

STUDENT SUPPORT INFORMATION NOTE

**STUDENT SUPPORT REGULATIONS AND FINANCE
ARRANGEMENTS FOR ACADEMIC YEAR 2014/15**

TO:

HIGHER EDUCATION PRACTITIONERS
IN ENGLAND

SSIN 02/14

Updated 8 April 2015

Dear Colleague

**HIGHER EDUCATION STUDENT SUPPORT IN ENGLAND IN 2014/15:
THE EDUCATION (STUDENT SUPPORT AND EUROPEAN UNIVERSITY
INSTITUTE) (AMENDMENT) REGULATIONS 2013 (S.I. 2013 No. 1728)**

The Education (Student Support and European University Institute)(Amendment) Regulation 2013 (S.I. 2013 No. 1728) (“the 2013 Regulations”) were laid before Parliament on 11 July 2013. Provisions within these Regulations will come into force on 1 August 2013 and 1 September 2013, subject to consideration by Parliament.

The 2013 Regulations amend the following Regulations:

- The Education (Student Support) Regulations 2011 (“the 2011 Regulations” (S.I. 2011/ 1986))
- The Education (Student Support)(European University Institute) Regulations 2010 (“the 2010 Regulations” (S.I. 2010/447))

The 2013 Regulations amend the 2011 Regulations to increase the maximum maintenance grant, special support grant, adult dependants’ grant, childcare grant, parents’ learning allowance, disabled students’ allowances and loans for living costs for full-time students in respect of an academic year beginning on or after 1 September 2014. (An academic year beginning on or after 1 September 2014 is deemed to include courses starting on or after 1 August 2014.) They also increase the maximum loan for tuition for certain English domiciled students continuing their full-time courses in Northern Ireland in 2014/15. Maximum disabled students allowances for part-time, full-time distance learning and postgraduate students and the fee grant and course grant for certain continuing part-time students are also increased in respect of an academic year beginning on or after 1 September 2014.

The 2013 Regulations also amend provisions in the 2011 Regulations which set out maximum tuition loan caps for students who are taking Erasmus years, non-Erasmus

overseas study years or sandwich work placement years as part of their course at an institution in England or Wales. These changes will apply to students who started their courses on or after 1 September 2012 in respect of an academic year beginning on or after 1 September 2014.

The 2013 Regulations also replace the current definition of a 'publicly funded educational institution' in the 2011 Regulations in respect of automatic course designation with a new definition: 'authority funded educational institution'. This change will apply to new courses starting in the 2014/15 academic year and courses continuing in the 2014/15 academic year.

The 2013 Regulations make some minor technical changes and corrections to the 2011 Regulations which will apply to student support arrangements for the 2013/14 academic year.

The main changes to the student support package for the 2014/15 academic year, which are covered in Regulation 23 and the Schedule of the 2013 Regulations, were announced in Parliament by the Minister of State on 11 March 2013. This support package is set out in detail in SSIN 01/14 and the Financial Memorandum on the Student Finance England Practitioners Website. Additional policy and technical changes for 2014/15 are set out in the Annex below.

Electronic copies of the Education (Student Support and European University Institute)(Amendment) Regulations 2013 (S.I. 2013 No. 1728) and the accompanying Explanatory Memorandum can be downloaded from the 'legislation.gov.uk' website at:

<http://www.legislation.gov.uk/ukxi/2013/1728/contents/made> (Regulations).

<http://www.legislation.gov.uk/ukxi/2013/1728/memorandum/contents> (Memorandum).

Those organisations needing paper copies of the regulations and Explanatory Memorandum should phone, email or write to the Stationery Office (please see contact details below).

ORDERING COPIES OF THE STUDENT SUPPORT REGULATIONS

The Regulations can be ordered from The Stationery Office at:

TSO Orders/ Post Cash Dept
PO Box 29
Norwich
NR3 1GN
Telephone: 0870 600 5522
Email: customer.services@tso.co.uk
Online: www.tsoshop.co.uk

ENQUIRIES

If you have any queries about the Student Support Regulations, please contact, in the first instance, the Student Finance England Practitioner Support Team – telephone 0845 6020583; email SSIN_queries@slc.co.uk

ANNEX

1) Uprating the tuition loan for eligible continuing students studying at Northern Irish institutions in 2014/15: *regulation 9(d)*.

