

FACTSHEET

Money for Lone Parent Full-time Students Entering Higher Education 2008-2009



This factsheet gives a brief overview of financial and other help you may be entitled to if you are a lone parent studying or considering studying a course of Higher Education (HNC, HND, Degree, etc.) This is meant as a guide only, there are exceptions to the basic entitlements given here so always check with the Student Award Agency for Scotland (SAAS) or with a Student Financial Adviser at the university before committing yourself.

(Please note students studying health related courses are funded differently. Seek advice from SAAS or call the OPFS Helpline)

Eligibility and Residency Requirements

Scottish students and students who have been resident in Scotland for three years or more who are doing a first degree do not normally have to pay fees. EU students who are living in Scotland by the start of their course and who resided in the EU for the 3 years before the course started are eligible for fees to be paid. They can also apply for a loan and grants. Students from EU8 countries also need to have registered with the Workers Registration Scheme. Students who do not fulfil these conditions may still be entitled to some support. Check with SAAS for more details.

Proof of Circumstances

SAAS will ask you for proof that you are a lone parent when applying for financial support. A Tax Credit Award letter stating you are a lone parent is acceptable. If you cannot produce that, a letter from a professional will do, your GP for example. Continuing students will have to prove they are lone parents at the start of each academic year.

Financial Support

The money you get to live on while studying comes mainly in the form of a Loan, Grants, the Young Students' Bursary and Child Tax Credits. Which of these and how much you get depends on your circumstances. Earned income and Child Tax Credit do not affect the loan and grants but other *unearned* income, such as Working Tax Credit, maintenance, a pension or trust income do, check with SAAS.

Mature Students

(Students 25 years of age or over at start of course.)

Mature students' income consists of a Student Loan, Lone Parent Grant, Child Tax Credit and Child Benefit.

The Student Loan

The maximum loan for mature students is £4510 p/a. This is for a course of typical length, longer courses may get more. Application should be made through SAAS.

The loan must be repaid once gross income is more than £15,000 per annum. Repayment does not commence until the April after the course is completed and is made through Her Majesty's Revenue & Customs. The amount owed will be uprated annually in line with inflation from the date the loan is taken. The following table illustrates the weekly repayments at different income levels:

Income	Monthly Repayment
£15,000	£0
17,000	15
20,000	37
25,000	75
30,000	112
35,000	150

The repayment of student loans will be considered a "priority" and will take precedence over other financial commitments (i.e. mortgage, living expenses etc.)

Lone Parent Grant

The Lone Parent Grant is for students bringing up dependent children on their own. The maximum amount is £1270 p/a. It does not need to be paid back. Applications should be made to SAAS.

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All fact-sheets are available free to lone parents. Ring 0808 801 0323 for copies or see www.opfs.org.uk

Child Benefit and Child Tax Credit

Students can claim Child Benefit and Child Tax Credit in addition to the Student Loan and Lone Parent Grant.

Child Benefit

Anyone with children can claim Child Benefit. Child Benefit for the 1st child is £18.80. Child Benefit for subsequent children is £12.55.

If you are sharing the parenting of your child/ren with your ex-partner, you will not be allowed to split the Child Benefit for an individual child.

Child Tax Credit (CTC)

This money is paid to families on a low income and is means tested however most lone parent students will get the full amount. It is administered by Her Majesty's Revenue & Customs and can be claimed directly from them.

Family Element	£10.50
" " (baby addition)	£10.50
(Only 1 per family for the first year)	
Child Element (per child)	£40.04
Disabled Child Element	£48.72
(for child in receipt of DLA)	
Severely Disabled	
Child Element	£19.60
(for child in receipt of DLA highest rate care component)	

Young Students

(Students under 25 years of age at start of course.)

