

BROKE

HOW SCOTLAND IS FAILING ITS STUDENTS

Research carried out by NUS Scotland
and analysis by Freya Douglas Oloyede

**“In first year uni
I would never dream
of going into my
overdraft. But now,
as a fourth year,
I dream of getting
out of it.”**

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Introduction

In Scotland we believe that everyone, regardless of their background, has the right to learn and pursue education.

Scotland rightly prides itself on delivering free undergraduate tuition for Scottish students. Unfortunately, little attention has been given to the rising cost of learning that is leaving college and university students in poverty and at risk of losing out on an education.

This report lays bare the financial problems students face, with students reporting they are facing decisions like “heat or eat” or whether to prioritise their studies or take on additional work hours to keep from becoming homeless.

These problems aren't new. While some issues may be exacerbated by the pandemic, many of the inadequacies of the student support system have been known for decades. This report looks at comparable data from a similar research report NUS Scotland published in 2010, **Still in the Red**.¹ The bottom line is that we are seeing no forward progress. What we have seen over the last decade is student debt increasing, up 140% over the past ten years, according to the **Student Loan Company**.²

Across many industries, we also see an increased need for postgraduate degrees but, due to high course fees and extremely low student support payments, these degrees are largely inaccessible to those who are not from a privileged background.

It is clear from this report that if no steps are taken to tackle student poverty, coupled with the steep rise in cost of living, we will be looking at a similar or worse situation in another ten years. It means that we could see the erosion of progress in widening access to further and higher education in Scotland. It means we could see growing inequality in the outcomes and wellbeing of students.

But it doesn't have to be that way. In Scotland, we believe in someone's capacity to learn, not their ability to pay. Over the past twenty years, we have made great strides through abolishing undergraduate tuition fees for Scottish domiciled students and extending bursary support. But we must go further because we also recognise that someone's capacity to learn is greatly reduced when they are struggling to keep a roof over their head and food on their table.

In this report, we outline 18 recommendations that range from tackling the root cause of student hardship by providing year-round student support that meets the cost of living, to more immediate and short-term steps like introducing a student housing strategy and creating a bursary for estranged students.

1/ Still in the Red, NUS Scotland, 2010: <https://www.nusconnect.org.uk/resources/still-in-the-red-scotland-report-2010>

2/ Student Loans in Scotland, Student Loans Company, 2021:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/992344/slcsp042021.pdf

This report keeps the experiences of students at the heart of this research. In our survey we asked students to voluntarily give us their views on what the biggest financial struggle has been for them, and we were overwhelmed with the responses. We have included many of their comments here and I challenge you all to read them with the utmost empathy for their situations.

Finally, I want to thank the students who shared their experiences and took part in this survey. I want to also thank the students' associations, partners, and supporters who promoted this research. We wouldn't be able to tell this story without your help.



Matt Crilly,
NUS Scotland President

A stylized map of Scotland in shades of purple and teal. A white location pin is placed on the map. The word "BROKE" is written in large, bold, purple letters across the bottom of the map. The background is dark purple with abstract shapes and patterns.

Executive summary

NUS Scotland surveyed over 3,500 students from 34 institutions across Scotland about their finances.

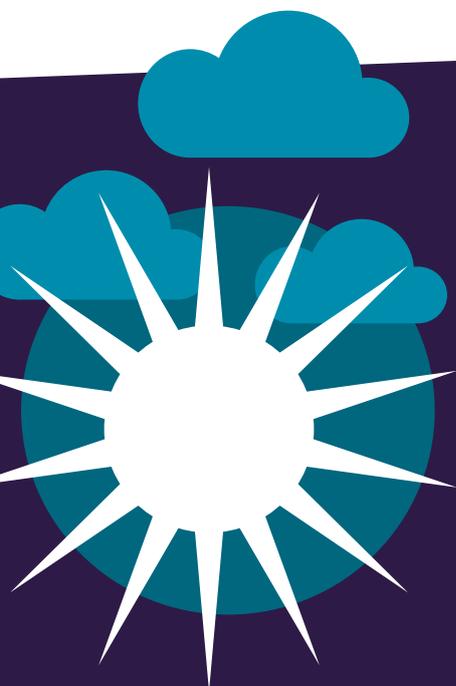


60%
of students
worry or stress
about money

60% of students worry or stress about their finances "frequently" or "all the time", a situation that has not improved since our 2010 survey. A third of students have considered dropping out due to financial difficulties, and an alarming 69% said worrying about their finances impacts negatively on their mental health.

The inadequacy of the financial support available to students was a consistent theme throughout survey responses. 35% of those who have considered dropping out for financial reasons said this was the reason why. While some have family support, more than half of students had taken on additional debt through credit or overdrafts to be able to afford essentials like rent and food.

35%
of students
considered
dropping out
over finance



56%
find it hard
to manage
financially over
the summer

Just over half of non-first-year students find it hard to cope financially during the summer months when student support payments stop. This is remarkably similar to the response students gave in 2010, confirming there has been no improvement in summer hardship in more than 10 years, and that the current problems students are experiencing aren't solely because of the pandemic. Students said they find it hardest to pay for rent and food during this time.



68%
of students
work more than
10 hours per week

With student financial support insufficient to cover essential costs, like rent or food, the majority take on paid work in term time and summer, and 68% of those that work do more than 10 hours per week to make ends meet. This detracts from time to study and increases stress.

Most students that live independently are paying high rents of over £400 a month, which many said their student support payments do not cover. 26% had previously been unable to pay their rent. Bills are also hard for many to pay, with some choosing to 'heat or eat'. A shocking 12% of students had experienced homelessness and 2% were experiencing homelessness at the time of the survey.

12%
of students
have experienced
homelessness



**FE
students
are harder
hit**

While not a consistent trend across all questions, FE students found it hardest to cope financially during the summer and were most likely to have been unable to pay their rent. They were the least likely to do paid work, though worked the most hours when they did, less likely to turn to family and friends for financial support, and were more likely to use commercial credit and food banks.

Across almost all survey questions, students from the widening access groups analysed in this survey (disabled, mature, parents and carers, estranged, and care-experienced students) reported greater financial difficulty. These groups were the most concerned about their finances, reported the greatest impact on their mental health, and were more likely to have considered dropping out due to financial difficulty. Across the questions, estranged students stood out as consistently reporting the greatest financial hardship, had the highest incidence of homelessness, and relied on foodbanks the most.

**Greater hardship
for widening
access groups**



Background

It has been more than 20 years since NUS Scotland successfully campaigned to abolish undergraduate tuition fees and 13 years since the Graduate Endowment Scheme was scrapped, yet student poverty persists in Scotland.

Here's a quick look at the history of student finance in Scotland.

1990

The UK Government removed entitlement to social security benefits and the vacation hardship allowance for the majority of students. These changes meant that most students in Scotland were no longer entitled to any financial support during the summer months.

1999

NUS Scotland submitted its report, **Student Finance: In the Red**, to the Cubie Inquiry into Student Finance. The evidence-based report called for tuition fees to be scrapped and for student financial support to meet the cost of living.

2001

Based on the recommendations of the Cubie Report and campaigning from NUS Scotland, undergraduate tuition fees were abolished in Scotland, and bursary support for students from low-income families was reintroduced. However, at this time The Graduate Endowment Scheme was introduced, which required students to pay a £2,000 fee when they graduated.

2008

NUS Scotland continued to campaign for education to be fully free, and in 2008 The Graduate Endowment fee was abolished in Scotland.

STOP CUTS!

FUND THE FUTURE!

£

2010

NUS Scotland surveyed 7,400 students and produced the report, **Still in the Red**. The report found that students continued "... to suffer hardship as the money provided by the student support system is insufficient to cover their needs". Students were relying on commercial debt, working long hours to supplement their income, and considering leaving their course as a result.

2011

The findings of **Still in the Red** and NUS Scotland's campaign, 'Budget for Bursaries', caused the Scottish Government to u-turn. The Government halted its plan to cut further education bursaries and instead committed more money to increase this support.

2016

Following NUS Scotland's successful Scottish Parliament election campaign, calling for better financial support for students, the Scottish Government established an Independent Review of Student Support.

2017

The Student Support Review called for students to be entitled to a Minimum Student Income of £8,100 in further and higher education. This recommendation is yet to be implemented for most students.

2020

Student poverty was on the rise and was more visible than ever because of the COVID-19 pandemic. NUS Scotland's November 2020 survey (published in January 2021) found that 73% of students were concerned about managing financially and 14% had used foodbanks since the pandemic began.

Over the course of 2020-21, NUS Scotland secured more than £70 million in additional emergency support, including funding for student hardship, mental health, digital poverty, and the wellbeing work of students' associations.

While the support was welcomed, it failed to tackle the deep-rooted causes of student poverty or the gaps in the student support system.

2021

Following NUS Scotland's successful election campaign, 'A Student Guarantee', and lobbying of the newly formed Scottish Government, some key commitments were secured. These include, expanding student support to the equivalent of the Real Living Wage, a review of summer support, and a 'special support payment' so students in receipt of benefits don't lose out.



DEBT

Background to the survey

From 27 October to 9 December 2021, NUS Scotland surveyed more than 3,500 students. The aim of the survey was to better understand the current financial situation of students in Scotland, and how money (or lack of money) impacts their studies and wellbeing.

All survey questions required a response except for one open text question. This question asked students what their biggest financial challenge was, and we received 1,587 responses. There were many common themes in the responses and some of the anonymous comments are shared in this report.

Students from all Scottish colleges and universities were invited to respond, and all levels and modes of study were reported on.

This report provides a fresh evidence base for action on student poverty. It documents the damage poverty is doing to our students and to the further and higher education system in Scotland.

We are grateful to Freya Douglas Oloyede of **Douglas Oloyede Diversity Research and Consultancy** who conducted the analysis of survey responses and the drafting of this report.

Respondent demographics

The survey was completed by 3,528 students from 34 institutions across Scotland. This included 497 (14%) further education (FE) students, 2272 (65%) higher education (HE) students (HNC, HND, and undergraduate), 715 (20%) postgraduate (PG) students, and 38 (1%) apprentices.

93% of respondents (3290) were studying full-time, 5% (169) part-time and 2% (60) were distance learners.

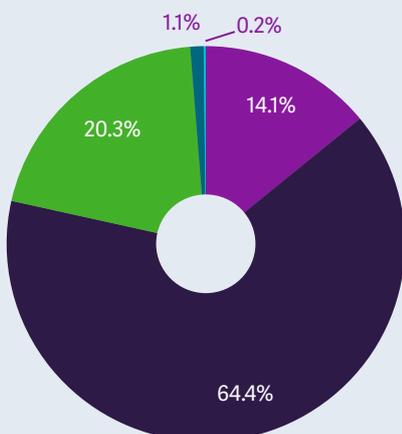


Figure 1: Respondents by level of study

- Further Education (FE)
- Higher Education (HE)
- Postgraduate (PG)
- Apprenticeship
- Other

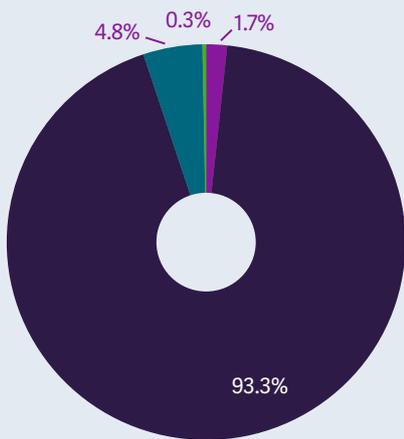


Figure 2: Respondents by mode of study

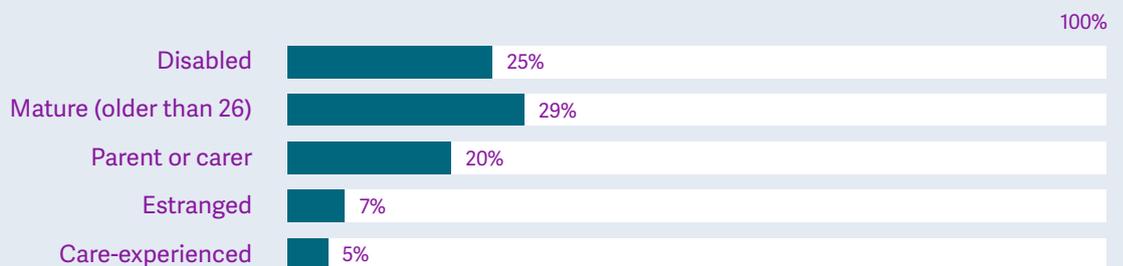
- Distance learner
- Full-time
- Part-time
- Other

The sample also included 1,222 (29% of sample) mature students, 870 (25%) disabled students, 713 (20%) students with parental or caring responsibilities, 246 (7%) estranged students, and 180 (5%) care-experienced students. This is a high representation of these groups within our sample compared to their overall representation in FE and HE.³

The Scottish Index of Multiple Deprivations (SIMD) is used as a measure of widening access to students who grew up in more deprived postcode areas. Due to practicalities around collecting and processing this data, we were unable to measure this widening access group.

