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Llywodraeth Cynulliad Cymru  
Welsh Assembly Government

# A guide to financial support for higher education students

in 2011/12 (new students)



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## Who should read this guide?

This guide is for you if you normally live in Wales and you are starting full-time undergraduate/other higher education anywhere in the United Kingdom, in the 2011/12 academic year.

Students intending to study part-time should read 'A guide to financial support for part-time students in higher education in 2011/12'. This document is available at: **[www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk)**.

**PLEASE NOTE:** New students applying for support should apply by 15 April 2011.

**If you miss your deadline, there is no guarantee that you will receive a payment at the start of term.**

**The details quoted in this guide may be subject to change.**

### **What do I need to take to university or college to ensure I get paid on time?**

You may need all or some of the following but check with your university or college before enrolment (see page 14):

- Student Finance letter from Student Finance Wales;
- Qualification certificates;
- Identity documents such as passport/birth certificate;
- UCAS offer letter.

**If you have had verification problems with your National Insurance number, check with the local authority or the Student Finance Wales contact centre on 0845 602 8845 to make sure this will not hold up your money before you start your course. Also ensure you have returned your signed declaration form if you applied online for support.**

# What is student finance?

Student finance is money to help you with your fees and living costs while you are studying in higher education. It can consist of grants, loans, bursaries and/or allowances.

Student finance is intended to help you with the two main types of costs you will have while you are studying: **tuition fees** and **living costs (maintenance)**.

This guide outlines the student finance options available to you **if you normally live in Wales and are studying either in Wales or anywhere else in the UK**. It applies to the 2011/12 academic year only.

**It is only for guidance, and does not cover all circumstances. It is not a statement of the law.**

## Who administers my student finance?

**If you normally live in Wales, regardless of where in the UK** you are studying, you may be eligible for services provided by Student Finance Wales.

Student Finance Wales is a partnership between the Welsh Assembly Government, Local Authorities (LAs), who assess students' eligibility for support, and the Student Loans Company (SLC), who make the payments. The Student Loans Company and Local Authorities in Wales work together to deliver financial support to students on behalf of the Welsh Assembly Government.

If you normally live in Wales, you can apply for your student finance online using the Student Finance Wales website **[www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk)**, speak to an advisor on 0845 602 8845, or you can contact your Local Authority to receive a paper application pack. A list of participating Welsh Local Authorities can be found on the website, or on page 20 of 'A guide to financial support for higher education students in 2011/12 (additional information)'. This document is available at: **[www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk)**.

# How to get student finance

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# 1 Do I qualify?

The rules about student finance are complicated and this page is only a summary.

**There are three main conditions you have to meet to qualify for student finance.**

## 1. Personal eligibility

## 2. Course eligibility

## 3. The university or college you attend

### 1. Personal eligibility

Normally you must be living in Wales on the first day of the first academic year of your course and either:

- have been living in the UK, the Channel Islands or the Isle of Man for the three years immediately before this date and have 'settled status' in the UK (meaning you can live permanently in the UK without the Home Office placing any restrictions on how long you can stay); or
- meet the requirements of one of the other UK residency categories listed in the appropriate Regulations (for example, you are a refugee living in the UK).

If you have taken a course of higher education in the past, this may affect your eligibility for student finance.

To qualify for a Maintenance Loan you need to be under 60 when you start your course. There's no upper age limit on grants and Tuition Fee Loans.

### 2. Course eligibility

The course you plan to study must be of a certain type (a 'designated course' such as a BSc, HND, PGCE) leading to a recognised higher education qualification.

### 3. The university or college you attend

The university or college you plan to study at must be either:

- publicly funded (paid for by the Government) and in the UK; or
- privately funded in the UK but running individual courses that receive public funding.

## 2 What can I get?

Financial help for new students who start a course of higher education on or after 1 September 2011.



