

## Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

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# HB/CTB A14/2008 (Revised)

### ADJUDICATION AND OPERATIONS CIRCULAR

<b>WHO SHOULD READ</b>	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
<b>ACTION</b>	For information
<b>SUBJECT</b>	Student support uprating 2008/2009

### Guidance Manual

The information in this circular does affect the content of the HB/CTB Guidance Manual.

### About HB/CTB Circular A14/2008

*HB/CTB Circular A14/2008* gave incorrect amounts in Tables A2, B1, C1 and C2. Also, some dates in the example at *paragraph 8* have been amended.

**Note:** HB/CTB Circular A14/2008 was issued by **e-mail only**.

### Queries

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## Student support uprating 2008/2009

### Introduction

- 1 This memo gives guidance on changes made by The Social Security (Students and Miscellaneous Amendments) Regulations 2008 (SI 2008 No. 1599).

### Effective dates

- 2 The changes take effect from
  - the day the period of study begins, where that date is on or after 1 August 2008 and before 1 September 2008, **or**
  - 1 September 2008 in any other case.

### Changes

- 3 This year the amendments include the
  - annual uprating of student disregards in respect of travel costs, books and equipment, **and**
  - treatment of student loans that are paid other than quarterly when a student abandons their course

### Treatment of grant income

#### Disregard for books, travel and equipment

- 4 Where a student does not have a student loan and is not treated as having one, the Decision Maker (DM) should disregard from the grant income
  - £295 for travel costs, **and**
  - £380 for books and equipmentwhether or not the student has to meet the cost of the items.

### Treatment of student loans

#### Disregard for books, travel and equipment

- 5 The amount of a student loan to be taken into account as student income should be reduced by
  - £295 for travel costs **and**
  - £380 for books and equipmentwhether or not the student has to meet the cost of the items.

## Treatment of loan income paid other than quarterly when course not completed

- 6 Generally student loans are paid at the start of each term. However in Scotland, Scottish Ministers have the power to pay a student loan at a frequency they see appropriate. All Scottish domiciled students studying in Scotland are now paid on a monthly basis.
- 7 Guidance in the *Decision Makers Guide*, paras 30467-30468 will be expanded to explain how to calculate weekly income when a student loan is paid by two or more instalments and will include a similar example as laid down below.
- 8 The Decision Maker (DM) should calculate the weekly amount to take into account using the formula

$$\frac{A - (B \times C)}{D}$$

where

**A** is the total amount of the relevant payments which the person received or would have received from the first day of the academic year to the day the person abandoned or was dismissed from the course, less the appropriate deduction for travel costs, books and equipment.

**B** is the number of benefit weeks from the benefit week immediately following the one which includes the first day of the academic year to the benefit week which includes the day on which the person abandoned or was dismissed from the course.

**C** is the weekly amount of the relevant payment, before a £10 disregard, that would have been taken into account as income had the person remained a student. (This is the weekly amount, before disregard, that would have been taken into account had the student been entitled to JSA/IS/HB).

**D** is the number of weeks in the assessment period. This is the number of weeks in the period

- beginning with the benefit week which includes the day on which the person abandoned or was dismissed from the course, **and**
- ending on the earlier of the benefit week which includes the
  - day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued **or**
  - last day of the last quarter for which an instalment of the relevant payment was payable

**Note:** A quarter is one of the periods from 1 January to 31 March, 1 April to 30 June, 1 July to 31 August and 1 September to 31 December.

**Example**

Alan abandons his course of study on 2 February 2009 in his second year after receiving £2000 of his student loan allocation. He was entitled to a student loan of £3570 and this was being paid in monthly instalments of £400 on the 1st of each month from 1st October – 1st May with a final payment of £370 due on 1 June.

The DM calculates that there is nothing to be taken into account from the student loan.

