

# Guidance on Single Financial Assessment and Self Certification

## Table of Contents

Introduction .....	2
Policy .....	2
Single Financial assessment (SFA).....	2
Self Certification (SC).....	3
Determining if an application can be assessed using SFA or SC..	3
Administration .....	4
Administering SFA and SC.....	4
SFA students – check with the previous application.....	5
SC students - check with the previous application .....	5
Exclusions From SFA and SC .....	5
Initiating an immediate check of income.....	7
Pending cases where the LA conducts an immediate check.....	7
Retrospective Validation Checks.....	7
Administering the retrospective validation checks .....	8
Annex A - Single Financial Assessment/Self Certification Sample checking exercise .....	10
2009/10 applications A guide to reassessments .....	10
2009/10 applications A guide to reassessments – NMTO.....	13

## Introduction

- C1. Single Financial Assessment (SFA) and Self Certification (SC) are assessment options whereby continuing students who fulfil certain criteria are not required to provide either full sponsor financial details or supporting evidence at the time of their renewal application. The LA determines if an application can be assessed using either of these options and indicates this on the student record. Later in the year (normally November or December) a report is run to select a percentage (as required by the Department) of these cases for sample checking. Letters are then sent to the student's sponsor(s) requesting full information and evidence; Section 9 of the PR1 informs sponsors that this may be asked for at a later date.
- C2. For the 2009/10 academic year LAs will continue to assess applications from continuing students using Single Financial Assessment (SFA) and Self Certification (SC).
- C3. SFA and SC only apply to continuing (PR) applications and only apply to the income assessed elements of student support.

## Policy

### Single Financial assessment (SFA)

- C4. Students who are continuing in higher education, including those repeating a year of study, do not need to provide income details or supporting evidence (in relation to the loan and fee assessment) for their sponsor(s) at the time they apply provided that:
- the income of their sponsor(s) in the 2008/09 application has been declared as being lower than the relevant threshold applicable in 2009/10; and
  - the same sponsor(s) are declaring in the student's 2008/09 application that their income is below the relevant threshold applicable in 2009/10.

The SFA thresholds for 2009/10 are as follows:

- for **dependent** students the threshold is £15,000 or less in both the 2008/09 and 2009/10 applications
  - for **independent** students the threshold is £15,000 or less in both the 2008/09 and 2009/10 applications.
- C5. These thresholds will mean that assessments of the Higher Education Grant & Maintenance Grant will be made on the basis of full financial details being provided while at the same time allowing people on low incomes to benefit from SFA. It will also mean that some students will fall out of SFA as their income in their 2008/09 application was higher than the new threshold in place for 2009/10. However, the PR1 application forms have made the new threshold requirements clear so it is expected that only those that qualify – that is, have income under £15,000 in both of the relevant financial years - will apply to be assessed under SFA.

### **Self Certification (SC)**

- C6. Continuing students whose sponsor income is above the SFA threshold, but who wish to be income assessed, are required to provide the financial details requested by the form in relation to their loan and fee and HE Grant & Maintenance Grant assessment, but are not required to submit that evidence at the time of their application.

### **Determining if an application can be assessed using SFA or SC**

#### **Where the student was not assessed under the SFA or SC procedures for 2008/09**

- C7. For a continuing student to be assessed using either of these options in 2009/10 each sponsor (parent/ spouse/ partner) named in the 2009/10 application must have confirmed their income as part of the student's application in the preceding academic year, 2008/09.

This means that: where a student was not assessed under either the SFA or SC procedure for 2008/09, each sponsor named in their 2008/09 application must have:

- provided income details in relation to the assessment of the student's loan and fee entitlement within the 2008/09 application form;
- signed the 2008/09 application form; and
- provided all supporting evidence requested in relation to the assessment of the student's 2008/09 loan and fee entitlement.

Where the income details and evidence has not been obtained for 2008/09 the student does not qualify to be processed under SFA or SC procedures in 2009/10.

#### **Where the student was assessed under the SFA or SC procedures in 2008/09**

Each sponsor named in their 2008/09 application must have either:

- indicated their income was below the SFA threshold within the student's 2008/09 application form and signed the form;

or

- provided income details in relation to the assessment of the student's loan and fee entitlement within the student's 2008/09 application form and signed that form.