### Tuition Fees

#### **STUDENTS WHO NORMALLY LIVE IN WALES AND CHOOSE TO STUDY IN WALES**

From September 2011, universities and colleges of higher education in Wales can charge up to £3,375 a year for their full-time courses. The amount charged may vary between courses, as well as between universities or colleges – check the amount your university or college will charge.

#### **STUDENTS WHO NORMALLY LIVE IN WALES AND CHOOSE TO STUDY IN ENGLAND, NORTHERN IRELAND OR SCOTLAND**

From September 2011 universities and colleges of higher education in England and Northern Ireland can charge up to £3,375 a year for courses. The amount charged may vary between courses, as well as between universities or colleges – check the amount with your university or college.

Universities and colleges in Scotland are likely to charge £1,820 a year for all degree courses, except medicine where the fee looks likely to be £2,895 a year. (Please note: these figures are liable to change). The charges are likely to rise by the rate of inflation in all subsequent years of the four year Scottish degree courses (degree courses in Wales, England and Northern Ireland usually last three years). To find out the tuition fees at Scottish universities and colleges visit: [www.scotland.gov.uk](http://www.scotland.gov.uk).

## Student Grants

A student grant is money that is given to you if you qualify under certain sets of circumstances: for example, if your household income falls under or between certain thresholds. This money is given to you and does not have to be paid back\*.

### ASSEMBLY LEARNING GRANT (LIVING COSTS GRANT)

**NON REPAYABLE \***

<b>Who's eligible?</b>	The Assembly Learning Grant is a grant available to eligible higher education students and is dependent on household income.
<b>How much?</b>	<p>The maximum amount of support available is £5,600 per year. How much you get depends on your household income, and will be calculated by your LA when you make your application for help. The table on page 12 is a guide to how much grant/loan you could get.</p> <p><b>If your household income is over £50,020 you will not be eligible to receive any living costs grant (Assembly Learning Grant).</b></p> <p><b>Household Income</b> (See Note below)</p> <p>£18,370 or less: Full £5,600 grant</p> <p>Between £18,371 and £50,020: Partial grant</p> <p>Over £50,020: No grant</p>
<b>How is it paid?</b>	In three instalments, one at the start of each term, along with any Student Loan for Maintenance payments.

**Note:** Up to £2,844 of the Assembly Learning Grant will be paid in substitution for an element of the Maintenance Loan. In practice, this means that the amount of maintenance loan a student can receive will be reduced by 60p for every £1 of Assembly Learning Grant they receive up to a maximum of £2,844.

**SPECIAL SUPPORT GRANT****NON REPAYABLE \***

The Special Support Grant replaces the Assembly Learning Grant for people who, as a full-time student, may also be able to claim certain income-related benefits. You **cannot** receive both an Assembly Learning Grant and a Special Support Grant. The Grant should help with extra course-related costs such as books, equipment, travel or childcare.

**Who's eligible?**

You could be eligible for a Special Support Grant if you:

- are a lone (single) parent;
- have a partner who is also a student and one or both of you are responsible for a child, or a young person under 20 who is in full-time education below higher education level;
- have a disability and qualify for the Disability Premium or Severe Disability Premium;
- are deaf and qualify for Disabled Students' Allowances;
- have been treated as incapable of work for at least 28 weeks;
- have a disability and qualify for income-related Employment and Support Allowance;
- are from abroad and are entitled to an Income Support Urgent Cases Payment because you are temporarily without any money for up to six weeks;
- are waiting to go back to a course having taken agreed time out from that course due to an illness or caring responsibility that has now ended; or
- are aged 60 or older.

**How much and how is it paid?**

The amount of support, the income assessment arrangements, and the payment arrangements are the same as for the Assembly Learning Grant. However, the amount of Special Support Grant you receive will not affect the amount of Maintenance Loan you may be entitled to receive. Nor will your entitlement to Department of Work and Pensions benefits be affected if you receive a Special Support Grant (**although your maintenance loan will count as assessable income for state benefit purposes**). If you are eligible to receive a Special Support Grant you will not be eligible to receive an Assembly Learning Grant.

