

**EXPLANATORY MEMORANDUM TO
THE SOCIAL SECURITY (STUDENTS AND INCOME RELATED BENEFITS)
AMENDMENT REGULATIONS
SI 2006 No.1752**

1. This explanatory memorandum has been prepared by the Department for Work and Pensions and is laid before Parliament by Command of her Majesty

2. Description

2.1 These Regulations increase the disregards for books, equipment and travel costs in line with this year's increase in the level of student support.

2.2 In addition Regulations are amended to take account of changes to the student support systems of other government departments.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Background

4.1 Each year at the beginning of August, in time for the start of the academic year in Scotland, the income-related benefit Regulations are amended to take account of changes to the student support system and, in particular, increase the amounts to be disregarded for books, equipment and travel costs in assessing income from student loans or personal maintenance grants.

4.2 Regulations 2, 3, 4 and 5 make amendments to the Council Tax Benefit Regulations, Housing Benefit Regulations, Income Support Regulations and Jobseeker's Allowance Regulations, respectively. Each of these four Regulations increases the amount of the disregards from student loan or personal maintenance grant income in respect of travel, and books and equipment. A disregard for the new fee loans and fee contribution loans is also provided in each of these Regulations.

4.3 Regulations 2 and 3 also make a minor amendment to the Housing Benefit and Council Tax Benefit Regulations in respect of the Parents Learning Allowance disregard. The PLA continues to be disregarded in full, and this a drafting amendment rather than a change in policy. (For Jobseeker's Allowance and Income Support the PLA continues to be disregarded, under the general provision in JSA and IS Regulations.)

4.4 Regulation 3 also makes a minor amendment to the Housing Benefit Regulations 2006 to correct a cross-referencing error.

4.5 Changes made by the Department for Education and Skills to the student support system mean that some references in the income-related benefit legislation are no longer required. These Regulations therefore remove income-related benefit Regulations that make reference to the Education (Student Support) Regulations 2002.

4.6 Regulation 6 makes consequential amendments to the Social Security (Students and Income-related Benefits) Amendments Regulations 2005.

5. Extent

5.1 The Regulations extend to Great Britain.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy Background

7.1 This instrument is being made to effect the annual uprating of income-related benefit disregards in respect of student course-related expenses. The disregard for books & equipment is calculated by increasing last year's figure in line with the increase in student support rates, 2.5% for the 2006/07 academic year. The travel disregard reflects the amount specified in student support legislation above which students can get a specific grant, which for the 2006/07 academic year is £285. The opportunity is used to make other non-controversial amendments to income-related benefit Regulations relating to students.

7.2 Most full-time students are not eligible to claim any of the income-related benefits (Income Support, Housing Benefit, Council Tax Benefit, Income-based Jobseeker's Allowance). This is because primary financial support for students comes from the educational maintenance system, which is designed for their needs. However, exceptions are made, for students who fall into certain "vulnerable groups" (in the main, lone parents, student couples with children or students with disabilities). For those students who are entitled, there are specific regulations governing the treatment of their income.

7.3 The Department for Education and Skills make changes to their regulations each year to reflect changes to the student support system. This opportunity allows the Department for Work and Pensions to clarify and amend the income-related benefit Regulations to take account of the changes to the student support system.

7.4 The Social Security Advisory Committee agreed that the Regulations should not be referred for formal consultation. The Local Authority Associations, the National Union of Students and the National Association of Student Monetary Advisors were also consulted. NASMA provided a detailed response that suggested the introduction of higher disregards for students in London, sought clarification on the treatment of College Fee Loans and bursaries, and raised issues around the guidance provided for Local Authority and DWP staff. NASMA's response did not object to these regulations but put forward suggestions for future change. The comments have also been shared with the Department for Education and Skills, as some of the points raised are more relevant for that Department.

7.5 Though there are no plans to immediately consolidate these uprating Regulations, the public will have access to this information at no cost through the Internet. The Regulations will be published in the Department's Blue Volumes (http://www.dwp.gov.uk/advisers/docs/lawvols/bluevol/pdf/c_0031.pdf) and also at www.opsi.gov.uk.

8. Regulatory impact and costs

8.1 A full regulatory impact assessment has not been produced for this instrument, as it has no impact on the costs of business.

8.2 There is no impact on the public sector, as there are no costs associated with the changes.

9. Contact

Peter Loosley

Jobcentre Plus, Rockingham House, 123 West Street, Sheffield S1 4ER

peter.loosley@jobcentreplus.gsi.gov.uk