

# Students: eligibility, conditionality and student income

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## Eligibility

### Receiving education

It is a basic condition of Universal Credit entitlement that a claimant should not be receiving education. Most people receiving full-time education are expected to be supported by their parents (as a qualifying young person if in a benefit unit), or by using any available student income such as a loan or grant.

It is important that Universal Credit does not duplicate support available from other sources - so a full time student cannot usually get Universal Credit unless one of the following exceptions applies:

- young people up to age 21 in full time non-advanced education only
- others that are receiving full time education

Students may claim Universal Credit if they are in one of these exception groups.

### Young people up to age 21 in full-time non-advanced education only

A young person who is without parental support will be able to qualify for Universal Credit if they are on a full-time course of non-advanced education or training which started before they reached 21, or reaches age 21, whilst undertaking the course.

They can remain on Universal Credit until:

- the end of the academic year in which they reach 21
- the end of the course if earlier
- For more information about what it means to be without parental support, see Under 18s under the heading 'Young people without parental support'.

### Others who are receiving full-time education

A student may qualify for Universal Credit whilst on a full-time course if they are:

- a student with a child or children in their benefit unit (this includes lone parents, couples, adopters and foster carers and where either both of them, or just one of them, is a student)
- a student over the State Pension Credit qualifying age (SPCQA) if a member of a couple and the other person in under SPCQA
- a student who is living with a partner and they're eligible for Universal Credit
- a disabled student who has already been determined as having Limited Capability for Work or Limited Capability for Work and Work Related Activity and in receipt of one of the following qualifying benefits:

- Disability Living Allowance or Personal Independence Payment
- **Child Disability Payment (CDP)** in Scotland
- Attendance Allowance
- Armed Forces Independence Payment.

If a disabled claimant is a student at the time of claiming (or becomes a student during the Universal Credit claim) and is not receiving one of the qualifying benefits or the Work Capability Assessment process has not been completed, the type of course they are doing will determine if they have entitlement to Universal Credit.

A claimant who is not in one of the exception groups and is in full-time advanced education (or any other full time course of study or training for which a maintenance loan is available), will not be entitled to Universal Credit from the date they start the course.

This also includes any other course (full-time or part-time) that is not compatible with their work-related requirements.

### **Other course of study or training**

This is where a claimant is not a qualifying young person and is doing any other:

- part-time course
- full-time course non-advanced/vocational study or training without the provision of a loan or grant for maintenance

This is not treated as being in education under the basic conditions of entitlement if they are still able to meet any work-related requirements placed upon them.

These students must meet all of their conditionality requirements and meet the work - related activities set - including availability for work if that requirement applies. In some cases, continuing the course may be included as a work-related requirement if it gives the claimant the best chance of securing work.

Otherwise, the claimant must be prepared to rearrange or stop the study to complete work activities or to take up work and they must not restrict their availability.

### **Break in a full time course of education**

A claimant who is otherwise a student in full-time education may be entitled to receive Universal Credit for a period that they take a break in their course if they:

- have taken a break from their course with the agreement of the education provider because they are ill or are caring for someone; and
- have recovered from an illness, or stopped caring for someone within the last year but have not yet returned to their course; and
- they are not eligible for a grant or student loan during this period

### **Part-time education**

A student in part time education may qualify for Universal Credit if they can meet the conditions of entitlement and their work-related requirements. If they cannot meet work-related requirements, they will qualify for Universal Credit if they are in one of the exception groups.

### **Exam only students**

Students with 'exam only' status do not attend classes on a formal basis, but do sit exams at the end of the relevant term.

From the first day of the course through to the last day of the final year of the course, students with 'exam only' status are considered to be in education and are therefore not entitled to Universal Credit unless they satisfy any of the exception criteria.

Students who are 'exam only' are often not eligible for student finance – however, this would be determined by the Department for Education.

### **Modular courses**

A modular course is a course which consists of 2 or more modules.

All the modules specified for that course have to be successfully completed for the student to be considered as having completed the course.

Modular course students are considered to be in education from the first day that study on their modules begin through to the last day they are registered as undertaking the course - including when a student has had to re-take modules or exams. They are not entitled to Universal Credit during this time unless they satisfy exception criteria.

