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## STATUTORY INSTRUMENTS

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# 1987 No. 1973

## The Family Credit (General) Regulations 1987

### PART IV U.K.

#### INCOME AND CAPITAL

##### CHAPTER VII

##### STUDENTS

#### Interpretation U.K.

37. In this Chapter, unless the context otherwise requires—

[<sup>F1</sup>“access fund payment” means a payment for further and higher education students made under section 7 or 68 of the Further and Higher Education Act 1992 or section 73 of the Education (Scotland) Act 1980;]

“a course of advanced education” means—

- (a) a full-time course leading to a postgraduate degree or comparable qualification, a first degree or comparable qualification, a diploma of higher education, a higher national diploma, [<sup>F2</sup>a higher national diploma or higher national certificate of either the Business & [<sup>F3</sup>Technology] Education Council] or the Scottish Vocational Education Council or a teaching qualification; or
- (b) any other full-time course which is a course of a standard above ordinary national diploma, [<sup>F4</sup>a national diploma or national certificate of either the Business & [<sup>F5</sup>Technology] Education Council or the Scottish Vocational Education Council], a general certificate of education (advanced level), a Scottish certificate of education [<sup>F6</sup>(higher level)] or a Scottish certificate of sixth year studies;

“contribution” means any contribution in respect of the income [<sup>F7</sup>of a student or] of any other person which [<sup>F8</sup>the Secretary of State, the Scottish Ministers] or an education authority takes into account in assessing the amount of the student's grant [<sup>F9</sup>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 or the Education Authority (Bursaries) (Scotland) Regulations 1995, [<sup>F10</sup>the Scottish Ministers or education authority take] into account being sums which [<sup>F11</sup>the Scottish Ministers 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;]

“course of study” means any [<sup>F12</sup>... course of study or sandwich course whether or not a grant is made for attending it;

“covenant income” means the gross income payable to a student under a Deed of Covenant by a person whose income is, or is likely to be, taken into account in assessing the student's grant or award;

[<sup>F13</sup>“daily living costs” means food, ordinary clothing or footwear, household fuel or housing costs;]

“education authority” means a government department, [<sup>F14</sup>a local authority as defined in section 579 of the Education Act 1996 (interpretation)], an education authority as defined in section 135(1) of the Education (Scotland) Act 1980 <sup>M1</sup> (interpretation), an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986 <sup>M2</sup>, any body which is a research council for the purposes of the Science and Technology Act 1965 <sup>M3</sup> or any analogous government department, authority, board or body of the Channel Islands, Isle of Man or any other country outside Great Britain;

“grant” means any kind of educational grant or award and includes any scholarship, studentship, exhibition, allowance or bursary [<sup>F15</sup>but does not include a payment derived from funds made available by the Secretary of State [<sup>F16</sup>or the Scottish Ministers] for the purpose of assisting students in financial difficulties under section 100 of the Education Act 1944, sections 131 and 132 of the Education Reform Act 1988 or section 73 of the Education (Scotland) Act 1980];

“grant income” means—

- (a) any income by way of a grant;
  - (b) any contribution which has been assessed whether or not it has been paid,
- and any such contribution which is paid by way of a covenant shall be treated as part of the student's grant income;

[<sup>F17</sup>“last day of the course” means the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;]

[<sup>F18</sup>“ordinary clothing or footwear” means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;]

“period of study” means—

- (a) in the case of a course of study for one year or less, the period beginning with the start of the course [<sup>F19</sup>and ending with the last day of the course],
- (b) in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, [<sup>F20</sup>other than the final year of the course,] the period beginning with the start of the course or, as the case may be, that year's start and ending with either—
  - (i) the day before the start of the next year of the course in a case where the student's grant [<sup>F21</sup>or loan] is assessed at a rate appropriate to his studying throughout the year, or, if he does not have a grant [<sup>F22</sup>or loan] , where it would have been assessed at such a rate had he had one; or
  - (ii) in any other case the day before the start of the normal summer vacation appropriate to his course;
- (c) [<sup>F23</sup>in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;]

“periods of experience” has the meaning prescribed in paragraph 1(1) of Schedule 5 to the Education (Mandatory Awards) Regulations [<sup>F24</sup>1998];

[<sup>F25</sup>“sandwich course” has the meaning given by regulation 5(2) of the Education (Student Support) Regulations 2000 or regulation 5(3) of the Education (Student Loans) (Scotland) Regulations 1999,]

