



## **Students and Benefits**

### **Student Money and Accommodation Advice**

The regulations surrounding welfare benefits are complex and frequently changing, especially with the introduction of Universal Credit (UC), Personal Independence Payments (PIP) and recent government changes. The following information is intended as a general overview only; please contact your local benefits office for a full assessment of your circumstances and eligibility.

#### **Full-time undergraduates**

Full-time home undergraduate students are not usually entitled to welfare benefits. If you are currently claiming benefits, you must notify your job centre that you will be embarking on a full time course of study at university. Please bear in mind that any benefit payments made after the first day (1 September for September starters; 1 January for January starters) of your first year of your course may be classed as an overpayment. By law, HM Revenue & Customs (HMRC) will require you to repay any overpayments.

Please note, there are some exceptions to this rule:

- lone parents with a child under 16 (or 19 in full time education)
- a student couple with children where both parents are in full time higher education
- students aged 60 or over
- if you receive Disability Living Allowance (DLA) due to deafness
- if you have been unable to work for 28 weeks or longer due to illness or disability
- if you receive long term Incapacity Benefit

Students who meet the above criteria are considered financially vulnerable so may therefore be entitled to make a claim for welfare benefits. This enables them to be assessed for benefits such as Income Support (IS), Housing Benefit (HB), Employment Support Allowance (ESA) and Council Tax Support.

Please note that your student income (Maintenance Loan) is partially taken into account in a benefits assessment, regardless of whether you request this loan. If you are currently in receipt of welfare benefits, you may find the amount is less than you currently receive because a proportion of your maintenance loan is classed as income. Further information is on the Turn2Us website: [www.turn2us.org.uk/Benefit-guides/Full-time-students-and-benefits/](http://www.turn2us.org.uk/Benefit-guides/Full-time-students-and-benefits/)

#### **Part-time undergraduates**

There are currently no rules regarding welfare benefits for part-time home undergraduate students. This is because students in this category are not currently entitled to a Maintenance Loan for living costs from SFE. Therefore, part-time students are entitled to make a claim for welfare benefits. Your entitlement is assessed on your personal circumstances and household income. Many students choose to work part-time alongside their studies and find they are better off financially, as well as gaining useful work experience. In theory, part-time students can also claim Jobseeker's Allowance (JSA) but the regulations state that you must be available for work.

In reality, this means that should you be offered a job, you are legally obliged to accept it and may have to withdraw from your course. It is therefore not advisable to claim JSA while you study.

### **Full-time postgraduates**

Full-time home postgraduate students are not usually entitled to welfare benefits. However, there are a few exceptions to the rule (see the section entitled 'Full-time undergraduates' for more information). If you are eligible for the Postgraduate Loan, 30% of this is taken into account as income when a means-tested benefit calculation is made.

### **Part-time postgraduates**

There are currently no rules regarding welfare benefits for part-time home postgraduate students. Therefore part-time postgraduate students who are claiming benefits can continue to do so. Please make sure you notify your benefit office of your change in circumstances as they will need to make a new assessment using your student status.

### **EU students**

Like most UK students, full-time EU students cannot claim welfare benefits whilst studying full-time unless they meet one of the exceptional criteria above (see section entitled 'Full-time undergraduates'). In addition to this, EU students will need to meet the Habitual Residency requirements. You must demonstrate that you have lived in the UK for a certain length of time before you can claim. See the Citizens Advice website for a detailed explanation:

[www.citizensadvice.org.uk/benefits/coming-from-abroad-and-claiming-benefits-the-habitual-residence-test/](http://www.citizensadvice.org.uk/benefits/coming-from-abroad-and-claiming-benefits-the-habitual-residence-test/)

### **International students**

International students are not entitled to claim welfare benefits in the UK. Any queries should be directed to our team of international advisers. You can contact them by email at [advice.international@londonmet.ac.uk](mailto:advice.international@londonmet.ac.uk) or tel: +44 (0)20 7133 4186. See also the UKCISA website: [www.ukcisa.org.uk/Information--Advice/Fees-and-Money/Welfare-Benefits#layer-3690](http://www.ukcisa.org.uk/Information--Advice/Fees-and-Money/Welfare-Benefits#layer-3690)

### **Student Parents**

If you are a student with children, please see our information sheet Students with Children. Full-time UK lone parents and student couples may be entitled to make a claim for welfare benefits.

Student parents should book an appointment with a Student Money and Accommodation Adviser in May for advice over the summer vacation, as in some cases students may be allowed to claim extra benefits over this period.

### **UK students taking a break from their studies**

You are classed as a student from the first day of your first year of your course until the final day of your final year. This means that you are classed as a student even during the summer vacation period and when taking a break from studying. Your student status ends only when you have 'completed, abandoned or been dismissed from your studies'. Therefore, you are not usually entitled to claim benefits whilst on a break from your studies.

The exception to this rule is that '...full-time students who have suspended their studies due to illness or caring responsibilities and who are required to wait until their provider allows them to rejoin their course are able to claim Jobseekers Allowance (JSA) and Housing/Council Tax Benefit or Universal Credit from when they recover from illness or the caring duties end, until the day before they rejoin their course, but not exceeding one year...' (Student Finance England Guidance - Change of Circumstances, p.15)

Full-time UK students taking a break have any SFE loans and grants stopped from the day they

intermit until they return to study. However, if you are taking a break due to ill health, SFE can make a discretionary 60 day ill health payment.