- C8. Where the sponsors have not provided information as detailed in the two bullet points above the student does not qualify to be processed under SFA or SC procedures in 2009/10.

#### **Where full information was provided previously in respect of a sibling**

- C9. No students applying for support for a period of study for the first time in 2009/10 will be eligible to be assessed under SFA or SC, even where their sponsor(s) provided the necessary confirmation of income in respect of a sibling's 2008/09 application.

C10. All new student applications will be required to supply full details and evidence in 2009/10 if they wish to be income assessed.

#### **Where a student has withdrawn from a previous course**

C11. Where a student has withdrawn from a previous course and is restarting a new period of study in 2009/10, even though full details and evidence may have been supplied previously and the student may have been assessed under SFA or SC, they will not be eligible to be assessed under SFA or SC for 2009/10.

### Administration

#### **Administering SFA and SC**

C12. When a PR1 or a PFF2 is returned by the student, the LA should check that the appropriate declarations of the application have been signed. In the case of online applications students and sponsors are asked to confirm online that the information they supplied is correct; a physical signature is captured from students later in the process. The system will make an initial decision of whether the application can be assessed under SFA or SC on the basis of the information input. The system will automatically pre-populate the SFA and SC radio buttons in the Validate Evidence screen accordingly

C13. Currently all paper applications that fall under the Dependent Threshold of £15,000 in the previous AY are classified as evidence type SFA. If the sponsors choose to apply separately from the student they will complete a PFF2. If the sponsors are picked up in a subsequent SFA/SC sample check they are expected to complete their financial details on a PFF2 again with the same information. When the sponsor initially provides their financial details on a PFF2 at the same time as the application for student support the LA should manually classify the application as SC. By classifying them as SC the sponsors will be sent a communication which requests that they submit their evidence to support the application rather than having to submit the same financial information again on another PFF2.

C14. The system is unable to determine those cases which should be excluded from SFA or SC assessment. When processing the assessments, LA officers must ensure that the radio buttons that are set in the 'Validate Evidence' screen are appropriate for each application (see Section 14 of the LA Portal User Guide 'Validating Evidence').

C15. In order for the SFA and SC Sample Check (fully detailed later in this guidance) exercise to operate properly it's essential that these radio buttons are set correctly in each case. Further guidance on how these radio buttons should be set, in certain circumstances, is provided later in the 'Exclusions from SC and SFA' section.

C16. LAs should carry out a check during the approval process to ensure that this guidance is being followed and that SC and SFA radio buttons are being set correctly for each application.

C17. Students whose 2008/09 assessment is provisional because their application for any living costs grant has not been finalised are eligible to have their 2009/10 application for tuition fee and loan assessed under SC or SFA as appropriate, provided they meet the necessary criteria set out in this guidance.

C18. Where a sponsor indicates that they wish to be assessed using SFA or when considering continuing student applications using SC the LA must check the financial details that were provided when the student made their 2008/09 application for support. See C19 and C20 below.

#### **SFA students – check with the previous application**

C19. If the sponsor income declared in the 2008/09 application was above the current SFA threshold (£15,000) they do not qualify to be assessed under SFA for 2009/10. In these circumstances the LA must undertake an immediate check – see guidance on how to do this in the section on ‘immediate checks’ below.

#### **SC students - check with the previous application**

C20. If the income supplied on the 2009/10 application is less than the income provided in the 2008/09 application the assessment can still be made under SC but the LA user must select ‘Drop in income’ in the field ‘SC Type’ on the Validate Evidence screen. There is a specific target check for all cases where there has been a drop in sponsor income which will be carried out later in the year – see section on Retrospective Checks below.

#### **Exclusions from SFA and SC**

C21. LAs should ask sponsors to provide full income details and supporting documentary evidence for those cases which are excluded from SFA and SC and are listed below. As the system is unable to identify those cases that should be excluded from assessment under SFA or SC **it is critical that LAs follow the guidance on how the radio buttons in the Validate Evidence screen must be set in each case.**

#### **Where they have reason to be suspicious about any SFA or SC application**

- Where the LA, for whatever reason, is not happy to provide a final assessment under SFA or SC terms and requires full financial details and evidence to be provided before finalising the student’s student loan and fee support, then **it is for LAs to employ this check depending on the circumstances of each case.** LAs should ensure that the ‘Full Evidence’ or ‘Provisional’ (as appropriate) radio button is set in the Validate Evidence screen in these cases.