“standard maintenance grant” means—

- (a) except where paragraph (b) applies, in the case of a student attending a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations [<sup>F26</sup>1998] for such a student; and
- (b) in the case of a student residing at his parents' home, the amount specified in paragraph 3(2) thereof;
- (c) in any other case, the amount specified in paragraph 2(2) other than in sub-paragraph (a) or (b) thereof;

“student” [<sup>F27</sup>means a person, other than a person in receipt of a training allowance, who is aged less than 19 and attending a full-time course of advanced education or, as the case may be, who is aged 19 or over and attending a <sup>F28</sup>... course of study] at an educational establishment; and for the purposes of this definition—

- (a) a person who has started on such a course shall be treated as attending it <sup>F29</sup>... until [<sup>F30</sup>the last day of the course] or such earlier date as he abandons it or is dismissed from it;
- (b) a person on a sandwich course shall be treated as attending a full-time course of advanced education or, as the case may be, of study;

[<sup>F31</sup>“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, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 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.]

#### Textual Amendments

- F1** Words in reg. 37 inserted (with effect in accordance with reg. 1(1)(3)) by [The Tax Credits Schemes \(Miscellaneous Amendments No. 3\) Regulations 2000 \(S.I. 2000/1807\)](#), **regs. 1(1)(3)**, 4(a)
- F2** Words in reg. 37 substituted (5.10.1992) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 3\) Regulations 1992 \(S.I. 1992/2155\)](#), **regs. 1(1)**, 10(a)
- F3** Words in reg. 37 substituted (5.10.1993) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 4\) Regulations 1993 \(S.I. 1993/2119\)](#), **regs. 1(1)(b)**, 32
- F4** Words in reg. 37 substituted (5.10.1992) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 3\) Regulations 1992 \(S.I. 1992/2155\)](#), **regs. 1(1)**, 10(b)(i)
- F5** Words in reg. 37 substituted (5.10.1993) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 4\) Regulations 1993 \(S.I. 1993/2119\)](#), **regs. 1(1)(b)**, 32
- F6** Words in reg. 37 substituted (5.10.1992) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 3\) Regulations 1992 \(S.I. 1992/2155\)](#), **regs. 1(1)**, 10(b)(ii)
- F7** Words in reg. 37 inserted (1.4.1998 coming into force in accordance with reg. 1(2)(3)(4)(5)(6)) by [The Social Security \(Miscellaneous Amendments\) Regulations 1998 \(S.I. 1998/563\)](#), **regs. 1**, **4(1)**, (2)(c)
- F8** Words in reg. 37 substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Tax Credits \(Miscellaneous Amendments No. 7\) Regulations 2001 \(S.I. 2001/2539\)](#), **regs. 1(1)**, **4(a)**
- F9** Words in reg. 37 substituted (with effect in accordance with reg. 1(1)(d) of the amending S.I., 31.8.1999 in so far as not already in force) by [The Social Security Amendment \(Students\) Regulations 1999 \(S.I. 1999/1935\)](#), **regs. 1(1)(d)**, **6(2)(a)**