While student parents are not generally regarded as a widening access group, it is clear from the response to this survey that they continue to face significant financial barriers to entering and continuing further and higher education. For the purposes of our analysis all students with caring responsibilities have been combined as the data shows they face similar challenges. It is, however, clear that further focus is required on the experience of student parents and student carers.

Figure 3: Widening access groups within our sample



3/ See SFC's [Report on Widening Access 2019-20 \(sfc.ac.uk\)](https://www.sfc.ac.uk) for benchmarking data.

Lack of summer support

We asked all students who weren't in their first year of study about their experiences coping financially over the summer. More than half (56%) of students said it was hard to cope financially over the summer. For 20% it was as hard as in term time and for another 35% it was harder than in term time (Fig. 4). This may not come as a surprise as most students are not entitled to student support or social security benefits during the summer break.

This is a longstanding challenge for students which has not yet been addressed. The situation was very similar for students at the time of our 2010 survey when 54% of the students said they found coping financially over the summer difficult.

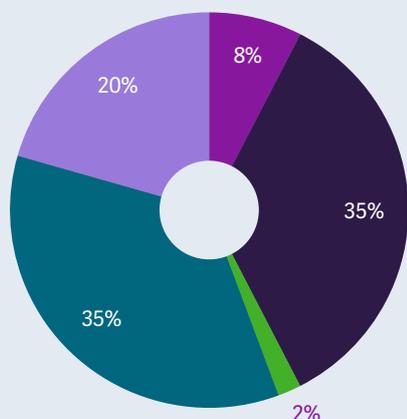


Figure 4: Asked to non-first-year students: Do you find coping financially over the summer holiday period difficult?

- Don't know
- No
- Prefer not to say
- Yes – it is harder than during term time
- Yes – it is the same as during term time

We asked students in their first-year, who had not yet had experience of managing financially over the summer, if they were confident that the financial support they receive will last the full year, including the summer. 39% of first-year students did not believe their financial support would last the full year including the summer, compared to 24% who felt it would.

Not surprisingly, 34% of first-year students did not know whether their support would last the full year. (Fig. 5).

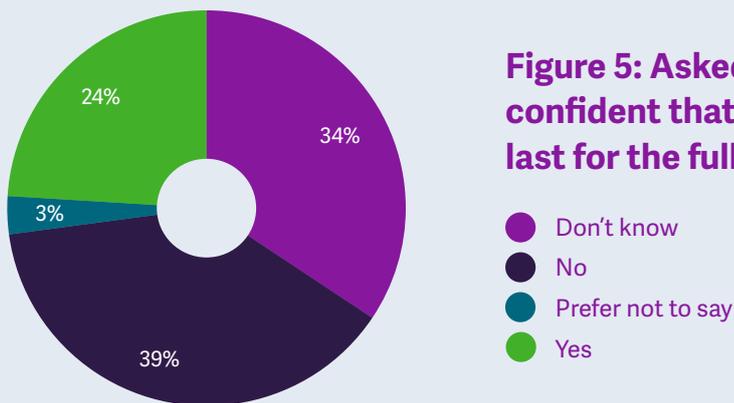


Figure 5: Asked to first-year students: Are you confident that the financial support you receive will last for the full year including the summer months?

The summer period was identified as the biggest challenge by 175 students in their voluntary comments. The comments overwhelmingly revealed that the lack of student support payments during the summer is what makes it such a difficult period. Often students try to find paid work, including zero-hour contracts, but many spoke of challenges finding work that would take them on for just the summer period or that would pay enough to support them.

"The biggest challenge is summer as there is no income support, however, my outgoings are the same as during term time as I have to stay away from home to keep my job. My wage doesn't cover my food costs, never mind rent, so I spend the term time recovering by having to work extra hours, which often affects my grades."

Some reflected on the unique challenges of the summers of 2020 and 2021 due to the Covid-19 pandemic:

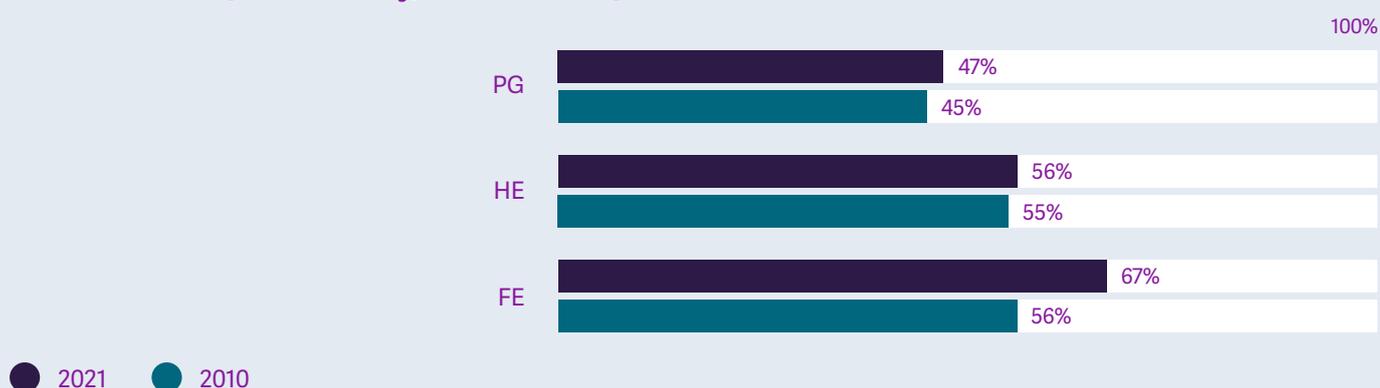
"Trying to get through the 2020 summer with no student loan and a backlog of debt and money issues that accumulated while on furlough. There was then constant news of "talk" of summer SAAS without it materialising, which was really tough. It was super hard to make up rent and bills."

"I also believe that student loans need to be extended throughout the summer months as I don't know a single student who hasn't struggled because of lack of income, especially last summer because of Covid! The expectation that all students have a safe, family home to go back to or are able to get a stable full-time job during the summer is not reality."

FE students found it hardest to cope financially during summer, with 67% reporting it as difficult, followed by 56% of HE students and 47% of postgraduates.

This is similar to the pattern among 2010 respondents, with the exception of a notably higher proportion of FE students finding it hard to cope during summer in the 2021 survey (Fig. 6).

Figure 6: Proportion of students reporting it is harder to cope financially over summer (level of study, 2010 and 2021)



Students from all widening access groups included in our 2021 survey had more difficulty coping financially during the summer period than students overall. 81% of estranged students, 78% of care experienced students, 77% of students with caring responsibilities, 68% of mature students and 66% of disabled students said they found it difficult (Fig. 20). This is between 25 and 10% more than among students overall.

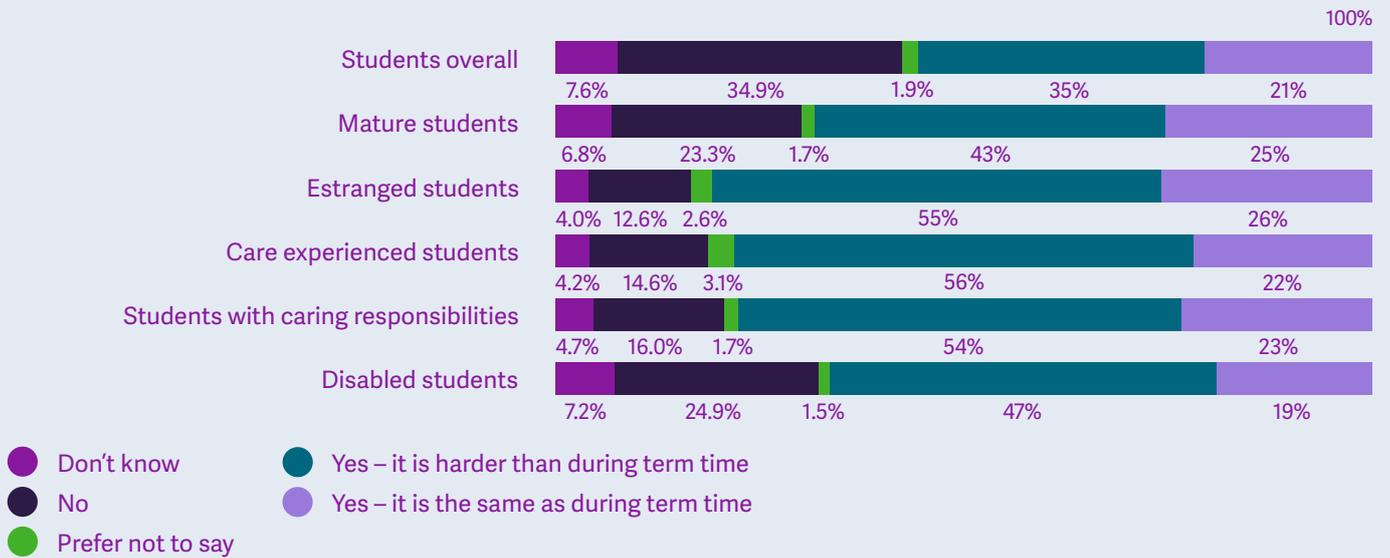
Student comments shed light on this additional difficulty:

“At the end of every academic year my mental health would plummet as I realised I wouldn't have SAAS/SLC payments coming in, I'd have to find more work to pay for rent and juggle my final assignments for the year not knowing if I'd be able to keep my flat for the summer. I'm a mature student, it's not like I have the option to head home and live rent free over the holidays.”

“I have a disabled child and subsequently couldn't work but also couldn't claim anything. We spent summer relying on loans and accumulating rent debt.”



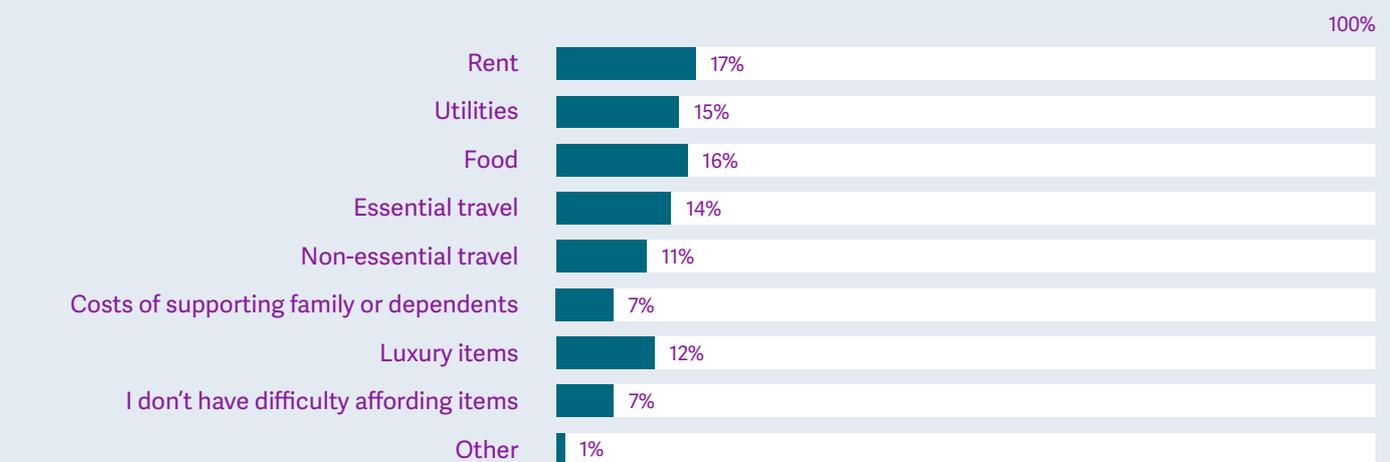
Figure 7: Do you find coping financially over the summer holiday period difficult? (widening access group)



When non first year students were asked what they find most difficult to afford over the summer months, it was clear that essential bills and costs of living are the most challenging for students to afford, not optional costs.

Rent came out as the most difficult to afford with 17% choosing this, followed by food at 16%. Utilities and essential travel were selected by 15 and 14% each (Fig. 8).

Figure 8: What expenses do you find most difficult to afford over the summer months?



Money and stress

A key indicator of students' financial difficulties is worry, stress, and concern about money. Nearly one-third of students said they worry or stress about their finances "all the time", while another 30% worry frequently (Fig. 9), and 35% worry occasionally.

The situation has not improved since 2010 when 28% of students we surveyed said they worried about their finances "all the time" (Fig. 10). The pressures faced by students more than 10 years ago remain today.

