Student Loans Company

Higher Education Student Finance in England

Assessing Financial Entitlement - AY 20/21

DATE CREATED:	12 November 2019
DATE ISSUED:	February 2020
VERSION:	1.0

This guidance applies to FT students and those who are treated as FT students for the purposes of the Education (Student Support) Regulations 2011, as amended by:

- The Education (Student Fees, Awards and Support) (Amendment) Regulations 2012
- The Education (Student Support and European University Institute) (Amendment) Regulations 2013
- The Universal Credit (Consequential Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013
- The National Treatment Agency (Abolition) and the Health and Social Care Act 2012 (Consequential, Transitional and Savings Provisions) Order 2013
- The Further and Higher Education (Student Support)(Amendment) Regulations 2014
- The Special Educational Needs (Consequential Amendments to Subordinate Legislation) Order 2014
- The Education (Student Support) (Amendment) Regulations 2014
- The Education (Student Support) (Amendment) Regulations 2015
- The Education (Student Support) (Amendment) Regulations 2016
- The Education (Student Fees, Awards and Support) (Amendment) Regulations 2016
- The Education (Student Fees, Awards and Support) (Amendment) Regulations 2017
- The Education (Student Fees, Awards and Support) (Amendment) Regulations 2018
- The Education (Student Support) (Amendment) (No. 2) Regulations 2018
- The Education (Student Fees, Awards and Support etc) (Amendment) Regulations 2019
- The Education (Student Fees, Awards and Support etc) (Amendment) (No. 2) Regulations 2020

These Regulations are referred to in this document as the “Education (Student Support) Regulations 2011 as amended”.

This chapter gives advice on:

(i) rates of Tuition Fee Loans, loans for living costs and Maintenance and Special Support Grants and
(ii) how these loans and grants for living and other costs are income assessed.

All rates of support described in this document for academic year 2020/21 (“AY2020/21”) are detailed in the Financial Memorandum, which is available at

https://www.practitioners.slc.co.uk/media/1750/financial-memorandum-for-202021.pdf

If you have any questions about this guidance please contact:

Name	Telephone	E-mail
SLC Practitioners Team, Darlington	0300 100 0618	SSIN_queries@slc.co.uk

This guidance does not cover every aspect of student support. The full details are contained in the Regulations which are the legal basis of the student support arrangements for AY 20/21. Nothing in this guidance can replace the Regulations and if there are any differences between this guidance and the Regulations, the Regulations will prevail.

Abbreviations

Abbreviation	Full
APP	Access Participation Plan
AY	Academic year
DaDA	Dance and Drama Award
DfE	Department for Education
DoH	Department of Health
DWP	Department for Work and Pensions
EFSA	Education Funding and Skills Agency
FE	Further Education
FT	Full-time
HE	Higher Education
HEP	Higher Education Provider
HERA	Higher Education and Research Act 2017
HMRC	Her Majesty’s Revenue and Customs
LSS	Learner Support Service
NHS	National Health Service
OfS	Office for Students
PCLS	Pension Commencement Lump Sum
SFE	Student Finance England
SLC	Student Loans Company
SSG	Special Support Grant

Contents

Document Overview

1.1 Introduction

This chapter explains how an eligible FT student's entitlement to loans for living costs, Maintenance Grant, Special Support Grant and Tuition Fee Loan are assessed.

This chapter should be read in conjunction with the 'Assessing Eligibility' guidance chapter.

1.2 Definitions

Current system students fall into one of five categories as defined in regulation 2:

- 'current system students who are not 2008, 2009 or 2012 cohort'
- '2008 cohort' students
- '2009 cohort' students
- '2012 cohort' students and
- '2016 cohort' students

The AY 20/21 guidance describes support available to 2009, 2012 and 2016 cohort students only.

See Annex A for definitions of 2009, 2012 and 2016 cohorts.

Under the AY 20/21 student support package for FT students, the following support is available to 2009, 2012 and 2016 cohort students:

- Tuition Fee Loan and
- Loan for living costs

The following grants are also available to 2009 and 2012 cohort students only:

- Maintenance Grant / Special Support Grant (up to £3,801 (2012 cohort students) or £3,489 (2009 cohort students)

Some students are entitled to additional grants for living costs if they are disabled, have dependants, or have certain travel costs. Guidance on Adult Dependants' Grant, Childcare Grant and Parents' Learning Allowance is contained in the 'Grants for Dependants' chapter.

The following students may be ineligible for support for living costs and other grants:

- FT distance learning students who started their courses on or after 1 September 2012 are only eligible to apply for a non-income assessed Tuition Fee Loan, and Disabled Students' Allowances where applicable.

  Note that students who are undertaking a FT course by distance learning because they are prevented from attending a FT course due to their disability can apply for FT grants and loans for living and other costs for their course. (2016 cohort students are not eligible to apply for Maintenance Grants or Special Support Grant.)

This arrangement will apply to students studying on (i) a FT course that is being taken by all students as a distance learning course or (ii) a FT course that normally requires attendance.

To qualify for support for a FT distance learning course the student must supply the following evidence to SFE:

• a note from the student's doctor clearly stating that their medical condition prevents them from attending a full-time higher education course and

• information from the student of the equivalent FT course and provider they wished to attend but are unable to do so (an equivalent course is one with the same or similar title in the subject matter).

Where a student is undertaking a FT course by distance learning at a provider that would otherwise require attendance on that course, the student must supply the following evidence to SFE:

• a note from the student's doctor clearly stating that their medical condition prevents them from attending a FT higher education course and

• a note from the provider confirming the student is undertaking that FT course by distance learning because they are unable to attend their course due to a disability.

- Prisoners who are studying FT are eligible for maintenance support on a pro-rata daily basis for the time not spent in prison. In exceptional circumstances, SLC may use their discretion to not apply pro-rating to a student who has spent part of an AY in prison. This should only apply where pro-rating will cause financial hardship to a student and prevent them from continuing with their course. These instances are expected to be very few.

Academic Year

An 'academic year' means the period of twelve months beginning on 1 January, 1 April, 1 July or 1 September of the calendar year in which the AY of the course in question begins, according to whether that AY begins (regulation 2(1)):

- on or after 1 January and before 1 April
- on or after 1 April and before 1 July
- on or after 1 July and before 1 August or
- on or after 1 August and on or before 31 December

The key principle is that students cannot apply for more than the maximum amounts of tuition fee and living costs support for that course in respect of an AY. The AY for students starting in January or February is the 12-month period beginning on 1 January and ending on 31 December. This means that the maximum Tuition Fee Loan and loan for living costs awarded to a student starting their course in January or February 2021 covers the period until 31 December 2021 (in the case of the loan for living costs, excluding the academic quarter in which the longest vacation falls). In such circumstances, students will not be entitled to tuition fee and living costs support for the second year of their course until after 31 December 2021, and institutions cannot make additional charges for tuition in respect of that course until after 31 December 2021.

Transfers

Where a student has had their eligibility transferred from a previous course that started before 1 August 2020 to a course beginning on or after 1 August 2020 and

- the mode of study remains the same (FT to FT), and the course the student is transferring to is not an accelerated degree course, the student is treated for student finance purposes as having started their course in the AY relevant to the first course they transferred from

- the mode of study has changed (from PT to FT or FT distance learning to FT in attendance), they are treated for student finance purposes as a new student from the start of the second course

Note that where a student is transferring from a FT course to a FT accelerated degree course they are treated for student finance purposes as a continuing student and can access the higher rate fee loan available for FT accelerated degree courses.

End-on

Where the student's course is taken 'end-on' to another course (see definition below), the student will be treated for student finance purposes as having started their current course at the beginning of the AY in which they started the previous course. The definition of an 'end-on' course is set out in regulation 2(1). For students starting a course on or after 1 September 2012 but before 1 August 2016 the definition of an 'end-on' course is as follows:

- a FT honours degree course beginning on or after 1 September 2012 but before 1 August 2016 which, disregarding any intervening vacation, a student begins to attend immediately after ceasing to attend a FT course mentioned in paragraph 2, 3 or 4 of Schedule 2 or a FT foundation or ordinary degree course, which started before 1 September 2012, having achieved a qualification.

For students starting a course on or after 1 August 2016 the definition of an 'end-on' course is as follows:

- a FT honours degree course beginning on or after 1 August 2016 which, disregarding any intervening vacation, a student begins to attend immediately after ceasing to attend a FT course mentioned in paragraph 2,3 or 4 of Schedule 2 that is not a distance learning course or a FT foundation or ordinary degree course that is not a distance learning course, which started before 1 August 2016, having achieved a qualification.

The intervening vacation is not stipulated in Regulations but the gap in study between the two courses should be not more than five months.

As per the above definitions, a course cannot be defined as ‘end-on’ where the mode of study changes.

Specified Designated Course

The “specified designated course” (regulation 2(11) – (13)) means the current course except where the following apply:

- the student's status as an eligible student has been transferred to the current course from a previous course where the mode of study remains the same or
- the current course is an end-on course

in which case the specified designated course is the previous course.

2 Grants for living and other costs

2.1 Maintenance Grant

Maintenance Grant is not payable to 2016 cohort students. Maintenance Grant is generally payable to non-2016 cohort students attending:

- a FT course
- a sandwich course (but not generally in the sandwich year – see regulations 38(6) and 38(7)).

An eligible student who is not a 2016 cohort student will not qualify for Maintenance Grant if:

- the only paragraph of Schedule 1 of the Regulations into which they fall is paragraph 9
- an EU national (or family member of such a national) entitled only to fee support
- they are eligible for an income assessed healthcare bursary or Scottish Healthcare allowance in this AY
- they qualify for a Special Support Grant
- they do not qualify for a fee loan in this AY (this does not apply to those students who do not qualify for fee loan support because they are on an Erasmus year). Refer to the ‘Assessing eligibility’ guidance on eligibility for fee support.

Maintenance Grant is fully income assessed.

There are no age restrictions in relation to the Maintenance Grant for students who are not 2016 cohort students. However, an applicant who is aged 60 or over on the first day of the first AY of their course will qualify for an income assessed Special Support Grant instead of a Maintenance Grant.

2.2 Maintenance Grant: case studies

- 2012 cohort students

Where the household income is £25,000 or less, the student will be entitled to receive the maximum £3,801 grant. This will be reduced by £1 for every complete £4.72 of household income above this threshold up to a household income of £42,705. Where the household income is £42,705, the minimum grant of £50 will be payable. No Maintenance Grant will be payable where the household income is more than £42,705.

Where 2012 cohort students are eligible for a loan for living costs, the loan is reduced by £0.50 for every £1 of Maintenance Grant received up to a maximum reduction in loan of £1,900 (see regulation 76(10)).

The Maintenance Grant will be paid with the loan for living costs in three instalments per AY.

2012 Cohort – Household income £30,000		
A	Household income	£30,000
B	Maintenance Grant threshold	£25,000
C	Difference A – B	£5,000
D	Divide C by £4.72 and round down to the nearest pound	£1,059
E	£3,801 minus D = Maintenance Grant payable	£2,742

2012 Cohort - Household income £40,000		
A	Household income	£40,000
B	Maintenance Grant threshold	£25,000
C	Difference A – B	£15,000
D	Divide C by £4.72 and round down to the nearest pound	£3,177
E	£3,801 minus D = Maintenance Grant payable	£624

2012 Cohort – Household income £42,705		
A	Household income	£42,705
B	Maintenance Grant threshold	£25,000
C	Difference A – B	£17,705
D	Divide C by £4.72 and round down to the nearest pound	£3,751
E	£3,801 minus D = Maintenance Grant payable	£50 (minimum grant)

- 2009 cohort students

Where the household income is £25,000 or less, the student will be entitled to receive the maximum grant of £3,489. This will be reduced by £1 for every complete £4.45 of household income above £25,000, up to a household income of £34,274. Where the household income exceeds £34,274, the grant will decrease by a further £1 for every complete £12.13 of household income above this threshold, up to a household income of £50,711. Where the household income is £50,711, a minimum grant of £50 will be payable. No grant is payable where the household income is more than £50,711.

Where 2009 cohort students are eligible for a loan for living costs, the loan entitlement is reduced by £0.50 for every £1 of Maintenance Grant received, up to a maximum reduction of £1,744 (see regulation 74(10)).

The Maintenance Grant will be paid with the loan for living costs in three instalments per AY.

2009 Cohort – household income of £30,000		
A	Household income	£30,000
B	Maintenance Grant threshold	£25,000
C	Difference A – B	£5,000
D	Divide C by £4.45 and round down to the nearest pound	£1,123
E	£3,489 minus D = Maintenance Grant payable	£2,366

2009 Cohort - Household income of £40,000		
A	Household income	£40,000
B	Household income between £25,000 and £34,274	£9,274
C	Divide B by £4.45 and round down to the nearest pound	£2,084
D	Household income between £34,274 and £40,000	£5,726
E	Divide D by £12.13 and round down to the nearest pound	£472
F	Add C and E for total amount to deduct from maximum grant payable.	£2,556
G	£3,489 minus F = Maintenance Grant payable	£933

2009 Cohort – Household income of £50,711		
A	Household income	£50,711
B	Household income between £25,000 and £34,274	£9,274
C	Divide B by £4.45 and round down to the nearest pound	£2,084
D	Household income between £34,274 and £50,711	£16,437
E	Divide D by £12.13 and round down to the nearest pound	£1,355

F	Add C and E for total amount to deduct from maximum grant payable.	£3,439
G	£3,489 minus F = Maintenance Grant payable	£50 (minimum grant)

2.3 Special Support Grant ('SSG')

Note that Special Support Grant, like Maintenance Grant, is not available to 2016 cohort students.

Most FT students do not qualify for benefits from the Department for Work and Pensions (DWP). However some FT students (lone parents and some disabled students) are eligible for income assessed DWP benefits (income support, housing benefit or universal credit) while studying on a FT course. If such a student were to receive a Maintenance Grant, their entitlement to benefits would be reduced because the Maintenance Grant is for living costs, which means that it would be taken into account as income by DWP when assessing a student's entitlement to income related benefits. In order to avoid students having their benefits reduced, 2009 and 2012 cohort students eligible for income assessed DWP benefits instead qualify for a Special Support Grant as an alternative to the Maintenance Grant. SSG is disregarded by DWP when assessing a student's entitlement to income related benefits.

SSG may be available in AYs where the student:

- falls within one of the categories of people prescribed for the purposes of section 124(1)(e) of the Social Security Contributions and Benefits Act 1992 in regulation 4ZA of the Income Support (General) Regulations 1987 (SI 1987/1967) or

- is treated as being liable to make payments in respect of a dwelling prescribed for the purposes of section 130(2) of the Social Security Contributions and Benefits Act 1992 in regulation 56 of the Housing Benefit Regulations 2006 (SI 2006/213) or the Universal Credit Regulations 2013 (SI 2013/376).

The categories of students who are not 2016 cohort students but are potentially eligible for SSG are set out below. It is likely that some of these categories will only rarely apply to HE students, but cannot be ruled out altogether:

- The student is a lone parent who is responsible for a child or a young person aged under 20 who is a member of the student's household, and who is in FT education

- The student is a lone foster parent of a child or young person aged under 20

- The student has a partner who is also a FT student and one or both of them are responsible for a child or young person aged under 20 who is in FT non-advanced education

- The student has a disability and qualifies for a Disability Premium or Severe Disability Premium

- The student has been treated as incapable of work for a continuous period of at least 28 weeks (two or more periods of incapacity separated by a break of no more than eight weeks count as one continuous period)

- The student is deaf and qualifies for Disabled Students' Allowances

- The student is waiting to go back to a course having taken approved time out because of an illness or caring responsibility that has now come to an end for a period not exceeding one year

- The student is aged 60 or over on the first day of the first AY of the specified designated course (see section 2.1)

- The student is entitled to Personal Independence Payment, Armed Forces Independence Payment or Disability Living Allowance.

In addition a student qualifies for SSG if:

- The student is entitled to housing benefit or the housing element of Universal Credit

- The student has a disability and qualifies for income related Employment Support Allowance.

A student who is not a 2016 cohort student will not qualify for a SSG if:

- The only paragraph of Schedule 1 into which they fall is paragraph 9 (an EU national or family member of such a national entitled only to fee support)

- They are eligible to apply for an income assessed healthcare bursary or Scottish healthcare allowance in the AY

- They are on a sandwich course and the periods of FT study are in aggregate less than 10 weeks (this does not apply if the periods of work experience constitute periods of unpaid service)

- They do not qualify for a fee loan (this does not apply if they do not qualify for such a loan because they are on an Erasmus year. A student who falls within a prescribed category of person in the Income Support (General) Regulations 1987 (as amended) need not be entitled to or in receipt of benefits such as Income Support to qualify for SSG. For example, a lone parent who is responsible for a child or young person aged under the age of 20 who is a member of their household and in FT non-advanced education would be eligible for SSG, even if they did not in fact qualify for Income Support, had never applied for it or was not in receipt of it for the whole year.

