



# Student Funding Advice

***A NEW STUDENTS GUIDE TO FUNDING  
YOUR STUDIES***

## **Contents**

<b>Introduction</b>	<b>2</b>
<b>Section 1 – Student Support</b>	<b>3/10</b>
A Quick Overview for Scottish Students	3
A Quick Overview for Students from the Rest of the UK	6
Tuition Fees	8
Postgraduate Study	8
Nursing Students	9
Part Time Study	10
<b>Section 2 – Other Sources of Funding</b>	<b>11/13</b>
Funds Available from the University	11
Trust Funds & Bursaries	12
<b>Section 3 - New Directions</b>	<b>14/16</b>
Changing, leaving or transferring your course	14
<b>Section 4 – Planning Your Finances</b>	<b>17/24</b>
Students & Benefits	17
Students in Employment	19
Top Tips & Budgeting	21

## ***Introduction***

If you are thinking about starting a course, and perhaps moving away from home for the first time, it's a good idea to plan ahead and to be aware of the costs involved in advance. The following pages are aimed at students and parents to help give them a brief overview/introduction to what financial support there is available depending on which part of the UK you live in. It is also useful for EU students to help clarify their eligibility to funding and benefits whilst studying in Scotland. It is not in any way an exhaustive source of information and further advice and information can be given by telephone or email.

The University provides a friendly and supportive environment with staff that can provide up-to-date advice and guidance. The Advisory Service offers drop-in sessions for students, the details of which are listed on the front of this booklet. Alternatively appointments can be made out with these times by telephoning Student Services Reception. (see useful contacts – internal) The Student Advisors can provide advice and information sessions to students relating to funding, academic issues and also other 'welfare' related issues.

We can also liaise with outside agencies on behalf of students in relation to individual queries for example Student Awards Agency for Scotland and the Student Loans Company.

We are here to help support you in your academic and professional development by providing advice, which is professional, caring, student centred and accessible. If you are experiencing any difficulties or you would like advice, please do not hesitate to contact us, if we cannot help you ourselves we can, hopefully, point you in the right direction.

Mrs Jan Murphy  
Student Funding Advisor

## Section 1 – Student Support

### A Quick Overview for Scottish Students

All Scottish students must apply to the Student Awards Agency for Scotland (SAAS) who will assess your eligibility for:

- Tuition Fee Support
- Student Loan
- Young Students' Bursary (YSB)
- Independent Students' Bursary (ISB)
- Supplementary Grants

Application forms are available on line at [www.saas.gov.uk](http://www.saas.gov.uk) from the middle of April. You should always apply as early as possible do not wait for exam results or a firm offer. If you do not get on the course that you originally applied for, SAAS can change your application to another course/institution or cancel your application if you contact them. To apply online you must first register your personal details. Please note you must only register your personal details once. Before you apply you will need to have the following information available:

- Your national insurance number
- Your bank details
- Household Income details
- Your passport number

It is important that you apply for all the funding support – if you are not sure what you are eligible for then it is advisable to apply for everything and let SAAS work it out or you may miss out.

**It is important to remember that applications must be made to SAAS each year that you progress in your studies.**

**TUITION FEES** - Tuition fee support is paid direct to the University – see section on Tuition Fees

**STUDENT LOANS** - The Student loan is an integral part of student funding and it is, for some, the only monetary support available. The amount of loan you can get depends partly on you and your household income or both. However, there is a minimum loan available which is not income assessed. The level of student loan support you are entitled to is calculated using a number of factors, one of these factors is where you will be residing during term time.

	Min	Max
Living at home	605	4107
Living away from home	915	5067

An additional loan amount of up to £785 will be available to students from families with an income less than £22,789.

## Section 1 – Student Support

**Young Students' Bursary** (YSB) - The YSB replaces part of the loan the maximum available is £2,640 for those with family incomes below £22,789. Students whose families' income is more than this and up to £34,195 can still benefit from part bursary. This bursary is non repayable. This is only available to young students studying in Scotland. Most school leavers will be classed as 'young' and even if you haven't left school recently, you may be eligible for this bursary. The amount available will depend on the level of your household income.

Household Income 2010/11	How much?
Up to £22,789	Full Bursary - £2,640
Between £20,000-24,999	Partial bursary up to £2,518
Between £25,000-29,999	Partial bursary up to £1,631
Between £30,000-34,195	Partial bursary up to £744

**Independent Students' Bursary** - up to £1,000 a year is available to eligible students – this replaces part of the loan and is non repayable. This bursary is similar to the YSB and is also means tested on household income.

### **ADDITIONAL SUPPLEMENTARY GRANTS**

Some students may also be eligible to apply for income-assessed, non-repayable supplementary grants – these grants do not normally have to be repaid, however there are some exceptions and further advice on changing direction can be found later on in this booklet.

- Lone Parent Grant
- Dependant's Grant
- Care Leaver's Grant
- Disabled Students' Allowance (DSA)

### **Care Leavers Grant**

If you were previously in care before commencing your full time studies then you may be eligible to claim this grant. Grants of up to £100 can be given to help with accommodation costs over the summer months.