The claimant can obtain confirmation of their course end-date from their course provider.

### **Conditionality**

#### **Work-related requirements for 'receiving education' exception groups**

The following students who are able to claim Universal Credit must be placed in the No Work Related Requirements regime:

- a young person up to the age of 21 in non-advanced education and without parental support
- a qualifying student receiving education where student income is being taken into account

If the qualifying student in full-time education does not have student income taken into account, they must be placed in the Labour Market regime based on their other circumstances (for example, as if not in full-time education) and they will be expected to meet their work-related requirements.

#### **Breaks for students in full-time education exception groups**

If a break in the course has been agreed and the student income is withdrawn or suspended, the claimant must move to the Labour Market regime that fits their other circumstances.

If the student income continues during the break (or part of the break), No Work Related Requirements must continue to be applied during this period.

Any relaxation of work-related requirements will not apply during any long vacation (usually the summer holiday) when the claimant must be placed in the Labour Market regime based on their circumstances as if not in full time education.

### **Part- time courses**

Part time students, including post graduate degree students, with or without student income do not need to meet the full time education exception criteria. If they can meet their work-related requirements they are eligible for Universal credit and placed in the Labour Market regime that fits their circumstances.

The claimant is expected to meet all their work related requirements (including availability) and must manage any course attendance and work outside of this time. If the course is work-related, the work coach may consider if it is a suitable work preparation activity.

Part-time students whose study is not compatible with their work-related requirements are counted as 'receiving education' and are not entitled to Universal Credit unless they meet the exception criteria.

Their work-related requirements will depend on which type of student income they receive:

- Postgraduate Master's Degree Loan for students resident in England – part time students with this loan will be subject to work-related requirements that fit their other circumstances
- Postgraduate Master's Degree Loan for students resident in Wales, and all students receiving a Doctoral Degree loan – part time students with these loans will not be subject to work-related requirements
- Students who meet the exception criteria and who receive any other form of student income that is taken into account will not be subject to work-related requirements

### **Work preparation requirement**

Courses of education and training can be treated as a work preparation requirement if the work coach is satisfied that the course will help the claimant move into work. The time spent on the course can be deducted from the hours of work search the claimant is expected to do.

## **Income**

### **Student income**

Students in advanced education can normally receive financial support which provide for their basic maintenance and living expenses.

These include:

- loans
- loans and a combination of grants or bursaries
- grants and/or bursaries

The loan available to the claimant (whether or not they take up the maximum amount) is taken into account when calculating the Universal Credit award.

A claimant is treated as having student income in:

- the assessment period in which the course begins
- the assessment period in which the second or subsequent year begins and where the course lasts for two or more years
- any other assessment period in which the claimant is doing the course, but excluding an assessment period in which the course ends or a long vacation begins or which falls wholly within the long vacation

The long vacation is the longest vacation during a course that is intended to last for two or more years and is for a period of 1 month or more. There is no student income taken into account for assessment periods that fall wholly within the long vacation.

### **Student loans**

Full-time or part-time students may receive a maintenance loan for living costs.

The maximum amount available to the student is the amount taken into account and divided by the number of assessment periods for which the claimant has (or is) treated as having an income. A monthly disregard of £110 is applied.

Any loan paid in respect of tuition fees is ignored when calculating how much to take into account.

The full amount of student loan must be taken into account if the claimant could receive a loan but does not apply for it.

The Special Support Loan (sometimes called the Special Support Element, and formerly the Special Support Grant) is awarded to cover costs of study (books, equipment etc.) and as Universal Credit only takes into account student income that is for maintenance, this amount is disregarded in full.

### **Student loan and a grant**

If the student receives a loan and a grant, the grant income is disregarded in full unless it includes an amount for:

- rent met through housing costs in the Universal Credit award
- an adult or child dependent who are paid for in the Universal Credit award

### **Discretionary grant for accommodation**

A student may receive a discretionary grant for accommodation and Universal Credit payments for housing costs. Where this occurs, the grant payment is treated as an income up to the amount of housing costs met in the Universal Credit award. This is so the housing costs are not met by Universal Credit and another source.

