
STATUTORY INSTRUMENTS

1999 No. 1935

SOCIAL SECURITY

The Social Security Amendment (Students) Regulations 1999

Made - - - - *7th July 1999*

Laid before Parliament *9th July 1999*

Coming into force in accordance with regulation 1(1)

The Secretary of State for Social Security, in exercise of powers conferred on him by sections 123(1), 130(2) and (4), 136(3), (4) and (5), 137(1) and 175(1) and (3) to (5) of the Social Security Contributions and Benefits Act 1992(1) and sections 12(1), (2) and (4), 35(1) and 36(1) and (2) of the Jobseekers Act 1995(2) and of all other powers enabling him in that behalf, after consultation in so far as the Regulations relate to housing benefit and council tax benefit with organisations appearing to him to be representative of the authorities concerned(3) and after agreement by the Social Security Advisory Committee that proposals in respect of these Regulations should not be referred to it(4), hereby makes the following Regulations—

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security Amendment (Students) Regulations 1999 and shall come into force—

- (a) for the purpose of this regulation on 1st August 1999;
- (b) for the purposes of regulations 2 and 3—
 - (i) in the case of a student whose period of study begins on or after 1st August 1999 but before 30th August 1999, on the day the period of study begins;
 - (ii) in any other case, on 30th August 1999;
- (c) for the purposes of regulations 4 and 5—

(1) 1992 c. 4; sections 123, 130 and 137 were amended to have effect with respect to council tax benefit by section 103 of, and Schedule 9 to, the Local Government Finance Act 1992 (c. 14); section 137(1) is an interpretation provision and is cited because of the meaning ascribed to the word “prescribed”.

(2) 1995 c. 18; section 35(1) is an interpretation provision and is cited because of the meanings ascribed to the words “prescribed” and “regulations”.

(3) See the Social Security Administration Act 1992 (c. 5), section 176(1) as amended by section 103 of, and paragraph 23 of Schedule 9 to, the Local Government Finance Act 1992.

(4) See the Social Security Administration Act 1992, sections 170 and 173(1)(b) and (7); paragraph 67 of Schedule 2 to the Jobseekers Act 1995 added that Act to the list of “relevant enactments” in respect of which regulations must be referred to the Committee. Section 173(7) defines “regulations”.

- (i) in the case of a student whose period of study begins on or after 1st August 1999 but before 30th August 1999, on the first Monday of that period;
 - (ii) in any other case, on 30th August 1999;
 - (d) for the purposes of regulations 6 and 7—
 - (i) in the case of a student whose period of study begins on or after 1st August 1999 but before 31st August 1999, on the first Tuesday of that period;
 - (ii) in any other case, on 31st August 1999.
- (2) In regulation 1(1) of these Regulations, a reference to a numbered regulation is a reference to the regulation in these Regulations bearing that number.

Amendment of the Jobseeker’s Allowance Regulations

2.—(1) The Jobseeker’s Allowance Regulations 1996⁽⁵⁾ shall be amended in accordance with the following paragraphs of this regulation.

- (2) In regulation 130 (interpretation of Chapter IX of Part VIII)—
- (a) in the definition of “contribution”⁽⁶⁾ after the word “grant” there shall be inserted the words “or student loan”;
 - (b) for the definition of “year” there shall be substituted the following definitions—

“student loan” means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998⁽⁷⁾, section 73 of the Education (Scotland) Act 1980⁽⁸⁾ or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998⁽⁹⁾;

“year”, in relation to a course, means the period of 12 months beginning on 1st January, 1st April, 1st July or 1st September according to whether the academic year of the course begins in the winter, the spring, the summer or the autumn respectively, but if students are required to begin attending the course during August or September and to continue attending through the autumn the academic year of the course shall be considered to begin in the autumn rather than the summer.
- (3) In regulation 131 (calculation of grant income)—
- (a) in paragraph (2)(f)⁽¹⁰⁾ the words from “or” to the end shall be omitted;
 - (b) for paragraph (3) there shall be substituted the following paragraph—

“(3) Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student’s grant income—

 - (a) the sum of £250 in respect of travel costs; and
 - (b) where no amount has been disregarded under paragraph (2)(f), the sum of £303 towards the cost of books and equipment,

whether or not any such costs are incurred.”.