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Family Credit (General) Regulations 1987. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- F10** Words in reg. 37 substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Tax Credits (Miscellaneous Amendments No. 7) Regulations 2001 (S.I. 2001/2539), regs. 1(1), **4(b)**
- F11** Words in reg. 37 substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Tax Credits (Miscellaneous Amendments No. 7) Regulations 2001 (S.I. 2001/2539), regs. 1(1), **4(c)**
- F12** Words in reg. 37 omitted (with effect in accordance with reg. 7(4) of the amending S.I.) by virtue of The Tax Credits Schemes (Miscellaneous Amendments No. 4) Regulations 2000 (S.I. 2000/2978), regs. 1(1), **7(2)**
- F13** Words in reg. 37 inserted (with effect in accordance with reg. 1(1)(3)) by The Tax Credits Schemes (Miscellaneous Amendments No. 3) Regulations 2000 (S.I. 2000/1807), **regs. 1(1)(3)**, 4(b)
- F14** Words in reg. 37 substituted (5.5.2010) by The Local Education Authorities and Children's Services Authorities (Integration of Functions) (Local and Subordinate Legislation) Order 2010 (S.I. 2010/1172), art. 1(1), **Sch. 3 para. 14**
- F15** Words in reg. 37 added (1.9.1990) by The Social Security Benefits (Student Loans and Miscellaneous Amendments) Regulations 1990 (S.I. 1990/1549), regs. 1(1)(a), **3(3)**
- F16** Words in reg. 37 inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Tax Credits (Miscellaneous Amendments No. 7) Regulations 2001 (S.I. 2001/2539), regs. 1(1), **5**
- F17** Words in reg. 37 inserted (6.8.1991) by The Family Credit (General) Amendment Regulations 1991 (S.I. 1991/1520), reg. 1(1), 7(a)
- F18** Words in reg. 37 inserted (with effect in accordance with reg. 1(1)(3)) by The Tax Credits Schemes (Miscellaneous Amendments No. 3) Regulations 2000 (S.I. 2000/1807), **regs. 1(1)(3)**, 4(c)
- F19** Words in reg. 37 substituted (6.8.1991) by The Family Credit (General) Amendment Regulations 1991 (S.I. 1991/1520), reg. 1(1), 7(b)(i)
- F20** Words in reg. 37 inserted (6.8.1991) by The Family Credit (General) Amendment Regulations 1991 (S.I. 1991/1520), reg. 1(1), 7(b)(ii)
- F21** Words in reg. 37 inserted (with effect in accordance with reg. 1(1)(3)) by The Tax Credits Schemes (Miscellaneous Amendments No. 3) Regulations 2000 (S.I. 2000/1807), **regs. 1(1)(3)**, 4(d)
- F22** Words in reg. 37 inserted (with effect in accordance with reg. 1(1)(3)) by The Tax Credits Schemes (Miscellaneous Amendments No. 3) Regulations 2000 (S.I. 2000/1807), **regs. 1(1)(3)**, 4(d)
- F23** Words in reg. 37 inserted (6.8.1991) by The Family Credit (General) Amendment Regulations 1991 (S.I. 1991/1520), reg. 1(1), 7(b)(iii)
- F24** Words in reg. 37 substituted (1.9.1998) by The Education (Mandatory Awards) Regulations 1998 (S.I. 1998/1166)
- F25** Words in reg. 37 substituted (with effect in accordance with reg. 1(1)(3)) by The Tax Credits Schemes (Miscellaneous Amendments No. 3) Regulations 2000 (S.I. 2000/1807), **regs. 1(1)(3)**, 4(e)
- F26** Words in reg. 37 substituted (1.9.1998) by The Education (Mandatory Awards) Regulations 1998 (S.I. 1998/1166)
- F27** Words in reg. 37 substituted (7.4.1992) by The Family Credit (General) Amendment Regulations 1992 (S.I. 1992/573), **regs. 1(1)**, 9
- F28** Words in reg. 37 omitted (with effect in accordance with reg. 7(4) of the amending S.I.) by virtue of The Tax Credits Schemes (Miscellaneous Amendments No. 4) Regulations 2000 (S.I. 2000/2978), regs. 1(1), **7(3)**
- F29** Words in reg. 37 omitted (1.8.1995) by The Social Security Benefits (Miscellaneous Amendments) Regulations 1995 (S.I. 1995/1742), **regs. 1(1)**, 2(c)
- F30** Words in reg. 37 substituted (6.8.1991) by The Family Credit (General) Amendment Regulations 1991 (S.I. 1991/1520), **reg. 1(1)**, 7(c)
- F31** Words in reg. 37 substituted (with effect in accordance with reg. 1(1)(d) of the amending S.I., 31.8.1999 in so far as not already in force) by The Social Security Amendment (Students) Regulations 1999 (S.I. 1999/1935), regs. 1(1)(d), **6(2)(b)**

### Marginal Citations

- M1** 1980 c. 44.
- M2** S.I. 1986/594 (NI 3).

M3 1965 c. 4.

### Calculation of grant income **U.K.**

**38.**—(1) The amount of a student's grant income to be taken into account shall, subject to [<sup>F32</sup>paragraphs (2) [<sup>F33</sup>, (2A) and (2B)]], be the whole of his grant income.

(2) There shall be disregarded from a student's grant income any payment—

(a) intended to meet tuition fees or examination fees;

<sup>F34</sup>(b) .....