Where a student's circumstances change so that they become eligible for SSG part way through the AY, they may be awarded SSG in respect of the whole of that year. For example, a student who splits from their partner part way through the AY and therefore becomes a lone parent within the meaning of paragraph 38(a) may be awarded SSG in respect of the whole of that AY, subject to income assessment. The student does not need to have actually received, applied for or be eligible for Income Support. If the student was already receiving Maintenance Grant, this would be reassessed and SSG awarded in its place. Any loan substitution that has taken place would also be reassessed and the student invited to apply for the additional amount of loan if they wish to do so.

Students who are not 2016 cohort students and who qualify for SSG will not qualify for the Maintenance Grant. The SSG entitlement assessment uses the same tapers and thresholds as the Maintenance Grant. However, students in receipt of the SSG do not have their loan for living costs reduced.

2.4 Special Support Grant: case studies

- 2012 cohort students

2012 cohort – Household income £33,000		
A	Household income	£33,000
B	SSG threshold	£25,000
C	Difference A – B	£8,000
D	Divide C by £4.72 and round down to the nearest pound	£1,694
E	£3,801 minus D = SSG payable	£2,107

2012 cohort - Household income £40,000		
A	Household income	£40,000
B	SSG threshold	£25,000
C	Difference A – B	£15,000
D	Divide C by £4.72 and round down to the nearest pound	£3,177
E	£3,801 minus D = SSG payable	£624

2012 cohort – Household Income £42,705		
A	Household income	£42,705
B	SSG threshold	£25,000
C	Difference A – B	£17,705
D	Divide C by £4.72 and round down to the nearest pound	£3,751
E	£3,801 minus D = SSG payable	£50 (minimum grant)

- 2009 cohort students

2009 cohort – Household income £34,274		
A	Household income	£34,274
B	SSG threshold	£25,000
C	Difference A – B	£9,274
D	Divide C by £4.45 and round down to the nearest pound	£2,084
E	£3,489 minus D = SSG payable	£1,405

2009 cohort - Household income £40,000		
A	Household income	£40,000
B	Income between £25,000 and £34,274	£9,274
C	Divide B by £4.45 and round down to the nearest pound	£2,084
D	Income between £34,274 and £40,000	£5,726
E	Divide D by £12.13 and round down to the nearest pound	£472
F	Add C and E to give total to reduce maximum SSG by	£2,556
G	£3,489minus F = SSG payable	£933

2009 cohort – Household income £50,711		
A	Household income	£50,711
B	Income between £25,000 and £34,274	£9,274
C	Divide B by £4.45 and round down to the nearest pound	£2,084
D	Income between £34,274 and £50,711	£16,437
E	Divide D by £12.13 and round down to the nearest pound	£1,355
F	Add C and E to give total to reduce maximum SSG by	£3,439
G	£3,489 minus F = SSG payable	£50 (minimum grant)

2.5 Travel grant

A grant payable under regulation 48 in respect of expenditure incurred for travel during that AY is equivalent to the amount remaining after the first £303 of that expenditure has been disregarded, subject to income assessment.

Some students claiming a travel grant may undertake their journey by car. For the purpose of deciding the cost of the journey by car, a rate of 24p per mile should be used. This rate is based on the midpoint range of AA motoring costs and includes an amount for wear and tear on the car.

SFE has discretion to pay the grant in advance of the student incurring the expenditure.

- Students attending courses in medicine and dentistry

Students attending courses in medicine and dentistry who are not eligible for income assessed bursaries or awards from the Department of Health are entitled to travel grant associated with their clinical training, where they have to attend at a hospital or other premises in the UK. This does not cover any attendance involving residential study.

- Students attending an overseas institution

Students attending an overseas institution as part of their designated UK course during a qualifying quarter (whether obligatory or optional) are eligible for an income assessed travel grant in respect of reasonable expenditure the student is obliged to incur in each qualifying quarter for travel costs within and outside the UK for the purpose of attending the overseas institution, including necessary daily travel costs while abroad. A qualifying quarter is an academic quarter during which the student attends the overseas institution for at least 50% of that quarter. 'Expenditure incurred' is at the point that the student is travelling to attend the overseas institution (including travel incurred in the UK to the airport, and abroad). The Education (Student Support) Regulations 2011 as amended allow for payments for that expenditure to be made before or after the costs are incurred. 'Obliged to incur' means travel expenses necessary for the student to attend the overseas institution.

In respect of reasonable expenditure for travel costs (regulations 52 and 53), the first £303 of expenditure is deducted from the total amount of grant payable (before the total amount of travel grant is income assessed).

A quarter in relation to an academic year means a period in that year (regulation 2(1)):

- beginning on or after 1 January and before 1 April,
- beginning on or after 1 April and before 1 July,
- beginning on or after 1 July and before 1 August, or
- beginning on or after 1 August and on or before 31 December.

Students attending an overseas institution for less than 50% of an academic quarter do not qualify for a travel grant in respect of that quarter.

The Education (Student Support) Regulations 2011 as amended do not stipulate how many return journeys between the UK and the overseas institution the travel grant should cover in respect of qualifying quarters during the AY as a whole. However, it would be reasonable to allow for journeys between the UK and the overseas institution during the AY undertaken during qualifying quarters up to a maximum of three return journeys.

Account should be taken of the aggregate amount of eligible travel expenditure which a student is obliged to incur in order to attend their course, excluding any expenditure in respect of which a grant is payable under regulations 40, 40A and 41. SFE assessors must be satisfied that the method and class of travel are appropriate and that all costs are reasonably and necessarily incurred.

There may be cases where single parents who are on courses that involve study overseas have to take their child (or children) abroad with them. In such cases, the cost of the child's/children's fare from the UK to the overseas country may also be covered by the travel grant in respect of qualifying quarters for up to three return journeys during the AY.

Students attending an overseas institution as part of their course for at least 50% of any academic quarter may need to insure themselves against liability for the costs of medical treatment provided outside the United Kingdom. Regulation 54 provides that such students shall be eligible for additional travel grant equal to the amount incurred. This expenditure is not subject to the £303 disregard. For example, if a student claimed grant on a total expenditure of £320, comprising travel costs of £250 and medical insurance costs of £70, they would be eligible for a grant of £70. SFE assessors must be satisfied that the costs incurred for insurance are reasonable. As recommended by the Government, students studying abroad should consider taking out travel insurance that includes medical cover. The medical element of travel insurance can therefore be claimed whether or not the UK has reciprocal public health arrangements with the country where the student is studying

Such students may also have to meet the costs of items such as visas and medical costs (regulation 54 (b) & (c)). Where these are a mandatory condition of entry into the host country, they are legitimate costs incurred in order to attend the course and they can also attract grant. Where vaccinations are strongly recommended (including high risk) by the Foreign and Commonwealth Office these would be eligible for payment. The expenditures described in regulation 54 are also subject to the calculation in regulation 53.

- Students attending the University of London Institute in Paris

Students attending the University of London Institute in Paris are eligible for Travel Grants as if they were attending an overseas institution.

2.6 Travel Grant: case studies

Student A is attending an overseas institution for the first 9 weeks of the first academic quarter (01/09/20 - 31/12/20). The first academic quarter is 17 weeks and 2 days in length. Student A is therefore attending the overseas institution for more than 50% of the quarter. Student A is eligible for travel grant in respect of travel expenses, which is subject to a £303 disregard.
Student B is attending an overseas institution in the first academic quarter (01/09/20 - 31/12/20). The first academic quarter is 17 weeks and 2 days in length. Student B attends the first 4 weeks overseas, the next 2 weeks in the UK and the following 5 weeks overseas. Student B is therefore attending the overseas institution for 9 weeks in total - more than 50% of the quarter. Student B is eligible for travel grant in respect of travel expenses, which is subject to a £303 disregard.
Student C is attending an overseas institution for the first 8 weeks of the first academic quarter (01/09/20 - 31/12/20) and the first 7 weeks of the second academic quarter (01/01/21 - 31/03/21). The first academic quarter is 17 weeks and 2 days in length and the second academic quarter is 12 weeks and 6 days in length. Student C is not eligible for a travel grant in respect of travel expenses for the first academic quarter because they are not attending the overseas institution for 50% or more of the first quarter. However, they are eligible for a travel grant in respect of travel expenses for the second academic quarter (subject to a £303 disregard) because they are attending the overseas institution for more than 50% of the second academic quarter.
Student D is attending an overseas institution for the last 5 weeks of the first academic quarter (01/09/20 - 31/12/20) and the first 5 weeks of the second academic quarter (01/01/21 - 31/03/21). The first academic quarter is 17 weeks and 2 days in length and the second academic quarter is 12 weeks and 6 days in length. Student D is not eligible for a travel grant in respect of travel expenses for either the first academic quarter or the second academic quarter, as they are not attending the overseas institution in either quarter for 50% or more of the respective quarter.
Student E is attending an overseas institution for the first 10 weeks of the first academic quarter (01/09/20 - 31/12/20) and the first 10 weeks of the second academic quarter (01/01/21 - 31/03/21). The first academic quarter is 17 weeks and 2 days in length and the second academic quarter is 12 weeks and 6 days in length. Student E is eligible for a travel grant in respect of travel expenses for both academic quarters because they are attending the overseas institution for more than 50% of the respective quarters. Their travel grant award in respect of travel expenses will be subject to a single disregard of £303 for the academic year.

3 Loans for Living Costs

3.1 Age limit

2016 cohort students: students with full entitlement, aged under 60 on the first day of the first AY of their FT course qualify for a loan for living costs, part of which is income assessed. The rate payable depends on eligibility for benefits, place of study, residence and whether the AY is a full or final course year. 2016 cohort students aged 60 or over on the first day of the first AY of their FT course qualify for a fully income assessed loan for living costs of up to £3,893, which is assessed at a single rate regardless of where the student is living and studying and which year of the course the student is undertaking.

The loan for living costs for 2016 cohort students with full entitlement aged 60 or over on the first day of the first AY of their course is paid as a Special Support Loan, which is disregarded by DWP as student income when calculating a student's benefit entitlement.

- Student A starts a four-year degree course on 1 September 2020, aged 59. They will qualify for a loan for living costs for AY 20/21. Student A is not eligible for benefits, therefore their entitlement to loan for living costs for AY 20/21 is assessed using the rates, tapers and thresholds in tables A1, and A15 in the AY 20/21 Financial Memorandum.

- Student B starts a two year Foundation Degree on 1 September 2020 aged 63. As they are aged 60 on the first day of the first AY of the course, they qualify for a loan for living costs assessed using the rates, tapers and thresholds in table A17 of the AY 20/21 Financial Memorandum.

3.2 Loan for living costs rates (2016 cohort students with full entitlement)

- 2016 cohort students who are not eligible for benefits

(As per AY 20/21 Financial Memorandum, table A1)

FULL YEAR STUDENTS	MAIN RATE (100%)	NON-INCOME ASSESSED	INCOME ASSESSED
Parental home	7,747	3,410	4,337
London	12,010	5,981	6,029
Elsewhere	9,203	4,289	4,914
Overseas	10,539	5,095	5,444
FINAL YEAR STUDENTS	MAIN RATE (100%)	NON INCOME ASSESSED	INCOME-ASSESSED
Parental home	7,290	3,133	4,157
London	11,127	5,449	5,678
Elsewhere	8,703	3,987	4,716
Overseas	9,434	4,427	5,007

- 2016 cohort students who are eligible for benefits

(As per AY 20/21 Financial Memorandum, table A2)

FULL YEAR STUDENTS	MAIN RATE (100%)	NON-INCOME ASSESSED	INCOME ASSESSED
Parental home	9,140	3,410	5,730
London	13,098	5,981	7,117
Elsewhere	10,490	4,289	6,201
Overseas	11,732	5,095	6,637
FINAL YEAR STUDENTS	MAIN RATE (100%)	NON INCOME ASSESSED	INCOME-ASSESSED
Parental home	8,714	3,133	5,581
London	12,275	5,449	6,826
Elsewhere	10,027	3,987	6,040
Overseas	10,704	4,427	6,277

- 2016 cohort students aged 60 or over on the first day of the first AY of the course

(As per AY 20/21 Financial Memorandum, table A17)

FULL & FINAL YEAR STUDENTS	INCOME ASSESSED (100%)
Living anywhere	£3,893

3.3 Loan for living costs rates (2012 cohort students with full entitlement)

(As per AY 19/20 Financial Memorandum, table B1)

FULL YEAR STUDENTS	MAIN RATE (100%)	NON-INCOME ASSESSED (65%)	INCOME ASSESSED (35%)
Parental home	5,247	3,410	1,837
London	9,205	5,983	3,222
Elsewhere	6,597	4,291	2,306
Overseas	7,838	5,096	2,742
FINAL YEAR STUDENTS	MAIN RATE (100%)	NON INCOME ASSESSED (65%)	INCOME-ASSESSED (35%)
Parental home	4,821	3,133	1,688
London	8,383	5,449	2,934
Elsewhere	6,135	3,988	2,147
Overseas	6,812	4,428	2,384

3.4 Loan for living costs rates (2009 cohort students with full entitlement)

(As per AY 20/21 Financial Memorandum, table C1)

FULL YEAR STUDENTS	MAIN RATE (100%)	NON-INCOME ASSESSED (72%)	INCOME ASSESSED (28%)
Parental home	4,604	3,314	1,290
London	8,309	5,983	2,326
Elsewhere	5,938	4,275	1,663
Overseas	7,068	5,089	1,979
FINAL YEAR STUDENTS	MAIN RATE (100%)	NON INCOME ASSESSED (72%)	INCOME-ASSESSED (28%)
Parental home	4,177	3,008	1,169
London	7,565	5,446	2,119
Elsewhere	5,495	3,957	1,538
Overseas	6,146	4,425	1,721

3.5 Financial assessment of loan for living costs

Regulations 71, 74, 76, 77, 80A, 80B and 80C and the AY 20/21 Financial Memorandum set out the maximum amounts applicable in each case for students with full entitlement. Please note the conditions under which the London rate of loan is applicable (regulation 90(b)) and the related definition of the former Metropolitan Police District in regulation 2(1)).

3.5.1 2016 cohort students

Different taper rates apply to 2016 cohort students, depending on whether the student:

- is eligible for DWP benefits
- is in the final year of study or not
- is aged 60 or over on the first day of the first AY of the course

3.5.1.1 2016 cohort students with full entitlement who are not eligible for benefits - full-year rate

- Living in the parental home:
    - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £7,747.
    - Where the household income is above £25,000 they lose £1 of loan for every £7.66 of additional household income up to £58,222.

- Where the household income is £58,222 or above students are entitled to the non-income assessed loan for living costs of £3,410 only.
- Note: assessed contribution is calculated at incomes above £42,875. The income assessment to the loan is calculated using the £7.66 taper rate and then from this an amount of £2,333, the contribution disregard, is deducted

- Not living in the parental home and studying in London:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £12,010.
  - Where the household income is above £25,000 they lose £1 of loan for every £7.46 of additional household income up to £69,977.
  - Where the household income is £69,977 or above students are entitled to the non-income assessed loan for living costs of £5,981 only.
  - Note: assessed contribution is calculated at incomes above £42,875. The income assessment to the loan is calculated using the £7.46 taper rate and then from this an amount of £2,396, the contribution disregard, is deducted.

- Not living in the parental home and studying in the UK outside London:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £9,203.
  - Where the household income is above £25,000 they lose £1 of loan for every £7.58 of additional household income up to £62,249.
  - Where the household income is £62,249 or above students are entitled to the non-income assessed loan for living costs of £4,289 only.
  - Note: assessed contribution is calculated at incomes above £42,875. The income assessment to the loan is calculated using the £7.58 taper rate and from this an amount of £2,358, the contribution disregard, is deducted.

- Studying overseas:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £10,539.
  - Where the household income is above £25,000 they lose £1 of loan for every £7.51 of additional household income up to £65,885.
  - Where the household income is £65,885 or above students are entitled to the non-income assessed loan for living costs of £5,095 only.
  - Note: Assessed contribution is calculated at incomes above £42,875. The income assessment to the loan is calculated using the £7.51 taper rate and from this an amount of £2,380, the contribution disregard, is deducted

3.5.1.2 2016 cohort students with full entitlement who are not eligible for benefits - Final year rate

- Living in the parental home:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £7,290.
  - Where the household income is above £25,000 they lose £1 of loan for every £7.66 of additional household income up to £56,843.

- Where the household income is £56,843 or above students are entitled to the non-income assessed loan for living costs of £3,133 only.
- Note: assessed contribution is calculated at incomes above £42,875. The income assessment to the loan is calculated using the £7.66 taper rate and from this an amount of £2,333, the contribution disregard, is deducted.

- Not living in the parental home and studying in London:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £11,127.
  - Where the household income is above £25,000 they lose £1 of loan for every £7.46 of additional household income up to £67,358.
  - Where the household income is £67,358 or above students are entitled to the non-income assessed loan for living costs of £5,449 only.
  - Note: assessed contribution is calculated at incomes above £42,875. The income assessment to the loan is calculated using the £7.46 taper rate and from this an amount of £2,396, the contribution disregard, is deducted.