#### **Current year income cases**

- For students who have requested to be assessed on the income of their sponsor(s) in the tax year 2009/10, LAs should ensure that the ‘current income’ radio button is set in the ‘Validate Evidence’ screen as these applications cannot be assessed under SC or SFA.

#### **Cases where fee and loan entitlement for 2008/09 is provisional**

- LAs should ensure that when students whose 2008/09 application for loan and fee support has not yet been finalised and remains provisional at the time of their 2009/10 application, that the 2009/10 assessment is also set as ‘Provisional’ in the Validate Evidence screen and that the SFA and SC radio buttons are removed.

### **Cases assessed on student income only**

- In cases where the 2009/10 assessment is based solely on the student's income the system will default to the 'Full Evidence' radio button in the Validate Evidence screen.

### **When an applicant's status changes from dependent in 2008/09 to independent in 2009/10**

- This is either because the student may have married or turned 25 before the start of the academic year or may have become a parent or become financially responsible for a child. In which case the assessment will be made only on their own income and or partners income in the case of marriage/civil partnership. LAs should ensure that the 'Full Evidence' or 'Provisional' radio button is set for these cases in the Validate Evidence screen.

### **Cases where the applicant applied for non income assessed support in 2008/09**

- LAs should ensure that in cases where the student applied only for non-means tested (non-income assessed) support in 2008/09 but then makes an SFA or SC application in 2009/10 that the 'Full Evidence' or 'Provisional' radio button in the Validate Evidence screen is set, and that all evidence has been received.

### **Cases where the assessment has been reverted to non means tested (non-income assessed) only (NMTO) levels of support**

- Where an application has been reverted to NMTO levels of support either as a result of the 2008/09 SC/SFA, or the provisional reminder exercise and remains so at the time the 2009/10 application is being assessed, they should be excluded from SFA/SC. LAs should ensure that the 'Full Evidence' or 'Provisional' radio button is set in the Validate Evidence screen.

### **Cases where the applicant did not apply for support at all in 2008/09**

- Such students will not be able to meet the required confirmation of sponsor income (see paragraphs C3 C4 & C5 above). LAs should ensure that the 'Full Evidence' or 'Provisional' radio button is set for these cases in the Validate Evidence screen.

### **Cases where the applicant is restarting a new period of study in 2009/10, having withdrawn from their previous course**

- This is because such students might not be able to provide the required confirmation of sponsors' income – see paragraph C7 above.

### **Cases where the applicant would have qualified for SFA or SC but still provides full income details and documentary evidence**

- Where a continuing student submits income details and supporting documentary evidence (at the time of their application or later) LAs should ensure that the 'Full Evidence' or 'Provisional' radio button is activated in the Validate Evidence screen. This will ensure that the application will not be included in the sample checking exercise and therefore remove the risk of an unnecessary request for financial details and/or evidence being sent. **Note: This rule also applies in cases where partial evidence is supplied.**

### **Where a student applies for SFA in 2009/10 but in fact their sponsor's income was above the SFA threshold in 2008/09**

- The application does not qualify to be assessed under SFA as the sponsor's income needs to be below the threshold in the tax years assessed in both applications. LAs should ensure that the 'Full Evidence' or 'Provisional' radio button is set for these cases in the Validate Evidence screen.

### **Initiating an immediate check of income**

C22. In order to initiate the 'immediate check' for an applicant applying under the SFA process to deal with any of the 'exclusions' listed under C21 above, the LA must trigger the issuing of Letter 29 (REASSINCEVID) to each sponsor. The SLC will then send this letter to the student's sponsor(s) along with a PR2 form. LAs should ensure that in these circumstances they change the radio button in the 'Validate Evidence' screen to 'Full Evidence' or 'Provisional'.

C23. In order to initiate an immediate check for an applicant applying under the SC process, or to deal with any of the 'exclusions' listed under C21, the LA should send Letter 7 (SPONCHASE) to request the evidence required. A PR2 is not sent in these cases as the financial details would have been supplied on the PR1 form when the application was received.