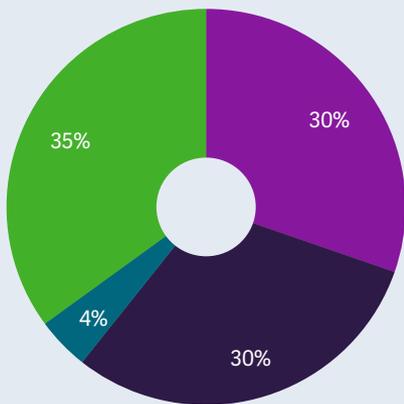
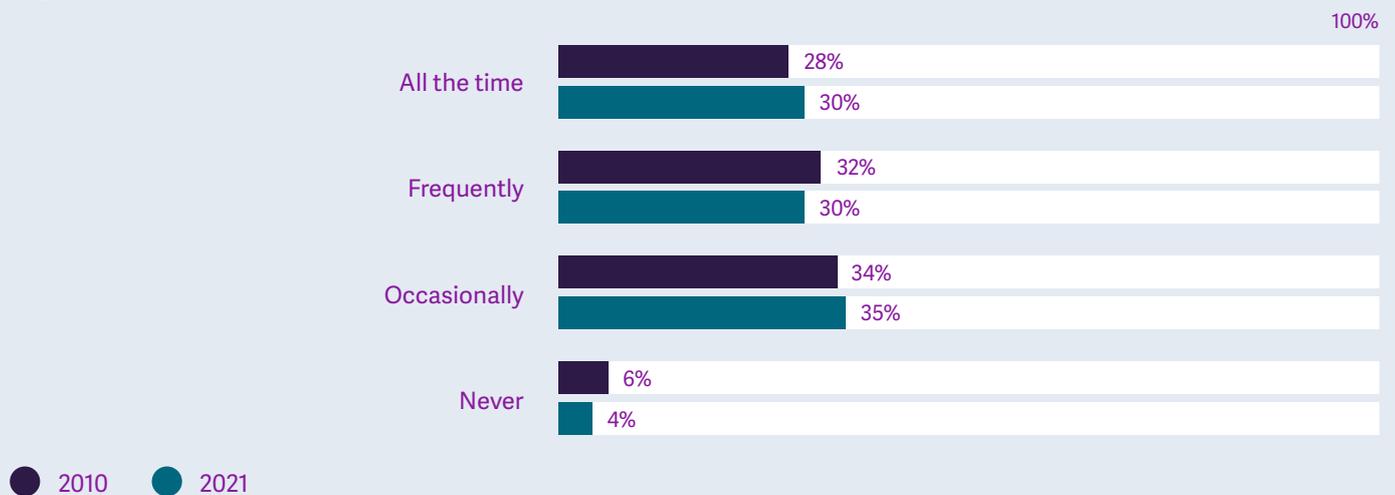


Figure 9: Do you worry or stress about your finances?

- All the time
- Frequently
- Never
- Occasionally

Figure 10: Do you worry or stress about your finances? (2010 and 2021)



- 2010
- 2021

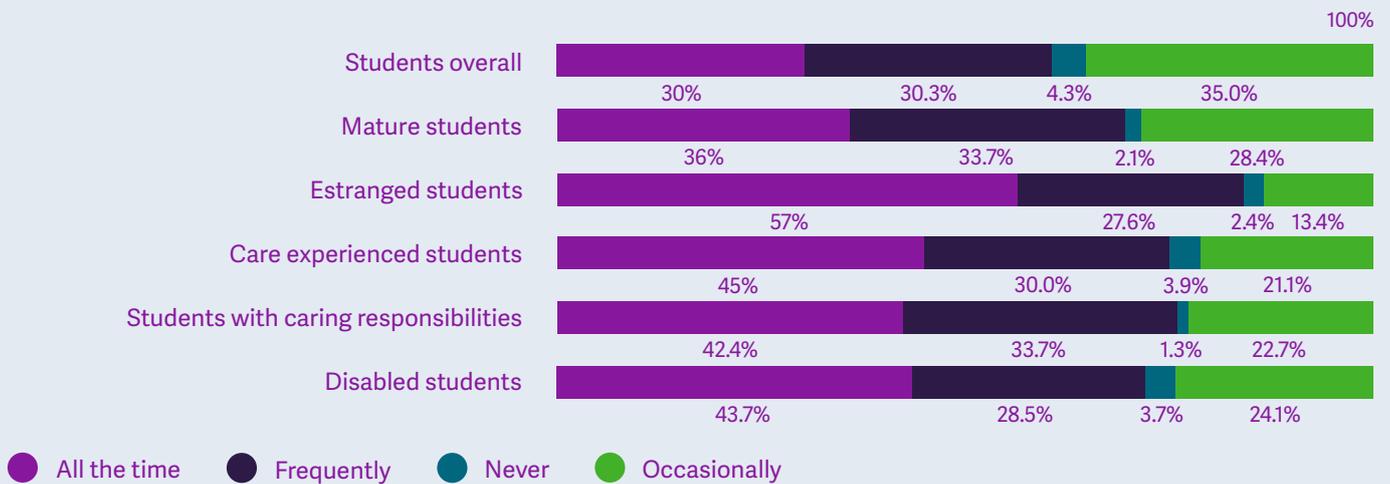


There was little difference between the worry about money reported by FE, HE and PG student respondents. 31% of HE and PG students worried “all the time” compared to 33% of FE students.

However, estranged students, care-experienced students, disabled students, and students with caring responsibilities were the most concerned about their finances, with 44% or more of each saying they worried “all the time” (Fig. 11).

In our 2010 survey, student parents, mature students and disabled students were the most concerned about their finances but to a lesser extent than in 2021, with between 30 and 36% saying they worried “all the time” about money. This suggests that the situation has worsened for these groups.

Figure 11: Do you worry or stress about your finances? (widening access groups)



Impact on mental health

Previous research by Think Positive, which was collected in 2019 before the Covid-19 pandemic, found lack of money or financial pressures had a negative impact on around half of student respondents' mental health (2020).

In this survey, an even greater proportion of students, 64%, said that worry about finances has impacted on their mental health (Fig. 12).

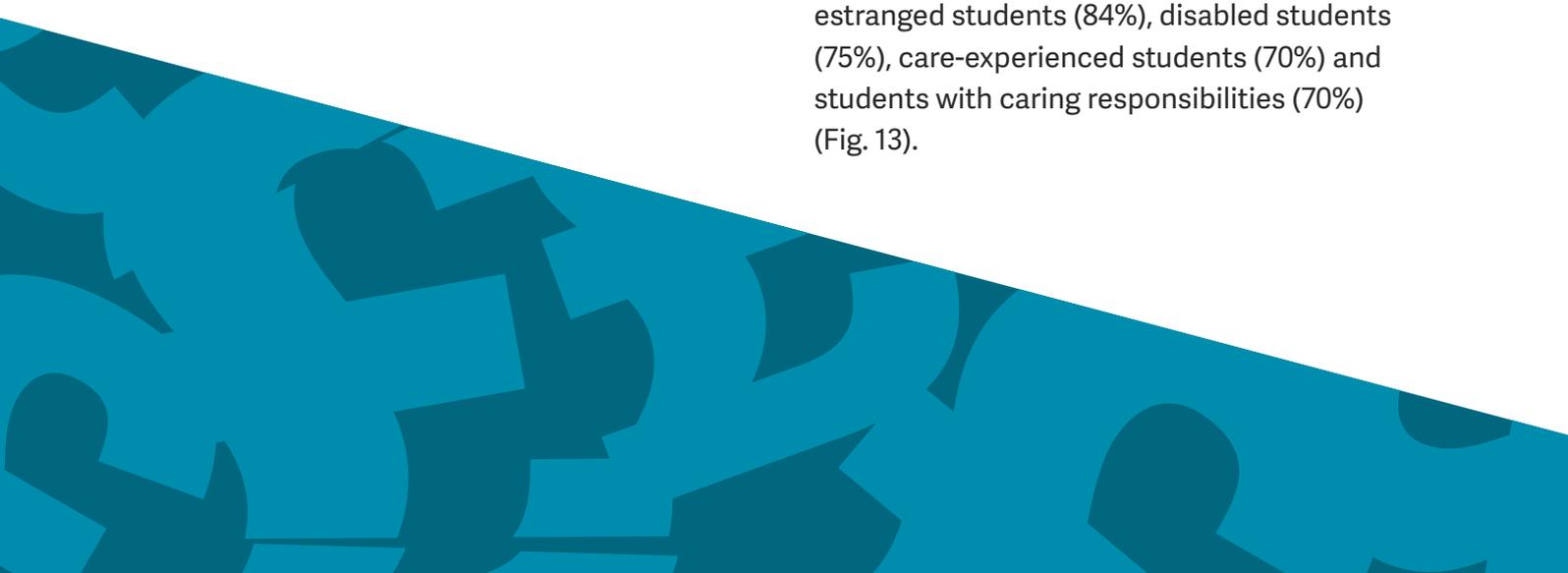
"Money can't buy happiness is only true when you're not struggling to be able to afford the basic necessities. If you're worrying about how to afford rent or food or transport, you're not going to be able to focus on coursework. Or if I spend a lot of non-class time working for money, I won't be spending that time on my coursework or events affiliated with the university. In both situations, either my mental health suffers or my coursework does when I try to take care of myself. Financial stability is so important for overall well-being and academic success."

"It's so difficult to juggle being a single parent and studying. You need to buy books for your course as well as other essential items. I don't qualify for a council house as I'm already in private rent even though my rent is so much. If I had known how little I would be left to try to live off I would never have started studying, even though it will eventually give me and my son a better life. It affects my mental health so much that I feel like a bad mother as I struggle to support and provide."

For some, it exacerbated existing mental health conditions:

"I live on the bread line as is, never mind being a student on top of it, which really stresses me out. I have anxiety and depression and am on medication but this added on stress due to money problems is just not helping my mental health."

It is particularly concerning that the impact on mental health was significantly greater for estranged students (84%), disabled students (75%), care-experienced students (70%) and students with caring responsibilities (70%) (Fig. 13).



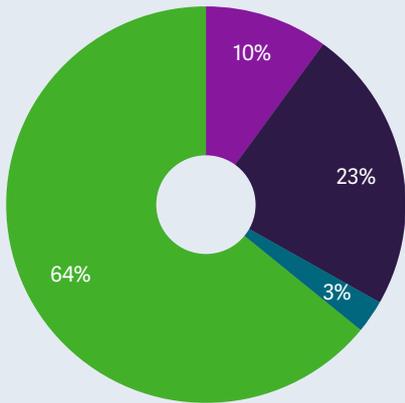
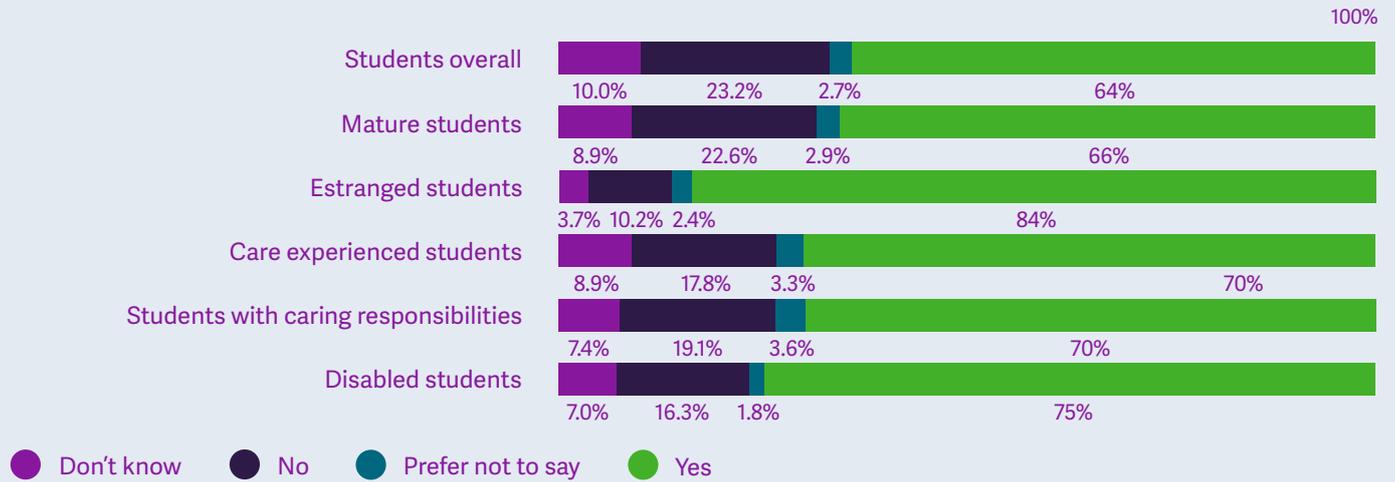


Figure 12: Since you began your studies, has your mental health been impacted by worrying about money?