(c) intended to meet additional expenditure incurred by a disabled student in respect of his attendance on a course;

(d) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;

(e) on account of the student maintaining a home at a place other than that at which he resides during his course;

(f) intended to meet the cost of books and equipment <sup>F35</sup> ... <sup>F36</sup> ...;

(g) intended to meet travel expenses incurred as a result of his attendance on the course.

<sup>F37</sup>(h) that is an access fund payment and is intended to be used for any item other than daily living costs of any member of the student's family or is used for any personal community charge, collective community charge contribution or council tax for which any member of that family is liable.]

<sup>F38</sup>(j) that is made in respect of childcare costs pursuant to—

(i) sections 5, 6 and 9 of the Learning and Skills Act 2000;

(ii) section 4 of the Further Education and Higher Education (Scotland) Act 1992;

(iii) Article 5 of the Further Education (Northern Ireland) Order 1997;

(iv) the Education (Student Support) Regulations 2001;

(v) the Students' Allowances (Scotland) Regulations 1999; or

(vi) the Education (Student Support) Regulations (Northern Ireland) 2001;

provided that the claimant's award does not include an amount of childcare tax credit under regulation 46(1)(ab).]

<sup>F39</sup>(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 [<sup>F40</sup>£265] in respect of travel costs; and

(b) where no amount has been disregarded under sub-paragraph (2)(f), the sum of [<sup>F41</sup>£327] towards the cost of books and equipment,

whether or not any such costs are incurred.]

<sup>F42</sup>(2B) There shall be disregarded from a student's grant income £20 of any weekly access fund payment used for daily living costs of any member of the student's family or, where any access fund payment so used covers a period of more than a week, £20 for each complete week covered by the payment.]

(3) A student's grant income [<sup>F43</sup>shall, subject to paragraph (4), be apportioned equally between the weeks in the period of 52 weeks beginning with the start of the academic year in respect of which the grant is payable.]

<sup>F44</sup>(3A) .....

(4) In the case of a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between the remaining weeks in that period.

#### Textual Amendments

- F32** Words in reg. 38 substituted (7.4.1992) by [The Family Credit \(General\) Amendment Regulations 1992 \(S.I. 1992/573\)](#), regs. 1(1), 10(A)
- F33** Words in reg. 38 substituted (with effect in accordance with reg. 1(1)(3)) by [The Tax Credits Schemes \(Miscellaneous Amendments No. 3\) Regulations 2000 \(S.I. 2000/1807\)](#), **regs. 1(1)(3)**, 5(a)
- F34** Reg. 38(2)(b) omitted (8.10.1996) by virtue of [The Income-related Benefits Schemes and Social Fund \(Miscellaneous Amendments\) Regulations 1996 \(S.I. 1996/1944\)](#), regs. 1(b), **4(2)(a)** (with reg. 13)
- F35** Words in reg. 38(2)(f) omitted (8.10.1996) by virtue of [The Income-related Benefits Schemes and Social Fund \(Miscellaneous Amendments\) Regulations 1996 \(S.I. 1996/1944\)](#), regs. 1(b), **4(2)(b)** (with reg. 13)
- F36** Words in reg. 38(2)(f) omitted (with effect in accordance with reg. 1(1)(d) of the amending S.I., 31.8.1999 in so far as not already in force) by virtue of [The Social Security Amendment \(Students\) Regulations 1999 \(S.I. 1999/1935\)](#), regs. 1(1)(d), **6(3)(a)**
- F37** Words in reg. 38(2)(h) inserted (with effect in accordance with reg. 1(1)(3)) by [The Tax Credits Schemes \(Miscellaneous Amendments No. 3\) Regulations 2000 \(S.I. 2000/1807\)](#), **regs. 1(1)(3)**, 5(b)
- F38** Reg. 38(2)(j) added (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Tax Credits \(Miscellaneous Amendments No. 7\) Regulations 2001 \(S.I. 2001/2539\)](#), regs. 1(1), **8**
- F39** Reg. 38(2A) substituted (with effect in accordance with reg. 1(1)(d) of the amending S.I., 31.8.1999 in so far as not already in force) by [The Social Security Amendment \(Students\) Regulations 1999 \(S.I. 1999/1935\)](#), regs. 1(1)(d), **6(3)(b)**
- F40** Word in reg. 38(2A)(a) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [Tax Credits \(Miscellaneous Amendments No.3\) Regulations 2002 \(S.I. 2002/1333\)](#), regs. 1(1)(a), **3(1)**, (2)(a)
- F41** Word in reg. 38(2A)(b) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [Tax Credits \(Miscellaneous Amendments No.3\) Regulations 2002 \(S.I. 2002/1333\)](#), regs. 1(1)(a), **4(1)**, (2)(a)
- F42** Reg. 38(2B) added (with effect in accordance with reg. 1(1)(3)) by [The Tax Credits Schemes \(Miscellaneous Amendments No. 3\) Regulations 2000 \(S.I. 2000/1807\)](#), **regs. 1(1)(3)**, 5(d)
- F43** Words in reg. 38(3) substituted (with effect in accordance with reg. 1(1)(3)) by [The Tax Credits Schemes \(Miscellaneous Amendments No. 3\) Regulations 2000 \(S.I. 2000/1807\)](#), **regs. 1(1)(3)**, 5(e)
- F44** Reg. 38(3A) omitted (with effect in accordance with reg. 1(1)(3)) by [The Tax Credits Schemes \(Miscellaneous Amendments No. 3\) Regulations 2000 \(S.I. 2000/1807\)](#), **regs. 1(1)(3)**, 5(f)

