
SCOTTISH STATUTORY INSTRUMENTS

2012 No. 303

The Council Tax Reduction (Scotland) Regulations 2012

PART 7

Students

CHAPTER 2

Income

Calculation of grant income

54.—(1) The amount of a student's grant income to be taken into account is, subject to paragraphs (2) and (3), the whole of that student's grant income.

(2) There must be excluded from a student's grant income any payment—

- (a) intended to meet tuition fees or examination fees;
- (b) in respect of any disability of that student;
- (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
- (d) on account of the student maintaining a home at a place other than that at which the student resides during the course;
- (e) on account of any other person but only if the person is residing outside of the United Kingdom and there is no applicable amount in respect of the person;
- (f) intended to meet the cost of books and equipment;
- (g) intended to meet travel expenses incurred as a result of the student's attendance on the course;
- (h) intended for the child care costs of a child dependant; or
- (i) of higher education bursary for care leavers made under Part III of the Children Act 1989.

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

- (a) the sum of £303 per academic year in respect of travel costs; and
- (b) the sum of £390 per academic year towards the costs of books and equipment,

whether or not any costs are incurred.

(4) There must be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.

(5) Subject to paragraphs (6) and (7), a student's grant income is to be apportioned—

- (a) subject to paragraph (8), in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which

coincides with, or immediately follows, the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study; and

- (b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.

(6) Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968(1) (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003(2) is to be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.

(7) In a case where a student is in receipt of a student loan or where the student could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which paragraph (6) does not apply, is to be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.

(8) In the case of a student on a sandwich course, any periods of experience within the period of study are to be excluded and the student's grant income is to be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.

Calculation of covenant income where a contribution is assessed

55.—(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 the student's covenant income to be taken into account for that period and any summer vacation immediately following is the whole amount of the covenant income less, subject to paragraph (3), the amount of the contribution.

(2) The weekly amount of the student's covenant is to be determined—

- (a) by dividing the amount of income which falls to be taken into account under paragraph (1) by 52 or 53, whichever is reasonable in the circumstances; and
(b) by disregarding £5 from the resulting amount.

(3) For the purposes of paragraph (1), the contribution is to be treated as increased by the amount (if any) by which the amount excluded under regulation 54(2)(g) (calculation of grant income) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure)(3).

Covenant income where no grant income or no contribution is assessed

56.—(1) Where a student is not in receipt of income by way of a grant the amount of the student's covenant income is to be calculated as follows—

- (a) any sums intended for any expenditure specified in regulation 54(2)(a) to (e) (calculation of grant income) necessary as a result of the student's attendance on the course is to be disregarded;
(b) any covenant income, up to the amount of the standard maintenance grant, which is not disregarded, is to be apportioned equally between the weeks of the period of study;

(1) 1968 c.46. Section 63(6) was amended with respect to Scotland by section 20 of the Health and Medicines Act 1988 (c.49) and S.I. 1968/1699.

(2) Part 3 of Schedule 2 was amended by 2005/2083, 2006/930 and 2008/1477.

(3) Paragraph 7(2) of Schedule 2 was amended by S.I. 2008/1477.

- (c) there is to be disregarded from the amount apportioned the amount which would have been disregarded under regulation 54(2)(f) and (3) had the student been in receipt of the standard maintenance grant; and
- (d) the balance, if any, is to be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 is to 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 the student's covenant income is to be calculated in accordance with paragraph (1), except that—

- (a) the value of the standard maintenance grant is to be abated by the amount of the grant income less an amount equal to the amount of any sums disregarded under regulation 54(2)(a) to (e); and
- (b) the amount to be disregarded under paragraph (1)(c) is to be abated by an amount equal to the amount of any sums disregarded under regulation 54(2)(f) and (g) and (3).

Relationship with amounts to be disregarded under Schedule 4

57. No part of a student's covenant income or grant income is to be disregarded under paragraph 18 of Schedule 4.

Other amounts to be disregarded

58. For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with regulation 59 (treatment of student loans), any amount intended for any expenditure specified in regulation 54(2) (calculation of grant income), necessary as a result of the student's attendance on the course is to 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 54(2) or (3), 55(3), 56(1)(a) or (c) or 59(5) (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

Treatment of student loans

59.—(1) A student loan is to be treated as income in accordance with the provisions of this regulation.