- Don't know
- No
- Prefer not to say
- Yes

Figure 13: Since you began your studies, has your mental health been impacted by worrying about money? (widening access groups)



- Don't know
- No
- Prefer not to say
- Yes



Recent and related research

Improving mental health and wellbeing support for Scotland, Think Positive & NUS Scotland, 2020

The research was commissioned by Think Positive, an NUS Scotland project funded by the the Scottish Government. More than 3,000 college and university students were surveyed before the pandemic, and an in-depth analysis was conducted of the mental health and wellbeing services at institutions across Scotland.

- Half of students surveyed cited a lack of money or financial pressures as negatively impacting on their mental health.
- Of the students surveyed who used a support service, institutional or external (e.g. NHS or third sector), more than half of respondents (60%) had to wait to access the support they needed. For those students who had to wait, just over half (54%) waited more than a month, and 21% waited more than three months.
- Around four times as many HE (78%-81%) than FE students (19%-22%) were aware of mental health and wellbeing support available to them.

Thriving Learners, Mental Health Foundation, 2021

The research, led by the Mental Health Foundation in partnership with Universities Scotland, surveyed over 15,000 university students on their experiences of mental health and wellbeing during the COVID-19 pandemic. It was one of the largest studies on student mental health in the UK.

- More than one third of university students surveyed (36%) reported moderately severe or severe symptoms of depression.
- Nearly half of respondents (45%) reported that they had experienced a serious psychological issue that they felt needed professional help.



The risk of dropping out

Financial difficulty can be a reason for students withdrawing from their studies, and our survey found that a third (32%) had considered dropping out for this reason (Fig. 14). This is a slight decrease since 2010, when 36% had considered this, but remains a statistic of concern and highlights the severity of financial difficulties being experienced by these students.

"I do find my honours degree year to be particularly brutal. Having the course workload equivalent to that of a full-time job, with a dissertation and other modules along with it, I find it's a – "get a job and sacrifice your grades or struggle and go hungry for top marks" – situation. It can be done but honestly, I've seen people run themselves into the ground trying."

In terms of level of study, FE students were the most likely to have considered dropping out due to financial difficulty, at 36%, followed by HE students (33%) and PG students (28%).

Once again, students from all of the widening access groups captured in this survey were more likely to report negative impact due to financial difficulties, with greater proportions having considered leaving their studies for financial reasons.

Those who had considered leaving ranged from 43% among disabled students to 60% among estranged students, notably higher than the 32% among all students (Fig. 15). This points to a particular risk of losing students from these groups due to financial difficulties, some of whom can already be more likely to drop-out. For example, only 87% of Scottish-domiciled entrants to full-time, first-degree courses with experience of care continued their studies into year two, compared to the overall retention rate of 91% (SFC, 2021), suggesting that current levels of support for students with experience of care don't go far enough.

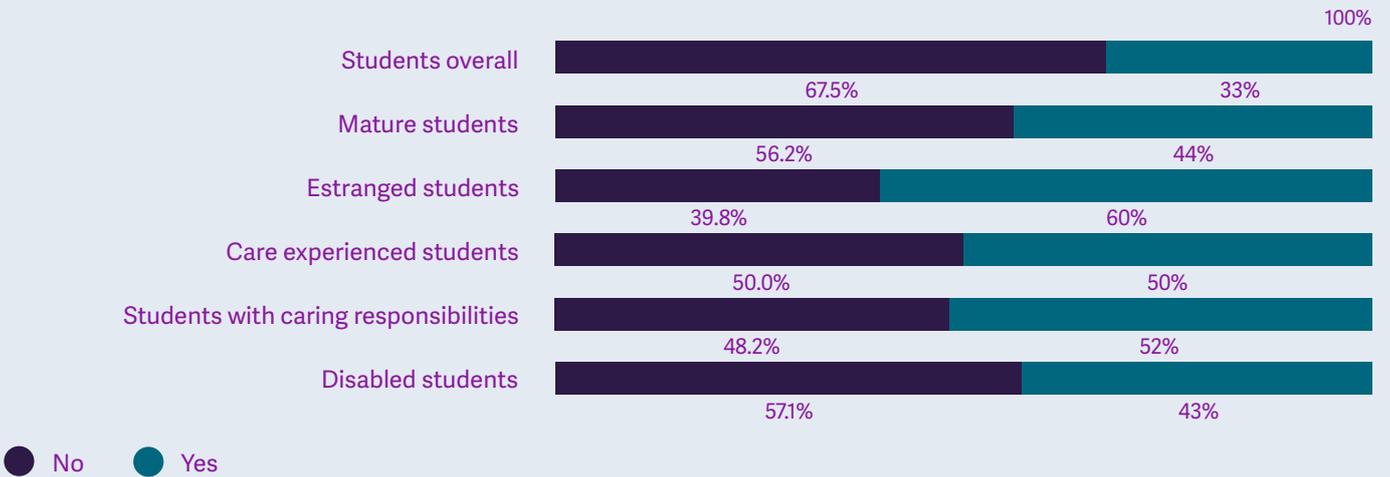
"Money is my worst concern. I am a mature student with a 2 year old in my own property. I receive the most help I possibly can from SAAS and my university. I still have to pay bills, mortgage, car payments, food, clothing etc as well as £400+ a month on childcare just to be able to study effectively. I know others in my class struggle massively and many have contemplated leaving the course as the financial struggle is not worth the stress on top of uni work, deadlines, social life, self care and housework. It is a massive struggle from start to end."



Figure 14: Have you ever considered leaving your course due to financial difficulty? (2010 and 2021)



Figure 15: Have you ever considered leaving your course due to financial difficulties? (widening access groups)



Among students who had considered withdrawing, the most common reason, reported by over a third, was “not having enough money to survive on through student loan or bursary”, followed by 28% reporting “difficulty balancing paid work and studies”, a further 18% cited “worry over commercial debt like credit cards and overdrafts”, and 15% “worry over student loan debt” (Fig. 16).

This suggests the student support system is failing to provide these students with sufficient funds to live on, requiring them to work unsustainable hours to cover living expenses and accrue debt which creates additional worry and is strongly linked with mental ill-health. We explore these themes further in the following sections.



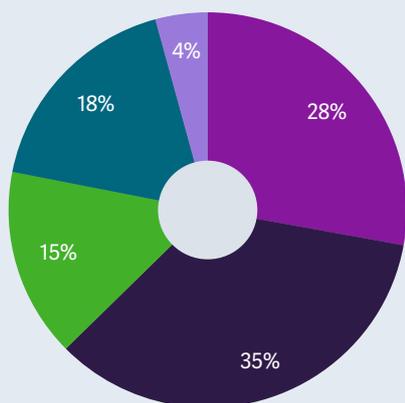


Figure 16: Which of the following caused you to consider leaving your course?

- Difficulty balancing paid work and studies
- Not having enough money to survive on through student loan or bursary
- Worry over student loan debt
- Worry over commercial debt like credit cards, overdrafts, etc.
- Other

Inadequate financial support

The inadequacy of the financial support available for students was a consistent theme across the survey responses. Indeed, it was cited as the biggest challenge by 461 of the 1,587 students who chose to leave a final comment at the end of our survey.

“Student finance and any bursaries are far too little for a student to live on, especially with lack of support during summer....The amount I receive is less than what is considered a liveable yearly salary. Students are real people, not dolls that live off air”.

Barriers of entitlement to student finance, or other benefits, was highlighted as the biggest challenge by 87 students. For many, their parents' incomes made them eligible for less support, but their parents could not or would not support them financially.

“The amount of money I can get through a SAAS loan is affected by my parents' income - though I am not estranged from my parents, and do see them frequently, I never receive money from my parents. This has also meant that I am not eligible for a SAAS bursary.”

“The minimum student loan should be enough to live on, £475 a month is not enough and hardly covers most people's rent (especially in cities like Edinburgh and Glasgow)!”

Gaps in financial support for PG students emerged within several final comments, such as:

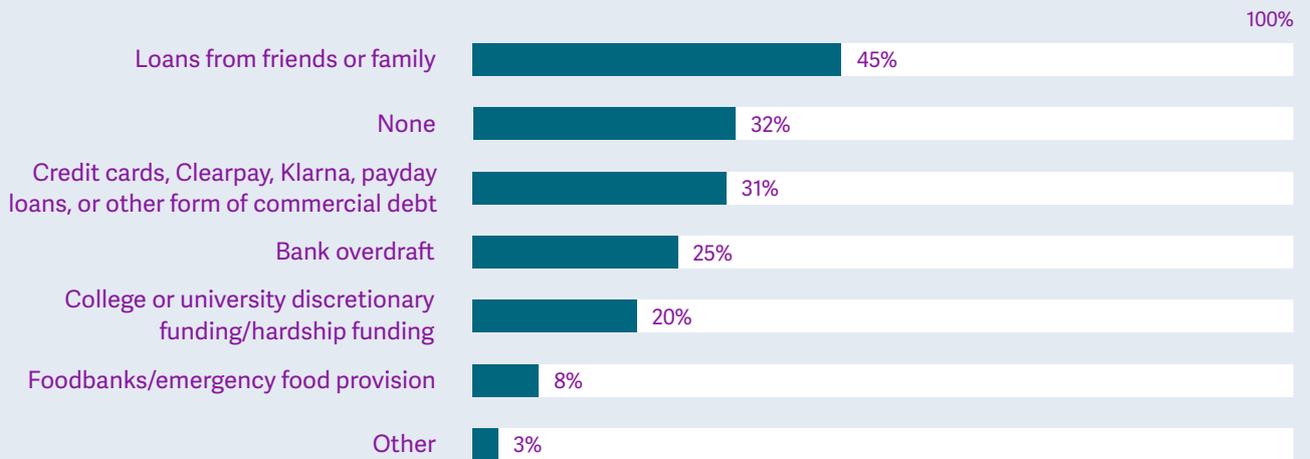
“The student living cost loan for post-graduates provided by SAAS is pitiful – I receive the maximum amount and I receive £346 a month, which doesn't even cover my rent, never mind bills and food. There seems to be a gap in the funding available for master's students - there is funding for undergraduate students (which I received) and for PhD students, but none for masters, which perpetuates this idea that only privileged people can afford to do one. This is especially frustrating as more jobs expect you to have a postgraduate qualification now.”

Loans, debt, and other support

The majority of students (68%) told us they have to turn to other avenues for additional support. Almost half (45%) had asked friends or family for loans, 31% had used forms of credit such as credit cards, Clearpay, Klarna or payday loans, a quarter had used a bank overdraft, 20% had applied for college or university discretionary funding and 8% had used food banks (Fig. 17).

3% of students had turned to another source, with comments revealing this included commercial loans, benefits e.g. Universal Credit and their own savings. The majority having to take on debt of some kind or another confirms the inadequacy of the student financial support available to them.

Figure 17: Which of the following, if any, have you sought support/ assistance from during your studies?



Note: Respondents could chose multiple forms of support.

Loans from friends or family were more commonly sought by PG students (47%), credit was most commonly used by FE students (35%), bank overdrafts by HE students (29%), college discretionary funding by FE students (24%), as well as food banks (11% of FE students) (Fig.18).