Any amount of grant payment that is over and above the costs met by Universal Credit is disregarded.

### **Student grant but no loan**

If the student receives a grant only, some of the income may be disregarded if payment is:

- for tuition or examination fees
- for disability
- for maintaining a home other than that at which they reside during the course if not met through the housing costs
- for books and equipment
- for travel expenses incurred for course attendance
- for childcare costs if not met through the childcare costs
- to meet the needs of another person but not a joint claimant or child dependant
- for additional expenditure in connection with term time residential study away from the student's educational establishment

Any grant income left to be taken into account attracts the £110 monthly disregard.

### **Claimants awarded student income by Student Finance Wales**

The maintenance award from Student Finance Wales is made up of both a loan and grant element.

All students receive a 'base grant' of £1000 which is disregarded. The maximum loan amount available to claimant is assessed by the circumstances listed below:

- for a claimant living with parents
- for claimant living away from home (studying outside London)
- for claimant living away from home (studying inside London)

Universal Credit takes into account the maximum loan amount available to the claimant before any reduction by way of the grant element over and above the £1000 base grant.

### **Period of education**

For advanced education, a person is classed as in education from the date they start their course until the last day of the course - or earlier if they abandon it or are dismissed.

### **Abandonment or dismissal**

If a student abandons or is dismissed from the course, they are no longer a student and any income is stopped from the date of abandonment. It is not taken into account within their Universal Credit award.

### **Postgraduate students**

In England and Wales, the following loans are available:

- Postgraduate Master's Degree loan
- Doctoral Degree loan (available from September 2018)

Postgraduate loans in England and Wales are treated differently to those in Scotland and Northern Ireland (see below).

They are paid as a single sum which is a contribution to both maintenance and tuition fees, rather than separate amounts for maintenance and tuition fees. Of this loan, 30% is taken into account as student income and the remaining 70% is disregarded as tuition fees.

When calculating student income for students in England, Wales, Scotland and Northern Ireland, a monthly disregard of £110 for expenses is applied.

In Scotland, postgraduate students are funded in the same way as undergraduates as they receive separate loans for maintenance and tuition fees. Postgraduate students in Northern Ireland only have access to loans for tuition fees which are therefore ignored.

See GOV.UK for information on student finance

## **Definitions**

### **Full-time course**

The term full-time applies to the course itself and not to the student's attendance. It is usually decided by the educational establishment or based on the usual time spent studying by a student. A person who attends a full-time course on a part-time basis is still a full-time student.

### **Meaning of receiving education**

Receiving education means the claimant is either:

- A qualifying young person and not participating in a relevant training scheme
- undertaking a full-time course of advanced education
- undertaking any other full-time course of study or training at an educational establishment for which a student loan or grant is provided for the person's maintenance
- undertaking any other course of study or training (full-time or part-time) which is not compatible with any work-related requirement imposed upon the claimant.

### **Meaning of advanced**

A course of advanced education means a course of study leading to:

- a postgraduate degree or comparable qualification
- a first degree or comparable qualification
- a diploma of higher education
- a higher national diploma

Or any other course of study of a standard above:

- advanced General National Vocation Qualification (GNVQ) or equivalent
- a Scottish higher/advanced higher national qualification

### **Meaning of non-advanced**

Non-advanced education is any qualification up to A level, or equivalent. This includes:

- National Qualification Framework level 3 or the Scottish Qualification framework level 6
- A Level
- AS Level
- Advanced Diploma
- National Diploma, Certificate or Award
- Level 3 National Vocational Qualification (NVQ), Award, Certificate or Diploma

### **Meaning of postgraduate**

The course being studied must be in the UK, it can be part-time or full-time and lead to a master's qualification such as:

- Master of Science (MSc)
- Master of Art (MA)
- Master of Philosophy (MPhil)
- Master of Research (Mres)
- Master of Law (LLM)
- Master of Letters (Mlitt)
- Masters of Fine Art (MFA)
- Master of Education (Med)

This is not a full list. For further information on study levels in Scotland; see Definitions of levels of study.