(5) S.I. 1996/207.

(6) The definition of “contribution” was amended by S.I. 1998/563.

(7) 1998 c. 30; see the Education (Student Support) Regulations 1999 (S.I. 1999/496) and the Education (Student Loans) Regulations 1998 (S.I. 1998/211).

(8) 1980 c. 44; section 73(f) was amended by the Teaching and Higher Education Act 1998 (c. 30), section 29(1), see the Education (Student Loans) (Scotland) Regulations 1999 (S.I. 1999/1131 (S.91)) and the Education (Student Loans) Regulations 1998.

(9) S.I. 1998/1760 (N.I. 14); see the Education (Student Support) Regulations (Northern Ireland) 1999 (S.R. 1999 No. 192) for loans to students commencing courses after 1st September 1998.

(10) The relevant amending instruments are S.I. 1996/1516, 1997/1671 and 1998/1379.

(4) In regulation 135(1) (other amounts to be disregarded) for the words “and 133(1)(a) or (b) (calculation of grant income and covenant income)” there shall be substituted the words “, 133(1)(a) or (b) and 136(5) (calculation of grant income, covenant income and treatment of student loans)”.

(5) In regulation 136 (treatment of student loans)—

(a) for paragraph (1) there shall be substituted the following paragraph—

“(1) A student loan shall be treated as income.”;

(b) for paragraph (3) there shall be substituted the following paragraphs—

“(3) A student shall be treated as possessing a student loan in respect of an academic year where—

(a) a student loan has been made to him in respect of that year; or

(b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

(4) Where a student is treated as possessing a student loan under paragraph (3), the amount of the student loan to be taken into account as income shall be, subject to paragraph (5)—

(a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so and either—

(i) in the case of a student other than one to whom head (ii) refers, any contribution whether or not it has been paid to him; or

(ii) in the case of a student who satisfies the additional conditions for a disability premium specified in paragraph 14 of Schedule 1 (applicable amounts), any contribution which has actually been paid to him;

(b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—

(i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and

(ii) no deduction in that loan was made by virtue of the application of a means test.

(5) There shall be deducted from the amount of income taken into account under paragraph (4)—

(a) the sum of £250 in respect of travel costs; and

(b) where no amount has been disregarded under regulation 131(2)(f), the sum of £303 towards the cost of books and equipment,

whether or not any such costs are incurred.”.

(6) In regulation 137 (disregard of contribution) after the word “grant” there shall be inserted the words “or student loan”.

(7) In regulation 137A (further disregard of student’s income)(11) after the word “grant” there shall be inserted the words “or student loan”.

(8) In Schedule 7 (sums to be disregarded), paragraph 59, sub-paragraph (2) for head (b) there shall be substituted the following heads—

“(b) any student loan as defined in Chapter IX of Part VIII;

(c) any contribution as defined in Chapter IX of Part VIII which—

(11) Regulation 137A was inserted by S.I. 1998/563.

- (i) is taken into account in ascertaining the amount of a student loan referred to in head (b); and
- (ii) has been paid.”.

Amendment of the Income Support (General) Regulations

3.—(1) The Income Support (General) Regulations 1987(**12**) shall be amended in accordance with the following paragraphs of this regulation.

(2) In regulation 61 (interpretation of Chapter VIII of Part V)—

- (a) in the definition of “contribution”(13) after the word “grant” there shall be inserted the words “or student loan”;
- (b) for the definition of “year”(14) there shall be substituted the following definitions—

““student loan” means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998(**15**), section 73 of the Education (Scotland) Act 1980(**16**) or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998(**17**);

“year”, in relation to a course, means the period of 12 months beginning on 1st January, 1st April, 1st July or 1st September according to whether the academic year of the course begins in the winter, the spring, the summer or the autumn respectively, but if students are required to begin attending the course during August or September and to continue attending through the autumn the academic year of the course shall be considered to begin in the autumn rather than the summer.”.