Young students' income mainly consists of a Young Students' Bursary, Student Loan, Lone Parents Grant, Child Tax Credit and Child Benefit. Young students who have children are assessed by SAAS as

Freephone Helpline 0808 801 0323 Monday to Friday 9.30am-4.30pm

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independent students therefore their parents' income will not be taken into account when making an award

Young Students' Bursary

The 'Young Students Bursary' (YSB) is money given to 'young' students allowing them to reduce the amount of loan they need to borrow. The amount of bursary received depends on the student's household income. The maximum amount is £2575. If students reach the age of 25 while studying they will continue to receive the YSB until the end of their course. The bursary does not need to be paid back. Apply to SAAS.

Additional Loan

There is an additional loan of up to £590 for students who get the YSB.

Lone Parent Grant

(See previous page)

Student Loan

The maximum loan is £995 or £1935 depending on whether the student says with his/her parents or not.

The loan needs to be paid back.

Applications are made through SAAS

Child Benefit and Child Tax Credit

(See previous page)

Part-Time Students.

Generally loans and grants are not available to part-time students. If this is the case, part-time students can make a claim for Income Support on the grounds that there is no other financial support available. (See below). However, there may be help with fees. Contact SAAS for details.

Additional Help and Financial Support

Student Financial Adviser

Universities and colleges employ Student Financial Advisers who give students information on the money they may be entitled to while studying. Any student unsure of their entitlements or who is in financial difficulty should speak to this adviser *before* making any decisions or taking any actions regarding their course.

Advance Payment

The first payment of the Lone Parents' Grant is usually made at the start of the academic year (October), rather than the start of the course. If this causes hardship, tell the Student Awards Agency and ask them to issue the grants earlier. If you do

receive the grants early and fail to start the course, you will be expected to pay the grants back.

Income Support (IS)

Jobcentre Plus will assume that a lone parent has taken out the loan and grants if they are entitled to them. Therefore anyone studying full-time at college or university will not have the option to remain on Income Support if their course qualifies for the loan and grants. Conversely, if for any reason, a lone parent does not qualify for the loan and grants, they may remain on or claim IS if they meet the criteria.

Lone parent students can make a claim for IS during the summer holidays as the student loan and grant does not normally cover this period. Maintenance is taken into account as income when calculating entitlement to IS. If you qualify for IS you may also get Housing Benefit. Notify your Housing Department if an award for IS is made.

(NB. The rules for claiming IS are changing. From 27.10.08 lone parents with a youngest child of 12 years or older will not be able to claim IS and at present regulations prevent most students from claiming Job Seekers Allowance. This means that some lone parent students may have to find employment during the summer breaks. The new regulations regarding this situation are unclear at time of going to print. Students should check with Jobcentre Plus or call the OPFS Helpline. See Factsheet 1'Money' for more information on IS)

Lone Parent under 18	£47.55
Lone Parent 18 or over	£60.50

Working Tax Credit

Lone parent students who work 16 hours or more per week can apply for Working Tax Credit (WTC). Earned income does not affect entitlement to student loan and grants but WTC does. For more information on Tax Credits, see our Fact Sheets 9 and 10 'Going Back to Work' or contact Her Majesty's Revenue & Customs on 0845 300 3900.

Free School Meals and Passported Benefits

Students not working or working less than 16 hours per week and with an income of under £15,575 can get free school meals for their children. Application forms can

be obtained from the school. Lone parent students who get tax credits and have an income of under £15,050 can get passported benefits such as free prescriptions, help with cost of dental treatment, glasses and travel to hospital.

Travelling Expenses

You may claim for travel expenses but this help is means-tested. The amount you receive will be based on the cheapest transport available, normally bus or train pass. The first £155 of a claim will not be paid. Claim forms and more details are available from the Student Awards Agency for Scotland (See Further Information).

Childcare Fund

The Childcare Fund is open to all students who pay for registered childcare. The fund is limited by demand and childcare costs are given at the discretion of the college/university. Apply directly to the university.

Childcare Grant for Lone Parents

A grant of up to £1185 a year is available for 'formal' childcare. The amount received is dependent on the cost of childcare received. The grant is available from SAAS and should be applied for when applying for the loan and other grants.