#### Calculation of covenant income where a contribution is assessed **U.K.**

**39.**—(1) Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account shall be the whole amount of his covenant income less, subject to paragraph (3), the amount of the contribution.

(2) The weekly amount of the student's covenant income shall be determined—

- (a) by dividing the amount of income which falls to be taken into account under paragraph (1) by 52; and
- (b) by disregarding from the resulting amount, £5.



(3) <sup>F45</sup>For the purposes of paragraph (1), the contribution shall be treated as increased by the amount, if any, by which the amount excluded under regulation <sup>F46</sup>regulation 38(2)(g) (calculation of grant income) falls short of the amount specified in paragraph 7(4)(i) of Schedule 2 to the Education (Mandatory Awards) Regulations 1991 (travel expenditure).]

#### Textual Amendments

**F45** Reg. 39(3) modified (1.9.1998) by The Education (Mandatory Awards) Regulations 1998, SI 1998/1166, reg. 1, Sch. 2

**F46** Words in reg. 39 substituted (7.4.1992) by [The Family Credit \(General\) Amendment Regulations 1992 \(S.I. 1992/573\)](#), regs. 1(1), 11

### Covenant income where no grant income or no contribution is assessed **U.K.**

**40.**—(1) Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows—

- (a) any sums intended for any expenditure specified in regulation 38(2)(a) to (e) (calculation of grant income), necessary as a result of his attendance on the course, shall be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded shall be apportioned equally between the weeks of the period of study and there shall be disregarded from the covenant income to be so apportioned the amount which would have been disregarded under <sup>F47</sup>regulation 38(2)(f) and (g) and (2A)] had the student been in receipt of the standard maintenance grant; and
- (c) the balance, if any, shall be divided by 52 and treated as weekly income of which £5 shall be disregarded.

(2) Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenant income shall be calculated in accordance with sub-paragraphs (a) to (c) of paragraph (1), except that—

- (a) the value of the standard maintenance grant shall be abated by the amount of his grant income less an amount equal to the amount of any sums disregarded under regulation 38(2) (a) to (e); and
- (b) the amount to be disregarded under paragraph (1)(b) shall be abated by an amount equal to the amount of any sums disregarded under <sup>F48</sup>regulation 38(2)(f) and (g) and (2A)].

#### Textual Amendments

**F47** Words in reg. 40(1)(b) substituted (7.4.1992) by [The Family Credit \(General\) Amendment Regulations 1992 \(S.I. 1992/573\)](#), **regs. 1(1), 12**

**F48** Words in reg. 40(2)(b) substituted (7.4.1992) by [The Family Credit \(General\) Amendment Regulations 1992 \(S.I. 1992/573\)](#), regs. 1(1), 12

### Relationship with amounts to be disregarded under Schedule 2 **U.K.**

**41.** No part of a student's covenant income or grant income shall be disregarded under paragraph 13 of Schedule 2 and any <sup>F49</sup>other income to which sub-paragraph (1) of that paragraph applies shall be disregarded thereunder only to the extent that] the amount disregarded under regulation 39(2)(b) (calculation of covenant income where a contribution is assessed) or, as the case may be, 40(1)(c) (covenant income where no grant income or no contribution is assessed) is less than <sup>F50</sup>£20].