**A** = £1,325      £2,000 - £295 - £380

**B** = 22      Number of weeks from 1 September 2008 –  
8 February 2009

**C** = £68.92      £3570 - £295 - £380 = £2895/42 weeks  
(1 September 2008 – 21 June 2009)

= £68.92 per week which would have been taken  
into account had he remained a student)

**D** = 4      Number of weeks between 2 February 2009 and  
1 March 2009

**£1325 – (22 x £68.92) = Nil**

## Basic support available to current system students who are new entrants in 2008/09

**Table A1: Basic maintenance loan**

Maximum rates of full year loan	Reduced loans	Main loans
Living away from home		
- in London	£3,180	£6,475
- elsewhere	£2,265	£4,625
- overseas	£2,710	£5,510
Living in parental home	£1,700	£3,580
Maximum rates of final year loan	Reduced loans	Main loans
Living away from home		
- in London	£2,435	£5,895
- elsewhere	£1,765	£4,280
- overseas	£1,980	£4,790
Living in parental home	£1,290	£3,235

For **current system** students the maximum amount of maintenance loan will be reduced by £1 for every £1 of maintenance grant received, up to a maximum £1,260 reduction.

All eligible students who are on full-time courses, or on part-time Initial Teacher Training (ITT) courses with six weeks' or more full-time attendance, are eligible for the appropriate main loan rate, a quarter of which is income-assessed.

The following groups of students are eligible for the reduced, non-income assessed loan rates:

- (i) eligible students on courses of ITT that require less than six weeks of full-time attendance in the year
- (ii) eligible students on full- year sandwich course paid placements where periods of full-time study are less than 10 weeks in aggregate
- (iii) students who are holders of means-tested NHS bursaries or means-tested Scottish Health Care allowances

**Table A2: Maximum loan rates: 25% income-assessed and 75% non income-assessed**

<b>Full year students</b>	<b>Main rate (100% Table A1)</b>	<b>Non income assessed (75% nearest £5)</b>	<b>Income assessed (25% balance)</b>
Living away from home			
- in London	£6,475	£4,855	£1,620
- elsewhere	£4,625	£3,470	£1,155
- overseas	£5,510	£4,135	£1,375
Living in parental home	£3,580	£2,685	£895
<b>Final year students</b>	<b>Main rate (100% Table A1)</b>	<b>Non income assessed (75% nearest £5)</b>	<b>Income assessed (25% balance)</b>
Living away from home			
- in London	£5,895	£4,420	£1,475
- elsewhere	£4,280	£3,210	£1,070
- overseas	£4,790	£3,595	£1,195
Living in parental home	£3,235	£2,425	£810

## Basic support available to current system full-time students who were new entrants in 2006/07 or 2007/08

**Table B1: Basic maintenance loan**

Maximum rates of full year loan	Reduced loans	Main loans
Living away from home		
- in London	£3,180	£6,475
- elsewhere	£2,265	£4,625
- overseas	£2,710	£5,510
Living in parental home	£1,700	£3,580
Maximum rates of final year loan	Reduced loans	Main loans
Living away from home		
- in London	£2,435	£5,895
- elsewhere	£1,765	£4,280
- overseas	£1,980,	£4,790
Living in parental home	£1290	£3,235

For **current system** students the maximum amount of maintenance loan will be reduced by £1 for every £1 of maintenance grant received, up to a maximum £1,260 reduction.

All eligible students who are on full-time courses, or on part-time Initial Teacher Training (ITT) courses with six weeks' or more full-time attendance, are eligible for the appropriate main loan rate, a quarter of which is income-assessed.

The following groups of students are eligible for the reduced, non-income assessed loan rates:

- (i) eligible students on courses of ITT that require less than six weeks of full-time attendance in the year
- (ii) eligible students on full- year sandwich course paid placements where periods of full-time study are less than 10 weeks in aggregate
- (iii) students who are holders of means-tested NHS bursaries or means-tested Scottish Health Care allowances