### **Pending cases where the LA conducts an immediate check**

C24. In all cases where LAs conduct an immediate check, or request information to deal with a case that can not be assessed under SC or SFA, they should pend the application whilst awaiting full income details and supporting evidence from the student's sponsor. However, LAs have discretion over whether to assess the application provisionally awarding full support or assess the case as NMTO depending on the circumstances of each case.

### **Retrospective Validation Checks**

C25. A certain percentage of applications assessed under SFA and SC procedures are required to be checked retrospectively. These checks are a DIUS audit requirement. The system will be configured to make the following selection of cases.

### **SFA students**

- A 10% random sample of cases assessed under SFA (as indicated by the radio button set on the Validate Evidence screen) excluding any cases selected for immediate target check and any cases where an applicant qualifies for SFA but has mistakenly provided full income details and supporting evidence in their initial application.

SFA cases will be sent a PR2 form with a letter requesting them to provide the financial details requested on the form and the necessary evidence needed to support them.

### **SC students**

- 100% of all cases assessed under SC where the current application reveals a drop in income from the previous year, i.e. where the LA has indicated and selected 'drop in income' on the Validate Evidence screen.
- a random sample of 15% of all cases assessed under SC where the application was assessed based on sponsor income from self employment.
- a specific additional 15% check of students in their fourth year of study. This is required as an additional check to monitor students on longer courses.
- a random sample of 15% of all remaining applications assessed under SC.

*Note: cases where as a result of the assessment the student is not entitled to any means tested tuition fee grant support or living cost loan will be excluded from the SC/SFA sample checking exercise. Students who applied for NMTO support are also excluded.*

C26. Each of the SC checks is independent of each other. An application selected for the 100% 'drop in income' check therefore cannot be included in the 15% self-employed or random sample check.

C27. SC cases will be sent a letter specifying the range of evidence to be provided and identification slip so that the evidence can be easily linked to the case when it is received. A letter will also be sent to the student to inform them their application has been selected for a check and that their sponsor(s) are required to supply finance details and/or documentary evidence. The letters will be available on the LA homepage nearer the time.

### **Administering the retrospective validation checks**

C28. It is anticipated that letters will be sent to the sponsor(s) of the applicants who are selected through the sample checks during the period November 2009 to January 2010. Further details of this process will be sent to LAs separately, including instructions on when to commence the retrospective sample checking. For planning purposes, we will aim to provide LAs with more details on the checking arrangements for 2009/10 by late September 2009.

C29. LAs can run a report through the system to identify those cases that have been marked as being assessed under SFA/SC if they wish to. LAs may wish to use this report to perform a sample check of cases in order to check that the SC and SFA radio buttons have been set correctly. LAs choosing to carry out such a check will need to ensure this is done prior to running the exercise to select the sample of SFA and SC cases.

- C30. Following the issue of the letters, LAs will be able to run reports identifying students/sponsors who were selected for a sample check. In all cases of sponsors who don't respond to the initial letter requesting financial information, reminder letters will be issued (three weeks after initial letter). Following the issue of the reminder letters, LAs will again be able to run reports identifying those students/sponsors who were selected for a sample check but didn't return the requested information by the deadline date.
- C31. Details about how to carry out retrospective checks can be found in the LA Operations Manual.

## Annex A - Single Financial Assessment/Self Certification Sample checking exercise

### 2009/10 applications

### A guide to reassessments

**Process overview: Student is selected for sample checking - the application falls into one of the criteria specified in the SFA/SC guidance. A SAMPREQ (or SAMPREM in the case of reminders) is issued to each sponsor and a letter is sent to the student.**

**SFA = A completed PR2 (and evidence) is received.  
SC = Documentary evidence is received.**

**STEP 1: The first action that must be taken is to enter the date evidence is received in 'Validate Evidence' screen. This will ensure SAMPREM is not issued if evidence is still being dealt with in response to SAMPREQ. The date is entered next to one of the following data entry fields for each appropriate sponsor:**