### **Lone Parents' Grant**

You may be entitled to this grant if you are single, widowed, divorced or separated and bringing up children on your own. Written evidence of your lone parent status is required every year you make an application. The lone parent grant is paid direct to your bank account in 3 instalments at the start of each term.

## Section 1 – Student Support

You must send written evidence to prove you are a lone parent when you apply, such as:

- a letter from the Inland Revenue to show you are claiming the Child Tax Credit as an individual (on your own);
- a letter from the Department for Work and Pensions to show you receive benefit as a lone parent;
- a copy of the relevant page from your Child Benefit book which says you receive Lone Parent's Benefit;
- a letter from a professional person (for example, a doctor, lawyer or minister of religion) confirming your status.

### **Dependants' Grant**

You can claim this income-assessed grant for your husband, wife, civil partner or partner. You cannot claim this grant for another student. If your husband, wife, civil partner or partner has any income, this may affect your entitlement.

**Monthly Payments** – Scottish students studying undergraduate courses at Scottish institutions will have their loans, bursaries and all grants paid monthly. This will apply to student loans, the Young Students Bursary, the Independent Student Bursary, and all other grants with the exception of Disabled Students Allowance and Care Leavers Grant.

For further information on what funding you may be eligible for - follow the link to the SAAS webpage <http://www.student-support-saas.gov.uk/home.htm>

**It is important to remember that applications must be made to SAAS each year that you progress in your studies.**

## Section 1 – Student Support

### A Quick Overview for Students from the rest of the UK

Depending on your circumstances, your course and where you study, you may be able to receive a range of financial help and support in the form of grants and bursaries (which you don't have to pay back) and loans (which you do). There's also extra help for those with special circumstances, for example, if you have children or adult dependants, a disability, mental-health condition or specific learning difficulty such as dyslexia or dyspraxia.

#### **Deadline...31 May 2011**

**You need to fill in and submit your application for student finance before 31 May 2011 to be sure you have your money when you start your course.**

If you're starting a full-time higher education course in 2011/12, the main types of financial help you may be able to get are:

- Student Loan for Tuition Fees to cover your fees in full: **Fees in Scotland £1820**
- Maintenance Grant or Special Support Grant - worth up to £2,906
- Student Loan for Maintenance - worth up to £6928 (depending on where you live and study) the maximum you can get is reduced if you're getting help through the Maintenance Grant)

**Maintenance Grants - England** The maximum grant available in the 2011/12 academic year is £2,906. This is available to full-time higher education students with a household income of £25,000 or under. You will get at least a partial grant if your household income is £50,020 or under. Exactly how much is available depends on your household income.

Household Income 2010/11	How much?
Up to £25,000	Full grant - £2906
Between £25,001-30,000	Partial grant up to £1,906
Between £30,001-34,000	Partial grant up to £1,106
Between £34,001-40,000	Partial grant up to £711
Between £40,001-45,000	Partial grant up to £381
Between £45,00-50,019	Partial grant up to £50
Over £50,020	No Grant

## Section 1 – Student Support

**Maintenance Grants – Northern Ireland** - The maximum amount of support available is £3475. The Maintenance Grant does not need to be repaid. How much you get depends on your household income, and will be calculated by Student Finance Direct NI

Household Income 2011/12	How much?
£18,820 or less	Full grant
Between £18,821 and £40,238	Partial grant
Over £40,238	No grant

**Grants and other assistance – Wales** - How much you get depends on your household income, and will be calculated by your Local Authority when you make your application. The Welsh Assembly Learning Grant is paid in three instalments, one at the start of each term, just like your Student Loan.

How much you get depends on your household income, and will be calculated by Student Finance Direct when you make your application. You can also get more information depending on where in the UK you are resident by using the links below

Resident in England:

[http://www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/StudentFinance/Applyingfortheirsttime/DG\\_171542](http://www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/StudentFinance/Applyingfortheirsttime/DG_171542)

Resident in Northern Ireland:

[http://www.studentfinancenir.co.uk/portal/page?\\_pageid=54,1266217&\\_dad=portal&\\_schema=PORTAL](http://www.studentfinancenir.co.uk/portal/page?_pageid=54,1266217&_dad=portal&_schema=PORTAL)

Resident in Wales:

[http://www.studentfinancewales.co.uk/portal/page?\\_pageid=56,1274440&\\_dad=portal&\\_schema=PORTAL](http://www.studentfinancewales.co.uk/portal/page?_pageid=56,1274440&_dad=portal&_schema=PORTAL)

### Where Can I find Out What Is Available To me?

You can get a personalised online quote by providing some information about yourself, your course and your household income by using the student finance calculator. This lets you see how much you could get while you're studying. You can get quotes for up to five different universities, colleges or courses to let you compare costs and work out the best choice for you financially.