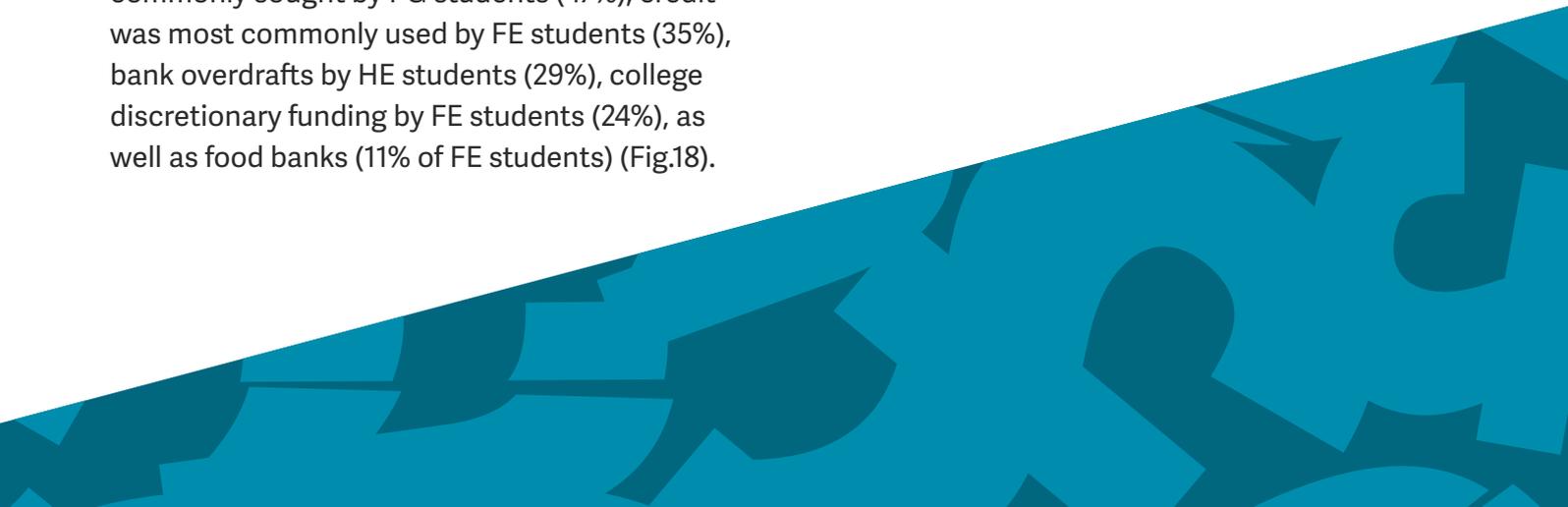
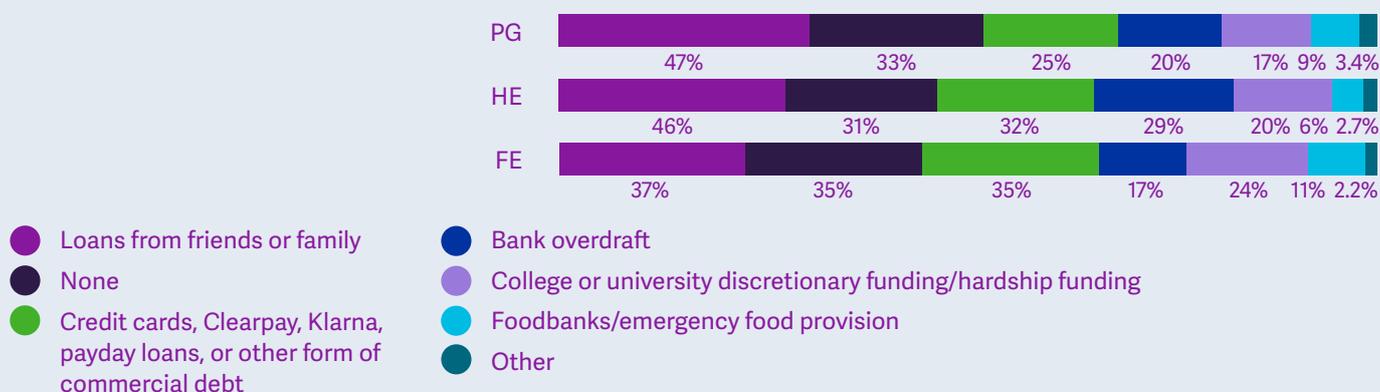


Figure 18: Which of the following, if any, have you sought support/ assistance from during your studies? (level of study)



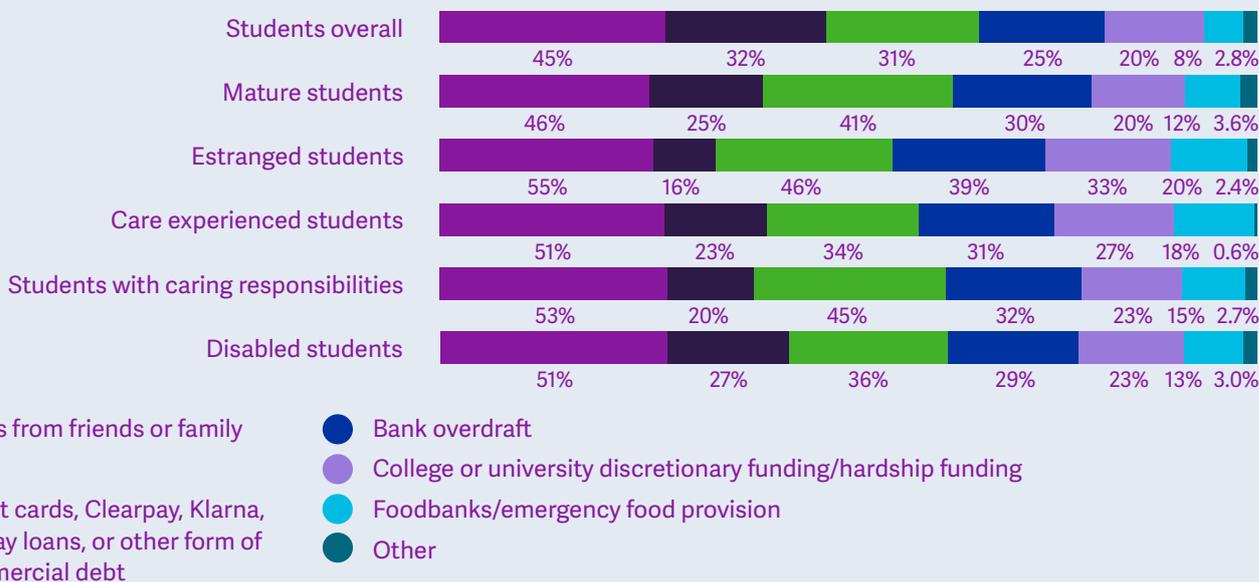
Note: Respondents could chose multiple forms of support.

Students from widening access groups were more likely to have sought additional support (Fig. 19). Generally, they turned to all of the sources asked about more than students overall. Notable differences included: greater use of credit, ranging from 5% more amongst students with disabilities to 15% more among estranged students; greater use of bank overdrafts, ranging from 5% more among mature students to 15% more among estranged students; and higher use of food banks, ranging from 4% more among mature students to 12% more among estranged students. The fact that the most disadvantaged students are having to turn to credit and other borrowing, as well as food banks, in greater proportions indicates greater financial hardship amongst these groups and a student support system that is failing to support the most vulnerable.

This supports the findings in the Fair Access Commissioner's recent report, **Covid-19: Impact on fair access to higher education interim report**, which states that Covid-19 has exposed and exacerbated existing inequalities in access to higher education.⁴ He also warns that “from those who had least, the most has been taken away” and the Scottish Government and institutions cannot afford for Covid-19 to derail the progress toward widening access.

4/ [Coronavirus \(COVID-19\): impact on fair access to higher education - interim report, Peter Scott, 2020](#)

Figure 19: Which of the following, if any, have you sought support/ assistance from during your studies? (widening access groups)



Note: Respondents could chose multiple forms of support.

Discretionary funding

Throughout the Covid-19 pandemic, the Scottish Government has used the discretionary fund to provide additional support to address the hardship caused by the pandemic. 20% of students applied for discretionary funding from their institutions due to financial struggles. Of the 704 students who had applied for this funding, half had received money, but not as much as they needed, 34% had received the money they needed while 16% did not receive any money at all (Fig 20).

With this funding only meeting the needs of just over a third of students who applied, there are clearly issues with this provision. Applying for these funds was also not an easy experience for some. Almost a quarter said it was somewhat difficult and 9% found it very difficult.

While 45% thought that the process was “somewhat easy” (29%) or “very easy” (16%), it is still worrying that less than half of students found it easy to apply for emergency aid.

There are limits on how much money a student can access through the discretionary system in a year, and some students reflected on how they aren't getting enough to cover their essentials:

“I have left college many times due to not having enough money, I have severe financial difficulties and sometimes I go with no money for weeks, my electricity bill is so high, my discretionary doesn't cover it, my rent has been raised too so I'm having some difficulty coping.”

Other students reflected on the lack of consistency in how the fund has been administered across different institutions and the time it takes to get funding:

"[Name of college redacted] takes 2 weeks for emergency payments to be made to students, crisis is now not in two weeks when it's too late and the finance situation means you need more money again."

"Before I joined [name of university redacted] I was studying at [name of college redacted]. During my time at college I applied for the discretionary fund, it was a straightforward process. (cont'd)

(cont'd)

I was able to meet with one of the funding team face to face, I was helped to complete the application and the award was exactly what I needed. It enabled me to not worry about money for that term. Once I got to university I applied for the discretionary fund and the experience was the complete opposite, I was not awarded the money I needed, I therefore had to get into more debt to just be able to pay rent (I was living in the student accommodation run by the university). The experience was awful and had a very negative impact on my mental health."

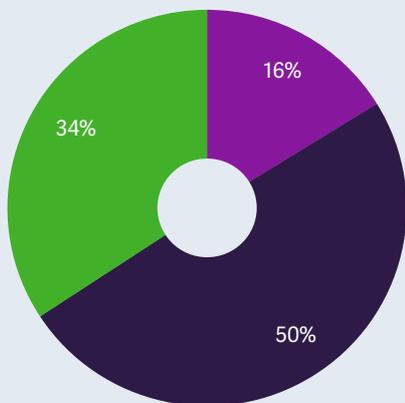
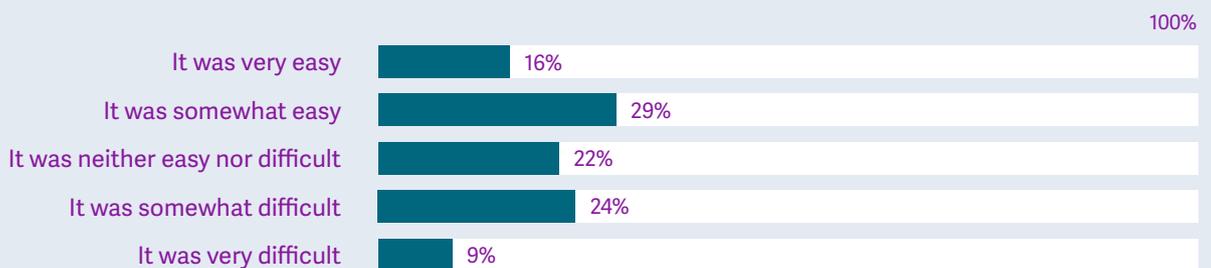


Figure 20: If you sought assistance from discretionary/hardship funding, what was the outcome of your application?

- I didn't receive any money
- I received money, but not as much as I needed
- I received the money I needed

Figure 21: What was your experience of applying for discretionary funding?



100%

Working alongside studies

The low level of support available at all levels of study means most students need to work alongside their studies to support themselves. 69% of students had done paid work either alongside their studies or during the holidays (Fig. 22). Yet there were more students who told us in their final comments that they wanted to work to ease their financial difficulties but were unable to find work, for example:

“I've been trying to get part time work to try and pay back but nobody will take me on as I need to work around college”.

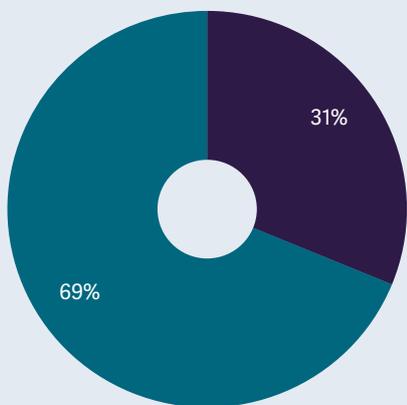


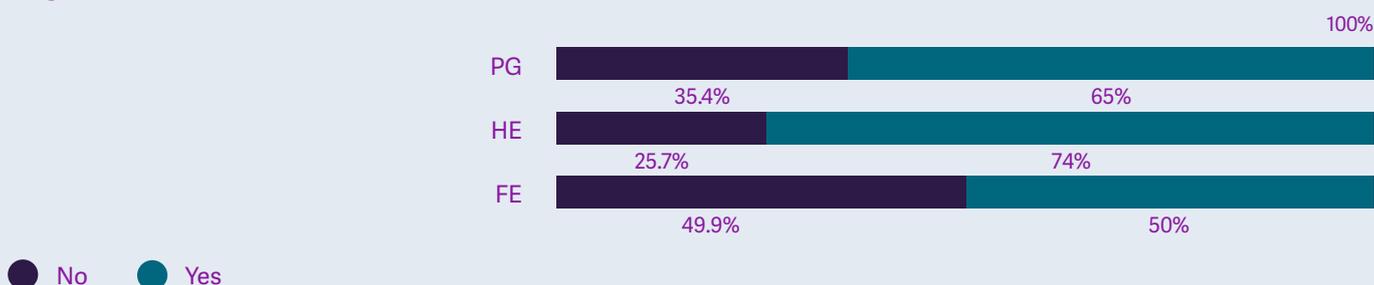
Figure 22: Since becoming a student, have you done any sort of paid work?

- No
- Yes

HE students were most likely to do paid work, with three quarters reporting they had done so, compared to 65% of PG students and half of FE students (Fig. 23).

Students from widening access groups were slightly less likely to have done paid work, ranging from 62% of mature students to 66% of estranged students.