If you need more information ask your university or college, or see their website or prospectus. Similar arrangements are in place elsewhere in the UK.

\*If you leave your course of study early, you might have to repay some of the grant paid to you. Discuss with your university or college before you decide to leave.

**If you need extra financial support because of your specific circumstances (for example, childcare or you are a disabled student)** see 'A guide to financial support for higher education students in 2011/12 (additional information)'. This document is available at: [www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk).





## Student Loans

A student loan is money that you can borrow to pay for your tuition fees and/or towards your living costs when you are studying. This is a loan, not a grant, meaning that you will have to pay it back.

More information about how you pay your loan back can be found in Section 5 on page 17.

Student loans are made up of two parts: the **Tuition Fee Loan** and the **Maintenance Loan (loan for living costs)**.

### **TUITION FEE LOAN** | **REPAYABLE\***

You may choose to take out a Tuition Fee Loan to cover your Tuition Fee costs. The Student Loans Company will pay the fees directly to your university or college on your behalf.

You do not have to take out a student loan for tuition fees if you choose to pay your fees yourself. However, if you don't take out this loan at the beginning of the year and decide to pay your own tuition fees and then change your mind, you may not be able to take out this loan later in the year. If this happens, please contact your local authority to discuss.

<b>Who's eligible?</b>	Eligible students who have been assessed as having to pay some or all fees charged.
<b>How much?</b>	The fee you have to pay.
<b>How is it paid?</b>	Paid direct to your university or college by the Student Loans Company.

In order to receive student finance you must first be eligible. This is dependent on three areas: your personal eligibility; the type of course you do; and the type of university or college you go to, and is explained on page 4.

\* If you leave your course of study early your university or college may charge you for fees pro-rata. It's important you discuss this before you decide to leave.

**MAINTENANCE LOAN (LIVING COSTS)****REPAYABLE**

A Maintenance Loan (also called Loan for Living Costs) is designed to help with your living costs such as accommodation, food, clothes, travel and other living expenses. If you leave your course of study early, you may lose part of your loan entitlement and you may remain liable for other costs such as accommodation/halls of residence costs. Please check with your university or college if this happens.

<b>Who for?</b>	Eligible students aged under 60 at the start of their course.
<b>How much?</b>	<p>The table below shows the maximum loan that you can get in 2011/12. These amounts are lower in the final year of your course as you will leave higher education at the end of the summer term and will not be entitled to financial support over the summer holiday.</p> <p><b>Maximum Maintenance Loan in 2011/12</b></p> <p><b>Full year rates</b></p> <ul style="list-style-type: none"> <li>• Students <b>living away from their parents' home</b> and studying <b>in London</b>: Up to a maximum of <b>£6,648</b></li> <li>• Students <b>living away from their parents' home</b> and studying <b>elsewhere</b>: Up to a maximum of <b>£4,745</b></li> <li>• Students <b>living at their parents' home</b>: Up to a maximum of <b>£3,673</b></li> </ul> <p><b>Final year rates</b></p> <ul style="list-style-type: none"> <li>• Students <b>living away from their parents' home</b> and studying <b>in London</b>: Up to a maximum of <b>£6,053</b></li> <li>• Students <b>living away from their parents' home</b> and studying <b>elsewhere</b>: Up to a maximum of <b>£4,396</b></li> <li>• Students <b>living at their parents' home</b>: Up to a maximum of <b>£3,324</b></li> </ul>
<b>How is it paid?</b>	The Student Loans Company will usually pay your loan in three instalments – one at the start of each term, once your attendance on the course has been confirmed by the university or college. SLC will make payments for most students straight into their bank or building society account. Once your loan has been approved, you will receive a payment schedule from the Student Loans Company which tells you how you will get your money.