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Family Credit (General) Regulations 1987. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

#### Textual Amendments

- F49** Words in reg. 41 substituted (10.4.1990) by [Family Credit \(General\) Amendment Regulations 1990 \(S.I. 1990/574\)](#), reg. 1(1), 13(a)
- F50** Word in reg. 41 substituted (9.4.1996) by The Income-related [Benefits Schemes \(Miscellaneous Amendments\) Regulations 1996 \(S.I. 1996/462\)](#), **regs. 1(5), 8(e)**

#### Other amounts to be disregarded **U.K.**

**42.** For the purposes of ascertaining income [<sup>F51</sup>other than grant income, covenant income and loans treated as income in accordance with regulation 42A], any amounts intended for any expenditure specified in regulation 38(2) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded but only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under regulation 38(2) [<sup>F52</sup>and (2A)], 39(3) [<sup>F53</sup>, 40(1)(a) or (b) and 42A(5) (calculation of grant income, covenant income and treatment of student loans)] on like expenditure.

#### Textual Amendments

- F51** Words in reg. 42 substituted (12.4.1994) by The Income-related [Benefits Schemes \(Miscellaneous Amendments\) Regulations 1994 \(S.I. 1994/527\)](#), regs. 1(1)(c), 21(a)
- F52** Words in reg. 42 inserted (12.4.1994) by The Income-related [Benefits Schemes \(Miscellaneous Amendments\) Regulations 1994 \(S.I. 1994/527\)](#), regs. 1(1)(c), 21(b)
- F53** Words in reg. 42 substituted (with effect in accordance with reg. 1(1)(d) of the amending S.I. 31.8.1999 in so far as not already in force) by [The Social Security Amendment \(Students\) Regulations 1999 \(S.I. 1999/1935\)](#), regs. 1(1)(d), **6(4)**

#### [<sup>F54</sup>Calculation of capital—lump sum access fund payment **U.K.**

**42ZA.** There shall be disregarded from the calculation of a student's capital under regulation 29(1) any lump sum access fund payment made to the student that is not intended to be used for daily living costs, but only for a period of 52 weeks from the date of receipt of the payment.]

#### Textual Amendments

- F54** Reg. 42ZA inserted (with effect in accordance with reg. 1(1)(3)) by [The Tax Credits Schemes \(Miscellaneous Amendments No. 3\) Regulations 2000 \(S.I. 2000/1807\)](#), **regs. 1(1)(3), 6**

#### [<sup>F55</sup>Treatment of student loans **U.K.**

**42A.**—[<sup>F56</sup>(1) A student loan [<sup>F57</sup>, other than an additional loan on the grounds of hardship made under regulation 21 of the Education (Student Support) Regulations 2000 or regulation 12 of the Education (Student Loans) (Scotland) Regulations 1999,] shall be treated as income.]

- (2) In calculating the weekly amount of the loan to be taken into account as income—
- except where sub-paragraph (b) applies, the loan shall be apportioned equally between the weeks in [<sup>F58</sup>the period of 52 weeks beginning with the start of] the academic year in respect of which the loan is payable;
  - in the case of a loan which is payable in respect of the final academic year of the course or, if the course is only of one academic year's duration, in respect of that year, the loan



shall be apportioned equally between the weeks in the period beginning with the start of the final academic year or, as the case may be, the single academic year and ending with [F59the last day of the course],

and from the weekly amount so apportioned there shall be disregarded £10.]

[F60(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.

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

- (a) the sum of [F61£265] in respect of travel costs; and
- (b) where no amount has been disregarded under regulation 38(2)(f), the sum of [F62£327] towards the cost of books and equipment,

whether or not any such costs are incurred.]