**Table B2: Maximum loan rates: 25% income-assessed and 75% non income-assessed**

<b>Full year students</b>	<b>Main rate (100% Table A1)</b>	<b>Non income assessed (75% nearest £5)</b>	<b>Income assessed (25% balance)</b>
Living away from home			
- in London	£6,475	£4,855	£1,620
- elsewhere	£4,625	£3,470	£1,155
- overseas	£5,510	£4,135	£1,375
Living in parental home	£3,580	£2,685	£895
<b>Final year students</b>	<b>Main rate (100% Table A1)</b>	<b>Non income assessed (75% nearest £5)</b>	<b>Income assessed (25% balance)</b>
Living away from home			
- in London	£5,895	£4,420	£1,475
- elsewhere	£4,280	£3,210	£1,070
- overseas	£4,790	£3,595	£1,195
Living in parental home	£3,235	£2,425	£810

## Basic support available to old system full-time students

**Table C1: Basic maintenance loan**

Maximum rates of full year loan	Reduced loans	Main loans
Living away from home		
- in London	£3,180	£6,475
- elsewhere	£2,265	£4,625
- overseas	£2,710	£5,510
Living in parental home	£1,700	£3,580
Maximum rates of final year loan	Reduced loans	Main loans
Living away from home		
- in London	£2,435	£5,895
- elsewhere	£1,765	£4,280
- overseas	£1,980	£4,790
Living in parental home	£1,290	£3,235

All eligible students who are on full-time courses, or on part-time Initial Teacher Training (ITT) courses with six weeks' or more full-time attendance, are eligible for the appropriate main loan rate, a quarter of which is income-assessed.

The following groups of students are eligible for the reduced, non-income assessed loan rates:

- (i) eligible students on courses of ITT that require less than six weeks of full-time attendance in the year
- (ii) eligible students on full- year sandwich course paid placements where periods of full-time study are less than 10 weeks in aggregate
- (iii) students who are holders of means-tested NHS bursaries or means-tested Scottish Health Care allowances

**Table C2: Maximum loan rates: 25% income-assessed and 75% non income-assessed**

<b>Full year students</b>	<b>Main rate (100% Table A1)</b>	<b>Non income assessed (75% nearest £5)</b>	<b>Income assessed (25% balance)</b>
Living away from home			
- in London	£6,475	£4,855	£1,620
- elsewhere	£4,625	£3,470	£1,155
- overseas	£5,510	£4,135	£1,375
Living in parental home	£3,580	£2,685	£895
<b>Final year students</b>	<b>Main rate (100% Table A1)</b>	<b>Non income assessed (75% nearest £5)</b>	<b>Income assessed (25% balance)</b>
Living away from home			
- in London	£5,895	£4,420	£1,475
- elsewhere	£4,280	£3,210	£1,070
- overseas	£4,790	£3,595	£1,195
Living in parental home	£3,235	£2,425	£810

## Supplementary loans and grants for living costs in 2008/09 (available to all full-time students)

**Table D1: Long course loans (previously known as ‘extra weeks loans’)**

Study at home	Amount
Living away from home	
- in London	£103
- elsewhere	£81
- overseas	£112
Living in parental home	£53

**Note:** The rates shown are weekly amounts. Students eligible for the reduced rate of loan are not eligible for additional amounts for periods of extra attendance.

**Table D2: Disabled students allowances (not means-tested)**

Allowance	Maximum amount
Non medical personal helper	£20,000
Major items of specialist equipment	£5,030
Other disability-related equipment	£1,680

**Notes:**

The equipment allowance is for the duration of the course. The other two allowances are annual amounts.

Students attending an academic year of a course of initial teacher training in which periods of full-time attendance, including teaching practice, aggregate to less than six weeks are eligible for DSA at the part-time rates.

The maximum DSAs for **part-time students** are shown in *Annex E: Table E3*.

The maximum grant for **disabled postgraduate students** is being increased to **£10,000** from 2008/09.

### **D3: Grant in respect of an adult dependant**

Where applicable, the maximum grant in 2008/09 in respect of a partner will be **£2,575**.

**Partner** is currently defined in the *Student Support Regulations 2007, regulation 47(1)*. A student's spouse or civil partner would fall within the definition. In certain cases, a person living with the student as if they were the student's spouse or civil partner will also be covered.