## Illustration of Maintenance Loan Entitlement for Assembly Learning Grant Recipients

Household income	Assembly Learning Grant	Maintenance loan – living away from home and studying outside London. (Maximum £)	Maintenance Loan – living away from home and studying in London. (Maximum £)	Maintenance Loan – living at their parents' home. (Maximum £)
£18,370	£5,600	£1,901	£3,804	£829
£25,000	£3,842	£2,440	£4,343	£1,368
£30,000	£2,633	£3,166	£5,069	£2,094
£34,000	£1,706	£3,722	£5,625	£2,650
£40,000	£1,086	£4,094	£5,997	£3,022
£45,000	£569	£4,404	£6,307	£3,332
£50,020	£50	£4,715	£6,618	£3,643

### Additional information on Maintenance Loans

#### To which university or colleges does the London rate apply?

The London rate applies to students attending courses at the University of London or at colleges within the area which includes the City of London and the Metropolitan Police District.

#### What if I am doing Initial Teacher Training?

You may be taking a full-time post-graduate course of initial teacher training (ITT). You can usually get a loan at the relevant full-year rate if the course lasts for only one year. Courses lasting more than one year are usually part-time ITT and will attract reduced support. Please visit: [www.teachertrainingwales.org](http://www.teachertrainingwales.org) for more information.

## What if my course is longer than normal?

You can get an extra amount of income-assessed loan to cover each extra week you have to be on your course above 30 term-time weeks (plus the short holidays). If you have to be on the course for 45 weeks or more in any 12-month period, you will get an extra amount of loan as if you were studying for 52 weeks.

The most you can get for each extra week is:

- £106 (in London)
- £83 (elsewhere)
- £55 (living at home)

## What if I'm studying abroad?

If you study abroad for a period of at least eight weeks as part of your course, you may be eligible for an overseas rate of loan. In 2011/12 the maximum loan for study overseas will be £5,658 (£4,920 if you study abroad during the final year of your course).



## 3 How do I Apply?

### When you should apply

You should start thinking about applying for student finance as soon as the application cycle begins. The date it begins will be published on the website, and through the social networking sites. If you want to check what help might be available, visit the online calculator at [www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk).

Don't wait until you have a confirmed place on a course before applying – simply quote the course you think you are most likely to attend. If your course changes after you apply, tell your Local Authority straight away.

### Deadlines for application

**New students applying for support should apply by 15 April 2011.**

**If you miss your deadline, there is no guarantee that you will receive a payment at the start of term.**

### Late applications

After your course starts, if you decide that you want to apply for financial help, you must apply no later than nine months after the first day of the academic year of your course. For example, if your course starts in September 2011, you have until 31 May 2012 to apply. However, this limit can be extended in exceptional circumstances.

Your application will generally take approximately six weeks for your LA to process.

### Things you can do to make sure you get paid on time:

- You will need to open a bank or building society account and enter these details on your application form. If you open a bank account after applying for your student finance you will need to give your account details to the Student Loans Company;
- If you decide to take out either a Tuition Fee Loan, or a Maintenance Loan (or both), make sure you provide your National Insurance number. If you do not provide your National Insurance number, or you provide an incorrect one, your loan instalments may not be paid;
- Give your full name, as it appears on your birth certificate or passport, in all documents;
- At your university or college enrolment make sure you bring **any documents** that are required. These are issued together as one pack and should include the student finance letter, notice of support and the payment schedule letter issued by the Student Loans Company. (See list on page 1)

## Important information for gap year students

If you apply to study at a Welsh institution in the 2011/12 academic year but then decide to take a gap year, don't forget to inform your chosen university or college as soon as possible. You should receive written confirmation from them and keep it safe as you will need this when you re-apply the following year. If you apply to study elsewhere in the UK in the 2011/12 academic year but then decide to take a gap year, the same applies. Keep your letter of confirmation safe.

**Students who had an offer of a place on or before 1 August 2010, and obtained their university or college agreement to take a gap year and start their course in the academic year 2011/12, can only apply for student support under the rules which apply to students who began their studies in 2010. Students are advised to discuss their specific circumstances with their Local Authority or Student Finance Wales. Please refer to “a guide to higher education support in 2011/12 (Continuing Students)” for general information on the grants and loans available to you (2010/11 starters). This booklet is available at: [www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk). You need to apply for support by 15 April 2011.**



## 4 How do I get paid?

1. Apply for your student finance using a single application form (PN1): online at [www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk) or fill out an application form available from your Local Authority. Your National Insurance Number must be on the application form.