For more detailed information go to:

[www.direct.gov.uk/studentfinancecalculator](http://www.direct.gov.uk/studentfinancecalculator)

**STUDENTS FROM THE REST OF THE UK RECEIVE ALL THEIR FUNDING IN  
3 INSTALMENTS – SEPTEMBER – JANUARY – MAY**

## Section 1 – Student Support

### Tuition Fees

All full time students studying at a higher educational institute have a liability to pay tuition fees and must therefore make an application to their relevant funding bodies for this support. For all new students starting an undergraduate degree programme of study here at the University of Abertay in 2011 the cost of tuition fees is the same for everyone in the UK and the EU. Undergraduate tuition fees are set at £1,820 for the 2011/12 academic year.

### Scottish & EU Students

Applications from Scottish and EU students for fee support must be made to the Student Awards Agency for Scotland (SAAS) each academic year and the fees are paid direct to the University. Applications can now only be made on line <https://www.saas.gov.uk/>

### Students from the rest of the UK

Eligible full-time undergraduate students do not have to pay tuition fees up front. Instead students will be able to apply for a Student Loan for Fees to cover these costs before you start on your course. The fees will be paid direct to the university on your behalf. Applications for Fee Loans must be made on line to Student Finance Direct in the area that you are resident:

Resident in England:

[http://www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/StudentFinance/Applyingforthefirsttime/DG\\_171542](http://www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/StudentFinance/Applyingforthefirsttime/DG_171542)

Resident in Northern Ireland:

[http://www.studentfinancenir.co.uk/portal/page?\\_pageid=54,1266217&\\_dad=portal&\\_schema=PORTAL](http://www.studentfinancenir.co.uk/portal/page?_pageid=54,1266217&_dad=portal&_schema=PORTAL)

Resident in Wales:

[http://www.studentfinancewales.co.uk/portal/page?\\_pageid=56,1274440&\\_dad=portal&\\_schema=PORTAL](http://www.studentfinancewales.co.uk/portal/page?_pageid=56,1274440&_dad=portal&_schema=PORTAL)

However, if you do not wish to apply for the Fee Loan and you have the means to pay your own tuition fees, there is an option to pay in instalments direct to the University.

### Postgraduate Study

(For Part Time Postgraduate Study – please see the section under Part Time Study)

Under the terms of the Postgraduate Students' Allowances Scheme (PSAS), SAAS offer a limited number of tuition fee support to eligible students.

However, they cannot guarantee that a student will receive an award at postgraduate level. The demand for awards for postgraduate study far exceeds the level of resources the government is able to devote to it. Therefore they limit the number of awards available by giving institutions a set number of awards. To find out if your choice of course comes under the PSAS contact the Student Funding Advisor or check the SAAS website.

## Section 1 – Student Support

To be eligible for the tuition fee support students must:

- meet the residence and previous study conditions
- be undertaking an eligible Postgraduate course
- be nominated by the University

SAAS will decide if you meet the residence eligibility conditions. If you are not sure if you are eligible to receive support, contact the Postgraduate Team at SAAS on 0845 111 1711 for advice, give full details of your circumstances.

The majority of postgraduate students self-fund although many students at this level obtain loans from banks (PCDL's), seek sponsorship, receive help from educational trusts or pursue their studies on a part-time basis. See other sources of funding.

### **Nursing Students**

The funding arrangement for nursing students is entirely different from other undergraduate courses. This course is funded entirely through a NHS non-means tested Bursary of £6,578 a year. Applications should be made on the application form - Nursing and Midwifery Student Bursary (NMSB1) on line at the SAAS web site. All eligible students will receive a bursary.

### **Dependants' Allowance**

You can apply for an allowance for your husband or wife and for any child you are legally responsible for.

### **Lone Parent Grant**

You may be entitled to an allowance of £1,305 if you are single, widowed, divorced or separated, and bringing up children on your own. You must send written evidence to prove you are a lone parent when you apply, such as:

- a letter from the Inland Revenue to show you are claiming the Child Tax Credit as an individual (on your own)
- a letter from the Department for Work and Pensions to show you receive benefit as a lone parent
- a copy of the relevant page from your Child Benefit book which says you receive Lone Parent's Benefit
- a letter from a professional person (for example, a doctor, lawyer or minister of religion) confirming your status.

## Section 1 – Student Support

### Childcare Allowance for Parents – Nursing Students Only

The childcare allowance is payable to any student who is a parent and wants to claim formal childcare costs. If you have to pay all or part of the cost for registered or formal childcare, you can receive up to £1,216 a year, depending on the cost of childcare. 'Formal' childcare includes childminders, after school clubs and providers of day-care and education.

### Part Time Funding

Funding arrangements for part-time students can be a bit of a minefield; the following aims to clarify what support is available for those undertaking Undergraduate part time courses. Part-time undergraduate and postgraduate students can claim some of the same support as full-time students:

Study costs  
Childcare costs  
Discretionary Funds  
Travel expenses  
New Part Time Fee Grant

Some types of funding that is available to support part-time study is limited to students on low income or in receipt of certain benefits.

### University Fee Waiver Scheme

The majority of students will qualify for this and it is by far the best aid to help break through the financial barrier that many students face. It helps relieve pressure on low income families and open up new opportunities for those people contemplating part-time study to retrain or further their studies.