(3) In regulation 62 (calculation of grant income)—

- (a) in paragraph (2)(g)(18) the words from “or” to the end shall be omitted;
- (b) for paragraph (2A)(19) there shall be substituted the following paragraph—

“(2A) Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student’s grant income—

- (a) the sum of £250 in respect of travel costs; and
- (b) where no amount has been disregarded under paragraph (2)(g), the sum of £303 towards the cost of books and equipment,

whether or not any such costs are incurred.”.

(4) In regulation 66(1) (other amounts to be disregarded)(20) for the words “and 64(1)(a) or (b) (calculation of grant income and covenant income)” there shall be substituted the words “, 64(1)(a) or (b) and 66A(5) (calculation of grant income, covenant income and treatment of student loans)”.

(5) In regulation 66A (treatment of student loans)(21)—

- (a) for paragraph (1) there shall be substituted the following paragraph—

(12) S.I. 1987/1967.

(13) The definition of “contribution” was substituted by S.I. 1996/1944 and amended by S.I. 1998/563.

(14) The definition of “year” was amended by S.I. 1996/1944.

(15) 1998 c. 30; see the Education (Student Support) Regulations 1999 (S.I. 1999/496) and the Education (Student Loans) Regulations 1998 (S.I. 1998/211).

(16) 1980 c. 44; section 73(f) was amended by the Teaching and Higher Education Act 1998 (c. 30), section 29(1); see the Education (Student Loans) (Scotland) Regulations 1999 (S.I. 1999/1001 (S.71)) and the Education (Student Loans) Regulations 1998.

(17) S.I. 1998/1760 (N.I. 14); see the Education (Student Support) Regulations (Northern Ireland) 1999 (S.R. 1999 No. 192) for loans to students commencing courses after 1st September 1998.

(18) The relevant amending instruments are S.I. 1996/1944, 1997/1671 and 1998/1379.

(19) Regulation 62(2A) was inserted by S.I. 1992/468.

(20) Regulation 66(1) was amended by S.I. 1994/527.

(21) Regulation 66A was inserted by S.I. 1990/1549 and amended by S.I. 1991/236 and 1559 and 1996/462.

- “(1) A student loan shall be treated as income.”;
- (b) for paragraph (3) there shall be substituted the following paragraphs—
- “(3) A student shall be treated as possessing a student loan in respect of an academic year where—
- (a) a student loan has been made to him in respect of that year; or
 - (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.
- (4) Where a student is treated as possessing a student loan under paragraph (3), the amount of the student loan to be taken into account as income shall be, subject to paragraph (5)—
- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so and either—
 - (i) in the case of a student other than one to whom head (ii) refers, any contribution whether or not it has been paid to him; or
 - (ii) in the case of a student to whom paragraph 1, 2, 10, 11 or 12 of Schedule 1B applies (lone parent or disabled student), any contribution which has actually been paid to him;
 - (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—
 - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.
- (5) There shall be deducted from the amount of income taken into account under paragraph (4)—
- (a) the sum of £250 in respect of travel costs; and
 - (b) where no amount has been disregarded under regulation 62(2)(g), the sum of £303 towards the cost of books and equipment,
- whether or not any such costs are incurred.”.
- (6) In regulation 67 (disregard of contribution)(**22**) after the word “grant” there shall be inserted the words “or student loan”.
- (7) In regulation 67A (further disregard of student’s income)(**23**) after the word “grant” there shall be inserted the words “or student loan”.
- (8) In Schedule 9 (sums to be disregarded) paragraph 61, sub-paragraph (2) for head (b) there shall be substituted the following heads—
- “(b) any student loan as defined in Chapter VIII of Part V;
 - (c) any contribution as defined in Chapter VIII of Part V which—
 - (i) is taken into account in ascertaining the amount of a student loan referred to in head (b); and
 - (ii) has been paid.”.

(22) Regulation 67 was amended by S.I. 1996/462.

(23) Regulation 67A was inserted by S.I. 1998/563.

Amendment of the Council Tax Benefit (General) Regulations

4.—(1) The Council Tax Benefit (General) Regulations 1992⁽²⁴⁾ shall be amended in accordance with the following paragraphs of this regulation.