Where the student does not have a partner within the meaning of the Regulations, a student may be eligible for this grant in respect of one adult dependant whose net income does not exceed **£3,700**.

### **D4: Grant towards childcare costs ('Childcare Grant')**

When applicable, the amount of childcare grant payable will be based on 85% of actual childcare costs, subject to a **maximum grant** of

- £148.75 per week for one child only, or
- £255 per week for two or more children

### **D5: The Parents Learning Parents Allowance**

Where applicable, the maximum amount of Parents Learning Allowance payable in 2008/09 will be **£1,470** and the minimum **£50**.

### **D6: Travel grants**

The amount to be disregarded in any assessment of claims will be **£295**.

**D7: Disregards to be used when calculating the amount of grants for dependants (ie Adult Dependants Grant, Childcare Grant and Parents Learning Allowance) payable to an eligible student**

<b>Dependants</b>	<b>Threshold</b>
Eligible student has no dependent child	£1,130
Eligible student is <b>not</b> a lone parent and has one dependent child	£3,385
Eligible student is <b>not</b> a lone parent and has more than one dependent child	£4,510
Eligible student is a lone parent and has one dependent child	£4,510
Eligible student is a lone parent and has more than one dependent child	£5,645

## Support available to part-time students in 2008/09

### E1: Fee support

Single student, no dependent children	
Income	Entitlement
<b>Below £16,090</b>	<p>Full course grant of £255</p> <p>Full fee grant (or the fees charged by the college whichever is lower)</p> <p><b>Amount of fee grant</b></p> <p>Course equivalent to 50% to 59% of a full-time course – £785</p> <p>Course equivalent to 60% to 74% of a full-time course – £945</p> <p>Course equivalent to 75% or more of a full-time course – £1,180</p>
<b>£16,090</b>	<p>Full course grant of £255</p> <p>The fee grant is reduced by £50</p> <p><b>Amount of fee grant</b></p> <p>Course equivalent to 50% to 59% of a full-time course – £735.</p> <p>Course equivalent to 60% to 74% of a full-time course – £895.</p> <p>Course equivalent to 75% or more of a full-time course – £1,130.</p>
<b>£16,091 to £24,279</b>	<p>Full course grant of £255</p> <p>Fee grant as follows (or the fees charged by the college whichever is lower)</p> <p><b>Amount of fee grant</b></p> <p>Course equivalent to 50% to 59% of a full-time course – £735 less £1 for every £11.95 of income (before tax) over £16,090.</p> <p>Course equivalent to 60% to 74% of a full-time course – £895 less £1 for every £9.69 of income (before tax) over £16,090.</p> <p>Course equivalent to 75% or more of a full-time course – £1,130 less £1 for every £7.58 of income (before tax) over £16,090.</p>
<b>£24,280</b>	<p>Full course grant of £255. £50 fee grant. (This applies no matter how intensive the course is)</p>
<b>£24,281 to £24,874</b>	<p>Full course grant of £255</p> <p>No fee grant</p>

Single student, no dependent children (continued)	
Income	Entitlement
£24,875 to £26,824	Course grant of £255 less £1 for every £9.50 of income (before tax) over £24,875 (This applies no matter how intensive the course is)
£26,825	£50 course grant.
£26,826 and over	No support

The income disregards for students with partners and dependent children are £2000 for a partner (where counted), £2000 for the first dependent child, and £1,000 for each subsequent child.

## E2: Course grant

Part-time students are eligible for a grant of up to **£255** for books, travel and other expenditure relating to their course. This grant is income-assessed, using the same thresholds as above, with the amount of course grant decreasing by £1 for every £9.50 of reckonable income above £24,875.

## E3: Disabled students allowances for part-time students (not means-tested)

Allowance	Maximum amount
Non-medical personal helper	£15,000
Major items of specialist equipment	£5,030
Other disability-related expenditure	£1,260

**Note:** The equipment allowance is for the duration of the course. The other two allowances are annual amounts.