Figure 23: Since becoming a student, have you done any sort of paid work? (level of study)



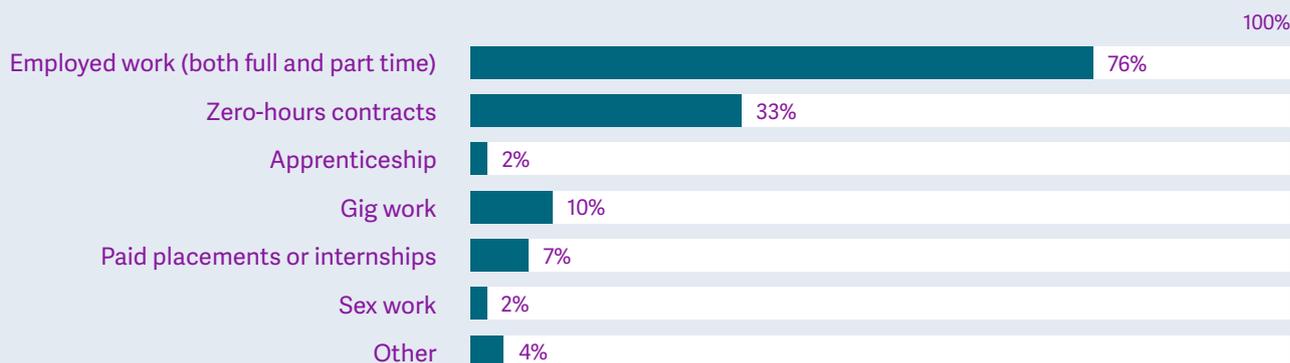
Types of work

Students who had done paid work were asked to identify all the types of work they had taken on and they could select more than one option. Three quarters of the students who had done paid work had been employed. Of those students in paid employment, 43% were working precariously through zero-hours contracts (33%) and gig work (10%). Students found additional sources of income, with 7% securing paid placements or internships, 4% other employment, 2% an apprenticeship. and 2% earning an income from sex work (Fig. 24). Students were often doing a combination of these different types of work to make ends meet.

Comments revealed the poor conditions some have to work in and how this impacts on their studies and wellbeing:

“My work is zero hours and my labour is exploited and the conditions are questionable, which only adds to stress and effects my mental health it also leaves me feeling tired and gives me less time to study.”

Figure 24: What type of paid work or contracts have you taken on as a student?



Hours worked

Among students who did paid work, 45% worked between 10 and 20 hours, 32% worked less than 10 hours, 15% worked 20 to 30 hours, and 8% worked more than 30 hours (Fig. 25). Collectively, 68% worked more than 10 hours a week. This is particularly alarming as the Cubie Review stated that students shouldn't work more than 10 hours a week, a limit that was also backed up in the student support review.

FE students worked the most hours, with three quarters working more than 10 hours compared to 69% of postgraduates and 66% of HE students (Fig. 26).

Figure 25: On average, how many hours per week do you work in paid employment alongside your studies?

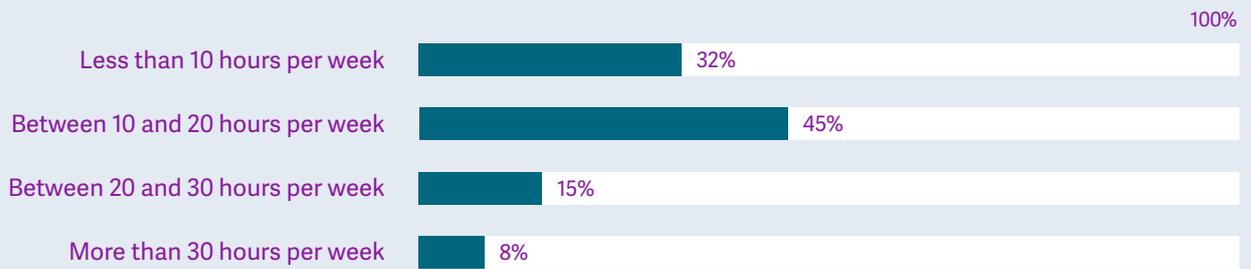
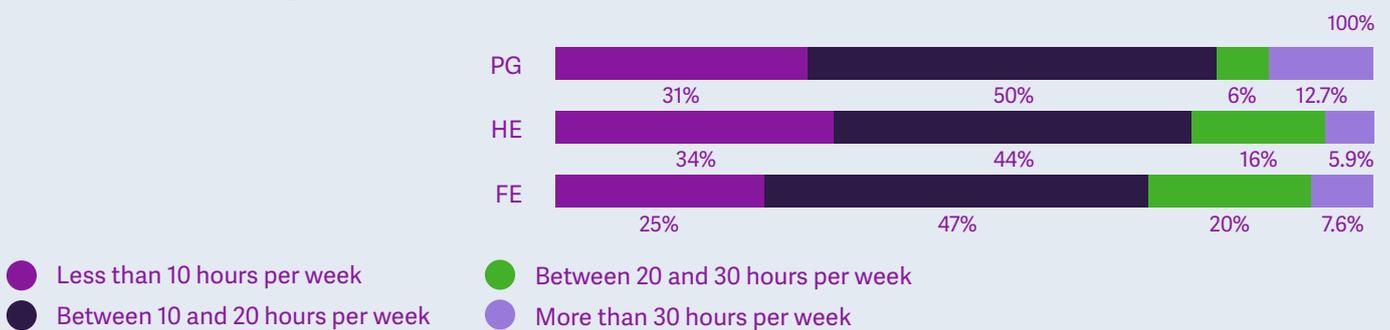


Figure 26: On average, how many hours per week do you work in paid employment alongside your studies? (level of study)



Among full-time students, 67% were working more than 10 hours per week. This is very similar to the situation in 2010 when 68% of all the full-time students, who were doing paid work, worked more than 10 hours per week (Fig. 27).

Again, this indicates a lack of any positive change to students' financial situations during this period.

Figure 27: On average, how many hours per week do you work in paid employment alongside your studies? (full time students, 2010 and 2021)



Working more than 10 hours a week will have an impact on the time students have to study, especially if they study full-time, and on their wellbeing too. Challenges balancing work and study was cited as the biggest challenge by almost 600 students in their final comments, which is 38% of the students who chose to leave a comment. For example:

“I am in my 4th year of studies, so I've really had a rollercoaster of experiences throughout those years, all dependent on whether I've been in work or not. I will say whilst I've struggled a lot financially when out of work and just relying on student funding/Universal Credit, I find I still struggle when I am in work, but the impact is less financial and more on my wellbeing especially during busy assessment periods and trying to juggle a busy work/study schedule.”

Insufficient financial support for students (see section 3) was linked by students to the need to work more hours than is appropriate alongside studies:

“The bursary system pays less than minimum wage meaning many students realistically have to work more often than not full-time hours alongside studies, placing enormous pressure on time management as well as extreme risk of mental exhaustion. Impacting both work and studies.”

“Last year I qualified for full maintenance loan, this year it was cut by 1/3 and it's become really difficult to live. I've had to increase my part-time work hours which is then making me fall behind with my degree. There was one point I was working 50+ hour weeks and making myself sick from exhaustion.”

High rent and housing costs

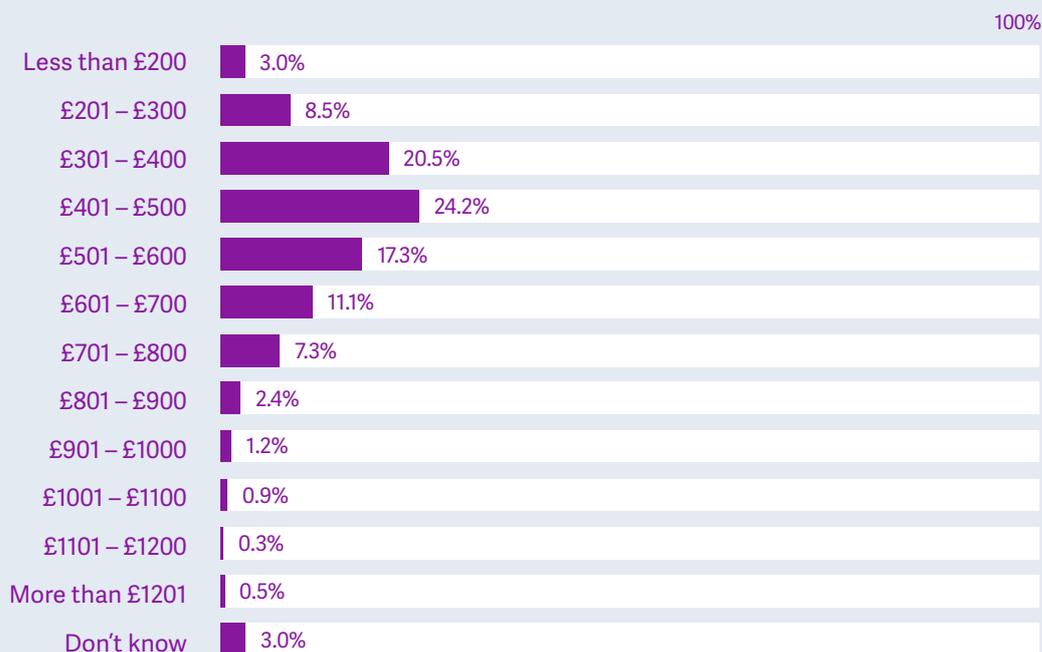
Rent

Almost two thirds of students who live independently told us they spend between £300 and £600 a month on rent. Very few spend less than £300 (12%), while 24% spend more than £600 a month, 15% spend more than £700 and 8% spend more than £800 (Fig. 28). The range in reported rents reflects the variety of living situations of the respondents as well as regional variations in rents across Scotland.

However, many students (332) left final comments relating to difficulties with paying rent. Several told us that all their student support or loan went on their rent, leaving little to nothing for anything else, such as:

“My loan doesn't cover my rent let alone food on top of that.”

Figure 28: On average, how much do you spend a month on rent?



Accommodation Costs Survey

NUS and Unipol, 2021

The survey takes place every 3 years and has been running for 39 years collecting data from institutions and private providers providing a comprehensive view of trends and costs in purpose-built student accommodation. The facts are presented free from judgement or spin and is undertaken jointly by NUS and Unipol Student Homes.

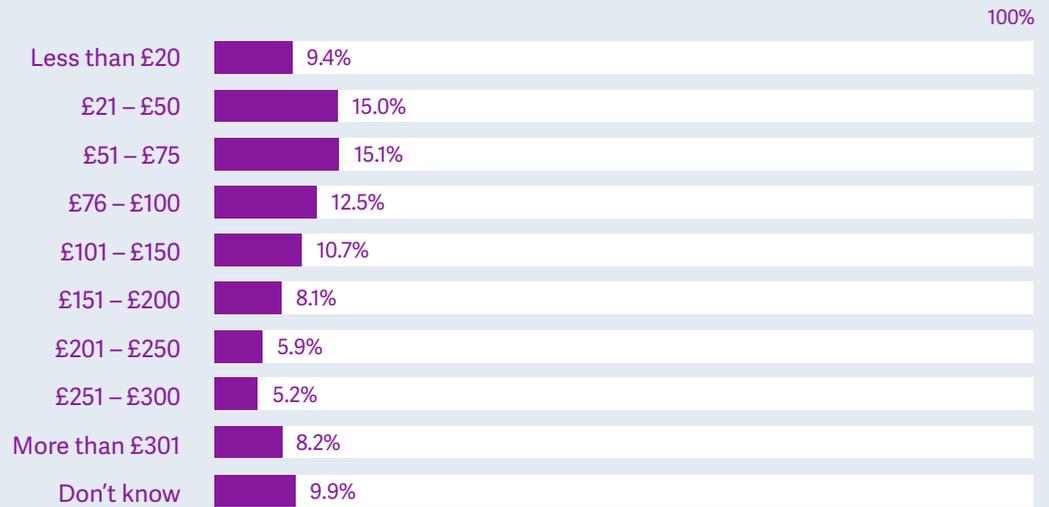
- The average annual rent for purpose-built student accommodation in Scotland reached £6,853 in 2021/22, a 34% increase over the last three years (£5,111 in 2018). Student rent has increased at a faster rate in Scotland over the last three years than any other part of the UK.
- For students studying in Scotland, average annual rents stand at £6,853 which accounts for 88% of the maximum student loan of £7,750, leaving students with £22.42 per week. For students receiving the minimum financial package, the average Scottish rent is 144% of the available loan.

Fuel and food poverty

Monthly spend on bills varied, with the most common categories being £51-75 and £21-50 at 15% each. 52% spent under £100 a month, while 38% spent more than £100 and 19% spent more than £200 a month (Fig. 29). Many students (153) spoke about fuel poverty and difficulty paying bills, with several having to choose between bills to pay or to “heat or eat”, as one put it. Rising gas and electric costs were also a source of worry.