(2) In regulation 38 (interpretation of Chapter I of Part V)—

(a) in the definition of “contribution”⁽²⁵⁾ after the word “grant” there shall be inserted the words “or student loan”;

(b) for the definition of “year” there shall be substituted the following definitions—

““student loan” means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998⁽²⁶⁾, section 73 of the Education (Scotland) Act 1980⁽²⁷⁾ or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998⁽²⁸⁾;

“year”, in relation to a course, means the period of 12 months beginning on 1st January, 1st April, 1st July or 1st September according to whether the academic year of the course begins in the winter, the spring, the summer or the autumn respectively, but if students are required to begin attending the course during August or September and to continue attending through the autumn the academic year of the course shall be considered to begin in the autumn rather than the summer.”.

(3) In regulation 42 (calculation of grant income)—

(a) in paragraph (2)(g)⁽²⁹⁾ the words from “or” to the end shall be omitted;

(b) for paragraph (3) there shall be substituted the following paragraph—

“(3) Where a student does not have a student loan and is not treated as possessing a student loan, there shall be excluded from the student’s grant income—

(a) the sum of £250 in respect of travel costs; and

(b) where no amount has been disregarded under sub-paragraph (2)(g), the sum of £303 towards the cost of books and equipment,

whether or not any such costs are incurred.”.

(4) In regulation 46 (other amounts to be disregarded)⁽³⁰⁾ for the words “or 44(1)(a) or (c) (calculation of grant and covenant income)” there shall be substituted the words “, 44(1)(a) or (c) or 47(5) (calculation of grant income, covenant income and treatment of student loans)”.

(5) In regulation 47 (treatment of student loans)⁽³¹⁾—

(a) for paragraph (1) there shall be substituted the following paragraph—

“(1) A student loan shall be treated as income.”;

(b) for paragraph (3) there shall be substituted the following paragraphs—

“(3) A student shall be treated as possessing a student loan in respect of an academic year where—

(a) a student loan has been made to him in respect of that year; or

⁽²⁴⁾ S.I. 1992/1814.

⁽²⁵⁾ The definition of “contribution” was substituted by S.I. 1996/1944 and amended by S.I. 1998/563.

⁽²⁶⁾ 1998 c. 30; see the Education (Student Support) Regulations 1999 (S.I. 1999/496) and the Education (Student Loans) Regulations 1998 (S.I. 1998/211).

⁽²⁷⁾ 1980 c. 44; section 73(f) was amended by the Teaching and Higher Education Act 1998 (c. 30), section 29(1); see the Education (Student Loans) (Scotland) Regulations 1999 (S.I. 1999/1001 (S.71)) and the Education (Student Loans) Regulations 1998.

⁽²⁸⁾ S.I. 1998/1760 (N.I. 14); see the Education (Student Support) Regulations (Northern Ireland) 1999 (S.R. 1999 No. 192) for loans to students commencing courses after 1st September 1998.

⁽²⁹⁾ The relevant amending instruments are S.I. 1996/1944, 1997/1671 and 1998/1379.

⁽³⁰⁾ Regulation 46 was amended by S.I. 1994/578.

⁽³¹⁾ Regulation 47 was amended by S.I. 1996/462.

- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.
- (4) Where a student is treated as possessing a student loan under paragraph (3), the amount of the student loan to be taken into account as income shall be, subject to paragraph (5)—
 - (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to—
 - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
 - (ii) any contribution whether or not it has been paid to him;
 - (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—
 - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.
- (5) There shall be deducted from the amount of income taken into account under paragraph (4)—
 - (a) the sum of £250 in respect of travel costs; and
 - (b) where no amount has been disregarded under regulation 42(2)(g), the sum of £303 towards the cost of books and equipment, whether or not any such costs are incurred.”.
- (6) In regulation 48 (disregard of contribution)(**32**) after the word “grant” there shall be inserted the words “or student loan”.
- (7) In regulation 48A (further disregard of student’s income)(**33**) after the word “grant” there shall be inserted the words “or student loan”.
- (8) In Schedule 4 (sums to be disregarded)—
 - (a) at the end of paragraph 17(b), the word “or” shall be omitted;
 - (b) at the end of sub-paragraph (c) of paragraph 17 there shall be added “or (d) the student’s student loan,”;
 - (c) in paragraph 18(1)(a), for the words “or grant” there shall be substituted the words “, grant or student loan”.