- Not living in the parental home and studying in the UK outside London:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £8,703.
  - Where the household income is above £25,000 they lose £1 of loan for every £7.58 of additional household income up to £60,748.
  - Where the household income is £60,748 or above students are entitled to the non-income assessed loan for living costs of £3,987 only.
  - Note: assessed contribution is calculated at incomes above £42,875. The income assessment to the loan is calculated using the £7.58 taper rate and from this an amount of £2,358, the contribution disregard, is deducted.

- Studying overseas:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £9,434.
  - Where the household income is above £25,000 they lose £1 of loan for every £7.51 of additional household income up to £62,603.
  - Where the household income is £62,603 or above students are entitled to the non-income assessed loan for living costs of £4,427 only.
  - Note: assessed contribution is applied at incomes above £42,875. The income assessment to the loan is calculated using the £7.51 taper rate and from this an amount of £2,380, the contribution disregard, is deducted.

3.5.1.3 2016 cohort students with full entitlement who are eligible for benefits - Full year rate

- Living in the parental home:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £9,140.
  - Where the household income is above £25,000 they lose £1 of loan for every £4.797 of additional household income up to £42,875.

    - Where the household income is above £42,875, the assessed contribution is calculated. Students lose an additional £1 of loan for every £7.66 of household income up to £58,226.
    - Where the household income is £58,226 or above, students are entitled to the non-income assessed loan for living costs of £3,410 only.

- Not living in the parental home and studying in London:
    - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £13,098.
    - Where the household income is above £25,000 they lose £1 of loan for every £5.13 of additional household income up to £42,875.
    - Where the household income is above £42,875, the assessed contribution is calculated. Students lose an additional £1 of loan for every £7.46 of household income up to £69,978.
    - Where the household income is £69,978 or above, students are entitled to the non-income assessed loan for living costs of £5,981 only.

- Not living in the parental home and studying in the UK outside London:
    - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £10,490.
    - Where the household income is above £25,000 they lose £1 of loan for every £4.903 of additional household income up to £42,875.
    - Where the household income is above £42,875, the assessed contribution is calculated. Students lose an additional £1 of loan for every £7.58 of household income up to £62,250.
    - Where the household income is £62,250 or above, students are entitled to the non-income assessed loan for living costs of £4,289 only.

- Studying overseas:
    - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £11,732.
    - Where the household income is above £25,000 they lose £1 of loan for every £5.002 of additional household income up to £42,875.
    - Where the household income is above £42,875, the assessed contribution is calculated. Students lose an additional £1 of loan for every £7.51 of household income up to £65,886.
    - Where the household income is £65,886 or above students are entitled to the non-income assessed loan for living costs of £5,095 only.

3.5.1.4 2016 cohort students with full entitlement who are eligible for benefits - Final year rate

- Living in the parental home:
    - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £8,714.
    - Where the household income is above £25,000 they lose £1 of loan for every £4.757 of additional household income up to £42,875.

- Where the household income is above £42,875, the assessed contribution is calculated. Students lose an additional £1 of loan for every £7.66 of household income up to £56,847.
- Where the household income is £56,847 or above students are entitled to the non-income assessed loan for living costs of £3,133 only.

- Not living in the parental home and studying in London:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £12,275.
  - Where the household income is above £25,000 they lose £1 of loan for every £5.043 of additional household income up to £42,875.
  - Where the household income is above £42,875, the assessed contribution is calculated. Students lose an additional £1 of loan for every £7.46 of household income up to £67,359.
  - Where the household income is £67,359 or above, students are entitled to the non-income assessed loan for living costs of £5,449 only.

- Not living in the parental home and studying in the UK outside London:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £10,027.
  - Where the household income is above £25,000 they lose £1 of loan for every £4.854 of additional household income up to £42,875.
  - Where the household income is above £42,875, the assessed contribution is calculated. Students lose an additional £1 of loan for every £7.58 of household income up to £60,749.
  - Where the household income is £60,749 or above students are entitled to the non-income assessed loan for living costs of £3,987 only.

- Studying overseas:
  - Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £10,704.
  - Where the household income is above £25,000 they lose £1 of loan for every £4.895 of additional household income up to £42,875.
  - Where the household income is above £42,875, the assessed contribution is calculated. Students lose an additional £1 of loan for every £7.51 of household income up to £62,597.
  - Where the household income is £62,597 or above students are entitled to the non-income assessed loan for living costs of £4,427 only.

3.5.1.5 2016 cohort students with full entitlement who are aged over 60 or over on the first day of the first AY of their course – Full and Final year rate, all locations

- Where the household income is up to and including £25,000, students are entitled to the full loan for living costs of £3,893.
- Where the household income is above £25,000 they lose £1 of loan for every £4.87 of additional household income up to £43,716.

- Where the household income is £43,716 a minimum loan for living costs of £50 is paid.
- Where the household income is above £43,716 students are not entitled to loan for living costs.

3.5.2 2012 cohort students with full entitlement

- Where the household income is up to and including £42,705, students have their loan for living costs reduced by £0.50 for every £1 of Maintenance Grant awarded.
- Students who qualify for Special Support Grant do not have their loan for living costs reduced.
- Where the household income is above £42,705 and up to £42,875 students are entitled to the full loan for living costs.
- Where the household income is above £42,875, assessed contribution is calculated. Students lose £1 of loan for every £8.36 of household income above £42,875. The loan for living costs will be reduced on this basis until 65% of the loan remains.

3.5.3 2009 cohort students with full entitlement

- Where the household income is up to and including £50,711, students have their loan for living costs reduced by £0.50 for every £1 of Maintenance Grant awarded.
- Students who qualify for Special Support Grant do not have their loan for living costs reduced.
- Where the household income is above £50,711 and up to £50,778 students are entitled to the full loan for living costs.
- Where the household income is above £50,778, assessed contribution is calculated. Students lose £1 of loan for every £4.22 of household income above £50,778. The loan for living costs will be reduced on this basis until 72% of the loan remains.

3.6 Loans for Living Costs: case studies

All students in the case studies are living ‘elsewhere’, (away from the parental home and studying outside of London), and are in a non-final course year.

3.6.1 2016 cohort students with full entitlement

For 2016 cohort students, while the income assessment of the loan for living costs starts at a household income of £25,000, the assessed contribution for the loan for living costs will apply to students with household incomes of more than £42,875.

For 2016 cohort students aged under 60 who are not eligible for benefits, whose household income exceeds £42,875, the assessed contribution is calculated by:

a) Calculating the amount of loan to be deducted from the maximum loan at a household income of £42,875. This is known as the contribution disregard.
b) Calculating the amount of loan to be deducted from the maximum loan at the student's household income – this is known as the income assessment to loan.
c) Calculating the assessed contribution by deducting the contribution disregard from the income assessment.

See tables A15 and A18 of the 20/21 Financial Memorandum for more information on calculation of assessed contribution for 2016 cohort students aged under 60 who are not eligible for benefits.

For 2016 cohort students aged under 60 who are eligible for benefits, the assessed contribution is calculated by:

a) deducting the student's household income from £42,875
b) dividing the result by the appropriate income taper.

See tables A16 and A19 of the 20/21 Financial Memorandum for more information on calculation of assessed contribution for 2016 cohort students with full entitlement aged under 60 who are eligible for benefits.

An assessed contribution is not applicable to the loan for living costs for 2016 cohort students with full entitlement who are aged 60 or over at the start of the first AY of their course.

Household Income £30,000 – Student under 60 Not eligible for benefits, living away from the parental home and studying outside London		
A	Income assessment to Loan	£659
B	Loan for living costs payable (£9,203 less £659 income assessment to loan)	£8,544

The amount of loan for living costs is reduced by £1 for every £7.58 of income over £25,000.

Household Income £30,000 - Student under 60 Eligible for benefits, living away from the parental home and studying outside London		
A	Income assessment to Loan	£1,019
B	Loan for living costs payable (£10,490 less £1,019 income assessment to loan)	£9,471

The amount of loan for living costs is reduced by £1 for every £4.903 of income over £25,000.

Household Income £45,000 – Student under 60 Not eligible for benefits, living away from the parental home and studying outside London		
A	Income assessment to Loan	£2,638

B	Loan for living costs payable (£9,203 less £2,638 Income assessment to loan)	£6,565

The amount of loan for living costs is reduced by £1 for every £7.58 of income over £25,000.

Household Income £45,000 – Student under 60 Eligible for benefits, living away from the parental home and studying outside London		
A	Income Assessment to Loan	£3,925
B	Loan for living costs payable (£10,490 – £3,925)	£6,565

The amount of loan for living costs is reduced by £1 for every £4.903 of income over £25,000 up to £42,875, and by £1 for every £7.58 of income over £42,875.

Household Income £30,000 - Student aged 60 or over		
A	Income assessment to Loan	£1,026
B	Loan for living costs payable (£3,893 less £1,026 income assessment to loan)	£2,867

The amount of loan for living costs is reduced by £1 for every £4.87 of income over £25,000

Household Income £40,000 – Student aged 60 or over		
A	Income Assessment to loan	£3,080
B	Loan for living costs payable (£3,893– income assessment to loan £3,080)	£813

The amount of loan for living costs is reduced by £1 for every £4.87 of income over £25,000

3.6.2 2012 cohort students

In each 2012 cohort example, loan for living costs is reduced by £0.50 for every £1 of grant awarded.

Eligible for Maintenance Grant – Household Income £30,000 Student living away from the parental home and studying outside London		
A	Maintenance Grant payable	£2,742
B	Loan for living costs payable (£6,597 less £1,371 Maintenance Grant substituted for loan)	£5,226

Eligible for Special Support Grant – Household Income £30,000 Student living away from the parental home and studying outside London		
A	Special Support Grant payable	£2,742
B	Loan for living costs payable (no substitution for loan for living costs)	£6,597

Eligible for Maintenance Grant – Household Income £35,000 Student living away from the parental home and studying outside London		
A	Maintenance Grant payable	£1,683
B	Loan for living costs payable (£6,597 less £841 Maintenance Grant substituted for loan)	£ 5,756

Eligible for Maintenance Grant – Household Income £40,000 Student living away from the parental home and studying outside London		
A	Maintenance Grant payable	£624
B	Loan for living costs payable (£6,597 less £312 Maintenance Grant substituted for loan)	£6,285

Eligible for Special Support Grant – Household Income £40,000 Student living away from the parental home and studying outside London		
A	Special Support Grant payable	£624
B	Loan for living costs payable (no substitution for loan for living costs)	£6,597

Eligible for Maintenance Grant– Household Income £42,705 Student living away from the parental home and studying outside London		
A	Maintenance Grant payable	£50
B	Loan for living costs payable (£6,597 less £25 Maintenance Grant substituted for loan)	£6,572

Household Income £42,706 to £42,875 Student living away from the parental home and studying outside London		
A	Maintenance Grant or Special Support Grant payable	£0
B	Loan for living costs payable (no income above £42,875 therefore no assessed contribution)	£6,597 (100% loan)

Household Income £62,154 Student living away from the parental home and studying outside London		
A	Household Income	£62,154
B	Loan for living costs threshold	£42,875
C	Difference A – B	£19,279
D	Divide by £8.36 and round down to the nearest pound to give income assessed element of loan	£2,306

E	£6,597 – D = loan for living costs payable	£4,291 (65% non-income assessed element of maximum entitlement to loan)

3.6.3 2009 cohort students

In each 2009 cohort example, loan for living costs is reduced by £0.50 for every £1 of grant awarded.

Eligible for Maintenance Grant - Household Income £30,000 Student living away from the parental home and studying outside London		
A	Maintenance Grant payable	£2,366
B	Loan for living costs payable (£5,938 less £1,183 Maintenance Grant substituted for loan)	£4,755

Eligible for Special Support Grant – Household Income £30,000 Student living away from the parental home and studying outside London		
A	Special Support Grant payable	£2,366
B	Loan for living costs payable (no substitution for loan for living costs)	£5,938

Eligible for Maintenance Grant – Household Income £34,274 Student living away from the parental home and studying outside London		
A	Maintenance Grant payable	£1,405
B	Loan for living costs payable (£5,938 less £702 Maintenance Grant substituted for loan)	£5,236

Eligible for Maintenance Grant – Household Income £40,000 Student living away from the parental home and studying outside London		
A	Maintenance Grant payable	£933
B	Loan for living costs payable (£5,938 less £4,66 Maintenance Grant substituted for loan)	£5,472

Eligible for Special Support Grant – Household Income £40,000 Student living away from the parental home and studying outside London		
A	Special Support Grant payable	£933

B	Loan for living costs payable (no substitution for loan for living costs)	£5,938

Eligible for Maintenance Grant – Household Income £50,711 Student living away from the parental home and studying outside London		
A	Maintenance Grant payable	£50
B	Loan for living costs payable (£5,938 less £25 Maintenance Grant substituted for loan)	£5,913

Household Income £50,711 to £50,778 Student living away from the parental home and studying outside London		
A	Maintenance Grant or Special Support Grant payable	£0
B	Loan for living costs payable (no income above £50,778 therefore no assessed contribution)	£5,938 (100% loan)

Household Income £57,796 Student living away from the parental home and studying outside London		
A	Household Income	£57,796
B	Loan for living costs threshold	£50,778
C	Difference A – B	£7,018
D	Divide by £4.22 and round down to the nearest pound to give income assessed element of loan	£1,663
E	£5,938 – D = loan for living costs payable	£4,275 (72% non-income assessed element of maximum entitlement to loan)

3.7 Loan for living costs – students with reduced entitlement

Students with reduced entitlement to loans for living costs are those current system students who:
- are undertaking a sandwich course where the periods of full-time study in the academic year are in aggregate less than 10 weeks, unless the periods of work experience constitute unpaid service. (see section 4.6, page 43)
- are eligible to apply for income assessed NHS bursaries.
- have not provided their household income to calculate the means-tested part of the loan for living costs. (Regulation 80)

Note that 2016 cohort students who are aged 60 or over on the first day of the first AY of the course do not qualify for the reduced rate of loan for living costs (Regulation 69(4))

3.8 Long courses loan

Additional loan for extra weeks of attendance over 30 weeks and 3 days in an AY is available as:

- a fixed amount per extra week / part week, up to 45 weeks of study.
- students studying for 45 weeks or more in any 52 week period are paid as if they are studying for the full 52 weeks.

The amount of long courses loan payable is determined by reference to the category into which the student falls (regulation 81, see also Section F of the 20/21 Financial Memorandum).

Long courses loan can be awarded in respect of any AY of a designated course and is payable for four quarters of the AY. HEPs should determine the length of their courses on the basis of the number of weeks during term time when students are attending lectures, undertaking course work or taking exams on a FT basis. Course length should also include reading periods and revision weeks up to when the student takes examinations. It does not include periods at the end of the AY after FT study and examinations have been completed when students are awaiting results, and/or writing up dissertations.

Note that 2016 cohort students who are aged 60 or over on the first day of the first AY of the course are not eligible to apply for long courses loan.

3.9 Students on intensive courses

Eligible students on intensive courses which last for two AYs are entitled to the full year loan for living costs rates in the final year and also for the long courses loan for attendance over 30 weeks and 3 days. Intensive courses are accelerated courses or compressed degree courses (regulation 2(1)). Eligible students on designated intensive courses are entitled to the same maintenance support package as other students attending their courses (regulation 2(1)).

3.10 Changes during the year

Broadly, the loan for living costs (excluding the long courses loan) is payable for three quarters of the AY. With the exception of loans for living costs paid to students on an intensive course, for example either an accelerated degree course or a compressed degree course, the loan for living costs is not payable in the quarter in which the longest vacation falls (regulation 82). Where the loan for living costs is payable to a student on an intensive course, the Secretary of State will determine the quarter in respect of which the loan is not payable.

Where students are subject to two different rates of loan for living costs based on their living/studying location in an AY quarter, they will be entitled to the higher of the two possible rates of loan for living costs (see regulation 83(e)(ii)). For example, a student attending an overseas institution for 50% of the quarter and studying in London (not residing at home) for the remaining 50% of the quarter would qualify for the London rate of loan in that quarter.

Where a student has more than one other change of circumstance in the AY quarter they qualify for the rate of loan for living costs covering the longest period in that quarter. For example, a student spending 40% of a quarter overseas, 30% away from home outside London and 30% at the parental home, would be entitled to the overseas rate of loan for living costs for that quarter.

4 Tuition Fee Loans

4.1 General rates applicable

Students may qualify for loan support towards tuition fees, subject to certain criteria which include the provisions on previous study (as set out in the Assessing Eligibility guidance). Sections 4.1 and 4.2 of this guidance refer to maximum tuition fee loans for standard intensity FT and sandwich courses. Section 4.3 covers maximum tuition fee loans for accelerated degree courses starting on or after 1 August 2019.