### New for 2011 – Part Time Fee Grant from Student Awards Agency for Scotland

A part time fee grant is to be introduced by the Student Awards Agency for Scotland (SAAS) – this will replace the existing ILA500 and will be available to both eligible undergraduate and postgraduate students studying part time. Application forms will be available for download at [www.saas.gov.uk](http://www.saas.gov.uk) from the beginning of June.

**Please note that you cannot receive both of the above options. If you are not eligible for either of the above you can arrange to pay your tuition fees by direct debit spread over the academic year.**

### Discretionary Funds

The University has a number of grants available for part time students whose continuation in higher education may be hampered due to financial restraints. Grants can also be given to help with the cost of childcare to aid students' continued attendance on their course. The University can assist with 100% part time formal childcare costs to registered childminders, nurseries and afterschool clubs. Funds can also be given for informal childcare

## **Section 2 – Other Sources of Funding**

### **Funds Available from the University**

#### **Discretionary Funds**

As part of the Financial Support package available to students, the Government has given money known as Discretionary Funds to institutions to help provide financial assistance to students whose access to higher education might be inhibited by financial considerations or who face financial difficulties in completing their studies.

The funds are non-repayable Awards. However, applications will be lightly means tested and financial and family circumstances will be taken into account. There will be a maximum overall limit of award for each student and the amount awarded will be at the discretion of the Fund Administrator. The Funds cannot be used to help students meet the cost of their tuition fees. Application forms are available in Student Services from September.

#### **Childcare Funds**

The Childcare Fund is also part of the financial support package available to eligible students and is administered along with the Discretionary Fund. Eligible students will be considered from both Funds

This fund provides assistance with the cost of formal childcare expenses only. Undergraduate full time students only will be eligible. Postgraduate and part-time students will be considered for formal childcare from the Discretionary Fund. Applications for childcare will be given priority and will be paid direct to the childcare provider monthly.

#### **Short Term Advance**

If you have not received your student funding you can apply to the University for a short-term advance. An Advance can be made available to students who have not yet received their Student Loan in Term 1. These advances are given on the understanding that they will be repaid when you receive your student funding. However, some students may have their advance made into an Award on full submission of documents and completion of a Financial Support application form. **Contact Student Services if you have not received your student funding at the start of term.**

#### **Opportunity Bursaries**

The University has introduced Opportunity Bursaries for 1<sup>st</sup> year students who can demonstrate good academic achievement. Bursaries of £300 will be awarded to those students who can satisfy the criterion. For further details on these bursaries please contact Student Services.

## **Section 2 – Other Sources of Funding**

### **TRUST FUNDS & BURSARIES**

There are many trusts and charities who may be able to help students in financial difficulties whilst at University. The following information will give you guidance on how to find ones which may be of help to you and also how to apply.

As there are so many trusts and charities it is important that you target trusts which you are eligible to apply to.

Many trusts have very specific criteria, such as:

- ***where you live or were brought up***
- ***your family/parental circumstances***
- ***your occupation***
- ***your personal circumstances***
- ***your own current/past occupation***
- ***your age***

So before applying to any trusts you need to find out which ones you personally might be able to apply to.

The University operates a number of trusts on behalf of the trustees and further information on these trusts and how to apply is available from the Student Advisor.

***The Robert Reid Fund***

***The Donald Stewart Bursary***

***The Sutherland Page Trust***

***The Thomas and Margaret Roddan Trust***

***The Nine Incorporated Trades of Dundee***

***The Carnegie Trust for the Universities of Scotland***

For Scottish students studying at a Scottish University towards a first degree and do not qualify for free tuition fees. The Trust offers fee assistance for students who are not eligible for assistance from SAAS.

Write for an application form to: The Carnegie Trust, Assistant Secretary, Cameron House, Abbey Park Place, Dunfermline, Fife, KY12 7PZ. Telephone: 01383 622148 Web: [www.carnegie-trust.org](http://www.carnegie-trust.org)

**EGAS - Educational Grants Advisory Service.** Providers of a telephone and written advice service giving students information on relevant trusts. Telephone 0171 254 6251 or write to: EGAS c/o FWA 501-505 Kingsland Road, London E8 4AU.

Further information on Trust Funds can also be found on the following web pages: <http://www.egas-online.org.uk/>

## **Section 2 – Other Sources of Funding**

### **PART-TIME EMPLOYMENT**

Despite the funding that is available to students for many the only way to make ends meet is to take up a part-time job. It is extremely important that you try and maintain a good balance between work and study and it is not recommended that you work more than 15 hours per week.

### **Professional Career Development Loans**

If you cannot get financial support from other sources you may be eligible to get a Professional Career Development Loan (PCDL). You must be over 18, studying in the UK and wishing to apply for no more than 80% of your course fees plus other costs, this can range from £300-£8,000. If you have been out of work for 3 months or more you may be able to apply for 100% course fees.

Your course must not last longer than two years, and the government will pay the interest in the first year only. You will have to start repaying the CDL one month after you finish your course, if you are unemployed on completion of your course you will be given up to 17 months grace for deferment. Further information can be found at [www.direct.gov.uk/pcdl](http://www.direct.gov.uk/pcdl) or by freephone 0800 585 505.

