from a total provision of £41 million in the financial year commencing April 2002, and over £50 million in the next. From April 2002, therefore, we shall more than double the £20 million that we set aside for discretionary hardship and access funds for this financial year, which itself doubled provision as against the previous year. These sums have been agreed by the Cabinet and are provided for in the Government's budget. This is a clear statement of the Welsh Assembly Government's commitment to encouraging everyone who has the ability to do so to continue learning.

The Assembly learning grant will be means-tested, and targeted at the least well-off among learners as part of the Assembly Government's ambition to overcome poverty of opportunity and increase access in low income communities. The grant will not only enable individuals to improve their skills, but will make a real contribution to delivering on our economic and cultural agendas by encouraging our people to set low aspiration aside and to aim for their highest level of achievement. It will help to lift the level of education and skills within the Welsh workforce so as better to meet the economic and other challenges we face in nourishing a truly

inclusive society. It demonstrates that the Assembly has listened to genuine concern about real hardship, and thus about real barriers to learning. These concerns must be addressed if we are to meet our goals for widening access and participation, for an era in which learning is not, and cannot be, the preserve of the elite.

Wales already has a better record than any other part of mainland UK when it comes to attracting youngsters from socio-economic disadvantaged groups into higher education. Our record on attracting mature students from less advantaged backgrounds is the best in the UK, and the drop out rate among this group is lower in Wales. We want to improve on that record. However, every percentage point by which we aim to increase that participation becomes even harder to achieve. Many reasons are given as to why potential students are put off applying for places on courses in further and higher education. We are concerned that some of the most powerful are linked to students' fears—real and perceived—of financial hardship. That is why we commissioned the Rees report. The report told us that our concerns were well founded and that we must do something imaginative to tackle the problem effectively.

The Assembly learning grant will provide support on top of the current statutory provisions, such as student loans. The grant will be for less well-off students who have lived in Wales for at least three years and will be available to them wherever they choose to study, in Wales or elsewhere. The grant will be payable for attendance on substantial courses for which, on current estimates, class contact exceeds some 200 hours a year. This works out at an average of seven hours per week and will therefore cover many part-time courses. The figures available to us show that we shall be able to provide grants averaging around £700 to £800 for some 43,000 students, with the maximum grant being £1,500. Those students are learners who would otherwise find it difficult, if not impossible, to commit themselves to a course of further or higher education.

The grants will be available to Welsh-based learners wherever they choose to study but the system will not leave students who come to Wales worse off than they are now. We will continue to provide higher and further education institutions in Wales with funds that they can use to provide students from outside Wales with the same kind of financial safety-net that they currently have under the discretionary access and hardship fund arrangements.

Useful work has already been done with local education authorities and others on the practical steps needed to implement the new grant. We have also had discussions with the further and higher education sectors and the National Union of Students about the need to market the new grant actively, to reach those who can benefit from this new opportunity.

A formal and brief consultation will now begin on the Assembly regulations needed to introduce the grant, and to put the necessary administrative arrangements in place. Subject to that, we envisage that the Assembly learning grant will be operational from September this year.

This is a brand new scheme. It builds upon several initiatives taken by the Labour Government for the whole of Britain, but it goes significantly further. The extension of the scheme into further education makes this different to any previous grant scheme. In this scheme we are deliberately breaking down barriers between so-called academic and vocational routes into learning. We are determined to extend access and opportunity to all people in Wales.

To begin, the grant scheme will be kept as simple as possible. The first year will be treated, to a great extent, as a pathfinder. We want to learn from that experience and use what we learn to refine the scheme for future years.

This is a massive good news story for 43,000 learners across Wales. It is a major step forward for widening access. It shows we are taking hardship, and the ill effects of debt among disadvantaged learners, seriously in Wales. We are the only part of the UK to tackle it in this way. We are doing things differently in Wales. We are getting the conditions for learners right. It is a very good time to prepare to study in Wales, and another step towards establishing Wales as a learning country.