The maximum loan for tuition for full-time English domiciled students who started their courses before 1 September 2012 at Northern Irish institutions will be increased by 3.1% for 2014/15 to £3,685, in line with an equivalent increase to maximum tuition fees at Northern Irish institutions for this group of students in Northern Ireland.

2) Changes to maximum fee loans for students undertaking Erasmus study and work placement years abroad and non-Erasmus years of study abroad: *regulations 4(b),4(c),4(e), 7(a)-(c),9(b)-(d), 9(f),9(h), 11, 12*.

Currently full-time students undertaking a study or work placement (or combination of both) Erasmus year (European Region Scheme for the Mobility of University Students) are entitled to a fee waiver. The 2011 Regulations provide that this group of students are not entitled to apply for fee loans.

In addition, full-time students undertaking overseas years of study that are not Erasmus years where the period of full-time study in the United Kingdom is less than 10 weeks, are charged a half-rate fee. The 2011 Regulations provide that this group of students are entitled to apply for a fee loan of up to £1,725 where their course started before 1 September 2012, or up to £4,500 /£3,000 (for public /private providers) where their course started on or after 1 September 2012. These amounts are 50% of the maximum loan caps.

For the 2014/15 academic year, new arrangements will apply to eligible students starting their courses at institutions in England on or after 1 September 2012 who are taking an Erasmus study year or Erasmus work placement year abroad. Institutions in England will be able to charge this group of students up to 15% of the maximum fee caps for 2014/15: £1,350 for students attending institutions where the higher (£9,000) fee amount is permitted and £900 for students attending institutions where the basic (£6,000) fee amount is permitted. The 2013 Regulations amend the 2011 Regulations to allow this group of students to apply for a tuition fee loan of up to £1,350 to cover these costs.

The 2013 Regulations also amend the 2011 Regulations to allow students who started their courses at institutions in England or Wales on or after 1 September 2012 who are undertaking overseas years of study that are not Erasmus years to apply for a fee loan of up to £1,350 to cover the costs of their fees. This means that from 2014/15, students who started their courses on or after 1 September 2012 who are on either Erasmus study / work placement years or non-Erasmus overseas study years will be treated the same with respect to their tuition fee and loan arrangements.

Students starting their courses at institutions in Wales on or after 1 September 2012 who are undertaking an Erasmus study or work placement year or a non-Erasmus overseas study year in 2014/15 will also be charged up to £1,350 in fees and be able to apply for a fee loan of up to £1,350.

These changes will not apply in 2014/15 to students starting their courses at institutions in Northern Ireland and Scotland, or those who started courses at institutions in England or Wales before 1 September 2012. In 2014/15, these categories of student will continue to be subject to the student support arrangements that applied in 2013/14 in respect of Erasmus study or work placement years or non Erasmus overseas study years.

3) Changes to maximum fee loans for students undertaking work placement years on sandwich courses: regulations 9(b)-(d),9(f),9(h).

Currently, full-time students undertaking work placement years on sandwich courses where the period of full-time study at the institution is less than 10 weeks, can apply for a fee loan of up to £1,725 where their course started before 1 September 2012, or up to £4,500 /£3,000 (for public /private providers) where their course started on or after 1 September 2012. These amounts are 50% of the maximum loan caps.

For the 2014/15 academic year, new arrangements will apply to eligible students starting their courses at institutions in England on or after 1 September 2012 who are taking a sandwich work placement year either in the UK or abroad. Institutions in England will be allowed to charge this group of students up to 20% of the maximum fee caps for 2014/15: £1,800 for students attending institutions where the higher (£9,000) fee amount is permitted and £1,200 for students attending institutions where the basic (£6,000) fee amount is permitted. The 2013 Regulations amend the 2011 Regulations to allow this group of students to apply for a fee loan of up to £1,800 to cover these costs.

Students starting their courses at institutions in Wales on or after 1 September 2012 who are undertaking a sandwich work placement year in 2014/15 will also be charged up to £1,800 in fees and be able to apply for a fee loan of up to £1,800.

These changes will not apply in 2014/15 to students starting their courses at institutions in Northern Ireland and Scotland, or those who started courses at institutions in England or Wales before 1 September 2012. These categories of students will continue to be subject to the student support arrangements that applied in 2013/14 in respect of sandwich work placement years in 2014/15. Sandwich placement years exclude Erasmus work placement years for which different charging arrangements apply.

4) Automatic course designation: regulations 5(a),5(c),18(a),18(b),20(a),20(b).