2. Your Local Authority will process your application and check all your supporting evidence.

If your application is in order, this will be around six weeks after you apply. If you have not provided all information, you will be contacted by your LA.

3. If your application is in order, you will be sent a Student Finance letter. You will need this when you enrol at your university or college, see pages 1 and 14.

4. The Student Loans Company will send you a schedule telling you how much your payments are and when you will receive them.

5. Your money will be paid into your bank account after you register on your course at the start of term. The money is usually available three working days after your university or college has confirmed your attendance. No money will be paid before you arrive at your university or college so you will need to ensure you have some funds available for essentials in the first week or so.

If you are applying for a student loan to cover all or part of your tuition fees, this will be paid directly to your university or college.

## 5 What about Repayments?

You will be eligible to start repaying your loan in the April after you have finished or left your course.

The amount you repay will be linked to your income. Once you earn over £15,000 a year, you will repay 9% of anything over this amount. If your income is below £15,000, or drops to below that amount, you will not have to make repayments. The time to repay is based on income and amount borrowed, not on a fixed time period as commercial loans.

The Student Loans Company will work with HM Revenue & Customs to collect repayments, which will be taken by your employer and shown on your pay statement. If you are self-employed, the repayments will be collected through the tax self-assessment system. If you intend to leave the country to work abroad, you must inform the Student Loans Company, who will make arrangements to collect repayments directly from you.

The Student Loans Company will send you an annual statement detailing how much you have paid in the past tax year. You should keep this statement, along with any payslips and P60s to monitor your own repayments, so you can know when you are due to finish repaying. Help is available from the Student Loans Company by telephone or by logging on to their website: **[www.studentloanrepayment.co.uk](http://www.studentloanrepayment.co.uk)** where you can access your current balance online or make a part or full repayment.

## How much will you have to pay back?

Student loans accrue interest from the day they are paid out, until they are repaid in full. Interest on the amount you owe is linked to inflation and subsidised by the Welsh Assembly Government. The rate of interest makes no difference to your monthly repayments. The amount you repay is determined by how much you earn so your repayments are not affected by the change in interest rate.

You will only start repaying your loan after leaving university or college and are earning over £15,000.

The current rate of interest is available on the Student Loans Company website: **[www.studentloanrepayment.co.uk](http://www.studentloanrepayment.co.uk)**.

Interest will apply as long as the loan lasts, and will be calculated from the day the money is sent to you. The length of time you take to repay your loan will depend on the total amount you borrowed and your income after you leave university or college. You will normally continue to repay the loan until you have paid off the full amount. If you have kept up your repayments, any loan you still owe will be cancelled only:

- if you become disabled and are registered as being permanently unfit for work; or
- if you die before you pay off the loan.

Any loan you still owe will be cancelled 25 years after the April when you first became responsible for paying back the loan.

## More Information

You can find more details on repaying your loan in the guide 'Student loans: a guide to terms and conditions', which is available from your LA. You are strongly advised to read the guide if you want to take out a loan. The guide, and other information about repaying your loan, such as how the interest rate is set each year, is also available on the Student Finance Wales website at: **[www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk)**.

## Partial cancellation of maintenance loans (loans for living costs)

Key points:

A partial cancellation will be available on maintenance loans (loans for living costs) taken out from Student Finance Wales in academic year 2011/12. The partial cancellation will **not** be applied to tuition fee loans.

Subject to the following points, eligibility will be automatic once you start repaying your student loan, either voluntarily or when you are required to do so because you are earning over £15,000.

- You will **not** be eligible for a partial cancellation if you have outstanding charges or penalties in relation to your loan, if you are in breach of your loan agreement or if you are shown by your conduct to be unfit to receive a cancellation.