Amendment of the Housing Benefit (General) Regulations

- 5.—(1)** The Housing Benefit (General) Regulations 1987(**34**) shall be amended in accordance with the following paragraphs of this regulation.
- (2) In regulation 46 (interpretation of Chapter I of Part VII)—
 - (a) in the definition of “contribution”(**35**) after the word “grant” there shall be inserted the words “or student loan”;
 - (b) for the definition of “year”(**36**) there shall be substituted the following definitions—

(32) Regulation 48 was amended by S.I. [1996/462](#).

(33) Regulation 48A was inserted by S.I. [1998/563](#).

(34) S.I. [1987/1971](#).

(35) The definition of “contribution” was amended by S.I. [1998/563](#).

(36) The definition of “year” was inserted by S.I. [1990/1549](#).

““student loan” means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998(37), section 73 of the Education (Scotland) Act 1980(38) or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998(39);

“year”, in relation to a course, means the period of 12 months beginning on 1st January, 1st April, 1st July or 1st September according to whether the academic year of the course begins in the winter, the spring, the summer or the autumn respectively, but if students are required to begin attending the course during August or September and to continue attending through the autumn the academic year of the course shall be considered to begin in the autumn rather than the summer.”.

(3) In regulation 51(1) (calculation of eligible rent for full-time students)(40) in sub-paragraph (a) for the amount “£26.45” there shall be substituted the amount “£27.10” and in sub-paragraph (b) for the amount “£18.30” there shall be substituted the amount “£18.75”.

(4) In regulation 53 (calculation of grant income)—

(a) in paragraph (2)(g)(41) the words from “or” to the end shall be omitted;

(b) for paragraph (2A)(42) there shall be substituted the following paragraph—

“(2A) Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student’s grant income—

(a) the sum of £250 in respect of travel costs; and

(b) where no amount has been disregarded under sub-paragraph (2)(g), the sum of £303 towards the cost of books and equipment,

whether or not any such costs are incurred.”.

(5) In regulation 57 (other amounts to be disregarded)(43) for the words “or 55(1)(a) or (c) (calculation of grant and covenant income)” there shall be substituted the words “, 55(1)(a) or (c) or 57A(5) (calculation of grant income, covenant income and treatment of student loans)”.

(6) In regulation 57A (treatment of student loans)(44)—

(a) for paragraph (1) there shall be substituted the following paragraph—

“(1) A student loan shall be treated as income.”;

(b) for paragraph (3) there shall be substituted the following paragraphs—

“(3) A student shall be treated as possessing a student loan in respect of an academic year where—

(a) a student loan has been made to him in respect of that year; or

(b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

(4) Where a student is treated as possessing a student loan under paragraph (3), the amount of the student loan to be taken into account as income shall be, subject to paragraph (5)—

(37) 1998 c. 30; see the Education (Student Support) Regulations 1999 (S.I. 1999/496) and the Education (Student Loans) Regulations 1998 (S.I. 1998/211).

(38) 1980 c. 44; section 73(f) was amended by the Teaching and Higher Education Act 1998 (c. 30), section 29(1); see the Education (Student Loans) (Scotland) Regulations 1999 (S.I. 1999/1001 (S.71)) and the Education (Student Loans) Regulations 1998.

(39) S.I. 1998/1760 (N.I. 14); see the Education (Student Support) Regulations (Northern Ireland) 1999 (S.R. 1999 No. 192) for loans to students commencing courses after 1st September 1998.

(40) The relevant amending instruments are S.I. 1997/1671 and 1998/1379.

(41) The relevant amending instruments are S.I. 1996/1944, 1997/1671 and 1998/1379.

(42) Regulation 53(2A) was inserted by S.I. 1992/432.

(43) Regulation 57 was amended by S.I. 1994/578.

(44) Regulation 57A was inserted by S.I. 1990/1549 and amended by S.I. 1991/235 and 1599 and 1996/462.