Following regulatory changes made under the Higher Education Research Act 2017, from AY 19/20 HEPs in England must be registered with the OfS to have access to the student support system. The maximum tuition fee an Approved (Fee Cap) Provider can charge will be set in the Access and Participation Plan (APP) approved by the OfS's Director of Fair Access and Participation. Students undertaking courses at Approved (Fee Cap) Providers in AY 20/21 can apply for fee loans to meet the full costs of their tuition.

Maximum tuition fees for courses offered by Approved Providers in AY 20/21 are not capped. Students undertaking courses at Approved Providers can apply for a loan towards the costs of their tuition.

Maximum fee loans for accredited institutions which are unregistered providers that are offering FT courses of initial teacher training are set at the same levels in AY 20/21 as those for FT courses offered by Approved (Fee Cap) Providers (that are not accelerated degree courses starting on or after 1 August 2019). 'Accredited institution' is defined in Regulation 2(1).

Maximum fee loans for designated FT courses offered by unregistered providers in AY 20/21 which started before 1 August 2019 and were designated for support in AY 2018/19 are set at the same levels as those for FT courses offered by Approved Providers (that are not accelerated degree courses starting on or after 1 August 2019).

See the Assessing Eligibility guidance for further information about new provider categories for HEPs in England.

Regulation 23 as amended provides that the maximum level of Tuition Fee Loan for current system students studying on FT and FT distance learning courses at institutions in England in AY 20/21 are:

- £3,465 where the current course began before 1 September 2012.

- Where the current course begins on or after 1 September 2012 and the provider has a TEF award for AY 20/21:
    - £9,250 where the provider is an Approved (Fee Cap) Provider with an APP
    - £6,165 where the provider is an Approved (Fee Cap) Provider without an APP
    - £6,165 where the provider is an Approved Provider

- Where the current course begins on or after 1 September 2012 and the provider does not have a TEF award for AY 20/21:
    - £9,000 where the provider is an Approved (Fee Cap) Provider with an APP
    - £6,000 where the provider is an Approved (Fee Cap) Provider without an APP
    - £6,000 where the provider is an Approved Provider

Students in the final year, which is normally required to be completed after less than 15 weeks' attendance, are subject to a lower maximum Tuition Fee Loan:

- £1,725 where the current course started before 1 September 2012.

- Where the current course begins on or after 1 September 2012 and the provider has a TEF award for AY 20/21:
    - £4,625 where the provider is an Approved (Fee Cap) Provider with an APP
    - £3,080 where the provider is an Approved (Fee Cap) Provider without an APP
    - £3,080 where the provider is an Approved Provider

- Where the current course begins on or after 1 September 2012 and the provider does not have a TEF award for AY 20/21:
    - £4,500 where the provider is an Approved (Fee Cap) Provider with an APP
    - £3,000 where the provider is an Approved (Fee Cap) Provider without an APP
    - £3,000 where the provider is an Approved Provider

Armed Forces personnel serving overseas or within another country in the UK.

Most FT and part-time (PT) students undertaking a distance learning course with a UK HEP must be undertaking the course in England on the first day of the first academic year of that course in order to qualify for fee loans. Those students who are obliged to incur essential additional expenditure while undertaking a course of higher education as a result of a disability qualify for DSAs for their distance learning course. However, if the student no longer resides in the UK, then their fee loan and DSA support for a FT or PT distance learning course will stop.

Since 1 August 2017, students who are members of the regular UK Armed Forces serving overseas or are family members living with these armed forces personnel have qualified for fee loans and, where applicable, DSAs for their FT or PT distance learning course. From 1 August 2018, this exception was extended to members of the regular UK Armed Forces serving in Scotland, Wales or Northern Ireland or family members living with these armed forces personnel. This change applies to new and continuing students in AY 20/21

Please see the Assessing Eligibility Chapter for further information on support for distance learners.

4.2 Students on a sandwich course or a course provided in conjunction with an overseas institution

Maximum fee loans for students on a sandwich work placement of an AY:

- during which any periods of FT study are in aggregate less than 10 weeks or
- in respect of that AY and any previous AY of the course, the aggregate of any one or more periods of attendance which are not periods of FT study at the institution (disregarding intervening vacations) exceeds 30 weeks, are as follows:

  - £1,725 where the current course started before 1 September 2012.

  - Where the current course begins on or after 1 September 2012 and the provider has a TEF award for AY 20/21:
    - £1,850 where the provider is an Approved (Fee Cap) Provider with an APP
    - £1,230 where the provider is an Approved (Fee Cap) Provider without an APP
    - £1,230 where the provider is an Approved Provider
  - Where the current course begins on or after 1 September 2012 and the provider does not have a TEF award for AY 20/21:
    - £1,800 where the provider is an Approved (Fee Cap) Provider with an APP
    - £1,200 where the provider is an Approved (Fee Cap) Provider without an APP

- £1,200 where the provider is an Approved Provider

Maximum fee loans for students studying on a course provided in conjunction with an overseas institution, where in an AY:

- Any periods of FT study at the UK institution are in aggregate less than 10 weeks or
- In respect of that AY and any previous AYs of the course, the aggregate of any one or more periods of attendance which are not periods of FT study at the UK institution (disregarding intervening vacations) exceed 30 weeks, are as follows:

  - £1,725 where the current course started before 1 September 2012

  - Where the current course begins on or after 1 September 2012 and the provider has a TEF award for AY 20/21:
    - £1,385 where the provider is an Approved (Fee Cap) Provider with an APP
    - £920 where the provider is an Approved (Fee Cap) Provider without an APP
    - £920 where the provider is an Approved Provider

  - Where the current course begins on or after 1 September 2012 and the provider does not have a TEF award for AY 20/21:
    - £1,350 where the provider is an Approved (Fee Cap) Provider with an APP
    - £900 where the provider is an Approved (Fee Cap) Provider without an APP
    - £900 where the provider is an Approved Provider

Maximum fee loans for students studying on an Erasmus Year where at least one period of study or work placement is attended at an institution or workplace outside the United Kingdom and:

- Any periods of FT study at the UK institution are in aggregate less than 10 weeks or
- In respect of that AY and any previous AYs of the course, the aggregate of any one or more periods of attendance which are not periods of FT study at the UK institution (disregarding intervening vacations) exceed 30 weeks, are as follows:

  - Where the current course begins on or after 1 September 2012 and the provider has a TEF award for AY 20/21:
    - £1,385 where the provider is an Approved (Fee Cap) Provider with an APP
    - £920 where the provider is an Approved (Fee Cap) provider without an APP

- Where the current course begins on or after 1 September 2012 and the provider does not have a TEF award for AY 20/21:
  - £1,350 where the provider is an Approved (Fee Cap) Provider with an APP
  - £900 where the provider is an Approved (Fee Cap) provider without an APP

Fee loans are not available for Erasmus years of a course in AY 20/21 offered by Approved Providers.

Students undertaking an Erasmus year on a course provided by HEPs in England where the course started before 1 September 2012 are not charged for tuition and are not entitled to a fee loan.

Regulation 23(8) provides that for new students who started a graduate entry accelerated programme which leads to a qualification as a medical doctor or dentist on or after 1 September 2012, the maximum fee loan in AY 20/21 will be £5,785 for the first academic year of the course and £5,535 for the second, third and fourth academic years of the course.

4.3 Students undertaking an Accelerated Degree in AY 20/21 that started on or after 1 August 2019.

From AY 19/20 Approved (Fee Cap) providers in England have been able to set fee caps for accelerated degree courses at 1.2 times the maximum standard fee rate in each AY.

New students starting an accelerated degree course from AY 19/20 at an Approved (Fee Cap) provider will also be entitled to a higher maximum TFL amount per AY then for a standard intensity course. The same TFL amount applies to continuing students in AY 20/21 whose accelerated degree course started on or after 1 August 2019.

Students who are undertaking an accelerated degree course at an Approved Provider will have access to a higher TFL amount than for a standard intensity course, however fees for Approved Providers will not be capped. The maximum fee loan entitlement for an accelerated degree course at an Approved Provider is lower than for a course offered by an Approved Provider. Final year rates of loan will not apply from AY 19/20 to accelerated degree courses starting on or after 1 August 2019.

The maximum levels of Tuition Fee Loan available from AY 19/20 for students studying on designated accelerated degree courses that started on or after 1 August 2019 are as follows:

Students studying on an academic year of an accelerated degree course starting on or after 1 August 2019 (FT or FT distance learning):

- Where the provider has a TEF award for AY 20/21:
  - £11,100 where the provider is an Approved (Fee Cap) Provider with an APP

- £7,400 where the provider is an Approved (Fee Cap) Provider without an APP
- £7,400 where the provider is an Approved Provider

- Where the provider does not have a TEF award for AY 20/21:
  - £10,800 where the provider is an Approved (Fee Cap) Provider with an APP
  - £7,200 where the provider is an Approved (Fee Cap) Provider without an APP
  - £7,200 where the provider is an Approved Provider

Students on a sandwich work placement year of an accelerated degree course starting on or after 1 August 2019:

• during which any periods of FT study are in aggregate less than 10 weeks or

• in respect of that AY and any previous AY of the course, the aggregate of any one or more periods of attendance which are not periods of FT study at the institution (disregarding intervening vacations) exceeds 30 weeks:

- Where the provider has a TEF award for AY 20/21:
  - £2,220 where the provider is an Approved (Fee Cap) Provider with an APP
  - £1,475 where the provider is an Approved (Fee Cap) Provider without an APP
  - £1,475 where the provider is an Approved Provider

- Where the provider does not have a TEF award for AY 20/21:
  - £2,160 where the provider is an Approved (Fee Cap) Provider with an APP
  - £1,440 where the provider is an Approved (Fee Cap) Provider without an APP
  - £1,440 where the provider is an Approved Provider

Students on an overseas study year (non-Erasmus) or an Erasmus study or work placement year of an accelerated degree course starting on or after 1 August 2019 where:

•any periods of FT study at the UK institution are in aggregate less than 10 weeks or

•in respect of that AY and any previous AYs of the course, the aggregate of any one or more periods of attendance which are not periods of FT study at the UK institution (disregarding intervening vacations) exceed 30 weeks:

- Where the provider has a TEF award for AY 20/21:
  - £1,660 where the provider is an Approved (Fee Cap) Provider with an APP
  - £1,105 where the provider is an Approved (Fee Cap) Provider without an APP
  - £1,105 where the provider is an Approved Provider (non-Erasmus overseas study year only).

- Where the provider does not have a TEF award for AY 20/21:

    - £1,620 where the provider is an Approved (Fee Cap) provider with an APP
    - £1,080 where the provider is an Approved (Fee Cap) provider without an APP
    - £1,080 where the provider is an Approved provider (non-Erasmus overseas study year only)

4.4 Students studying in Scotland, Wales and Northern Ireland

Maximum FT fee loans for English domiciled students studying at institutions in other UK territories are set out below:

Maximum FT fee loan rates in AY 20/21 for English domiciled students studying in Scotland, Wales and Northern Ireland				
Rate	Public/ Alternative Provider (or for courses in Wales starting on or after 1 September 2017, Regulated /Not Regulated)	Maximum Fee Loan – Scotland (£)	Maximum Fee Support – Wales (£)	Maximum Fee Loan – Northern Ireland (£)
Full year	Public/ Regulated	9,250	9,000	9,250
Final year (<15 weeks attendance)	Public/Regulated	4,625	4,500	4,625
Work placement sandwich year	Public/Regulated	4,625	1,800	4,625
Overseas study year	Public/Regulated	4,625	1,350	4,625
Erasmus year	Public/Regulated	1,385	1,350	Fee Waiver
Full year	Alternative/Not Regulated	6,165 (with TEF / 6,000	6,000	6,165 with TEF/ 6,000
Final year (<15 weeks attendance)	Alternative/Not Regulated	3,080(with TEF)/ 3,000	3,000	3,080 (with TEF)/ 3,000
Work placement sandwich year	Alternative/Not Regulated	3,080 (with TEF)/ 3,000	1,200	3,080(with TEF)/ 3,000
Overseas study year	Alternative /Not Regulated	3,080 (with TEF) / 3,000	900	3,080 (with TEF) /3,000

Erasmus year	Alternative /Not Regulated	N/A	N/A	N/A
Graduate Entry Medicine year 1	Public	5,785	5,535	5,785
Graduate Entry Medicine years 2- 4	Public	£5,535	£5,535	£5,535

In AY 17/18 the Welsh Government replaced the distinction between publicly funded institutions and private (alternative) institutions for fee charging purposes for FT courses starting on or after 1 September 2017 with regulated and non-regulated institutions. Regulated institutions have an approved fee and access plan in force with the Higher Education Funding Council for Wales (HEFCW) which allows them to charge higher fees (up to £9,000 in AY 20/21) than institutions that are not regulated (regulation 2(1)).

The distinction between publicly funded and private institutions in Wales continues to apply in respect of courses starting before 1 September 2017.

Regulations 23(5ZA) and 23(5ZB) set out maximum fee loans for students studying in Wales in AY 20/21. Regulation 23(5) sets out maximum fee loans for students studying in Scotland and Northern Ireland in AY 20/21.

Regulation 23(4A) sets out maximum fee loans for private institutions that have a Teaching Excellence and Student Outcomes Framework (TEF) award in AY 20/21.

4.5 Calculation of weeks of FT study – sandwich courses

The calculation of 10 weeks should include weeks of FT study and any days of FT study which fall in any week which also includes work experience. Only days of FT study (not part days) should be counted. Also, when counting days of study to make up a number of weeks of study, the divisor is 5 rather than 7 – for example 50 days would produce 10 weeks.

In relation to references to 10 weeks, 15 weeks and 30 weeks in previous sections, parts of weeks cannot be counted.

Study includes learning in the workplace, where that is a course requirement. Please see the definition of learning in the workplace which can be found in the 'Assessing Eligibility' guidance.

4.6 Students on sandwich courses including periods of unpaid service (Grants for living and other costs)

Current system students who are on certain specified unpaid placements in the public or voluntary sectors qualify for grants for living and other costs (means-tested adult dependants' grant, childcare grant and parents' learning allowance, means-tested maintenance grant/special support grants for 2009 and 2012 cohort students and non-means tested disabled students' allowances), even if the periods of FT study in the AY are less than 10 weeks (regulation 38(6)). Placements that attract this support are specified below and in regulation 38(7):

a. Unpaid service in a hospital or in a public health service laboratory or with a clinical commissioning group in the UK

b. Unpaid service with a local authority in the UK acting in the exercise of its functions relating to the care of children and young persons, health or welfare, or with a voluntary organisation providing facilities or carrying out activities of a like nature in the UK

c. Unpaid service with a local authority acting in the exercise of public health functions in the UK

d. Unpaid service in the prison or probation and aftercare service in the UK

e. Unpaid research in a UK institution or, in the case of a student attending an overseas institution as a part of their course in an overseas institution

f. Unpaid service with a Special Health Authority, the NHS Commissioning Board, the National Institute for Care and Excellence, the Health and Social Care Information Centre, a Local Health Board, a Health Board or a Special Health Board in Scotland, or a Health and Social Services Board in Northern Ireland

g. Unpaid service in the UK Parliament

4.7 Foundation degree courses

Foundation degree courses may be FT, sandwich or PT, and they attract support in the same ways as non-foundation degree courses.

Some foundation degree courses feature learning in the workplace, which should be treated as FT study for the purposes of the definition of a sandwich course and of determining levels of support.

4.8 Support for students undertaking healthcare courses in nursing, midwifery, allied health professions and operating department practice

For more information on NHS Support please see the NHS Guidance Chapter.

Students who are eligible to receive bursaries (bestowed under section 63 of the Health Services and Public Health Act 1968) the amount of which is not determined by reference to the student's income (non-income assessed bursaries) or Scottish nursing and midwifery allowances are ineligible for full-time student support under regulation 4(3)(c).

Students who are eligible to apply for NHS bursaries (also paid under the 1968 Act) the amount of which is calculated by reference to the student's income (income assessed bursaries) are ineligible for fee loan support for a bursary year in those AYs (see regulation 19(2)(a))). These students are also excluded from receiving grants for living and other costs (regulation 38(4)(a)). However, those eligible to apply for an income assessed bursary will qualify for a reduced rate non-means tested loan for living costs under regulation 80(1)(a) and 80(2)(a).

Students who are continuing on a healthcare course that started prior to 1 August 2017.

Prior to AY 17/18 bursaries were available for most students on nursing, midwifery and allied health profession courses across the UK.

In Wales and England these bursaries are income assessed and students are eligible for the reduced rate of loan for living costs only.

In Scotland if the course was in nursing or midwifery they attract a non-income assessed bursary and are ineligible for student support. Allied health profession courses in Scotland attract an income–assessed bursary and students are therefore eligible for the reduced rate of loan for living costs only.

Healthcare courses in Northern Ireland are designated for NI domiciled students only.

Students who start a healthcare course on or after 1 August 2017

From AY 17/18 changes were made to the availability of bursaries for new students starting to study NHS qualifications from 1 August 2017 onwards.