## Section 3 – New Directions

### Changing, leaving or transferring your course

Every year students leave their courses for many different reasons and it is strongly recommended that you seek specialist advice with regard to the financial implications of withdrawing or transferring your course. (See section on Financial Considerations). Each student has different individual circumstances and if you are leaving your course through academic failure you would not normally receive full funding if you need to repeat all or part of your course. (See section on Repeat Funding)

There may be any number of reasons why you are not entirely happy with your present situation and the main reasons may have something to do with one or more of the following:

Finances: *you may be finding it difficult to manage financially; feel out of your depth or find it difficult to balance commitments such as rent, household bills, shopping*

Course: *the content is not what you expected; the work is too easy and you seem to be repeating what you have already done at school; you find it hard to get motivated; the assessment style doesn't suit you, and the way you are taught is not to your liking.*

Subject: *it is not what you thought it would be like, you find it boring or you are just not interested in it anymore.*

Personal: *you are homesick, lonely, feel out of your depth and are finding it difficult to balance course work and part time employment.*

Disability or health issues: *you feel that you are unable to cope with the added pressures.*

You may very well have different reasons from those above. At this point you may like to make a note of them, as doing this type of exercise may help at a later stage when considering options and talking them over with a careers advisor or student finance advisor.

#### False Start

It can be very difficult to know if you have made the right choice of course. Thus, on one occasion you are eligible to have what's called a 'false start'. If you do no more than one year of a course and do not progress into the second year, you will be given the full support package again to start another first year on a different course.

Firstly, identify what you want to do and where. A 'false start' cannot be considered for repeating the same course if you failed the course at the same University. However, if you were to change to a different University and followed the same course then you would still be eligible for the 'false start'. Funding would be considered for the same course at same University if you failed to complete due to either medical or compassionate reasons (see a student advisor if you are considering this option).

## **Section 3 – New Directions**

### **Transferring**

If you are considering changing or transferring courses within the University you need to initially discuss this with your Programme Tutor. Once you have discussed your transfer with your Programme Tutor then speak to the Programme Tutor for the course you wish to join. You may also find it useful to speak to a careers advisor/student advisor about your options. If you wish to transfer to a different University you will need to make an application to that University via UCAS. If you wish to transfer from one first year to another within this University the transfer application form should be used.

Further information on transferring courses within the University can be found on our website or by contacting a student advisor.

### **Dip HE to Degree**

Students who have successfully completed a 2-year Diploma in Higher Education (Dip HE) course will usually continue into Year 3 of a degree course. If you are continuing at this University, you will need to complete the University transfer form (as stated above). However, some courses require students to enter Year 2. If you are required to start on Year 2 of a degree course you can continue to be funded for that new course.

### **Repeat Funding**

If you wish to repeat any year of study through academic failure your entitlement to tuition fees and (if these apply) the Young Students' Bursary, and Additional Loan may be affected. However, you can still apply for a Student Loan. Exceptions to this rule can be considered but only for medical or strong compassionate reasons. You will need to submit supporting evidence from the University and, if appropriate, your doctor or any independent person who can confirm your circumstances.

### **Financial Implications**

The financial implications of leaving your course at different stages throughout the academic year will vary.

#### **Leaving within the first 4 weeks:**

Should you leave within the first four weeks and your maintenance support was student loan only, you will not have used your fee award, therefore you will not be counted as having a 'false start' if you begin another first year course. You would be considered as a new student and eligible for financial support as if you had not started a course. If you leave within this period and received an instalment from the Young Students Bursary Fund (YSBF) this counts towards government assistance, you would then apply under the 'false start' rules to be eligible for the YSBF support again.

#### **Leaving after 4 weeks and before 30 November**

If you go beyond the four-week period and leave your course before 30 November of that academic year then you will be liable to pay to the University the fees for the whole of that academic term. As you would not have used your fee support from the government and received the student loan support only you will not fall under the 'false start' rule if you were to reapply in future years. You would be considered as a new student and eligible for financial support as if you had not started a course. If you leave within this period and

### ***Section 3 – New Directions***

received an instalment from the Young Students Bursary Fund (YSBF) this counts towards government assistance, you would then apply under the 'false start' rules to be eligible for the YSBF support again.

#### **Leaving after 1 December**

For those that leave after the first term and were in receipt of fee support from the government they will have no financial liability to the University. You will be treated as having a false start if you were to reapply for financial support.

## **Section 4 - Planning Your Finances**

### **STUDENTS & BENEFITS**

#### **Introduction**

Most full time students are not entitled to benefits, particularly those benefits where entitlement is dependant on income. The following information is written to give students a better awareness and understanding of benefits to which they may be entitled to. Not all students' circumstances are the same, therefore as individuals your needs and requirements will differ. It is fair to say that the majority of students who enter higher education from school will only qualify for some benefits. On the other hand many mature students in higher education are more likely to be eligible for the benefits written about here. Most part time students may be eligible for some DWP benefits or can remain on their benefit while studying part time.

#### **Health Benefits**

NHS Hospital & GP Treatment - all UK residents and EU students are eligible for treatment on the NHS. For those students who are moving away from home to study it is advisable that they register with a GP in the area in which they are going to live. Information on GP surgeries is available from Student Services.