(2) Subject to paragraph (3), when calculating the weekly amount of the loan to be taken into account as income—

- (a) in respect of a course that is of a single academic year's duration or less, a loan payable in respect of that period is to be apportioned equally between the weeks in the period beginning with—
 - (i) except in a case where head (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year; and
 - (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course,and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
- (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year is to be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the reduction week, the last day of which coincides with or immediately precedes, the last

day of that academic year but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of, as the case may be, the Scottish Ministers, the Secretary of State, the Welsh Ministers or the Department for Employment and Learning in Northern Ireland, the longest of any vacation is taken;

- (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year is to be apportioned equally between the weeks in the period beginning with—
- (i) except in a case where head (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of that academic year; and
 - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincides with, or immediately follows, the earlier of 1st September or the first day of the autumn term,
- and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course; and
- (d) in any other case, the loan is to be apportioned equally between the weeks in the period beginning with the earlier of—
- (i) the first day of the first reduction week in September; or
 - (ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of June.
- (3) When calculating the weekly amount of the loan to be taken into account as income £10 is to be disregarded from the weekly amounts apportioned in accordance with paragraph (2).
- (4) A student is to be treated as possessing a student loan in respect of an academic year where—
- (a) a student loan has been made to the student in respect of that year; or
 - (b) the student could acquire a student loan in respect of that year by taking reasonable steps to do so.
- (5) Where a student is treated as possessing a student loan under paragraph (4), the amount of the student loan to be taken into account as income is, subject to paragraph (6)—
- (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 the student 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 the student; and
 - (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) the student took all reasonable steps to obtain the maximum student loan able to be acquired in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.
- (6) There is to be deducted from the amount of income taken into account under paragraph (5), whether or not any costs are incurred—
- (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the cost of books and equipment.
- (7) For the purposes of this regulation “quarter” in relation to an academic year means a period in that year—
- (a) beginning on 1st January and ending on 31st March;

- (b) beginning on 1st April and ending on 30th June;
- (c) beginning on 1st July and ending on 31st August; or
- (d) beginning on 1st September and ending on 31st December.

Treatment of fee loans

60. A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under section 73(f) of the Education (Scotland) Act 1980(4), section 22 of the Teaching and Higher Education Act 1998 or article 3 of the Education (Student Support) (Northern Ireland) Order 1998 is to be disregarded as income.

Treatment of payments from access funds

61.—(1) This regulation applies to payments from access funds that are not payments to which regulation 64(2) or (3) (income treated as capital) applies.

(2) A payment from access funds, other than a payment to which paragraph (3) applies, is to be disregarded as income.

(3) Subject to paragraph (4) and paragraph 40 of Schedule 4, any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of the applicant's family and any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable, are to be disregarded as income to the extent of £20 per week.

(4) Any payment from access funds is to be disregarded as income where that payment is made—

- (a) on or after 1st September or the first day of the course of study, whichever occurs first, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or
- (b) before the first day of the course to a person in anticipation of the person becoming a student.

Disregard of contribution

62. Where the applicant or any partner of the applicant is a student and, for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution is to be disregarded for the purposes of assessing the other partner's income.

Further disregard of student's income

63. Where any part of a student's income has already been taken into account for the purposes of assessing the student's entitlement to a grant or student loan, the amount taken into account must be disregarded in assessing the student's income.

Income treated as capital

64.—(1) Any amount by way of a refund of tax deducted from a student's covenant income is to be treated as capital.

(2) Any amount paid from access funds as a single lump sum is to be treated as capital.

(4) Section 73(f) was substituted by section 3 of the Education (Graduate Endowment and Student Support) (Scotland) Act 2001 (asp 6).

(3) Any amount paid from access funds as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or a member of the applicant's is liable, is to be disregarded as capital but only for a period of 52 weeks from the date of the payment.

Disregard of changes occurring during summer vacation

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