Where a student is studying in England or Scotland on designated undergraduate pre-registration nursing, midwifery, allied health profession and operating department practice courses (with the exception of dental therapy and dental hygiene programmes), the NHS bursary is no longer available for new students starting their courses on or after 1 August 2017. These students are now eligible to apply for the full fee loan and living costs support package available for other undergraduate students, subject to standard eligibility rules.

NHS bursaries remain available for students continuing pre-registration dental therapy and dental hygiene programmes in England and Scotland in AY 20/21 who started their courses on or after 1 August 2017 but before 1 August 2018.

Where the student is studying in Wales on pre-registration nursing, midwifery, allied health profession and operating department practice courses, an NHS bursary is available where the student commits to working in the NHS in Wales for a period of two years after graduation. These students will be eligible to receive a reduced rate loan for living costs. Students who do not make this commitment, will be eligible to apply for the full support package subject to standard eligibility rules.

Healthcare courses in Northern Ireland remain designated for NI domiciled students only.

Students who start a healthcare course on or after 1 August 2018.

Since 1 August 2018, new students starting designated undergraduate pre-registration courses in Dental Hygiene and Dental Therapy no longer receive NHS bursaries when studying in England, Scotland or Northern Ireland but instead will be able to apply for a fee loan and, for FT courses, living costs support under the Student Support Regulations. For students starting these courses in Wales in AY 20/21 or later a bursary will remain available subject to the two year post-graduation employment requirement introduced in 17/18 for other healthcare courses. FT students qualifying for the Welsh NHS bursary will also qualify for a reduced rate non-income assessed loan for living costs.

Since 1 August 2018, new students starting designated postgraduate pre-registration courses in nursing, midwifery and the allied health professions no longer receive NHS bursaries but instead will be able to apply for a fee loan and, for FT courses, living costs support under the Student Support Regulations.

Students starting or continuing pre-registration courses in nursing, midwifery and the allied health professions in the 2020/21 academic year will qualify for non-means tested grants from the NHS in addition to the standard tuition fee loan and living costs support package from Student Finance England.

Further information on this support can be found at:

https://www.gov.uk/government/news/paramedic-students-will-get-5000-support-payment-each-year

4.9 NHS secondees

Students who are employed by NHS trusts and seconded onto health care courses are not eligible for NHS bursaries. These students continue to receive their salary and have their tuition fees paid by the NHS, but the payment of their fees falls outside the NHS bursary scheme. Such students, who receive assistance from the NHS only for their fees, are not excluded from receiving student support and can therefore receive support for living costs and DSAs, subject to relevant income assessment and satisfying all the usual eligibility criteria.

As seconded NHS employees will usually have their fees paid by the NHS they will not be eligible for fee support.

4.10 Medical and dental students

Undergraduate entry medical and dental students

Most undergraduate medical and dental students are entitled to receive funding through the Student Support Regulations for the first four years of the course. Once they enter the fifth year of the course they become eligible for the NHS income assessed healthcare bursary for the remainder of their course. Like other NHS students on the income assessed bursary scheme, the NHS will pay their tuition fees and they are eligible to apply for an income assessed healthcare bursary, while they will also qualify for a reduced rate loan for living costs under regulation 80(1)(a) and 80(2)(a).

Financial support for students repeating a year during the period supported by DfE remains the Department's responsibility (refer to the 'assessing eligibility' guidance on previous study rules). Students are not eligible for NHS Bursary support until the fifth year of the medical programme (for example the sixth year of study for students repeating one year).

Example 1:

AY 16/17 to AY 17/18 – Student undertakes first two years of a medical or dental course.

AY 18/19 – Student intercalates.

AY 19/20 – Student returns for third year of medical course.

AY 20/21 – Fourth year of medical course but student eligible for NHS Bursary.

Example 2:

AY 16/17 to AY 19/20 – Student undertakes first four years of medical or dental course.

AY20/21– Student intercalates but is eligible for NHS Bursary.

Graduate entry medical and dental students

Students who start the first year of a graduate entry accelerated four-year medical or dental course on or after 1 September 2012 will be eligible to apply for a partial Tuition Fee Loan:

Year 1

- Students self-fund the first £3,465 towards their tuition costs.

- Students can access a Tuition Fee Loan of up to £5,785 to cover any remaining amount above the first £3,465 up to £9,250. (The maximum FT fee cap for AY 20/21 is £9,000, or £9,250 where the institution has a TEF award in AY 20/21.)
- Students can also apply for the partially means-tested loan for living costs.

Years 2 to 4

- The Department for Health and Social Care (DHSC) will contribute the first £3,715 towards the tuition costs and graduates can apply for a Tuition Fee Loan for the £5,535 difference up to £9,250. The same loans are available for students studying elsewhere in the UK.

Students who are eligible to apply for an income assessed DHSC bursary are not eligible for any grants for living and other costs under regulation 38(4)(a), or loans for tuition fees under regulations 19(2)(a) and 19(10). They are, however, eligible for non-means tested loans for living costs at the reduced rates set out in regulations 80(1)(a) and 80(2)(a). The following points should be noted:

- Those eligible to apply for an income assessed DHSC bursary must apply to SFE if they wish to apply for the reduced rate non-income assessed loan for living costs.

- SFE should still assess an applicant's eligibility for support under the Regulations. The eligibility rules for a DHSC bursary differ from those under the Regulations, and the fact that an applicant is eligible under DHSC rules should not be taken as proof of eligibility under the Regulations.

- Loans for living costs at the rates set out in regulations 80(1)(a) and 80(2)(a) are not subject to an assessed contribution, by virtue of regulations 104(d) of Schedule 4, paragraph 9A. Once the eligibility of the applicant has been confirmed, there is no need to assess them for a contribution.

4.11 Dance and Drama Award (DaDA)

DaDAs are granted to the most talented students who are likely to succeed in the industry studying at private dance and drama schools in England. All DaDA students study for a Trinity College London Level 5 or 6 Diploma in Dance, Acting or Musical Theatre.

DaDAs are funded by the Department for Education (DfE) and managed by the Education and Skills Funding Agency (ESFA).

Students starting their course in AY 20/21 have their eligibility for DaDA funding determined by the institution. Institutions do this at audition, based on students' talent and potential to succeed in the industry.

Institutions assess the amount of financial support a student is entitled to, is based on nationally-set income bands. Household income is used to determine the level of financial support for both fees and living costs (maintenance).

Further information on the DaDA scheme can be found at https://www.gov.uk/dance-drama-awards

- Dance and Drama schools offering HE and FE provision

Where the school offers HE and FE provision, students may undertake a course leading to a degree qualification at the same time that they are pursuing their Trinity College Level 5 or 6 diploma qualification. Students who are offered DaDA funding at an institution that offers HE degree courses are advised in their DaDA funding letter that they must choose either to take up their DaDA funding or to apply for HE support instead, they cannot take up DaDA funding and receive HE student support at the same time.

Some students may start their courses claiming HE student support and then subsequently transfer to DaDA funding. Such students will cease to be eligible for HE student support as soon as they transfer to DaDA funding.

It follows therefore, that if SFE receives an application for HE student support from a student for a course which leads to an HE qualification in dance, acting or musical theatre, and the applicant states that they have been awarded DaDA funding, SFE should refuse the application for student support. Also, if a student already in receipt of HE student support reports that they have transferred to DaDA funding, SFE should withdraw the HE support from the date on which the transfer took place.

The Dance and Drama schools who are currently offering HE and FE provision are:

- ALRA (Academy of Live and Recorded Arts)
- Arts.Ed, London
- Bird College - Dance and Drama Theatre Performance
- The Hammond School
- Italia Conti Academy of Theatre Arts
- Mountview Academy of Theatre Arts
- Performers College
- Urdang Academy

For enquiries on DaDA courses please contact the Education and Skills Funding Agency.

Please note: The Education and Skills Funding Agency can only offer advice on the DaDA scheme. They are not able to offer advice to students who are seeking alternative means of funding, or to students who are applying to schools that are not eligible for Dance and Drama Award funding.

5 Household income assessment

5.1 Income assessment process

Note that all paragraph references in the following section refer to paragraphs in Schedule 4 of the Regulations, unless otherwise stated.

The income assessment comprises four stages:

I. Determine whose income forms part of the household income (always include the student's unearned taxable income).

Student Type	Income to include in the household assessment
Dependent student	Natural / Adoptive parent(s) plus where applicable the parent's: - spouse - civil partner - cohabiting partner of either sex
Independent student	- spouse - civil partner or - cohabiting partner of either sex (only where the student is aged 25 or over on the relevant date)
Single independent student (no partner)	Student only

II. Determine the taxable income (as defined in paragraph 1(o) of Schedule 4) of each person whose income is specified to be part of the household income.

III. Make the permitted deductions from taxable income to arrive at residual income and make any further deduction permitted by paragraph 3(3). The aggregate is the household income.

IV. Calculate entitlement to income assessed loan for living costs (and Maintenance Grant or Special Support Grant for students who are not 2016 cohort students) using the relevant tapers.

5.2 Step 1 - Determining income to be included as part of the household income assessment

Once the residual income has been calculated for each person whose income is included in the household income, these amounts are aggregated and deductions under paragraph 3(3) are applied.

Where a child is wholly or mainly financially dependent on the student or the student's parents, step-parents, husband, wife or partner, the child dependant's income is required to assess eligibility for a deduction from household income. Government Child Trust, State Benefit or minimal sums of money from other sources should not be considered when calculating a child dependant's income.

5.3 Independent students

Parental income should not be included in the household income in the circumstances listed in paragraph 2(1) (a) - (k). These include where:

- The student married / entered into a civil partnership before the beginning of the AY for which household income is being assessed. This applies whether or not the marriage/civil partnership is still subsisting (paragraph 2(1)(b)).

- The student's parents have died. This applies immediately, once the student is bereaved of both parents (paragraph 2(1)(c)). Where the household income assessment is based on the income of one parent only and that parent dies, no parental income is required for the whole of the current AY (paragraph 2(1)(h)), even if the deceased parent has a partner. Where the other parent is still alive, the student is not automatically assessed as independent in the following AY, the student's independent status from that parent (if appropriate) would have to be established at the start of the next AY.

- The student's parents are living outside the European Community and SFE is satisfied that the assessment of a parental income would place them in jeopardy, or that it would not be reasonably practicable for them to send a contribution to the UK (paragraph 2(1)(g)). Although this provision does not refer to a specific category of students, parents of refugees or those who have been granted exceptional leave to enter or remain in the UK are most likely to fall within its provisions.

- The student has been self-supporting for periods prior to the start of first AY of the course amounting in aggregate to at least three years (paragraph 2(1)(k)). Periods of self-support may include, for example, paid holidays, breaks between jobs when the person supported themselves from savings, and paid periods of experience on a sandwich course (other than the current course).The student must be able to prove that they have earned enough to support themselves during the period in question. A person in living in the parental home may not wholly have supported themselves, including paying their share of housing costs, especially where the person is in PT or temporary employment. A student living with their parents should only be regarded as self-supporting where they can clearly demonstrate that they have contributed appropriately to the household budget. Where SLC is satisfied that the student was self-supporting for a period when payments were received 'in kind', such periods may be counted as self-support.

  Notwithstanding the above, a student should be treated as having supported themselves for any period during which they fell into one of the categories listed in paragraph 2(1)(k)(i) – (v). This includes periods when the student held a State Studentship or comparable award (paragraph 2(1)(k)(iv)): such awards could include research council studentships and other postgraduate awards to which no parental contribution provisions apply.

- The student has care of a person under the age of 18 on the first day of the AY for which they are applying for support (paragraph 2(1)(j)). Where the student gains care of a person under 18 after the first day of the relevant AY, they will be assessed as independent from the start of the following AY (assuming they still have care of the person under the age of 18 on the first day of that AY). Once they are assessed as independent on this basis, the student keeps this status for the remainder of the period of eligibility (paragraph 2(2)).

- A student can be considered as having care of a person under the age of 18 if they look after the child and the child lives with them, irrespective of the student's relationship with the child. This might include, for example, a student who is caring for the child of their partner, a student who has adopted a child or a student who has been appointed a guardian of a child. The student should send their child's original birth certificate and also provide evidence that they have care of the child, for example, evidence that they are receiving Child Benefit or Child Tax Credit.

  For example:

  - Freya is a 22-year-old single parent who is living with her one year old daughter and is applying for student support for a three year degree course starting on 1 September 2020. She will be treated as an independent student from the start of her course.

  - Ben is a 20 year-old unmarried student living away from the parental home with his partner. He is starting a three year course on 1 September 2020 and will be assessed as a dependent student (he has been self-supporting for less than three years). In November 2020, his partner has a baby. When Ben applies for support for the second year of his course starting on 1 September 2021, he is assessed as an independent student.

  - Gillian is a 22 year old unmarried student living away from home. She starts a three year course on 1 September 2020 and is assessed as a dependent student. In November 2020 she has a baby, but from January 2021 she no longer has care of that child. When she applies for support for the second year of her course starting on 1 September 2021 she will still be assessed as a dependent student.

- The student is irreconcilably estranged from their parents (paragraph (2)(1)(e)). This would be the case where:
  - They have communicated with neither of their parents for the period of one year before the beginning of the AY for which they are being financially assessed, or
  - They can demonstrate on other grounds that they are irreconcilably estranged from their parents. If they have communicated with either parent

during that year, they can nevertheless still be regarded as irreconcilably estranged.

SFE should, as far as possible, satisfy themselves that the estrangement is genuine and that for the time being reconciliation is impossible (or at least highly unlikely). It is not enough that a student does not get on with their parents or that they have had a serious disagreement recently. The fact that a student may choose to live apart from their parents is not in itself sufficient evidence of an irreconcilable estrangement. Similarly, irreconcilable estrangement cannot be inferred simply on the ground that a parent refuses to cooperate with SFE in the financial assessment of the student (for example by not replying to letters or refusing to complete income assessment forms), or does not provide financial support to the student. These factors could, of course, be expected to be present if there has been a genuine estrangement.

It is for SFE to decide in each case whether it has sufficient information and evidence to justify its opinion as to whether or not a student is irreconcilably estranged. In certain cases of estrangement where there has been a serious family breakdown involving violence or other serious trauma, a student should not be required to resubmit evidence in subsequent years of the course. Other students who provide third party evidence of estrangement for the first AY of their course, who return and apply for support in the following AY of their course and who confirm their situation has not changed, will not generally be asked to provide advice again.

It is likely to be easier for a student to demonstrate that they are 'irreconcilably estranged' if the estrangement has endured for a significant length of time before the student applies for support. Care is needed where an estrangement is claimed to have started just before the student starts the course or during the course itself: for example, difficulties may arise due to the student's wish to leave the parental home and enter higher education. SFE should decide whether such difficulties are temporary or transitional, or whether a genuine estrangement has occurred. The possibility of fraudulent or unsubstantiated claims of estrangement should always be borne in mind.

Where the estrangement starts or ends during the course an AY, the assessed contribution assessed at the beginning of the year stands, as the Regulations do not provide for a student to acquire or lose independent status during an AY.

6 Dependent students

6.1 Parental income

References to 'parent' throughout this section should be taken to also mean the partner of the student's natural / adoptive parent where applicable.

6.2 Parents who are separated

Where SFE determines that the student's parents are separated, paragraph 5(10) of Schedule 4 allows SFE discretion as to which parent's income should be assessed. This will normally be the parent with whom the student lives. Where parents separate during a year in respect of which income is to be assessed, parental income should be assessed on a pro-rata basis taking the parents' joint income for the time they were living together (paragraph 5(11)). Note that where parents separate, but continue to live in the same house, SFE may determine that the parents are now effectively residing in separate households.

6.3 Parents with a partner

Where SFE determines that one parent's income should be assessed (normally the parent with whom the student normally lives), if that parent has a partner as defined in paragraph 1(1)(j) of Schedule 4, the partner's residual income will be included in the household income assessment (paragraph 3(2)(a)(ii) of Schedule 4).

Paragraph 7 of Schedule 4 determines how the residual income of the parent's partner is calculated.

Where the student's parent has separated from the parent's partner during an AY, the parent's partner's residual income for that year is pro-rated in accordance with paragraph 7 (10). The parent's partner's residual income, as calculated under paragraph 7(1) of Schedule 4, is divided by 52 and multiplied by the number of weeks in the AY when the student's parent and the parent's partner were not separated.

Where a student's natural parents separate and in the same AY the parent whose income is to be assessed begins to cohabit with a new partner, the income assessment should be calculated as follows:

- The joint income of the natural parents for such time as they were living together (paragraph 5(11)(b) of Schedule 4).
- The single income of the natural parent who is to be assessed, for such time as that parent was not cohabiting (paragraph 5(11)(a)).
- The joint income of the natural parent who is to be assessed and their cohabiting partner, for such time as they were cohabiting together (paragraph 7(10)).