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to—
 - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
 - (ii) any contribution whether or not it has been paid;
 - (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—
 - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.
- (5) There shall be deducted from the amount of a student’s loan income—
- (a) the sum of £250 in respect of travel costs; and
 - (b) where no amount has been disregarded under regulation 53(2)(g), the sum of £303 towards the cost of books and equipment,
- whether or not any such costs are incurred.”.

(7) In regulation 58(1) (disregard of contribution and rent)(45) after the word “grant” there shall be inserted the words “or student loan”.

(8) In regulation 58A (further disregard of student’s income)(46) after the word “grant” there shall be inserted the words “or student loan”.

(9) In Schedule 4 (sums to be disregarded)—

- (a) at the end of paragraph 17(b), the word “or” shall be omitted;
- (b) at the end of sub-paragraph (c) of paragraph 17 there shall be added “or (d) the student’s student loan,”;
- (c) in paragraph 18(1)(a), for the words “or grant” there shall be substituted the words “, grant or student loan”.

Amendment of the Family Credit (General) Regulations

6.—(1) The Family Credit (General) Regulations 1987(47) shall be amended in accordance with the following paragraphs of this regulation.

(2) In regulation 37 (interpretation of Chapter VII of Part IV)—

- (a) in the definition of “contribution”(48) for the words from “and” to the end there shall be substituted the words “or student loan; or any sums, which in determining the amount of the student’s allowance or bursary in Scotland in terms of the Students' Allowances (Scotland) Regulations 1996(49) or the Education Authority (Bursaries) (Scotland) Regulations 1995(50), the Secretary of State or education authority takes into account being sums which the Secretary of State or the education authority consider that the holder of the allowance or bursary, the holder’s parents and the holder’s spouse can reasonably be expected to contribute towards the holder’s expenses;”;
- (b) for the definition of “year” there shall be substituted the following definitions—

(45) Regulation 58 was amended by S.I. 1996/426.

(46) Regulation 58A was inserted by S.I. 1998/563.

(47) S.I. 1987/1973.

(48) The definition of “contribution” was amended by S.I. 1998/563.

(49) S.I. 1996/1754.

(50) S.I. 1995/1739.

““student loan” means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998(51), section 73 of the Education (Scotland) Act 1980(52) or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998(53);

“year”, in relation to a course, means the period of 12 months beginning on 1st January, 1st April, 1st July or 1st September according to whether the academic year of the course begins in the winter, the spring, the summer or the autumn respectively, but if students are required to begin attending the course during August or September and to continue attending through the autumn the academic year of the course shall be considered to begin in the autumn rather than the summer.”.

(3) In regulation 38 (calculation of grant income)—

- (a) in paragraph (2)(f)(54) the words from “or” to the end shall be omitted;
- (b) for paragraph (2A)(55) there shall be substituted the following paragraph—

“(2A) Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student’s grant income—

- (a) the sum of £250 in respect of travel costs; and
- (b) where no amount has been disregarded under sub-paragraph (2)(f), the sum of £303 towards the cost of books and equipment,

whether or not any such costs are incurred.”.

(4) In regulation 42 (other amounts to be disregarded)(56) for the words “and 40(1)(a) or (b) (calculation of grant income and covenant income)” there shall be substituted the words “, 40(1)(a) or (b) and 42A(5) (calculation of grant income, covenant income and treatment of student loans)”.

(5) In regulation 42A (treatment of student loans)(57)—

- (a) for paragraph (1) there shall be substituted the following paragraph—

“(1) A student loan shall be treated as income.”;

- (b) for paragraph (3) there shall be substituted the following paragraphs—

“(3) A student shall be treated as possessing a student loan in respect of an academic year where—

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

(4) Where a student is treated as possessing a student loan under paragraph (3), the amount of the student loan to be taken into account as income shall be, subject to paragraph (5)—

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to—

(51) 1998 c. 30; see the Education (Student Support) Regulations 1999 (S.I. 1999/496) and the Education (Student Loans) Regulations 1998 (S.I. 1998/211).