#### Textual Amendments

- F55** Reg. 42A inserted (1.9.1990) by [The Social Security Benefits \(Student Loans and Miscellaneous Amendments\) Regulations 1990 \(S.I. 1990/1549\)](#), regs. 1(1)(a), **3(5)**
- F56** Reg. 42A(1) substituted (with effect in accordance with reg. 1(1)(d) of the amending S.I., 31.8.1999 in so far as not already in force) by [The Social Security Amendment \(Students\) Regulations 1999 \(S.I. 1999/1935\)](#), regs. 1(1)(d), **6(5)(a)**
- F57** Words in reg. 42A inserted (with effect in accordance with reg. 1(1)(3)) by [The Tax Credits Schemes \(Miscellaneous Amendments No. 3\) Regulations 2000 \(S.I. 2000/1807\)](#), **regs. 1(1)(3)**, 7(a)
- F58** Words in reg. 42A(2)(a) inserted (with effect in accordance with reg. 1(1)(3)) by [The Tax Credits Schemes \(Miscellaneous Amendments No. 3\) Regulations 2000 \(S.I. 2000/1807\)](#), **regs. 1(1)(3)**, 7(b)
- F59** Words in reg. 42A(2)(b) substituted (6.8.1991) by [The Family Credit \(General\) Amendment Regulations 1991 \(S.I. 1991/1520\)](#), reg. 1(1), 9(b)
- F60** Regs. 42A(3)-(5) substituted for reg. 42A(3) (with effect in accordance with reg. 1(1)(d) of the amending S.I., 31.8.1999 in so far as not already in force) by [The Social Security Amendment \(Students\) Regulations 1999 \(S.I. 1999/1935\)](#), regs. 1(1)(d), **6(5)(b)**
- F61** Word in [reg. 42A\(5\)\(a\)](#) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [Tax Credits \(Miscellaneous Amendments No.3\) Regulations 2002 \(S.I. 2002/1333\)](#), regs. 1(1)(a), **3(1)**, (2)(a)

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Family Credit (General) Regulations 1987. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

**F62** Word in [reg. 42A\(5\)\(b\)](#) substituted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by [Tax Credits \(Miscellaneous Amendments No.3\) Regulations 2002 \(S.I. 2002/1333\)](#), [regs. 1\(1\)\(a\)](#), [4\(1\)](#), [\(2\)\(a\)](#)

### Disregard of contribution **U.K.**

**43.** Where the claimant or his partner is a student and <sup>F63</sup>, for the purposes of assessing a contribution to the student's grant <sup>F64</sup> or student loan], the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.]

#### Textual Amendments

- F63** Words in [reg. 43](#) substituted (9.4.1996) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) Regulations 1996 \(S.I. 1996/462\)](#), [regs. 1\(5\)](#), [10\(1\)](#), [\(2\)\(d\)](#)
- F64** Words in [reg. 43](#) inserted (with effect in accordance with [reg. 1\(1\)\(d\)](#) of the amending S.I., 31.8.1999 in so far as not already in force) by [The Social Security Amendment \(Students\) Regulations 1999 \(S.I. 1999/1935\)](#), [regs. 1\(1\)\(d\)](#), [6\(6\)](#)

### <sup>F65</sup>Further disregard of student's income **U.K.**

**43A.** Where any part of a student's income has already been taken into account for the purposes of assessing his entitlement to a grant <sup>F66</sup> or student loan], the amount taken into account shall be disregarded in assessing that student's income.]

#### Textual Amendments

- F65** [Reg. 43A](#) inserted (1.4.1998 coming into force in accordance with [reg. 1\(2\)\(3\)\(4\)\(5\)\(6\)](#)) by [The Social Security \(Miscellaneous Amendments\) Regulations 1998 \(S.I. 1998/563\)](#), [regs. 1](#), [4\(3\)](#), [\(4\)\(c\)](#)
- F66** Words in [reg. 43A](#) inserted (with effect in accordance with [reg. 1\(1\)\(d\)](#) of the amending S.I., 31.8.1999 in so far as not already in force) by [The Social Security Amendment \(Students\) Regulations 1999 \(S.I. 1999/1935\)](#), [regs. 1\(1\)\(d\)](#), [6\(7\)](#)

### Disregard of tax refund **U.K.**

**44.** Any amount by way of a refund of tax deducted from a student's covenant income shall be disregarded in calculating the student's income or capital.

### Disregard of changes occurring during summer vacation **U.K.**

**45.** In calculating a student's income there shall be disregarded any change in the standard maintenance grant occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study, from the date on which the change occurred to the end of that vacation.

**Changes to legislation:**

There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Family Credit (General) Regulations 1987. Any changes that have already been made by the team appear in the content and are referenced with annotations.

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**Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:**

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- Regs S.49A added by [S.I. 1996/1418 reg.2](#)
- regs.13A(2)21A(2) amended by [S.I. 1997/2793 reg.2\(5\)\(c\)](#)