6.4 Student with a partner

Where an independent student has a spouse, civil partner, or cohabiting partner of the same or the opposite sex, the partner's residual income will be included in the household income assessment (paragraph 3(2)(b)) of Schedule 4). Paragraph 6 provides that the partner's residual income is calculated in the same way that the parent's residual income is calculated under paragraph 5 (other than sub-paragraphs (3)(b) and (c), 4(b) and (c), (9), (10) and (11) of paragraph 5, which do not apply). References to the parent in paragraph 5 should be construed as references to the eligible student's partner.

If a student who is cohabiting with a partner (not a spouse or civil partner) turns 25 during the course of an AY, the partner's income will not be taken into account in the current AY, it will only be included in household income from the following AY.

Where an independent eligible student aged 25 or over ceases to cohabit with their partner during an AY, the partner's residual income for that year is pro-rated in accordance with paragraph 6(3). The partner's residual income, as calculated under paragraph 6(1), is divided by 52 and multiplied by the number of weeks in the AY when the student and the partner are not separated.

A student's spouse or civil partner's residual income is normally taken into account where the student married or the civil partnership was formed before the start of the AY. However, the spouse or civil partner's income is not taken into account where a child of the student (or a child of the student's spouse / civil partner) is an eligible student in respect of whom household income has been calculated by reference to the residual income of the student, the spouse or civil partner, or both. The income is also not taken into account where SLC determines that they are separated for the duration of the AY.

6.5 Identifying a cohabiting couple

Where a student declares in the application that they are single, SFE can accept that response and rely on the fact that the student has signed a declaration that the information they have provided is true and accurate. If, however, SFE wish to challenge this declaration, or the student or their parent is unsure of what is meant by 'cohabiting', SFE may take into consideration similar factors to those applied by Local Authorities and Jobcentre Plus on claims for social security benefits, including:

- Does the student / the student's parent normally live in the same household as the person with whom they are in a relationship? If the student, parent or partner has a separate address where they usually live, they should not be considered to be cohabiting

- Is one partner supported by the other, or are household expenses shared? Where household expenses are shared, it is possible that rigidly sharing bills 50/50 may not imply cohabitation, whereas having a common fund for income and expenditure could

- Is the relationship stable? An occasional or brief association should not be regarded as cohabiting

- Does the couple have children? Where a student or a parent and their partner have had a child together and live in the same household there is a strong presumption of cohabitation

- Does the student share a 'household' with another? Students commonly live in rented accommodation, sometimes with other students, sometimes as lodgers. A house can contain a number of separate households, if one person has exclusive occupation of separate accommodation from another, they will not be considered to be living in the same 'household'. Separate households might also exist if there are independent financial arrangements, or if there are separate commitments for housing costs, even if the liability is to another person in the same premises.

7 Step 2 - Determining the taxable income

The following is taken account in the household income assessment for an academic year:

- The taxable income of the student's parent or parents and, where applicable, the parent's partner's taxable income for the financial year prior to the tax year that ended before the start of the AY for which support is being assessed – the 'prior financial year' - should be taken into account. (Exceptions to this rule are set out in paragraphs 5(3) – (5A) and 7(2) – (5) of Schedule 4 where an assessment for the current financial year has been requested). See paragraph 1 of Schedule 4 for definitions of 'prior financial year' and 'preceding financial year'.

- The student's taxable income for the AY in respect of which the student is applying for support is taken into account.

7.1 What is taxable income for student support?

Paragraph 1(1)(o)(i) defines 'taxable income' for the student and, where applicable, their partner, and the student's natural/adoptive parents as:

- The total income on which a person is charged to income tax at Step 1 of the calculation in Section 23 of the Income Tax Act 2007. This means that deductions made from 'total income' by HMRC in respect of income tax reliefs at Step 2 of Section 23 (for example trade losses and pension contributions) and personal reliefs at Step 3 of Section 23 are not made when calculating 'taxable income' for student support purposes. Section 23 of the Income Tax Act 2007 covering Income Tax Liability can be accessed on the legislation.gov.uk website at: http://www.legislation.gov.uk/ukpga/2007/3/section/23

- The whole amount of a payment or benefit mentioned in Section 401(1) of the Income Tax (Earnings and Pensions) Act 2003 for example a redundancy payment. Note that, although only the amount of a redundancy payment in excess of £30,000 is included in the total income on which a person is charged to income tax at Step 1 of the calculation in Section 23 of the Income Tax Act 2007, 'taxable income' as defined in paragraph 1(1)(o)(i) includes the total amount of a redundancy payment.

- Where the income tax legislation of a European Union (EU) member state or states applies, paragraphs 1(1)(o)(ii) and 1(1)(o)(iii) define taxable income as the total income from all sources determined for the purposes of the legislation of that state, or where the legislation of more than one EU state applies, the state where the total income is the greater.

It follows that income that is wholly exempt from income tax does not count towards taxable income. Where UK tax law applies, exempt income includes:

- Awards for gallantry
- Damages for personal injury
- SAYE interest and bonuses
- Savings certificates and Government securities
- Scholarships, exhibitions, bursaries etc
- Lump sums under term assurance, life, accident or medical insurance policies
- Most social security and other benefits, including child benefit, housing benefit and in most cases income support
- Dividends, interest and bonuses on ISAs, PEPs and TESSAs
- War service pensions
- Premium bond prizes and winnings from gambling, for example football pools and National Lottery
- Long service awards to employees
- Wounds and disability pensions

Note that some registered occupational and personal pension schemes allow members to take all or part of a pension pot as a cash lump sum payment. Such cash lump sum payments may be considered fully non-taxable or taxable only in part – see section 7.3 for more information.

A list of what constitutes taxable and non-taxable income can be found in Annexes A to D. This is not an exhaustive list, but is intended to offer guidance on the types of income that fall under these categories.

Where a person is liable for income tax under UK tax law on income from self-employment or income that is not from employment, gross income may be certified by the person’s accountant.

Where a person is employed, because the income will have been subjected to tax through Pay As You Earn (PAYE), the gross employment income can be ascertained from the person's PAYE year-end form P60.

‘Taxable income’ for the purposes of the Regulations shall include income which would not, for the reasons in paragraph 5(7), form part of the income of the student’s parent / partner as calculated for the purposes of the relevant tax legislation. This does not apply to the student.

7.2 Income from savings and investments

Where interest paid on bank, building society and authority savings, as well as dividend income from shares or investments is subject to tax, it should be counted as income for the purposes of the assessment. When calculating the interest from a bank or building society, the gross figure before any tax deductions should be counted as income. Dividends and interest from investment schemes should still be counted as income where they are not paid to the recipient at the time they arise but are credited to or re-invested in the person's account with the scheme.

7.3 Income from pension lump sums

Although regular pension income is normally treated as earned income and therefore charged to income tax, some registered occupational and personal pension schemes allow members to take all or part of a pension pot as a cash lump sum payment. Such cash lump sum payments may be considered fully non-taxable or taxable only in part.

Any non-taxable element of pension income is not charged to income tax at Step 1 of Section 23 of the Income Tax Act 2007 and therefore is not required to be declared as income for the purposes of determining household income under the regulations.

The rules for determining the non-taxable element of lump sum pension payments are dependent on an individual's pension scheme. The amount that can be paid as a non-taxable pension lump sum can vary, but it is usually a maximum of 25% of the total value of the indivdual pension pot. The most common type of non-taxable pension lump sum is the Pension Commencement Lump Sum (PCLS).

Sponsors and students are advised to consult the rules of their individual pension schemes for confirmation of the taxable amount they should declare.

Note that an individual can be a member of more than one private or occupational pension scheme so it is possible for a person to have multiple pension pots and therefore could receive multiple non-taxable pension lump sum amounts, either within the same tax year or in different tax years.

Examples:

> **Sponsor A** has a private pension pot worth £80,000. In tax year 18-19 they take 25% of their pension pot as a non-taxable PCLS payment of £20,000. They also receive a regular monthly income from their private pension that totals £5,000 for tax year 18-19 – this regular income is liable for income tax.
>
> In AY20/21 Sponsor A must declare the total private pension income they received in tax year 18-19 that was liable for income tax. This means they must declare the £5,000 they received as regular monthly income. Sponsor A should not declare the PCLS payment.

Sponsor B has an occupational pension pot worth £100,000. In tax year 18-19 they take their whole pension pot as a one off payment - £25,000 of the lump sum payment is non-taxable. The remaining £75,000 is liable for income tax.

In AY20/21 Sponsor B must declare the total occupational pension income they received in tax year 18-19 that was liable for income tax. This means they must declare the £75,000 taxable element of their lump sum payment.

Sponsor C has an occupational pension pot worth £100,000 and another private pension worth £20,000. In tax year 18-19 they receive a non-taxable PCLS payment of £25,000 and regular income totalling £5,000 from their occupational pension. They also decide to take their private pension as full lump sum payment of £20,000 - £5,000 of this payment is non-taxable. The remaining £15,000 is taxable.

In AY20/21 Sponsor C must declare the total income from their occupational and private pensions in tax year 18-19 that was liable for income tax. This means they must declare the £5,000 regular income from their occupational pension as well as the £15,000 taxable element of their lump sum private pension payment. Sponsor C declares a total of £20,000 pension income in AY20/21

Note that all income from a state pension, both lump sum and non lump sum, is considered as a taxable source of income therefore should be declared as income for the purposes of the household income assessment.

7.4 Qualifying care receipts

Qualifying care receipts made to carers for providing care are exempt from income tax under section 803 of the Income Tax (Trading and Other Income) Act 2005 (ITTOIA) if they do not exceed the recipient’s qualifying amount. Receipts above the qualifying amount are taxable. Any payments that are regular or paid in a lump sum to the student by their parent(s) and which have been determined in a court of law under Schedule 1 of the Children’s Act 1989, are generally exempt from tax under Section 744(1)(i) of ITTOIA 2005. As a result, exempted payments should not be counted as part of the student’s income. Further information on qualifying care relief can be found in ‘Help Sheet HS236’ on the HMRC website (http:// www.hmrc.gov.uk).

7.5 University of Buckingham

Assistance to students under the University's fee remission scheme does not constitute a payment or income for the purposes of paragraph 4(1).

7.6 Deductions not to be made in determining taxable income

The definition of taxable income in paragraph 1(1)(o)(i) is, as previously stated, the total income on which a person is charged to income tax at Step 1 of the calculation in Section 23 of the

Income Tax Act 2007 together with payments set out above. This means that deductions made from 'total income' by HMRC in respect of the following are not made when calculating taxable income for student support:

- Income tax reliefs at Step 2 of Section 23 of the Income Tax Act 2007 (for example trade losses and pension contributions).
- Personal reliefs at Step 3 of Section 23.

The deductions and allowances which are not to be made for student support purposes in determining taxable income are:

- Reliefs provided for at Section 24 of the Income Tax Act 2007 such as trade losses.
- Personal reliefs provided for under Part 3 of the Income Tax Act 2007 or any comparable reliefs in the case of income computed as for the purposes of the tax laws of another EU member state. In respect of UK tax law, these personal reliefs include, at the time of writing:
- Personal allowances
- Married couples' allowances for those couples where one partner was born before 6 April 1935
- Blind person's allowance
- Any deductions made under paragraphs 4(1), 5(2) and 7(1) of Schedule 4 (including pension premiums).

Once the taxable income has been determined then residual income is calculated as follows:

- the parent(s), or the student's partner's residual income is calculated by making deductions from it in accordance with paragraph 5(2)
- the parent's partner's residual income is calculated by making deductions from it in accordance with paragraph 7(1)
- the student's residual income is determined by making deductions from their taxable income in accordance with paragraph 4(1)

A deduction under paragraph 3(3) may be made from the aggregate of the various amounts of residual income when determining household income (see step 3 below).

8 Step 3 - Calculation of residual income and household income

8.1 Deductions from parent's or the student's partner's taxable income

Paragraph 5(2) lists the deductions that may be made from a parent's taxable income to determine their residual income:

- The gross amount of certain pension premiums (not in respect of pensions payable under a life assurance policy) that qualify for tax relief and certain equivalent payments – see paragraph 5(2)(a) and (b).

- £1,130, where the parent is an eligible student or holds a statutory award (paragraph 5(2)(c)).

Note that:

- Pension income paid to an ex-partner under an attachment order made pursuant either to the Matrimonial Causes Act 1973 or the Civil Partnership Act 2004 is excluded from taxable income.

- Conversely, where the income is received under a pension arrangement made under an attachment order pursuant to the above legislation, it must be included in the taxable income.

  This ensures that only pension income that is available to a household is included in the income assessment.

8.2 Deductions from the taxable income of the partner of the student's parent.

Paragraph 7(1) lists the deductions that may be made from the taxable income of the partner of a student's parent to determine their residual income:

- The gross amount of certain pension premiums (not in respect of pensions payable under a life assurance policy) that qualify for tax relief and certain equivalent payments– see paragraphs 7(1)(a) and (b).

- £1,130, where the partner of a student's parent is an eligible student or holds a statutory award (paragraph 7(1)(c)).

8.2 Deductions from the student's taxable income

Paragraph 4(1) lists the payments that may be deducted from taxable income for the purposes of determining a student's residual income unless they have already been deducted for the purposes of determining taxable income.

- Earnings from employment during the AY are deducted (paragraph 4(1)(a)). However, where the student is on leave of absence from the employer or relieved of their normal duties in order to undertake the course, any wages they receive in respect of those periods should be counted as income for assessment purposes. Note that where the student is only partially released from their employment to undertake the course, it is only the pay they receive for the days on which they are released that should be included in taxable income.

- The gross amount of certain pension payments (apart from pension payments under a life insurance policy) which are subject to tax relief under UK legislation and certain equivalent payments can be deducted from the student's taxable income (paragraph 4(1)(b)).

8.3 Teacher training bursaries

Teacher training bursaries and scholarships of up to £28,000 a year are available from the Department for Education (DfE) for eligible students on postgraduate ITT courses which lead to qualified teacher status to teach in schools. As the bursary or scholarship is non-taxable the whole amount is ignored when assessing student income.

8.4 Financial obligations incurred by the student before the course starts

Financial obligations incurred by the student (before the start of or during the course) are not disregarded from taxable income.

8.5 Maintenance payments received by the household

Maintenance payments received by the household are not normally subject to tax and therefore should not be taken into account when determining taxable income.

Where maintenance payments are paid by the student for the benefit of a child, taxable income should not be reduced to take account of these payments.

Maintenance payments received must still be taken into account in the calculation of dependants' income for the purpose of assessing a student's entitlement to any dependants' grant. Where a student receives maintenance payments under an agreement that requires that the payments are for the benefit of the student's child, this income should be treated as the child's income and taken into account in the dependants' grant means test.

8.6 Self-assessment

Self-assessment mainly affects the self-employed, people deriving income as partners in a business, and employees who are higher-rate tax payers. Taxpayers are required to preserve the records needed to make a correct and complete tax return for the relevant period. Tax is assessed on the business profits of an accounting period ending in the current financial year rather than the preceding one.

- Finalising parental income

SFE should base their determination of the parental income for the financial year on the self-assessment return made by the parent to HMRC and ensure that the income figures submitted to them match those on the return.

The dates for returning the completed tax forms to HMRC are:

- 30 September, (where HMRC is to calculate the tax)
- 31 January (where the taxpayer works out their own tax).

This means that the self-assessed person should have prior-year taxable income figures available for use before the start of the AY. For example, for tax year 18-19 (the prior financial year for AY 20/21), self-assessment must be completed and submitted to HMRC by 31 January 2020, which is before the start of AY 20/21.

- Treatment of capital allowances

Capital allowances enable the costs of capital assets to be written off against a business's taxable profits. The tax allowances may be claimed for expenditure on assets such as industrial and agricultural buildings, and general business equipment such as vehicles and computers. The rate for buildings is normally 4% of the expenditure a year. The rate for plant and machinery is normally 25% a year (reducing balance basis), and there are special incentive rates for smaller businesses. Most capital allowances are claimed in the tax return.

Capital Allowances (excluding plant and machinery allowances for special leasing) are taken into account as a reduction of household income.

Note that Capital Gains, which are usually declared on business accounts or tax returns, are not taxable under the Income Tax Act but are subject to the Taxation of Chargeable Gains Act 1992 so should not be included in the calculation of household income.

- Current-year assessments

Where SFE is satisfied that the residual income of the student's parent or the residual income of the student's partner in the current financial year (the financial year beginning immediately before the start of the AY to which the support application relates) is likely to be not more than 85% of their residual income in the prior financial year, paragraph 5(3)(a) of Schedule 4 allow for the current financial year income to be used. The current-year assessment is necessarily based on an estimate of residual income. Where SFE cannot make a reasonable estimate, a provisional payment or payments may be made until sufficient information is provided to allow a reasonable estimate to be made.

Where there are two parents in a household, or the more appropriate parent (usually the parent with whom the student normally lives) has a partner (defined in paragraph 1(1)(j) of Schedule 4), the aggregated residual income for both parents (paragraph 5(3)(b)) or that for the student's parent and that parent's partner (paragraphs 5(3)(c) and 7(2)) is used to determine whether current year income can be used.