“My flat is extremely cold but I'm too worried about money to put on the heating for any longer than an hour a day.”

Figure 29: On average, how much do you spend a month on household bills?



Students' comments also revealed other costs that were prohibitive. 168 told us they struggled to afford food, with some reporting going hungry, while 123 students told us affording travel to college or university was the biggest financial challenge they faced and for some this meant missing days of teaching.

“The biggest challenge for me financially at college is making sure I have money for food and travel to get to the college and worrying about if I have enough money to do me the rest of the week let alone the month.”

Thriving Learners, Mental Health Foundation, 2021

- 22% of students were worried about running out of food and 24% ate less due to lack of money.
- 7% resided in households that had run out of food.
- 1 in 10 felt that they did not have adequate internet access where they lived to engage with university and friends online.

Affordability

Unsurprisingly, given the amount students reported spending on rent and bills, 37% thought accommodation is not affordable (Fig. 30). PG students were the most likely to say that accommodation is not affordable at 44%, compared to 37% of HE students and 28% of FE students (Fig. 31). However, it is also important to note that 46% of students described their accommodation as affordable. This is despite the high rental costs outlined in our findings and in wider student housing research, like the recent Unipol and NUS accommodation costs survey which found the average rent in purpose-built student accommodation in Scotland equates to 88% of the maximum available financial package.

It would therefore be helpful to consider how affordability is defined and measured in relation to student accommodation.

“I’ve only been able to stay at Uni and pay rent in Edinburgh because my parents have subsidised my maintenance loan. Otherwise it would not have been possible for me to rent a flat in Edinburgh as it is so expensive, despite me working over the summer.”

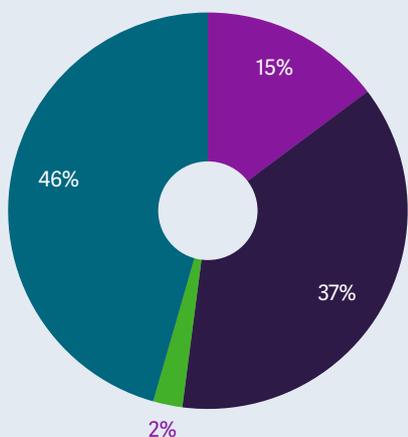
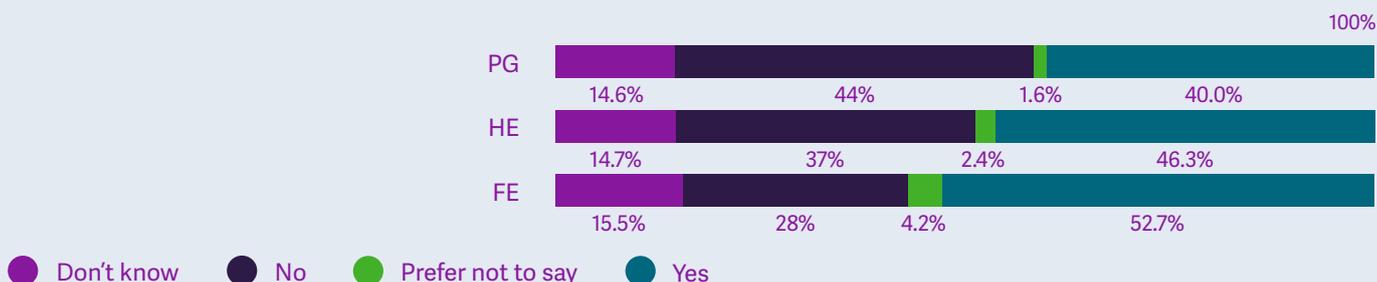


Figure 30: Do you think your accommodation is affordable?

- Don't know
- No
- Prefer not to say
- Yes

Figure 31: Do you think your accommodation is affordable? (level of study)



- Don't know
- No
- Prefer not to say
- Yes

Worryingly, a quarter of students had been unable to pay their rent in full on one or more occasion (Fig. 32), demonstrating the serious financial difficulties experienced by these students. FE students were most likely to have experienced this (36%), followed by PG students and HE students (Fig. 33).

Meanwhile, all widening access groups included in this survey were more likely to have been unable to pay their rent, ranging from 46% of estranged students to 32% of mature students (Fig. 34). Once again, this suggests that these groups are facing more serious financial difficulty than other students.

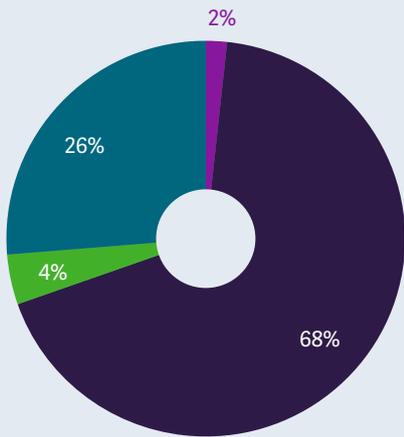
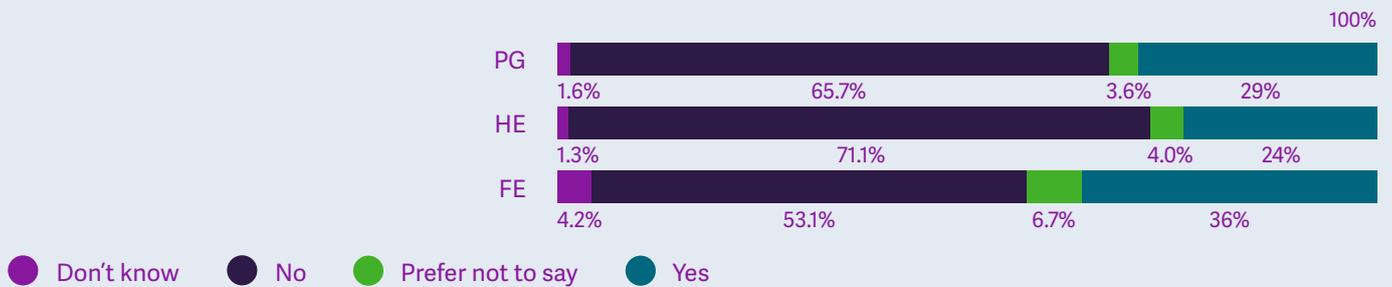


Figure 32: Have you ever been unable to pay your rent in full?

- Don't know
- No
- Prefer not to say
- Yes

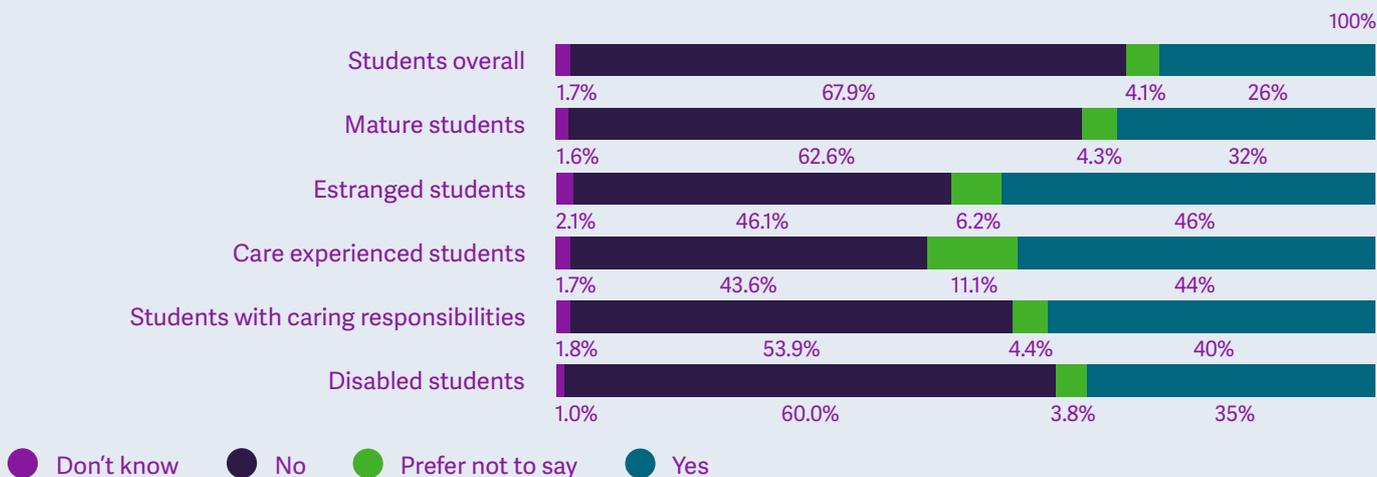
Figure 33: Have you ever been unable to pay your rent in full? (level of study)



- Don't know
- No
- Prefer not to say
- Yes



Figure 34: Have you ever been unable to pay your rent in full? (widening access groups)



Homelessness

Shockingly, 12% of students reported that they had experienced homelessness, with 2% currently experiencing it and 10% having experienced it previously as a student (Fig. 35). This is a higher incidence of homelessness than among the Scottish population overall.⁵

The situation is even more worrying among widening access groups, who were all more likely to report having experienced homelessness. Estranged students stood out, again, with a third having experienced homelessness, as did care-experienced students, among whom 29% had been homeless, and students with caring responsibilities, including for children, among whom 18% had been homeless (Fig. 35). In terms of level of study, PG students were most likely to have been homeless (22%), followed by FE students (13%), with HE students the least likely (9%) (Fig. 36).

Some students shared their experiences of homelessness:

“Last year I did not receive any funding because I wasn't eligible, so I became homeless, this year I am using all the financial help and student loan to get back on track and clear some of my debts.”

“Due to family issues, me and my other half (I am a carer and a mature student) got made homeless and had to move into emergency accommodation that has many issues.”

5/ There were 42,149 people in homeless households in 2020-21 (see [Homelessness in Scotland: 2020 to 2021 - gov.scot](https://www.gov.scot) (www.gov.scot)) out of a population projected to be 5,466,000 (see [Population of Scotland | National Records of Scotland](https://nrsotland.gov.uk) (nrsotland.gov.uk))

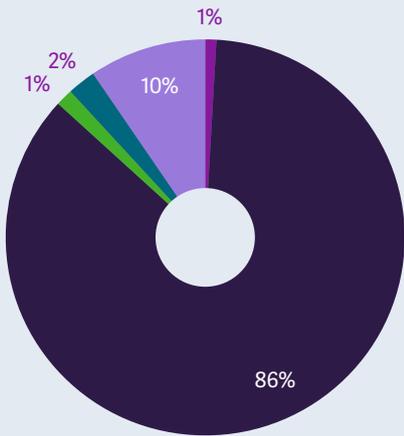


Figure 35: Since starting your studies, have you ever experienced homelessness?

- Don't know
- No
- Prefer not to say
- Yes – I am currently experiencing homelessness
- Yes – I have previously experienced homelessness

Figure 36: Since starting your studies, have you ever experienced homelessness? (widening access groups)