The 2011 Regulations currently stipulate that higher education courses provided by “publicly funded” institutions are designated courses for student support purposes. They define “publicly funded” as meaning maintained or assisted by recurrent grants out of public funds, with “public funds” meaning “moneys provided by Parliament or by a government authority outside the United Kingdom”. This means that some publicly funded institutions which are not funded by HEFCE are currently able to get automatic course designation

because of their publicly funded status and are therefore outside any system of student number controls (which only apply to HEFCE-funded institutions).

For the 2014/15 academic year, the 2013 Regulations amend the 2011 Regulations to narrow the definition for automatic designation to courses provided by or on behalf of “authority funded” educational institutions (defined as the Higher Education Funding Council for England (HEFCE) or equivalent funding bodies in the Devolved Administrations). Publicly funded institutions which are not funded by HEFCE or by an equivalent funding body in the Devolved Administrations will no longer be eligible for automatic course designation and will be expected to follow the specific course designation application process.

This change will apply to new courses starting in 2014/15 and courses which are continuing in 2014/15.

5) Changes to definition of ‘residency’ for tax purposes: *regulations 22, 24.*

When a student’s household income is calculated for student support purposes, it is normally based on the taxable income of the student’s parents or in the case of an independent student, the income of the student and the student’s partner. Taxable income is defined in the 2010 Regulations and the 2011 Regulations as income from all sources computed for the purposes of the Income Tax Acts and/or the income tax legislation of another EU member state. However where parents are not resident, ordinarily resident or domiciled in the UK or in another EU Member State, some of their income may not fall within the definition of taxable income in the 2010 Regulations and 2011 Regulations. In such circumstances both sets of Regulations stipulate that this income will be treated as taxable income in the household income assessment.

The Government is abolishing the concept of ‘ordinary residence’ in respect of income tax legislation with effect from 6 April 2013. This means that current references to ordinary residence in respect of income tax legislation in the 2010 Regulations and 2011 Regulations will no longer be applicable from 6 April 2013.

The 2013 Regulations remove references to ordinary residence in relation to the household income assessment from the 2010 Regulations and 2011 Regulations. References to ‘resident’ in relation to the household income assessment will remain in both sets of regulations and will cover the ‘ordinarily resident’ definition in respect of UK tax legislation. The reference to ‘ordinarily resident’ in respect of income tax legislation of another EU Member State is also being removed from both sets of regulations.

These changes will apply to new and continuing full-time students applying for support in the 2013/14 academic year. They do not apply to other references to ordinary residence in either the 2010 Regulations or the 2011 Regulations.

6) Removal of reference to courses in youth and community work: *regulation 21.*

Schedule 2 of the 2011 Regulations 2011 lists courses that are designated for support including 'a course for the further training of youth and community workers'. A separate definition for these courses is not required in these regulations as undergraduate courses in youth and community work are covered elsewhere in Schedule 2. The 2013 Regulations remove the reference to 'a course for the further training of youth and community workers' from the 2011 Regulations. This change will apply to new and continuing students applying for support in the 2013/14 academic year.

7) Recovery of overpayments of loans for living costs and long courses loans: *regulations 15,16*

The 2013 Regulations amend provisions of the 2011 Regulations which allow the Secretary of State to deduct overpayments of living costs or long courses loans from future payments of loan. The provisions are amended to make it clear beyond doubt that overpayments of either loan payable under Part 6 of the 2011 Regulations can be recovered from future payments of either loan. This change will apply to new and continuing students applying for support in the 2013/14 academic year.

8) Living costs support for disabled students undertaking full-time courses by distance learning: *regulations 5(b),6,10,13,14*

Eligible students starting full-time distance learning courses before 1 September 2012 qualify for part-time fee grants and course grants, and those starting full-time distance learning courses on or after 1 September 2012 qualify for full-time fee loans. Most students undertaking full-time distance learning courses do not qualify for full-time maintenance grants, dependants' grants or loans for living costs, as students must be attending their courses to qualify for these grants and loans. The exception to this rule relates to students who are undertaking a course by distance learning because they are unable to attend any full-time course for a reason related to their disability. This can be a full-time course that normally requires attendance or a full-time distance learning course. The 2013 Regulations amend the 2011 Regulations to make it clear that disabled students who are unable to attend any full-time course due to their disability are eligible to apply for full-time maintenance grants, dependants' grants or loans for living costs if they are undertaking by distance learning, a full-time course or a full-time distance learning course. This change will apply to new and continuing students applying for support in the 2013/14 academic year.