**Dental Treatment and Optical Charges** – you are not automatically exempt from NHS charges just because you are a full time student, either from the UK or the EU. You may however, be entitled to some help on the grounds of low income, or because you are in another exempt group. If you need to claim on low-income grounds you should claim in advance on Form HC1. You can get this form from surgeries, hospitals, opticians and benefit offices.

**NHS Prescriptions** – On the 1 April 2011 prescription charges were abolished in Scotland for UK residents. EU students must complete the Form HC1.

#### **Department for Works & Pensions (DWP)**

The DWP assesses students' entitlements to income-related benefits. Full-time students are generally not eligible to claim benefits. But full-time students with dependants and students with disabilities may be eligible in certain circumstances. It is important to discuss this with a student advisor or with your local DWP.

The DWP will disregard the first £10 a week of your student loan. But the amount of loan entitlement over £10 a week will directly reduce your benefit, pound for pound. They will take account of your loan entitlement even if you have not taken out a loan. This is because it forms part of the resources available to you as a full time student.

The following is some of the benefits that students may be entitled to apply for:

Income Support

Income based job seekers allowance

Disability Living Allowance

Incapacity Benefit

Maternity Benefit

Child Benefit

## **Section 4 - Planning Your Finances**

There are a number of 'other' DWP benefits, but as a full time student you will be unlikely to be eligible for them. If you are in receipt of any DWP benefit and are not sure if you will still be entitled to claim existing benefit when you become a full time student please contact the University's Student Advisors for further information and clarification. Their contact details are listed on back page.

### **Council Tax Benefit (CTB)**

The general rule for all full time students is: "You are regarded as a student for council tax purposes if the course you are attending is for more than 21 hours per week and lasts for more than 24 weeks in an academic year." "You are a student from the day you begin your course until the day you complete it, abandon it or are no longer permitted by the institution to attend it."

On successful completion of a Dip HE or HND and before registering for a degree course you do become liable to pay council tax. Student halls of residences are exempt for council tax purposes.

Part-time students are not exempt from council tax and can claim CTB along with Housing Benefit (see chapter 2). For students repeating a year of study part-time they are still registered on a full-time course and are still classed as 'full-time' for CT purposes.

In a household where a student is in residence with someone who is liable to pay council tax, then because of the students' status that liable person may be eligible to claim the 25% discount if they are the only other adult. Here are some examples:

Michaela is 19 and is a full time student. She lives with her mother who is a single parent. Because of her status as a full time student she is exempt from council tax and is 'invisible' therefore her mother can claim the 25% discount as being the only adult in the house.

John is 38, married with 2 children and a full time student. His wife is in full-time work. Because of his status as a full time student his wife can claim the 25% discount as long as there are no other adults in the dwelling.

3 full-time students share a flat with a non-student. The non-student is solely liable for the whole council tax bill, again the 25% discount can be claimed. If one of the students abandons their course then they also become liable and the 25% discount can no longer be claimed.

### **Housing Benefit (HB)**

To qualify for HB, you must be a student who is eligible to claim, your accommodation must be eligible for HB and you must satisfy the basic HB rules. If you are a full time student, you cannot normally claim housing benefit. Students eligible to claim are:

## **Section 4 - Planning Your Finances**

- You are on Income Support or income based job seekers allowance (most students will not be eligible to claim these benefits until the summer months, see chapter 5)
- You are a lone parent with dependants under 16, or under 19 if they are still in full-time non-advanced education
- You or your partner, if you have one, are aged 60 or over.
- You are in receipt of Disability Living Allowance, or long-term incapacity benefit, or are registered blind.
- You and your partner/spouse are full time students and have dependants. Unlike IS and JSA where you can only claim in the summer months, you are eligible to claim HB throughout the academic year.
- You are single and are caring for a child boarded out with you by the social work department

Not all students in the above groups will find that they are entitled to housing benefit outwith the months of July and August, however you should submit a claim for assessment as some students will receive some assistance throughout the year. Part-time students on low incomes or in receipt of DWP benefits are eligible to receive housing benefit and CTB throughout the year.

### **STUDENTS IN EMPLOYMENT**

As previously inferred it is not in the student's best interest to work more than 16 hours per week during term time and some courses, (health related degrees) will restrict students from working at all. The majority of students however, now take some form of paid employment while they are studying, most regard working on a part time basis or during the holidays as a fact of life.

The National Minimum Wage Act (1998) specifies the minimum rates of pay applicable nationwide. However, how much you are entitled to depends on how old you are. For people over 21 it is currently £5.93 per hour. For 18 to 21 year olds it is now £4.92 per hour.

A contract of employment is a legally enforceable agreement between an employer and an employee. It can impose duties on both the employer and the employee. They are normally written down, and normally you are given your contract before or when you start work. It is advisable to obtain a contract from an employer even if you are only employed on a temporary basis.