Note that once SFE has exercised its discretion to make a current year assessment, it cannot reverse its decision if it later transpires that the residual parental income in the current tax year is more than 85% of their income in the prior financial year. Any later adjustment made on receipt of more up-to-date income information will still be made on a current year basis.

Where a parental contribution is assessed on a current year basis for one year of the course, income assessment is based on preceding financial year income for the next AY (paragraphs 5(5) and 7(4)), and on prior financial year income for the third AY (paragraphs 5(5A) and 7(5)) unless there is another drop in income and a new current-year assessment is carried out). This means that the same income is used for three consecutive years. Where a current-year income assessment is requested in two or more consecutive AYs, the current year income in the second or subsequent year will be compared to the previous financial year rather than the prior financial year income in order to ascertain if there has been a 15% drop in income (paragraphs 5(4) and 7(3)).

In all cases where SFE is considering exercising its discretion under paragraphs 5(3) and 7(2) of Schedule 4 to make a current-year assessment, it should advise the student and their parents of how their contribution is to be assessed and how this will affect the amount of contribution they are assessed to make.

- Self-employed parents

Where SFE is satisfied that the parent's (or parent's and parent's partner's) income is wholly or mainly derived from the profits of a business or profession, paragraphs 5(6) and 7(6) provide for the prior financial year to be taken as the accounting year which ends after the start of financial year immediately preceding the preceding financial year. financial year.

For example, a student's AY commences in September 2020. During AY 20/21 the student's parents are self-employed and their accounting year ends on 30 June each year. Their income from the accounting year 1 July 2017 to 30 June 2018 is assessed, as this is the accounting year that ends in financial year 18-19 (for example 6 April 2018 to 5 April 2019).

9 Step 4 - Calculate any entitlement and / or contribution to student support

Once the residual income has been calculated for each person whose income is included in the household income, each amount of residual income is added together. A deduction of £1,130 is then taken from the aggregate amount under paragraph 3(3) for each child who is wholly or mainly financially dependent on:

- The student or their partner*

- The student's parent or their parent's partner*.

(*where the residual income of that person is being taken into account)

The resulting household income is used to calculate:

- Entitlement to Maintenance or Special Support Grant (note that 2016 cohort students do not qualify for these grants)

- Assessed contribution towards the student’s support.

Assessed contribution is calculated as follows:

2016 cohort students: please refer to the section on 2016 cohort students below, and also to tables A15, A16 and A17 of the Financial Memorandum for AY 20/21for the different tapers and contributions which apply in each case.

2012 cohort students: £1 for every complete £8.36 by which the household income exceeds £42,875 towards income assessed loan for living costs, and £1 for every complete £8.73 by which the household income exceeds £39,796 towards other products that are subject to a contribution.

2009 cohort students: £1 for every complete £4.22 by which the household income exceeds £50,778 towards income assessed loan for living costs, and £1 for every complete £8.73 by which the household income exceeds £39,796 towards other products that are subject to a contribution.

For all cohorts, there is no minimum contribution amount but the maximum total contribution in any case is £6,210.

9.1 Deducting the contribution from the support

- 2016 cohort students (including those entitled to benefits, excluding those aged 60 or over)

Under regulations 100 and 103, contribution to supplementary support products is applied, where applicable, in the following order, until the contribution or the support applied for is exhausted:

- Adult Dependants’ Grant
- Childcare Grant
- Parents’ Learning Allowance
- Long Courses Loan
- Travel Grant

Contribution towards loan for living costs is calculated and applied to that product separately under Schedule 4, paragraph 9A. Note that contribution is not applied to reduced rate loan for living costs.

- 2016 cohort students who are aged 60 or over at the start of the first AY of the course.

These students do not qualify for Long Courses Loan. This means that contribution to supplementary products is applied in the same order as it is applied to other 2016 cohort students, with Long Courses Loan excluded (regulation 76). These students also receive a fully income-assessed loan for living costs, to which contribution is not applied. They do not qualify for reduced rate loans for living costs.

- 2012 cohort students

Contribution is applied to supplementary products under regulations 100 and 103 in the same way as it is applied to 2016 cohort students (excluding Long Courses Loan for students aged 60 or over on the first day of the first AY of their course) – see above.

Contribution towards loan for living costs is calculated and applied to that product separately. Note that contribution is not applied to reduced rate non-income assessed loan for living costs.

- 2009 cohort students

Contribution is applied to supplementary products under regulations 100 and 103 in the same way as it is applied to 2016 cohort students (excluding Long Courses Loan for students aged 60 or over on the first day of the first AY of their course) – see above.

Contribution towards loan for living costs is calculated and applied to that product separately. Note that contribution is not applied to reduced rate non-income assessed loan for living costs.

9.2 Families with two or more award holders (split contributions)

Paragraph 9(4) of Schedule 4 to the Education (Student Support) Regulations 2011 as amended provides that total contribution must not exceed £6,210 where:

- A contribution is payable in relation to two or more students in respect of the same parental residual income / parent's partner's residual income or
- The household income consists of the residual income of an independent eligible student and their partner, and both hold a statutory award.

Where the same household income is used to assess the amount of an award for which two people qualify, the contribution payable in respect of the eligible student is divided by the number of such persons:

- Paragraph 10 of Schedule 4 for 2016 cohort students in relation to loans for living costs (excluding Long Courses Loan).
- Regulation 76(4) for 2012 cohort students in relation to loans for living costs (excluding Long Courses Loan).
- Regulation 74(4) for 2009 cohort students in relation to loans for living costs (excluding Long Courses Loan).
- Paragraph 10 of Schedule 4 for 2009, 2012 and 2016 cohort students in relation to dependants grants, travel grant and Long Courses Loan.

In relation to loans for living costs, the assessed contribution figure is calculated under regulations 74(2) and 74(3) for 2009 cohort students, regulations 76(2) and 76(3) for 2012 cohort students and Schedule 4, paragraphs 9A(2) and 9A(3) for 2016 cohort students. Where the same household income is used to assess the amount of statutory award for which two or more eligible students apply, the total contribution figure must be divided by the number of those eligible students before being deducted from the appropriate maximum loan rate for living costs for 2009 cohort students (regulation 74) and 2012 cohort students (regulation 76) . For 2016 cohort students, the total contribution figure as calculated in tables A15 and A16 of the Financial Memorandum for AY 20/21 must be divided by the number of those eligible students before being deducted from the loan rate for living costs at a household income is £42,875.

Note that where there is more than one statutory award holder in a household, and one withdraws during the AY, the student(s) who remain in higher education are not reassessed. Therefore, the amount of contribution applied to their income assessed support will not change. The student who has withdrawn from their course will be reassessed as normal.

Where:
- A sibling of the eligible student
- the eligible student’s parent or
- the eligible student’s parent’s partner

is in receipt of an award which is not paid under the Regulations or under section 63 of the Health Services and Public Health Act 1968, the amount of contribution payable in respect of the eligible student will be the proportion of the assessed contribution calculated that SFE considers just.

In any year in which more than one child of the eligible student’s parent:
- holds an award under the Regulations, or
- holds an award under section 63 of the Health Services and Public Health Act 1968

the contribution payable in respect of the eligible student is the amount of contribution calculated, divided by the number of children holding relevant awards. Where there is leftover unapplied contribution in respect of a student, this will not be applied to the remaining income assessed support of any other student in the household.

In any case where:
- the eligible student’s parent whose income is assessed under Schedule 4 has a partner
- the parent’s income is taken into account in calculating the contribution payable in respect of more than one student child and
- the amount of contribution payable in respect of each student is different

the contribution in respect of an eligible student is the amount of contribution divided by the number of eligible students in relation to whom a contribution is payable and the parent’s residual income has been taken into account in determining the amount of that contribution.

9.3 Contribution payable in respect of an independent eligible student

Where a contribution is payable in relation to an independent eligible student with a partner (as defined in paragraph 1(i) of Schedule 4) and that partner also holds a statutory award, the contribution payable in respect of the independent eligible student is half of the contribution calculated.

10 Annex A – Definition of cohort groups

'2016 cohort' students are those who:

- begin their current FT course for the first time on 1 August 2016 or later*
- begin a FT course on 1 August 2016 or later, having withdrawn from or abandoned** a previous HE course in 2015/16 or an earlier AY
- begin a FT course on 1 August 2016 or later, having transferred from a previous PT course or FT distance learning course which started before 1 August 2016. As these students changed their mode of study, they are assessed for the '2016 cohort' package
- begin a FT course on 1 August 2016 or later, having completed a FT lower level course which started before 1 August 2016 and achieved a qualification where the gap in study between the two courses is more than 5 months (these students are excluded from the definition of 'end-on' and therefore won't be transitionally protected, due to the gap in study between the two courses)
- begin a FT course on 1 August 2016 or later, having completed a PT or FT distance learning lower level course which started before 1 August 2016 and achieved a qualification (as these students changed their mode of study, they are assessed for the '2016 cohort' maintenance support package)

'2012 cohort' students are those who:

- Began the current FT course on or after 1 September 2012 and before 1 August 2016 and are not 2008, 2009 or 2016 cohort students
- Transferred to the current FT course on or after 1 August 2016 from a FT course that (i) is not a distance learning course and (ii) began before 1 August 2016

'2009 cohort' students are those who:

- began their current course on or after 1 September 2009 and before 1 September 2012, and are not 2008 cohort students

- transferred to the current course on or after 1 September 2012 from a course beginning on or after 1 September 2009 and before 1 September 2012
- began an end-on course on or after 1 September 2012 immediately after ceasing to attend a preliminary course that began on or after 1 September 2009 and before 1 September 2012

who fall into one of the following categories

- who had not undertaken a previous course which began before 1 September 2008. Previous courses include all undergraduate HE courses but exclude any PT or completely self-funded previous study where no qualification was achieved.

or

- Current system students who began a course in social work, medicine, dentistry, veterinary surgery or architecture on or after 1 September 2009 and before 1 September 2012*

*If the current course was a course in social work, medicine, dentistry, veterinary surgery or architecture, it is immaterial whether any previous study undertaken commenced before or after 1 September 2008.

11 Annex B – Taxable income and benefits

11.1 Taxable income

- Interest from UK banks, building society or unit trusts
- Income from UK life insurance gains, securities and partnerships
- Interest from taxable National Savings and Investments
- Interest distributions from authorised unit trusts and open-ended investment companies
- Income from UK investments and dividends
- Income from foreign investments and dividends
- Income from taxable benefits in kind
- Regular income from private pensions, for example, pensions from previous employers, personal pensions, retirement annuities

- Taxable element of cash lump sum payments taken from an occupational or personal pension
- Income from an overseas pension
- Other overseas income and gains
- Earning from salary/wages
- Earnings from self-employment after deduction of allowable expenses
- Income from a state retirement pension
- Income from savings and investments
- Other income and lump sums (for example - *pensions lump sums or redundancy payments)
- Income from property lettings
- Income from UK trusts
- Chargeable event gains from life insurance policies
- Foreign income
- Share of joint income

11.2 Taxable state benefits

- Bereavement Allowance – (replaced Widow's Pension from 09/04/01 although WP is still paid to widows whose entitlement arose before 09/04/01)
- Carer's Allowance
- Contribution based Employment and Support Allowance
- Graduated retirement benefit
- Income Support when paid to strikers or people involved in a trade dispute
- Incapacity Benefit after 28 weeks of incapacity
- Pensions payable under the Industrial Death Benefit Scheme
- Jobseeker's Allowance
- Statutory Adoption Pay

- Statutory Sick Pay
- Statutory Maternity Pay
- Statutory Paternity Pay
- Widowed Parent’s Allowance
- Industrial Death Benefit
- Annex C – non-taxable income and benefits

11.3 Non-taxable income

- Income from tax-free National Savings and Investments, for example savings certificates
- Interest, dividends and other income from investments held in a Personal Equity Plan (PEP)
- Interest, dividends and other income from an Individual Savings Account (ISA)
- Interest and terminal bonuses under Save As You Earn schemes
- Premium Bonds, National Lottery winnings or gambling prizes
- Child and Working Tax Credits
- Income from a scholarship, exhibition, bursary or similar educational endowment
- Higher Education Bursary (paid by Local Authorities under Section 21 of the Children and Young Persons Act, 2008) to care leavers who start a Higher Education course
- Non-taxable element of cash lump sum payments taken from an occupational or personal pension, for example, a Pension Commencement Lump Sum (PCLS) payment

11.4 Non-taxable state benefits and credits

- Attendance Allowance
- Access to Work grants
- Bereavement Payment – replaced Widow’s Payment from 09/04/01 or Bereavement Support Payment (replaced Bereavement Payment where the recipient is bereaved on or after 6 April 2017)

- Child Benefit
- Cold Weather Payments
- Council Tax Reduction (formerly Council Tax Benefit)
- Constant Attendance Allowance – see industrial disablement benefit
- Disability Living Allowance
- Employment Support Allowance (Income based only)
- Exceptionally Severe Disablement Allowance
- Guardian's Allowance
- Housing Benefit
- Incapacity Benefit for the first 28 weeks of entitlement
- Income Support – most payments
- Industrial Injuries Benefit – a general term covering industrial injuries pension, reduced earnings allowance, retirement allowance, constant attendance allowance and exceptionally severe disablement allowance
- Invalidity Benefit – replaced by Incapacity Benefit from April 1995 but still payable where invalidity commenced before April 1995
- Maternity Allowance
- Pensioner's Christmas Bonus
- Social Fund payments to people on a low income to help with maternity expenses, funeral costs, financial crises and community care grants and any interest free loans paid out
- War widow's pension
- Winter Fuel payment
- Armed Forces Independence Payment
- Personal Independence Payments
- Universal Credit.

12 Annex D – case studies (single student)

2016 cohort students

Student A (not eligible for benefits)

Student A is 18 years old and starts a BA Honours degree in September 2020, with five extra weeks of study in the AY. They live away from home and are studying at an HEP outside London. They have no previous study. Their mother has an income of £44,000. Student A has no income of their own and no siblings. Student A is not eligible to receive DWP benefits.

Step 1 – Determine whose income should be included in the household income assessment
Student A and their mother
Step 2 – Determine the taxable income of those identified at step 1 – in this case the student (£0) and their mother (£44,000)
Step 3 – Make permitted deductions – No deductions are applicable
Step 4 – Calculate income assessment to loan at household income of £44,000.
£44,000 - £25,000 = £19,000
£19,000/ £7.58= £2,506

Student A will receive £9,203 (maximum loan) - £2,506 = £6,697 (this is the non-income assessed element of the full year 'elsewhere' rate of loan, £4,289 plus the income assessed element, £2,408).

This income assessment reduces entitlement to the maximum income assessed element of the loan (£4,914) to 2,408. (£4,914 - £2,506 = £2,408)

The assessed contribution for Student A is calculated by deducting £2,358 (the elsewhere rate contribution disregard) from the income assessment figure (£2,506). This gives a contribution of £148 to the loan for living costs (see the AY 20/21 Financial Memorandum for further details).

The assessed contribution for the loan for living costs is added to the assessed contribution for supplementary grants and loans to determine whether the total contribution exceeds £6,210. If it does, the contribution that applies is £6,210.

Student A is also entitled to Long Courses Loan of £495 (five weeks at £99) towards which a separate contribution must be calculated using the income threshold £39,796:

Contribution towards supplementary support products
£44,000 - £39,796 = £4,204
£4,204/ £8.73 = £481

This contribution reduces Student A's Long Courses Loan to £14 (£495 - £481).

Student B (eligible for DWP benefits)

Student B is 20 years old and starts a two year Foundation degree in September 2020. They have no previous study. They will be living away from home and studying in London. Student B's parents have a joint household income of £49,000 and contribute £3,000 a year into a private pension. They have no other children. Student B has no income of their own and is applying for a travel grant of £1,230.

Step 1 – Determine whose income should be included in the household income assessment
Student B and their parents
Step 2 – Determine taxable income of those identified at step 1– in this case, the student (£0) and their parents (£49,000)
Step 3 – Make permitted deductions - pension premium of £3,000
Parents £49,000 – £3,000 = £46,000
Step 4 – Calculate the income assessment to loan based on the household income of £46,000.

Student B will qualify for £9,196 loan for living costs (the non-income assessed element of the full-year maximum 'London' rate of loan: £5,981 plus £3,215 income assessed element) .

The income assessment to loan is calculated as follows:

Income assessment towards loan for living costs: incomes between £25,000 and £42,875
£42,875 - £25,000 = £17,875 / £5.13 (lower taper for non-final year London rate for students who are eligible for benefits) = £3,484.

Income assessment towards loan for living costs: incomes between £42,875 and £46,000
£46,000 - £42,875 = £3,125 /£7.46 (upper taper for non-final year London rate for students who are eligible for benefits) = £418.