(52) 1980 c. 44; section 73(f) was amended by the Teaching and Higher Education Act 1998 (c. 30), section 29(1); see the Education (Student Loans) (Scotland) Regulations 1999 (S.I. 1999/1001 (S.71)) and the Education (Student Loans) Regulations 1998.

(53) S.I. 1998/1760 (N.I. 14); see the Education (Student Support) Regulations (Northern Ireland) 1999 (S.R. 1999 No. 192) for loans to students commencing courses after 1st September 1998.

(54) The relevant amending instruments are S.I. 1996/1944, 1997/1671 and 1998/1379.

(55) Regulation 38(2A) was inserted by S.I. 1992/573.

(56) Regulation 42 was amended by S.I. 1994/527.

(57) Regulation 42A was inserted by S.I. 1990/1549 and amended by S.I. 1991/1520 and 1996/462.

- (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
 - (ii) any contribution whether or not it has been paid to him;
- (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—
 - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.
- (5) There shall be deducted from the amount of income taken into account under paragraph (4)—
 - (a) the sum of £250 in respect of travel costs; and
 - (b) where no amount has been disregarded under regulation 38(2)(f), the sum of £303 towards the cost of books and equipment, whether or not any such costs are incurred.”.

(6) In regulation 43 (disregard of contribution)(58) after the word “grant” there shall be inserted the words “or student loan”.

(7) In regulation 43A (further disregard of student’s income)(59) after the word “grant” there shall be inserted the words “or student loan”.

Amendment of the Disability Working Allowance (General) Regulations

7.—(1) The Disability Working Allowance (General) Regulations 1991(60) shall be amended in accordance with the following paragraphs of this regulation.

(2) In regulation 41 (interpretation of Chapter VII of Part V)—

- (a) in the definition of “contribution”(61) for the words from “and” to the end there shall be substituted the words “or student loan; or any sums, which in determining the amount of the student’s allowance or bursary in Scotland in terms of the Students' Allowances (Scotland) Regulations 1996(62) or the Education Authority (Bursaries) (Scotland) Regulations 1995(63), the Secretary of State or education authority takes into account being sums which the Secretary of State or the education authority consider that the holder of the allowance or bursary, the holder’s parents and the holder’s spouse can reasonably be expected to contribute towards the holder’s expenses;”;

(b) for the definition of “year” there shall be substituted the following definitions—

““student loan” means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998(64), section 73 of the Education (Scotland) Act 1980(65) or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998(66);

(58) Regulation 43 was amended by S.I. 1996/426.

(59) Regulation 43A was inserted by S.I. 1998/563.

(60) S.I. 1991/2887.

(61) The definition of “contribution” was amended by S.I. 1998/563.

(62) S.I. 1996/1754.

(63) S.I. 1995/1739.

(64) 1998 c. 30; see the Education (Student Support) Regulations 1999 (S.I. 1999/496) and the Education (Student Loans) Regulations 1998 (S.I. 1998/211).

(65) 1980 c. 44; section 73(f) was amended by the Teaching and Higher Education Act 1998 (c. 30), section 29(1); see the Education (Student Loans) (Scotland) Regulations 1999 (S.I. 1999/1001 (S.71)) and the Education (Student Loans) Regulations 1998.

(66) S.I. 1998/1760 (N.I. 14); see the Education (Student Support) Regulations (Northern Ireland) 1999 (S.R. 1999 No. 192) for loans to students commencing courses after 1st September 1998.

“year”, in relation to a course, means the period of 12 months beginning on 1st January, 1st April, 1st July or 1st September according to whether the academic year of the course begins in the winter, the spring, the summer or the autumn respectively, but if students are required to begin attending the course during August or September and to continue attending through the autumn the academic year of the course shall be considered to begin in the autumn rather than the summer.”.

(3) In regulation 42 (calculation of grant income)—

(a) in paragraph (2)(e)(**67**) the words from “or” to the end shall be omitted;

(b) for paragraph (2A)(**68**) there shall be substituted the following paragraph—

“(2A) Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student’s grant income—

(a) the sum of £250 in respect of travel costs; and

(b) where no amount has been disregarded under sub-paragraph (2)(e), the sum of £303 towards the cost of books and equipment,

whether or not any such costs are incurred.”.