**Income Tax** – the bad news is that whilst students don't pay tax on grants or student loans, they are still liable for income tax in the same way as other workers. The good news however is that you are entitled to earn up to £7475 a year before you start paying income tax that equates to £622 per month or £143.75 per week (tax year 2011/12). So if you have a part time job, and earn less than £7475 throughout the year, you won't pay a penny. Employers deduct tax from your wages this is referred to as Pay As You Earn (PAYE), and this is

## Section 4 - Planning Your Finances

averaged out over the year. This means that although you may have a temporary job, you pay tax on your income as though your job was year-round, and then you can claim a refund at the end of the tax year. In order to refrain from paying too much tax you will need to obtain a “tax code”. On commencement of employment your employer should give you a P46 to sign, if they do not give you one then request one from them, as this will determine your taxable allowances. If you do not have a tax code then you will pay tax on all of your earnings.

**National Insurance (NI)** – this is a contribution to state benefits, and is payable on income over £102 a week. Everyone in the UK would have been given a NI number when they turned 16. For UK students who can't find the blue and red plastic NI card, and don't know your NI number, you should contact your nearest Inland Revenue National Insurance Contributions office, or DWP office or, in Northern Ireland, the Department for Social Development. They will set up an interview with you to prove who you are, and give you another number.

If you are an EU student and intend to take up term time employment you must obtain a UK NI number from the local DWP office

Even if you are working part-time or earning a low wage, perhaps too low to pay National Insurance contributions, you must still have an NI number to take a job.

### Tax Credits

**Child Tax Credit (CT)** this is administered by the Inland Revenue. Students and their families who are responsible for at least one child could receive money from the Child Tax Credit. The Inland Revenue can pay CTC to students whether or not you are in paid work. [www.inlandrevenue.gov.uk/taxcredits](http://www.inlandrevenue.gov.uk/taxcredits)

**Working Tax Credit (WTC)** like CTC is also administered by the Inland Revenue. It is for people who are working, employed or self-employed, for at least 16 hours per week, or in some cases 30 hours a week. All students are eligible to claim. You can get formal childcare costs paid with WTC. The amount of WTC you are entitled to also depend on the level of your income. To qualify for Working Tax Credit you must either:

- Be aged 16 or over and responsible for at least one child and work 16 hours or more a week.
- Be aged 16 or over and disabled and work 16 hours or more a week.
- Be aged 25 or over and work 30 hours or more a week.
- Be aged over 50 and have recently started work for 16 hours or more a week after having been in receipt of certain benefits for at least 6 months.

Full-time students are not recommended to undertake more than 16 hours per week employment while studying. This would therefore, not entitle the majority of students to claim WTC. You can however, work full time over the summer and be eligible to claim WTC if your period of employment is to last for more than 4 weeks. Lone parent students who are working at least 16 hours per week and have formal childcare costs can apply for WTC to cover these expenses. Funding received from the Student Loan Company is not taken into account when assessing eligibility for Tax Credits.

## **Section 4 - Planning Your Finances**

### **Top Tips & Budgeting**

**Budgeting is a vital part of getting to grips with your finances and while living on a limited student income it could be the key to avoiding financial difficulties. Knowing exactly how much money you have to spend is the only way to avoid overspending.**

Today it is common knowledge that when you graduate most students will have debts. Debt is now an unavoidable part of student life but good management will hopefully keep it under control. Some people may say why bother going to university? Why not just get a job and start earning? A good degree can improve your chances of obtaining a satisfying and well-paid job, and it can also advance your career prospects. Going to university can be a great experience, it can be fun and it can also give you the opportunity to develop a wide range of personal and social skills, as well as study an area of knowledge in some depth.

Student loans and interest free overdrafts for example, are an essential part of financing your future career. Any other borrowing should be treated with considerable caution. Working out your income and expenditure may help avoid you getting into debt, draw up a budget and try to stick to it – this may be old very boring advice – but it is really worth taking stock of. What is important to remember is that if you run up debts (other than student loan and authorised overdraft) and you end up missing payments on bills or paying late this will have an adverse affect on your credit rating and you will have problems in the future obtaining credit or mortgage.

### **Rent**

Rent will probably be the largest regular payment that you have to make out of your income. Most landlords want at least one month's rent and deposit in advance - **MAKE SURE THAT YOU GET RECEIPTS FOR THESE.** Avoid renting property which is too expensive for you and renting for periods longer than you need (e.g. through the summer if you are not staying in the property). If a group of you plan to rent a property together, agree in advance what you will do if you fall out with each other or if any of your number fails to pay their way. This not only includes rent of course but also bills etc.

### **Utility Bills**

There are a number of schemes available that are designed to lessen the impact of paying these bills all in one go. Savings stamps are available from gas and electricity showrooms. You buy them weekly then hand them in with your bill. You can use the budget payment scheme through which an average monthly payment is worked out and debited automatically from your bank account (customers who use this form of payment pay the cheapest rates for gas and electric).

After a year, the difference between what you have used and what you have paid is worked out and your payments for the next year adjusted accordingly. You can also spread payments by using a coin or charge card meter, but bear in mind that this is the most expensive payment method.