### **UK students withdrawing from their studies**

If you decide to withdraw from your course, your student status is terminated and you can then apply for welfare benefits. However, please bear in mind that this may have negative implications for your Student Finance England funding entitlement should you wish to return to higher education in the future.

You are only officially withdrawn once you have completed a Withdrawal Form:

<http://student.londonmet.ac.uk/your-studies/student-administration/withdrawal-process-module-or-university/>

Both taking a break and withdrawing can have a big impact on your finances. If you are considering this, please book an appointment to see a Student Money and Accommodation Adviser and we can help you explore the best options for your circumstances and advise on which University forms to fill in.

### **Benefits overview**

The existing system consists of means and non-means-tested benefits. In 2010, the government announced an overhaul of the benefit system with the introduction of Universal Credit (UC) and Personal Independence Payment (PIP).

Welfare Rights.net gives a comprehensive overview of each benefit:

[www.welfarights.net/benefits-guides.php](http://www.welfarights.net/benefits-guides.php)

Turn2us has an excellent jargon buster to help you navigate the system:

[www.turn2us.org.uk/Jargon-buster](http://www.turn2us.org.uk/Jargon-buster)

### **What is a means tested benefit?**

Means-tested refers to an income assessed benefit. In other words, if you can prove your income and capital (any savings and investments) falls below a certain level, then you may be eligible for the following means-tested benefits:

- Housing Benefit
- Council Tax Support
- Universal Credit
- Working Tax Credit
- Child Tax Credit
- Income-based Jobseeker's Allowance
- Income-based Employment Support Allowance
- Social Funds (Sure Start Maternity Grant; Cold Weather Payment; Funeral Payment)
- Pension Credit

Please bear in mind that full-time student status will affect your entitlement.

You can get means-tested benefits regardless of whether you have paid enough national insurance contributions.

### **What is a non-means-tested benefit?**

Non-means-tested benefit means your household income is not taken into consideration when you are being assessed for the benefit.

There are several types of non-means-tested benefit, and they are assessed on criteria based on

your personal circumstances. Broadly speaking they are as follows:

- contributory benefits: whether you have made enough National Insurance contributions
- non-contributory benefits: whether you have a disability or caring responsibilities for someone with a disability
- statutory benefits: whether you are unable to work due to illness/maternity leave/adoption leave.

As this area is complex, it is important you notify your Benefit Office and ask them to carry out an assessment on your circumstance. [www.turn2us.org.uk/jargon-buster/Non-means-tested-benefit](http://www.turn2us.org.uk/jargon-buster/Non-means-tested-benefit)

### **Child Benefit**

A tax free payment that is aimed at helping parents cope with the cost of bringing up children. All student parents can apply for this provided they meet the residency requirements. The rate is £20.70 for your first child and £13.70 for your second child. From 6 April 2017, there is no additional payment for a third or more child born after this date. Families where one partner earns over £50,000 must pay a High Income Tax Charge on child benefit.

### **Child Tax Credit and Working Tax Credit**

The Maintenance Loan, Parents' Learning Allowance, Tuition Fee Loan, Maintenance Grant, Special Support Grant and Childcare Grant are NOT treated as income in the assessment for Child Tax and Working Tax Credit.

Please note that the Adult Dependants' Grant is included in the assessment. If you think you may be eligible for this, we would advise booking an appointment with a Student Money and Accommodation Adviser.

### **What is Universal Credit?**

Universal Credit is the new universal benefit scheme introduced by the UK government in 2013. It is intended to replace and simplify the six existing means-tested benefits and tax credits below, which are increasingly being referred to as 'legacy benefits':

- Income Support
- Housing Benefit
- Jobseeker's Allowance (income-based)
- Employment Support Allowance (income-based)
- Working Tax Credit
- Child Tax Credit

Universal Credit is still in the process of being rolled out. Full-time students are currently still assessed on the legacy benefit system. Part-time students living in specific areas, with fewer than two children, may be invited to transfer over to Universal Credit. As the scheme is being rolled out in stages, it depends on where you live and your circumstances. More information can be found at [www.gov.uk/universal-credit](http://www.gov.uk/universal-credit)

If you are given the option of Universal Credit or legacy benefits, it is worth asking your benefits office to calculate what you would be entitled to under the two different systems before you make your decision. It may be that you are better off under the legacy benefit system.

### **What is the Benefit Cap?**

There's a limit on the total amount of benefit that most people aged 16 to 64 can get. This is called the benefit cap. This is assessed on where you live; there is a higher rate for claimants

living in London; and also on your personal circumstances. Only certain benefits are affected by the Benefit Cap. More information can be found at [www.gov.uk/benefit-cap/benefits-included-in-the-cap](http://www.gov.uk/benefit-cap/benefits-included-in-the-cap)

If you live inside Greater London, the benefits cap is £23,000 per year if you're in a couple, or a single parent, and £15,410 if you do not have children. Rates outside London are lower.

### **How to contact us**

Telephone your Student Hub and ask to book a phone or face-to-face appointment with a Student Money and Accommodation Adviser:

Aldgate – 020 7133 7002; Holloway – 020 7133 7001; Moorgate – 020 7133 7003

Email: [SMAA@londonmet.ac.uk](mailto:SMAA@londonmet.ac.uk)

Website: [www.londonmet.ac.uk/advice](http://www.londonmet.ac.uk/advice)

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