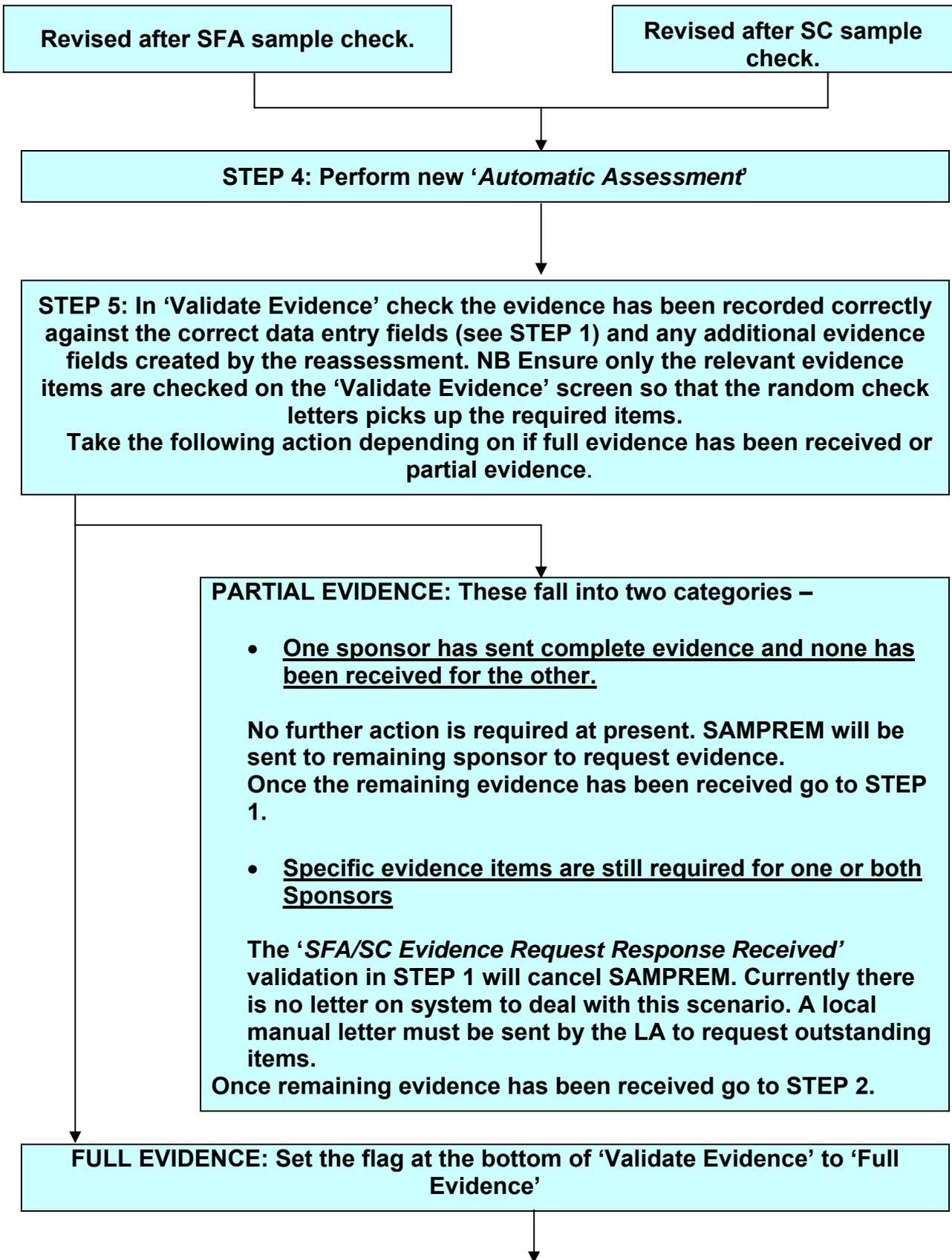
***SFA Evidence Request Response  
Received***