Total income assessment to the loan for living costs for 2016 cohort students who are eligible for benefits is: £3,484 + £418 = £3,902.

This income assessment reduces entitlement to the maximum income assessed element of the loan (£7,117) to £3,215 (£7,117 - £3,902= £3,215)).

The assessed contribution for Student B for the loan for living costs is calculated as follows:

£46,000 - £42,875 = £3,125 / £7.46 = £418.

Assessed contribution towards travel grant is calculated as follows:
£46,000 (Student B's household income) - £39,796 = £6,204 / £8.73 = £710.
Deduct this from the travel grant applied for: £1,230 - £710 = £520.

13 Annex E – case studies (split contributions)

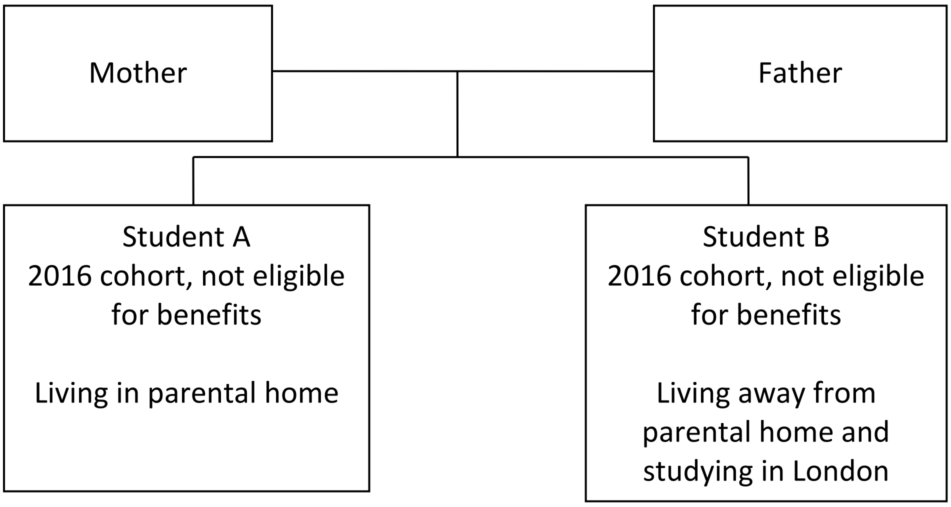
The following examples show how split contributions are applied for 2016 and 2012 cohort students only.

Income thresholds

- 2016 cohort students - £42,875 for income assessed loan for living costs (except 2016 cohort students who are aged 60 or over at the start of the first AY of the course) and £39,796 for supplementary income assessed products (all 2016 cohort students).

- 2012 cohort students - £42,875 for income assessed loan for living costs and £39,796 for supplementary income assessed products.

Case Study 1



Student A and B are siblings who are both 2016 cohort students. Student A is living in the parental home and Student B is living away from the parental home and studying in London. Neither student is eligible for benefits. Household income is £51,130.

Student B is studying on a longer course and is entitled to maintenance support for an additional 10 weeks of study. The weekly London rate of Long Courses Loan is £127 so the maximum Long Courses Loan Student B is eligible for is £1,270.

Household income taken into account for the dependent students is £51,130 - £1,130 = £50,000

Contribution to supplementary income assessed products, including Long Courses Loan:

Student B

£50,000 - £39,796 income threshold = £10,204

Contribution rate is £1 for every £8.73 above the income threshold:

£10,204 / £8.73 = £1,168

Contribution to income assessed loan for living costs:

Student A

The maximum income assessed element of the loan (2016 cohort not entitled to benefits, parental home rate): £4,337

Income assessment to loan for Student A is calculated as follows:

£50,000 - £25,000 = £25,000

£25,000 / 7.66 = £3,263 income assessment to loan

Assessed contribution to loan is £3,263 – £2,333 (parental home rate of contribution disregard) = £930

Student B

The maximum income assessed element of the loan (2016 cohort not entitled to benefits, London rate): £6,029

Income assessment to loan for Student B is calculated as follows:

£50,000 - £25,000 = £25,000

£25,000 / 7.46 = £3,351 income assessment to loan

Assessed contribution to loan is £3,351 – £2,396 (London rate of contribution disregard) = £955

Split contributions are applied as follows:

	Student A (2016 cohort, not eligible for benefits, parental home rate)	Student B (2016 cohort, not eligible for benefits, London rate)
Non-income assessed element of loan	£3,410	£5,981
Max income assessed element of loan	£4,337	£6,029

1. Income assessment to loan (2016 cohorts who are not eligible for benefits) at household income of £50,000	£3,263	£3,351
2. Assessed contribution to ML at household income of £50,000	£3,263 - £2,333 = £930	£3,351 - £2,396 = £955
3. Contribution (£930 / 2) – Student A	£465	
Contribution (£955 / 2) – Student B		£477
4. Maximum Assessed Contribution	£2,004	£3,633
5. Apply split contribution to MT element of loan	£2,004 – £465 = £1,539	£3,633 - £477 = £3,156
6. Add (5.) to non-income assessed element of Loan	£3,410 + £1,539= £4,949	£5,981 + £3,156 = £9,137
7. Assessed contribution towards Long Courses Loan (£1,168/2)		£584
8. Apply contribution to Long Courses Loan		£1,270 – £584 = £686

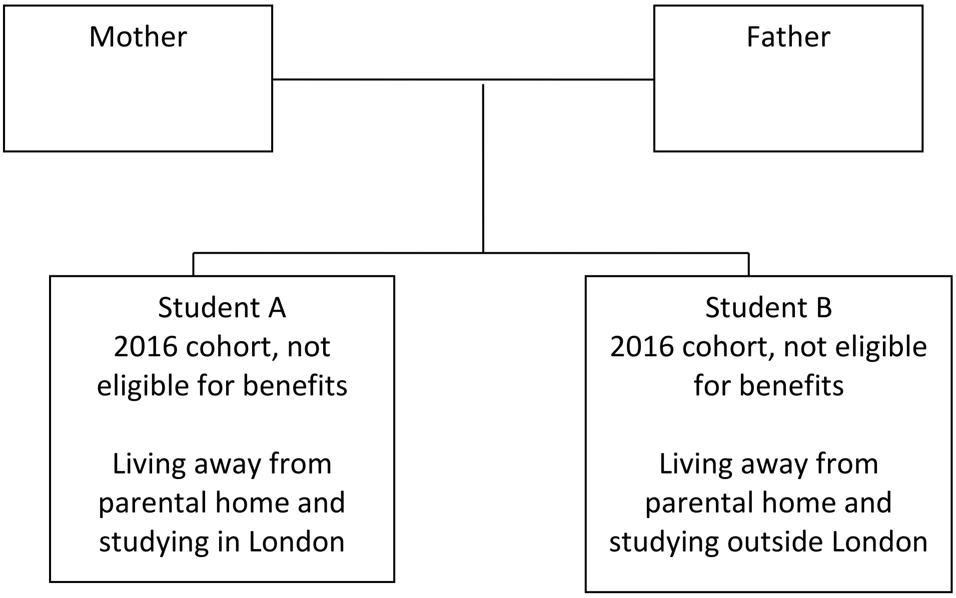
The total maximum assessed contribution cannot exceed £6,210.

Total assessed contribution applied to the loan for living costs is £465 + £477 = £942.

The remaining assessed contribution which can be applied to other income assessed products (in this case Long Courses Loan) is £5,236. This is greater than the assessed contribution towards the Long Courses Loan of £584, therefore the remaining assessed contribution to be taken into account for Student A's Long Courses Loan is £584.

Student B qualifies for Long Courses Loan of (£1,270 - £584) = £686.

Case Study 2



Student A and B are siblings who are living away from the parental home. Student A is studying in London while student B is studying outside London. Both students are 2016 cohort. Neither student is eligible for benefits. Parental income is £55,000.

Parental income taken into account for the dependent students is £55,000 – £1,130 (disregard for additional eligible student) = £53,870

Student A has an income of £8,000

Contribution to income assessed loan for living costs:

Student A

The maximum income assessed element of the loan (2016 cohort not entitled to benefits, London rate): £6,029

Parental contribution

Income assessment to loan is calculated as:

£53,870 - £25,000 = £28,870
£28,870 / 7.46 = £3,869 income assessment to loan

Assessed contribution to loan is £3,869 – £2,396 (London rate of contribution disregard) = £1,473

Student A’s personal contribution

£55,000 + £8,000 - £1,130 (disregard for additional eligible student) = £61,870 total household income

Income assessment to loan is calculated as:

£61,870 - £25,000 = £36,870
£36,870 / 7.46 = £4,942 income assessment to loan

Assessed contribution to loan is £4,942 – £2,396 (London rate of contribution disregard) = £2,546

£2,546- £1,473 parental contribution = £1,073 student A’s contribution

Student B

The maximum income assessed element of the loan (2016 cohort not entitled to benefits, elsewhere rate): £4,914

Parental contribution

Income assessment to loan is calculated as:

£53,870 - £25,000 = £28,870
£28,870 / 7.58 = £3,808 income assessment to loan

Assessed contribution to loan is £3,808 – £2,358 (Elsewhere rate of contribution disregard) = £1,450

Student B has no income so does not make a personal contribution.

Split contributions are applied as follows:

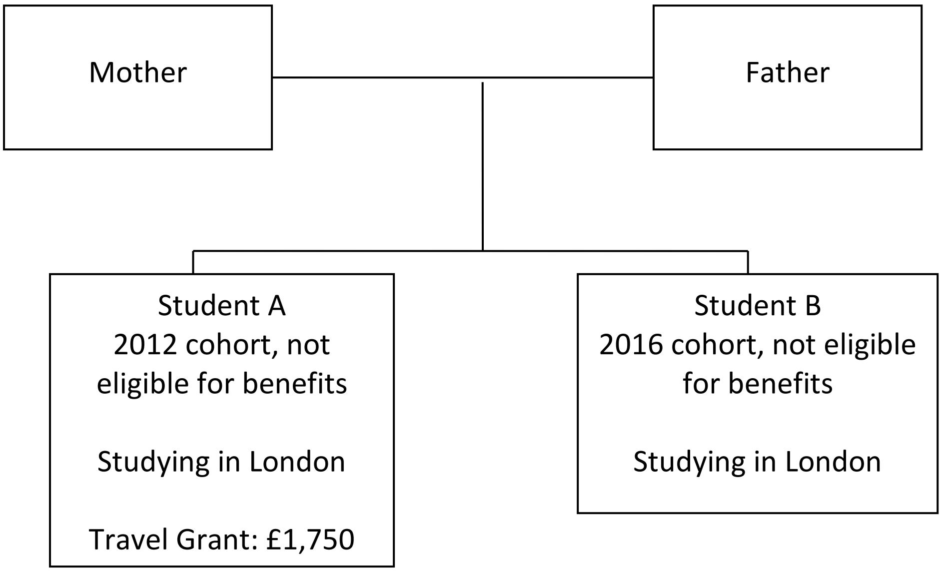
	Student A (2016 cohort, not eligible for benefits, London rate)	Student B (2016 cohort, not eligible for benefits, Elsewhere rate)
Non-income assessed element of loan	£5,981	£4,289
Max income assessed element of loan	£6,029	£4,914
1. Income assessment to loan (2016 cohorts who are not eligible for benefits) at parental income of £53,870	£3,869	£3,808
2. Assessed contribution to ML at household income of £53,870	£1,473	£1,450
3. Parental Contribution (£1,473 / 2) – Student A	£736	
Parental Contribution (£1,450/ 2) – Student B		£725

4. Student contribution	£1,073	£0
5. Total assessed contribution (Add 3. And 4.)	£736 + £1,073 = £1,809	£725 + £0 = £725
5. Maximum Assessed Contribution	£3,633	£2,556
6. Apply split contribution to MT element of loan	£3,633 – £1,809 = £1,824	£2,556 – £725 = £1,831
7. Add (6) to non-income assessed element of Loan	£5,981 + £1,824 = £7,805	£4,289 + £1,831 = £6,120

The total maximum assessed contribution cannot exceed £6,210.

Total assessed contribution applied to the loan for living costs is £1,809 + £725 = £2,534.

Case Study 3



Student A and B are siblings who are living away from the parental home and studying in London. Neither are eligible for benefits. Student A is a 2012 cohort student and Student B is a 2016 cohort student. Household income is £52,130. Student A is applying for Travel Grant of £1,750 as well as loan for living costs.

Household income taken into account for the dependent students is £52,130 - £1,130 = £51,000

The income assessed element of the loan available to each student is:
Student A (2012 cohort, London rate): £3,222
Student B (2016 cohort not entitled to benefits, London rate): £6,029

Assessed contribution to loan for Student A is calculated as follows:
£51,000 - £42,875 = £8,125
£8,125 / 8.36 = £971

Student A’s assessed contribution to travel grant is calculated as follows
(£51,000 - £39,796) / 8.73 = £1,283
There are two students in the household therefore the contribution for the travel grant is £1,283/2 = £641.

Income assessment to loan for Student B is calculated as follows:
£51,000 - £25,000 = £26,000
£26,000 / 7.46 = £3,485 income assessment to loan
Assessed contribution to loan is £3,485 – £2,396 (London rate of contribution disregard) = £1,089

Split contributions are applied as follows:

	Student A (2012 cohort, London Rate)	Student B (2016 cohort, not eligible for benefits, London rate)
Non-income assessed element of loan	£5,983	£5,981
Max income assessed element of loan	£3,222	£6,029
1. Income assessment to MT loan (2016 cohorts who are not eligible for benefits) at household income of £51,000		£3,485
2. Assessed contribution to ML at household income of £51,000	£971	£3,485 - £2,396 = £1,089
3. Contribution (£971/ 2) – Student A	£485	
Contribution (£1,089/ 2) – Student B		£544
4. Maximum assessed contribution (2016 cohort students only)		£3,633
5. Apply split contribution to income assessed element of loan	£3,222 - £485 = £2,737	£3,633 - £544 = £3,089
6. Add (5.) to non-income assessed element of loan	£5,983+ £2,737 = £8,720	£5,981 + £3,089 = £9,070
7. Assessed contribution towards travel grant (£1,283/2)	£641	-

The total maximum assessed contribution cannot exceed £6,210.

Total assessed contribution applied to the loan for living costs is £485 + £544 = £1,029.

The remaining assessed contribution which can be applied to other income assessed products (in this case travel grant) is £5,181. This is greater than the maximum assessed contribution towards the travel grant therefore the remaining assessed contribution to be taken into account for Student A's Travel Grant is £641, so Student A qualifies for a travel grant award of (£1,750 - £641 - £303 disregard) = £806.

14 Annex F – Long Courses Loan calculations

Regulation 81 provides for students to receive an extra amount of loan when a student attends their course for more than 30 weeks and 3 days. The loan amount is increased for each week or part week of attendance after the student has attended for 30 weeks and 3 days. (The short vacations should not be included in the calculation of extra weeks' loan).

The following table sets out the number of weeks for which the extra loan should be paid when a student attends full or part weeks after 30 weeks and 3 days attendance.

Full weeks attended	Part weeks attended (after 30 weeks and 3 days attendance)	No. of weeks for which extra loan is payable
Between 30 weeks 4 days and 31 weeks 3 days	Between 1 and 7 days	1 week
Between 31 weeks 4 days and 32 weeks 3 days	Between 8 and 14 days	2 weeks
Between 32 weeks 4 days and 33 weeks 3 days	Between 15 and 21 days	3 weeks
Between 33 weeks 4 days and 34 weeks 3 days	Between 22 and 28 days	4 weeks
Between 34 weeks 4 days and 35 weeks 3 days	Between 29 and 35 days	5 weeks
Between 35 weeks 4 days and 36 weeks 3 days	Between 36 and 42 days	6 weeks
Between 36 weeks 4 days and 37 weeks 3 days	Between 43 and 49 days	7 weeks
Between 37 weeks 4 days and 38 weeks 3 days	Between 50 and 56 days	8 weeks
Between 38 weeks 4 days and 39 weeks 3 days	Between 57 and 63 days	9 weeks
Between 39 weeks 4 days and 40 weeks 3 days	Between 64 and 70 days	10 weeks
Between 40 weeks 4 days and 41 weeks 3 days	Between 71 and 77 days	11 weeks
Between 41 weeks 4 days and 42 weeks 3 days	Between 78 and 84 days	12 weeks
Between 42 weeks 4 days and 43 weeks 3 days	Between 85 and 91 days	13 weeks
Between 43 weeks 4 days and 44 weeks 3 days	Between 92 and 98 days	14 weeks
Between 44 weeks 4 days and 44 weeks and 6 days	Between 99 and 101 days	15 weeks
45 weeks and over	102 days +	22 weeks

15 Annex G – Updates log

Date	Updates
05/11/2019	V0.1 Accessibility updates & AY 20/21 rollover updates
17/12/2019	V 0.2 Updated with comments from DfE review & Lee Brinkworth's review.
27/01/2020	V0.3 Updated with comments from DfE review.
13/02/2020	V1.0 Ready for publishing