Discretionary Fund

You may be entitled to financial help from the Hardship Fund, especially if you are having difficulties meeting living costs. Ask the Student Financial Adviser at the college/university where you are studying for details.

Maintenance

Maintenance is taken into account when calculating student loan and grants with few exceptions. Contact SAAS if your circumstances are unusual.

Housing Benefit

Housing Benefit entitlement is affected by earnings, loan/grant and tax credits.

How Housing Benefit is calculated

Worked example

A lone parent with one child (aged 6yrs) and eligible council house rent of £450 per month or £103.85 per week.

A. First, it is necessary to calculate the weekly student income for Housing Benefit purposes.

1. Subtract Books/Equipment Disregard £370 and Travel Disregard £290 from Student Loan. (2007/2008 rates). These are set disregards for students outwith London. Divide the remainder by 43 weeks of the year:

Subtract from Loan:	£4510
Books/Equipment Disregard	£370
Travel Disregard	£290
Total:	£3850

Divide by 43 weeks in the year: 89.53

2. Subtract Loan Disregard (£10) from (1).

£89.53 - £10.00 = £79.53

3. Divide Lone Parents' Grant by 43 weeks:

Lone Parent Grant	£1270
Divide by 43 weeks =	£29.53

4. Add (2) and (3) weekly Child Benefit and Child Tax Credit together.

Weekly Grant	£29.53
Student Loan	£79.53
Child Benefit	£18.80
Child Tax Credit	£50.54

Total Income £178.40

This gives the weekly student income.

B. Calculate the Applicable Amount by adding the appropriate allowances, credits & premium from the list below:

Housing Benefit Rates

Personal Allowances

Lone Parent under 18	£47.95
Lone Parent over 18	£60.50

Dependant Child Allowances per child

birth to age 20	£52.59
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Premiums

Family	£16.75
Family (before 5/4/98)	£22.20
Family Baby Addition	£10.50

There are also a number of disability premiums. Check with OPFS for details.

For this example, the applicable amount is:

Adult Allowance	£60.50
Child Allowance	£52.59
Family Premium	£16.75
Total	£129.84

5. Apply Taper if necessary

Income of £178.40 is greater than the Applicable Amount (£129.84), so taper is applied.

Housing Benefit is reduced by 65% of the difference between applicable amount and income.

£178.40 - £129.84 = £48.56

£48.56 x 65% = £31.56

Students get housing benefit of rent minus taper.

£103.85 - £31.56 = £72.29 Housing Benefit Pays £31.56 rent

When to notify the Housing Benefit Department

Your change of circumstances for Housing Benefit purposes takes effect from the 1st benefit week in September and concludes during the last benefit week in June. If your course starts before that week, your change of circumstances is calculated from the 1st benefit week of your course. You should let your Housing Benefit Department know before these dates.

Council Tax

Full time students do not pay Council Tax unless they have other non-student adults living with them.

Help for Students with Disabilities.

Carers' Allowance

Full-time student are not entitled to claim Carers' Allowance.

Incapacity Benefit

Students can get Incapacity Benefit (IB) but may be re-assessed for it on becoming a student and as a result may lose it. Students need to be aware of this possibility and get advice when considering studying. It is expected that students getting IB should be entitled to the Employment and Support Allowance that replaces it in October 2008. Students should talk to their Student Financial Adviser regarding this.

Disabled Students' Allowance

Students who have a disability may be entitled to extra financial help to cover personal help and specialist equipment they may need while studying. Help may be substantial. Contact SAAS for more details.

Further information:

Student Awards Agency for Scotland (SAAS)

Gyleview House, 3 Redheughs Rigg,
Edinburgh EH12 9HH
Tel: 0845 111 1711
Email: saas.gov.uk/contact.htm
Web: www.saas.gov.uk

Student Loans Company Ltd

100 Bothwell Street, Glasgow G2 7JD
Tel: 0845 026 2019
www.slc.co.uk

Tax Credit Helpline

Tax Credit Helpline: 0845 300 3900
8am-8pm 7 days a week