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Dear Mr Shevlin,

At my Committee appearance on 1 December 2016, I agreed to provide follow-up information relating to two points raised during the session.

Gail Ross MSP asked about the 2013 sale of mortgage-style loans, specifically in relation to information being provided in advance of that sale to those repaying the loans. I can inform the committee that the announcement made at the time clearly set out that the terms and conditions of existing loans would not be changed, and therefore recipients of a mortgage-style student loan and the latest SAAS version, Income Contingent Repayment loans, could be expected to repay both loans concurrently if the earnings thresholds were surpassed. This was an original condition of the loan, and present prior to the sale to Erudio Student Loans.

I can also confirm that formal letters were issued to customers confirming their loans had been sold to Erudio, providing contact details of the new company and how to make future payments/deferment applications.

The Committee may also wish to note that, in line with normal practice with regard to the sale or collection of loans, the communication plan and strategy was carried out at a UK-wide level by the UK Government Department for Business, Innovation and Skills. Neither the Scottish Government nor the devolved administrations in Wales and Northern Ireland undertook a separate communication plan.

The second point on which I agreed to provide further information relates to a question asked by Ross Thomson MSP concerning an item in The Herald newspaper reporting on costs associated with the Scottish Government policy of widening access to university.

The figure quoted in the article is the estimated cost of meeting the widening access targets purely through funding additional places, rather than through implementation of the many other mechanisms for achieving progress identified in the report of the Commission on Widening Access. Scottish Ministers already invest around £51m every year in additional places for access and articulation, and have been clear that they regard the implementation of the Commission's final report as an ambitious and credible plan for delivering step change.

In this context it may also be helpful to note that the Commission concluded that there is structural unfairness in the way that talent is evaluated and recruited. The view of Scottish Ministers is that this unfairness can only be tackled through systemic change and not simply through the continual expansion of the system. Indeed, Professor Peter Scott, the new Commissioner for Fair Access, has already made the point that socio-economic inequality is a problem in higher education systems all over the world, whether they are expanding or not. For this reason, Scottish Ministers are clear that, at its core, widening access is about a much fairer distribution of publically funded opportunities.

I hope that this information is helpful to the Public Audit and Post-legislative Scrutiny Committee in its consideration of the reports.

Yours sincerely,



**PAUL JOHNSTON**