You could have up to £1,500 cancelled from your student loan balance when you start repaying depending on the amount of maintenance loan taken out. Interest will continue to accrue on your total loan until your first repayment has been received.

The partial cancellation will be £1,500 unless you have taken out a smaller maintenance loan. If you borrow less than £1,500, the partial cancellation will decrease in line with the amount borrowed. For example:

- If you have a maintenance loan of £300 and the amount of your first repayment is £10, you will receive a partial cancellation of £290;
- If you have a maintenance Loan of £3,000 and the amount of your first repayment is £50, you will receive a partial cancellation of £1,500;
- If you have a maintenance loan of £1,200 and the amount of your first repayment is £5, you will receive a partial cancellation of £1,195;
- If you have a maintenance loan of £200 and the amount of your first repayment is £200, you will not receive any partial cancellation.

You should note that you are only entitled to receive a partial cancellation once. Therefore, if you received a partial cancellation in 2010/11 you will not be entitled to another cancellation in any subsequent academic year.

These conditions will apply (subject to there being no objection from the National Assembly for Wales) to loans taken out during the academic year 2011/12. There will be legislation setting out the full conditions for receiving and repaying student loans. This legislation may change from time to time and this means the terms of your loan may also change.

Further information on the partial cancellation of student loans for living costs can be found on the Student Finance Wales website at: **[www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk)** or by visiting the Student Loans Company Repayment website at: **[www.studentloanrepayment.co.uk](http://www.studentloanrepayment.co.uk)**.

## Glossary of terms

**Assembly Learning Grant:** A means-tested maintenance grant (living costs). The full grant is available to students from low income households. This does not usually have to be paid back. If you leave your course of study early, you may have to repay some of the grant.

**Special Support Grant:** A grant for students who may be eligible to receive certain means-tested benefits such as Income Support and Housing Benefit. The Special Support Grant will cover additional course costs such as books, equipment, travel or childcare that result from attending a course. The grant is similar to the Assembly Learning Grant and does not usually have to be paid back. If you leave your course of study early, you may have to repay some of the grant.

**Bursary:** Money paid to you by your university/college to help towards your studies. This does not usually have to be paid back. If you leave your course of study early, you may have to repay some of the bursary.

**Student Loans:** (also see Maintenance Loan and Tuition Fee Loan) are provided by the Welsh Assembly Government and are administered in partnership with Welsh Local Authorities, the Student Loans Company and HM Revenue and Customs. You will need to repay your Maintenance Loan and your Tuition Fee Loan after you have left your course and you are earning more than £15,000 a year. The amount you repay will be linked to your income. Interest on these loans is linked to inflation, so what you repay will be worth approximately what you borrowed.

**Student Loans Company:** A government owned company that administers student financial support.

**Maintenance Loan:** The part of your student loan meant for living expenses, such as rent and food. The amount you receive depends on your household income and where you study. The money is paid directly to you. It will need to be paid back after your studies, although the repayments depend on how much you earn (see Student Loans). Students taking out maintenance loans from academic year 2010/11 may be eligible for up to £1,500 of their loan to be cancelled when they enter repayment (see page 19).

**Tuition Fee Loan:** The part of your student loan that pays your tuition fees. The amount you get does not depend on your household income, and can be up to the full cost of your tuition fee. This is paid directly to your place of study. It will need to be paid back after your studies, although the repayments depend on how much you earn.

**Tuition fees:** These are the fees that are charged by your university or college. They can vary depending on the course you choose, and your place of study – check with your university or college. No eligible student, who started their course on or after 1 September 2006, has to pay fees up front before they start university or college or while they are studying.

You can download more copies of this guide online at **[www.studentfinancewales.co.uk](http://www.studentfinancewales.co.uk)**.

You can also order this guide in braille, large print or audio by emailing with your name, address, customer reference number quoting reference SFW/FSHEN/V11 to:

**[brailleandlargefonts@slc.co.uk](mailto:brailleandlargefonts@slc.co.uk)** or you can telephone us on 0141 243 3686.

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