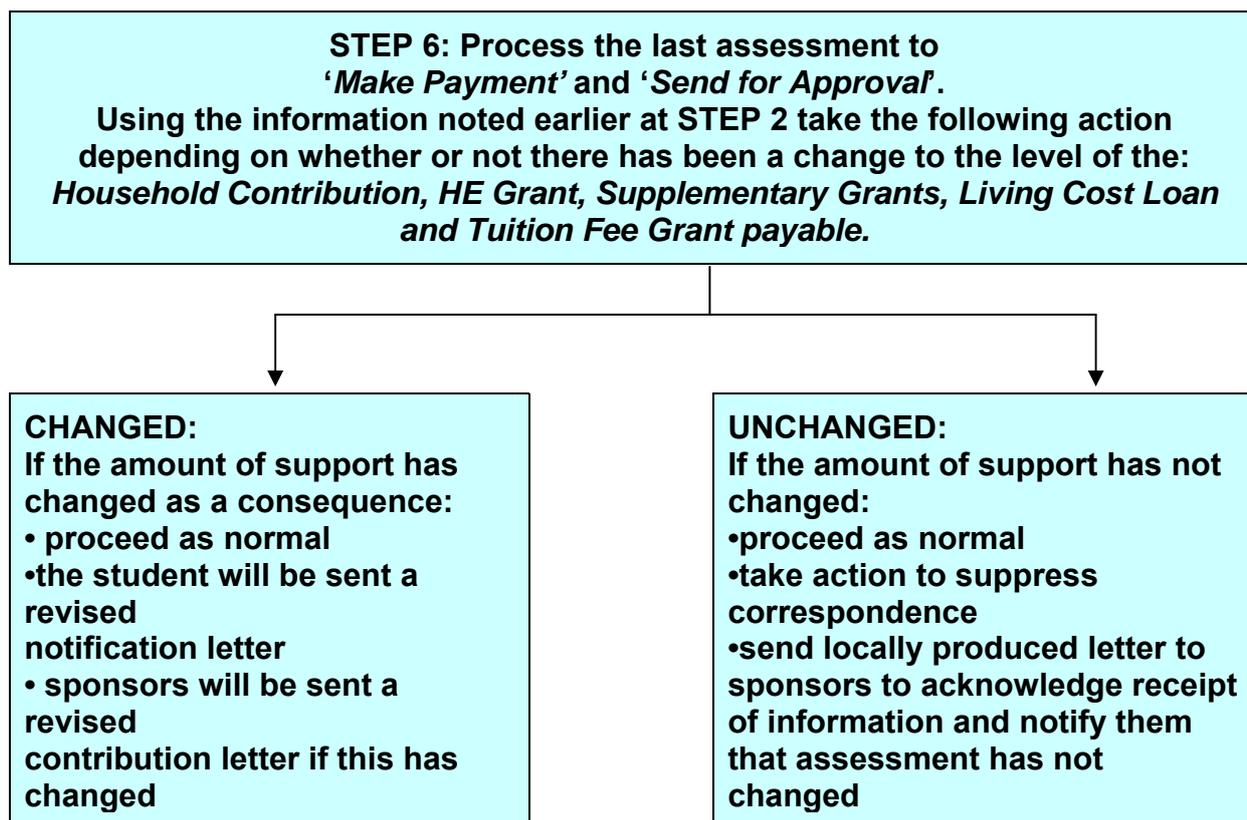
***SC Evidence Request Response  
Received.***

**If any evidence required has not been received for one or both sponsors go to STEP 5. If all evidence is received for all appropriate sponsors go to STEP 2.**

**STEP 2: Enter 'View' screen against the last assessment and make a note of the level of: *Household Contribution, HE Grant, Supplementary Grants, Living Cost Loan and Tuition Fee Grant payable.***

**STEP 3: Input the new financial data via the 'Change of Circumstances' screen. From the 'Type of change' pull down box select - 'Other'. From the 'Reason for change' pull down box you must select one of the reasons the as follows:**





Single Financial Assessment/Self Certification  
Sample Checking Exercise

2009/10 applications

A guide to reassessments – NMTO

**Process overview: no response is received from the SAMPREQ or SAMPREM. After a period of three weeks from the week in which the SAMPREM letter is sent, the application should be reverted to NMTO levels of support.**

**STEP 1: Run a report to establish those students who have failed to respond to the SAMPREM letter.**



**STEP 2: Process a reassessment to NMTO via the 'Change of Circumstances' screen. Indicate the 'Type of Change' as 'Other'. You MUST then select 'No response to Sample check' from the 'Reason for Change' pull down box.**



**STEP 3: Parents details – it is necessary to remove the links to the sponsors.**



**STEP 4: In the 'Your Details section' ensure the flag is reset to NMTO.**



**STEP 5: Perform new automatic assessment. This will reset the flag within the 'Validate Evidence' screen to 'Full Evidence'.**



**STEP 6: Approve assessment. The student will be sent a revised notification showing that NMTO support is now payable.**



**STEP 7: If documentary evidence is subsequently received a reassessment will need to be performed. In these cases you must select 'Change in household income' from the 'Reason for Change' pull down box.**