Beware of estimated bills. Check the reading on the bill and if there is much difference between them get in touch with your electricity and gas supplier and

## **Section 4 - Planning Your Finances**

ask for an actual reading to be done. Also, when you move in to a new property always contact the utility companies to let them know. Otherwise you may well get a bill that belongs to previous tenants.

### **Telephone Bills**

A telephone can often seem more hassle than it is worth, especially if you are sharing with other people. You can help keep the costs down by calling at cheap rate - throughout the weekend or after 6.00pm during the week (including international calls). You can rent telephones that work like a call box (i.e. pay-as-you-go) or ask the telephone company to make your telephone incoming calls only. But, do shop around as some telephone companies may be able to offer you better prices.

Mobile phones can be very expensive, so think carefully before buying one. For budgeting purposes, some students buy pay-as-you-go mobile phones as there is less chance of receiving a large bill at the end of the month.

### **Travel**

It may be worth buying a student bus pass (lasts for 10 weeks: cost £84.00) covering your travel to and from University. You can then use this pass at any time of the day and night and at weekends. However, if you are just travelling to and from University most days, then it may be a lot cheaper to purchase a daysaver ticket currently £3.000 or a 10 journey flexi-ticket for £13.50. You can also obtain a Student Rail Card £26 and/or a Coach Card (£10), which will entitle you to cheap travel in the UK (over longer distances) for up to one third off normal prices after 09.30 am. You need to buy one of these cards at a Railway Station or Coach Station. If you can plan ahead, you can get cheaper travel the further in advance you can book.

### **Food**

If this is the first time that you have had to buy food for yourself, try to buy food at one of the large supermarkets, as the prices tend to be more reasonable.

### **Credit Cards/Personal Loans/Store Cards**

If you can avoid having one - do. It is easy to lose track of how much you are spending and end up with a large debt. If you do not settle up at the end of each month you can find yourself only ever paying the interest and never clearing the debt. Do not get tempted into committing yourself to big purchases, which are way beyond your budget. It might look like a reasonable weekly/monthly repayment figure but it can be a big chunk out of your finances. Interest rates can be as high as 37% APR.

### **Overdrafts**

An overdraft is now an integral part of student life. Banks are only too happy to provide you with a student overdraft. Check what each bank has to offer and go for the best deal don't just go for the one that has the best freebies on offer. It is essential to have a bank account in the town in which you are studying.

### **TV Licence**

If you are a student living away from home and use a television set in your lodgings, you will need a television licence. You can buy a television licence at

## **Section 4 - Planning Your Finances**

any Post Office or pay by direct debit. You can be taken to court and end up with a large fine if you are caught without one.

### **Contents Insurance**

This is something on which many students economise. However, if you make this decision, consider the cost of replacing your belongings if they are damaged or stolen - you may consider that not insuring them is a false economy. Special policies are available for students. Bear in mind that 25% of all recorded burglaries in the UK occur at student residences.

### **Tuition Fees**

If you are assessed as having to pay tuition fees you can pay the University in one or more instalments. You should contact the Finance office for further details.

### **Key points**

Avoid temptation (credit cards, store cards, personal loans...)

Help yourself by maximising income (using budget payments schemes, only making cheap rate telephone calls, claiming any benefits you are entitled to)

Set yourself a realistic budget and keep a close watch on where your money goes. If possible, keep a record of what you spend

Understand and take responsibility for your personal finances

If you know you are getting into financial difficulty: FACE IT. Don't try to ignore it and pretend it is not happening

When money, or the lack of it, starts causing you problems, seek professional help. Contact Student Services for an appointment with an advisor.

### **TOP TIPS FOR DEALING WITH DEBT**

- ✓ Get advice, talk to someone, come to Student Services and maybe the Counselling Service too as debt not only effects your bank balance but also the balance of your emotions. See a student adviser if the debt is external or is with the University e.g. accommodation bill, tuition fees or library fines
- ✓ Don't panic and sweep the matter under the carpet because it won't go away and it may well get worse. The sooner you tackle it, the sooner you can start to sort the problems out
- ✓ Open your post
- ✓ Don't ignore court summonses
- ✓ Get in touch with all your creditors, (the people you owe money to) straight away and explain your difficulties, in person, by letter or over phone. They will be much more sympathetic if you get in touch with them and are seen to making an effort to sort out your difficulties.

## **Section 4 - Planning Your Finances**

- ✓ Make sure you tackle your priority debts first: i.e. rent, gas, electric, council tax, before credit and store cards or your bank overdraft, the reason being that they can cut off your electricity, or evict you but store cards would have to take you to court
- ✓ Don't just exceed your overdraft without letting the bank know, if you do they may demand your cards and cheque book back or the whole overdraft
- ✓ If the first person you speak to is unhelpful, ask to speak to someone more senior who may be able to agree to what you want to do
- ✓ Don't give up trying to reach an agreement even if creditors are difficult.
- ✓ Always keep copies of any letters you send or receive
- ✓ Use a personal budget sheet to show to your creditors as proof of your difficulties and to use to make an offer of payment. Advisers in Student Services can write to creditors for you and they may respond better to headed notepaper
- ✓ Only make repayment offers that you can realistically stick to, even if it appears very small.