

Education and Home Affairs Scrutiny Panel

Student Finance Proposals Review

Written Submission – Spence – 14th March 2018

I am writing to you as a member of the scrutiny panel looking at student grant proposals. I spent last night reading the transcript of the Education & Home Affairs Scrutiny Panel meeting on March 5th, and was quite confused as to the effects of the proposals on families who have 2 or 3 children at university at the same time. When the Deputy of St John raised the question, the Director of Treasury Operations and Investments' answer was very misleading, as it just dealt with a family with household income of £50,000. I spoke to the Student Finance Office today to clarify the situation and was quite horrified to discover that there will be no additional allowance for families on higher incomes who have several children at university. As I understand it, the second child will be assessed on the "same" household income as the first child. If we take for example a household income of £100,000 - if the family has two children at university at the same time, then the "household income per child" is only £50,000; and if the family has three children at university at the same time, then the "household income per child" is only £33,333. Yet you plan to assess each of these children on the same household income of £100,000. How are these parents possibly going to cope?

In the Finance Industry, which is the largest employer on the Island, women are encouraged to have their children in a fairly short time-frame, so that they can resume their career. I think that going forward, many families will be disadvantaged by this policy proposal. I also think that this fact has not been made clear to the general population, and I am sure you will have many complaints when it is. Unless your aim is to encourage divorce; or to encourage families to have only one child; or to ensure that they leave long gaps between children, the policy is very discriminatory.

My two children are currently at university, one in his second year and one in her first. I know first-hand the financial difficulties of affording this, and have already had to take an equity release loan on my house. I think it is manifestly unfair not to consider a different model of funding for families who have multiple children at university at the same time, and ask that you please reconsider this part of the plan.