(4) In regulation 46 (other amounts to be disregarded)(**69**) for the words “and 44(1)(a) or (b) (calculation of grant income and covenant income)” there shall be substituted the words “, 44(1)(a) or (b) and 47(5) (calculation of grant income, covenant income and treatment of student loans)”.

(5) In regulation 47 (treatment of student loans)(**70**)—

(a) for paragraph (1) there shall be substituted the following paragraph—

“(1) A student loan shall be treated as income.”;

(b) for paragraph (3) there shall be substituted the following paragraphs—

“(3) A student shall be treated as possessing a student loan in respect of an academic year where—

(a) a student loan has been made to him in respect of that year; or

(b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

(4) Where a student is treated as possessing a student loan under paragraph (3), the amount of the student loan to be taken into account as income shall be, subject to paragraph (5)—

(a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to—

(i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and

(ii) any contribution whether or not it has been paid to him;

(b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—

(i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and

(ii) no deduction in that loan was made by virtue of the application of a means test.

(67) The relevant amending instruments are S.I. [1997/1671](#) and [1998/1379](#).

(68) Regulation 42(2A) was inserted by S.I. [1992/2155](#).

(69) Regulation 46 was amended by S.I. [1994/527](#).

(70) Regulation 47 was substituted by S.I. [1996/462](#).

(5) There shall be deducted from the amount of income taken into account under paragraph (4)—

(a) the sum of £250 in respect of travel costs; and

(b) where no amount has been disregarded under regulation 42(2)(e), the sum of £303 towards the cost of books and equipment,

whether or not any such costs are incurred.”.

(6) In regulation 48 (disregard of contribution)(71) after the word “grant” there shall be inserted the words “or student loan”.

(7) In regulation 48A (further disregard of student’s income)(72) after the word “grant” there shall be inserted the words “or student loan”.

Signed by authority of the Secretary of State for Social Security.

7th July 1999

Angela Eagle
Parliamentary Under-Secretary of
State, Department of Social Security

(71) Regulation 48 was amended by S.I. [1996/462](#).

(72) Regulation 48A was inserted by S.I. [1998/563](#).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the following Regulations—

- The Council Tax Benefit (General) Regulations 1992 (S.I. [1992/1814](#));
- The Disability Working Allowance (General) Regulations 1991 (S.I. [1991/2887](#));
- The Family Credit (General) Regulations 1987 (S.I. [1987/1973](#));
- The Housing Benefit (General) Regulations 1987 (S.I. [1987/1971](#));
- The Income Support (General) Regulations 1987 (S.I. [1987/1967](#));
- The Jobseeker's Allowance Regulations 1996 (S.I. [1996/207](#)).

Regulations 2 to 7, except so far as they relate to up-rating (see below), are consequential on recent changes made to student grants and loans. From the 1999/2000 academic year most students will be entitled to receive support for living costs from loans instead of from grants. Accordingly, regulations 2 to 7 amend the above Regulations. The amendments provide that students can have certain book and travel expenses disregarded from the income assessed in respect of those loans. To avoid double counting, book and travel expenses will only be disregarded from a student's grant income if the student does not have an amount treated as income because of an entitlement to receive a student loan.

Where no amount of a student's grant income is paid with the intention of meeting the costs of books and equipment, the amount to be allowed in respect of those costs is increased from £295 to £303.

The amount to be allowed in respect of a student's travel costs has been changed to a flat amount of £250 to reflect changes introduced in respect of England and Wales by the Education (Student Support) Regulations 1999 (S.I. [1999/496](#)).

An amount will be allowed for the above costs whether or not the costs are actually incurred by a student.

The Regulations provide that a student's loan income shall include loans actually made, those that would be made if applied for and any contributions that have been taken into account in making a student loan.

Regulations 6(2) and 7(2), in respect of family credit and disability working allowance, amend the definition of "contribution" to mirror the definition that applies in the other benefits covered by these Regulations. These amendments allow contributions to be claimed in respect of Scottish students' allowances and bursaries.

Regulation 5(3), in respect of Housing Benefit only, increases the amount of the deduction to be made in calculating a student's eligible rent.

These Regulations do not impose a charge on business.