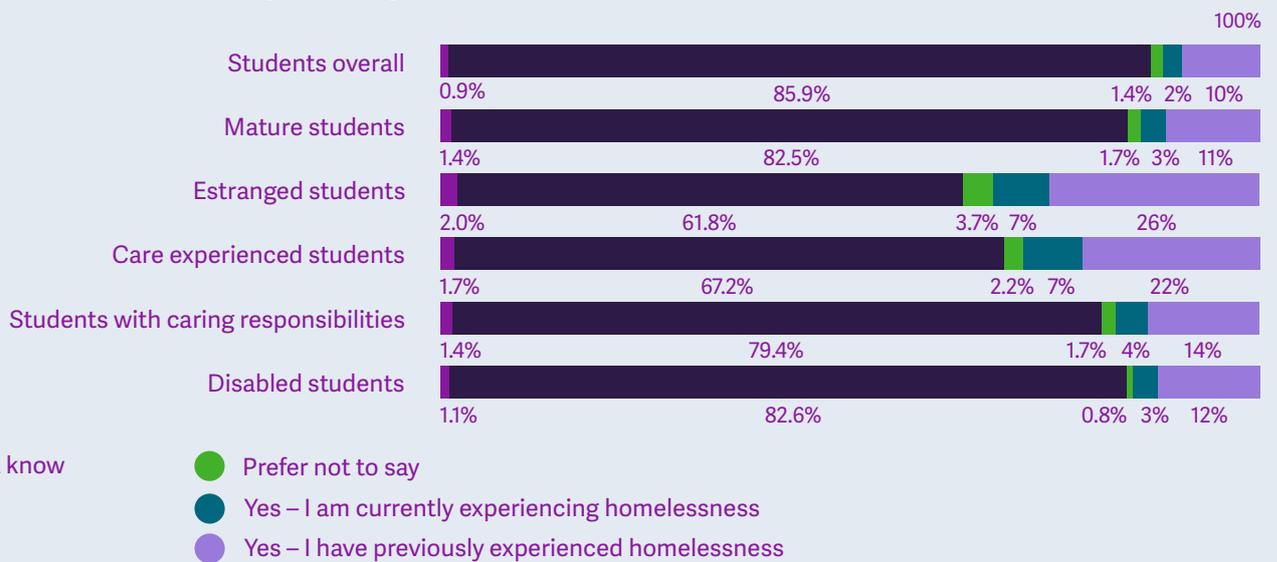
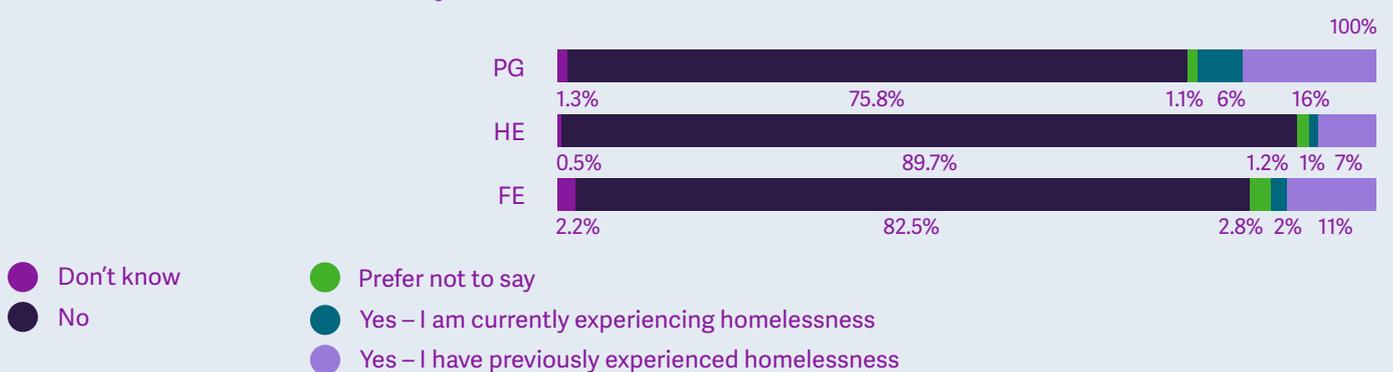


Figure 37: Since starting your studies, have you ever experienced homelessness? (level of study)



Conclusions

The findings of this survey reveal a prevailing narrative that students across Scotland are being pushed into poverty to complete their studies, and the system is clearly failing them. Alarmingly, the comparative analysis from previous NUS Scotland research shows that the situation has not improved since 2010. Students continue to worry about their finances, they continue to experience financial hardship over the summer months, and the number of hours students are having to work to make ends meet far exceeds national guidance. Responses across all of these areas are remarkably similar to our 2010 research. The Scottish Government has failed to improve matters for students.

The student support available to most students is not enough to cover living costs. The system assumes students will receive support from their family when incomes are above a certain level, but this is not the reality for many students from these households. Criteria for support also leaves some students with less or no financial assistance when they need it. To fill the gaps in their student support payments, students are working long hours far above the recommended 10-hour limit, often in precarious contracts and poor conditions. They are taking on more and more debt through credit cards, overdrafts, and buy now, pay later schemes. Students are also going without food, heat, and are experiencing homelessness at an alarmingly high rate. A shocking 12% of students told us they had been homeless and 8% were reliant on foodbanks.

The summer period, when student support payments stop, is particularly difficult for most students, especially for those who cannot return home to live rent free or rely on family for extra support. Many students struggle to pay for basic living costs during this time. The impact of the pandemic on summer work for students was especially felt during the summers of 2020 and 2021, however the pandemic only re-exposed a long existing problem which has been a persistent issue in both previous In the Red studies.

Rent is the hardest cost for many students to afford, with bills, food, and travel costs also prohibitive for many. Some students reported falling behind on payments, going hungry, and being unable to travel to college or university as a result of being unable to afford these costs.

Our survey captured a representative sample of the most disadvantaged students (widening access groups) and found they are suffering the worst financial hardship, reporting a greater impact on their wellbeing and likelihood of dropping out, and are turning to more avenues for extra support, including taking on extra debt. These findings are a clear indicator that the current system is not adequate to support the most vulnerable and disadvantaged.

The need for intervention has never been clearer. The root cause of these problems is inadequate student support that doesn't cover the cost of living. Part of addressing this root cause requires targeted support for particularly vulnerable groups of students like those experiencing homelessness, estranged from their families, or with experience of care.

Recommendations

The student support system

- 1** The Scottish Government should introduce year-round financial support for all students in both further and higher education that meets the cost of living, based on grants not loans.
- 2** There should be a Scottish Government guarantee that student support in further and higher education will be increased annually in line with the cost of living.
- 3** The Scottish Government should work at pace to introduce a special support payment for students who are entitled to UK social security benefits, as promised in the 2021-22 Programme for Government, to ensure they do not lose out because of entitlement to student support.
- 4** Despite the availability of increased discretionary funding over the past year and the work of money advisors in institutions, we found support is still failing to get to students who need it. The Scottish Government must take urgent action to ensure we have an emergency funding system that is fit-for-purpose. The system should be easy to access, have an independent appeals process for students whose requests are rejected or partially funded, and should provide students with the financial support they require. Given the strong connection between lack of money and poor mental health, the risk of ill mental health should be considered when awarding applications.
- 5** Access to all discretionary funds for EU and international students should also be maintained post-COVID.
- 5** The Scottish Government should bring forward its review of postgraduate student support as a matter of urgency, as committed to in their 2021-22 Programme for Government. This should ensure that postgraduate living support has parity with undergraduate students. The review should also look at greater government regulation of fees, with the aim of publicly funding postgraduate degrees longer term.
- 6** The UK Government must ban zero-hours contracts so that all students in work are entitled to a guaranteed minimum number of hours. Postgraduate researchers should also have the same employment rights as other university staff.
- 7** Travel costs, essential and non-essential, remain the most difficult for students to afford over the summer. While the extension of free bus travel to all under 22s is welcome, this report highlights the urgent need to extend travel discount schemes, including free bus travel, to all students.
- 8** To help address the food poverty outlined in this research, the Scottish Government should consider funding institutions to provide free hot breakfasts to students, as is already delivered at some institutions.

Widening access

- 9** While the barriers to entering and maintaining education will be unique to individuals, this report has highlighted the common financial issues faced by students across widening access groups. As an immediate priority, the Scottish Government should make full bursary support available to all students from widening access backgrounds. This should include increasing the Care Experienced Students Bursary to year-round support at the current Real Living Wage. It will also mean the introduction of an Estranged Students Bursary, which is also paid year-round and at the current Real Living Wage, starting from the 2022-23 academic year.
- 10** Social Security Scotland should extend Scottish benefits to students who do not receive passporting benefits such as Universal Credit but would otherwise be entitled, including consideration of extending Best Start Grants to student parents and the Young Carers Grant to student carers of all ages.
- 11** The Scottish Government and its agencies should consider the recommendations of the Disability Related Student Support Review, expected to be published soon, including any issues raised by the review beyond its remit.

Housing

- 12** The Scottish Government should create a student housing strategy, which includes the introduction of rent controls in purpose-built student accommodation and the private rented sector; extends tenancy rights to include all students; and creates a student housing guarantee. This should also set out what action will be taken by accommodation providers to support students struggling with their mental health and wellbeing.
- 13** The Cabinet Secretary for Social Justice, Housing and Local Government should convene a working group with COSLA and institutions to address student homelessness.
- 14** The group should review the support offered and establish a national student homelessness duty, delivered through local student homelessness protocols. The protocols should set out how institutions and local authorities will work together to prevent student homelessness and support students who experience it.
- 14** Institutions and local authorities should agree an approach to recording and monitoring student homelessness. This data should be published annually by the Scottish Government.

Mental health and wellbeing

- 15** The Scottish Government must deliver its commitment to a Student Mental Health Action Plan, backed up with adequate and long-term public funding for institutions, students' associations and Think Positive. The Action Plan should set out steps to address high waiting lists for NHS mental health services and ensure equity of provision between college and university services.
- 16** This is now the third significant report in the past two years to highlight the link between student money worries and mental health. It is therefore imperative that the Student Mental Health Action Plan addresses this issue head-on, including through developing proactive and preventative welfare support, as well as appropriate crisis support including out of hours.
- 17** As recommended in Think Positive's 2020 report, all teaching and student-facing staff, including money advisors and staff in purpose-built student accommodation, should be enabled to proactively embed consideration of trauma-informed mental health and wellbeing in their work through the provision of training and professional development opportunities. Scottish Government funding could be provided for this work through the National Trauma Training Plan.
- 18** Further research and analysis is required to explore the interaction between student finances and the differential experiences of mental health and wellbeing support for different groups, notably among Black students (Black is an inclusive term NUS uses to denote people of African, Arab, Asian and Caribbean heritage), women, students with disabilities, and LGBT+ students.



Annex: Current financial support levels for further and higher education students

Here is a brief summary of the financial support currently available to students in Scotland. It should be noted that this is a complex system, so it has not been possible to include every kind of possible support. For the most up-to-date and accurate information we recommend the Student Information Scotland website: www.studentinformation.gov.scot

Further education (FE) students

Maintenance allowance (for living costs)

FE students can receive a non-repayable bursary of up to £108.55 a week, but this will depend on their age, family circumstances and income.

To be eligible for a bursary, students must meet certain residency conditions and if their household income is above the levels set out below, their family will be expected to contribute to their financial support.

The basic allowance per week is as follows (see note 1):	Living with their parents, students could get up to	Living away from home, students could get up to	Supporting themselves, students could get up to
Students under 18 with a household income of less than £20,351 (see note 2)	£0	£43.15 (see note 3)	Does not apply
Students aged between 18 and 25 with a household income of less than £24,275	£85.90	£108.55	Does not apply
Students aged 25 and above, supporting themselves, or living with a partner, with a household income of less than £20,643	Does not apply	Does not apply	£108.55

Note 1 – The award amount is dependent on household income levels.
 Note 2 – These students may be eligible for an Education Maintenance Allowance.
 Note 3 – You may get this allowance as well as an Education Maintenance Allowance.

Further sources of support for further education students:

- **Study expense allowance:** To cover essential course costs like clothing, study materials, health and safety items or criminal checks.
- **Travel expense allowance:** If the student lives more than 2 miles from your college or has additional support needs.
- **Accommodation Allowance:** For students staying in college approved accommodation this replaces the Maintenance Allowance and covers rent up to £118.89 per week.
- **Dependant's Allowance:** An allowance of £58.41 a week if the student is financially or legally responsible for an adult (including caring for someone). This allowance is also assessed on the student and their dependant's income and their family circumstances.
- **Additional Support Needs Allowance:** For study and travel expenses to attend college.
- **Care Experienced Students Bursary:** For FE students this is paid at £202.50 per week.
- **Childcare funding**
- **Discretionary funding:** For students facing financial hardship.
- **Benefits:** Some FE students will be eligible for Universal Credit, for example if they're responsible for a child; severely disabled; a young person estranged from parents; or living with a partner who is eligible for claiming Universal Credit.

Higher education (HE) students

Undergraduate

Support for most undergraduate students is provided through a mixture of loans and bursaries, dependent on their household income.

If they are a "young student" they have not been supporting themselves financially, are not married/partnered and have no children. An "independent student" is supporting themselves financially or is married/partnered or has dependent children.

Funding available to young students

Household income	Loan	Bursary	Total
£0 to £20,999	£5,750	£2,000	£7,750
£21,000 to £23,999	£5,750	£1,125	£6,875
£24,000 to £33,999	£5,750	£500	£6,250
£34,000+	£4,750	£0	£4,750

Funding available to independent students

Household income	Loan	Bursary	Total
£0 to £20,999	£6,750	£1,000	£7,750
£21,000 to £23,999	£6,750	£0	£6,750
£24,000 to £33,999	£6,750	£0	£6,250
£34,000+	£4,750	£0	£4,750

Other sources of funding:

- **Care Experienced Students' Bursary:** A non-repayable bursary of £8,100 per year.
- **Paramedic, Nursing and Midwifery Bursary:** A year-round non-repayable bursary of £10,000 for each of the first three years of a course and £7,500 for the fourth year.
- **Living costs grants:** Grants are available for student carers, for students with adult dependents, lone parents, and for childcare costs for lone parents.
- **Disabled Students' Allowance**
- **Discretionary funding:** For students facing financial hardship.

Postgraduate

- **Tuition fee loan:** A tuition fee loan of up to £5,500 is available for full-time courses, to help pay for all or some of students' tuition fees.
- **Postgraduate living cost loan:** Eligible full-time postgraduate students can apply for a living-cost loan up to £4,500.



“I am working to afford to study, but I am not studying to my fullest potential because of the effect working is having.”



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IS FAILING
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