
STATUTORY INSTRUMENTS

2001 No. 2319

SOCIAL SECURITY

**The Social Security Amendment (Students and
Income-related Benefits) Regulations 2001**

Made - - - - - *26th June 2001*
Laid before Parliament *2nd July 2001*
Coming into force in accordance with regulation 1

The Secretary of State for Work and Pensions, in exercise of the powers conferred upon him by sections 123(1)(a), (d) and (e), 136(3) and (5)(b), 137(1) and 175(1), (3) and (4) of the Social Security Contributions and Benefits Act 1992⁽¹⁾ and sections 12(1) and (4)(b), 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 respect of provisions in these Regulations relating 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 shall be cited as the Social Security Amendment (Students and Income-related Benefits) Regulations 2001 and shall come into force—

- (a) for the purposes of this regulation and regulations 2 and 5 on 1st August 2001;
- (b) for the purposes of regulations 3, 4 and 6 in so far as those regulations relate to income support and jobseeker's allowance—
 - (i) in the case of a student whose period of study begins on or after 1st August 2001 but before 27th August 2001, on the day the period of study begins;
 - (ii) in any other case, on 27th August 2001;

(1) 1992 c. 4; section 123(1)(d) was inserted and section 137 amended, with respect to council tax benefit, by 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 meaning ascribed to the words “prescribed” and “regulations”.

(3) See section 176(1) of the Social Security Administration Act 1992.

(4) See sections 170 and 173(1)(b) of the 1992 Act; 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 normally be referred to the Committee.

- (c) for the purposes of regulations 3, 4 and 6 (in so far as those regulations relate to housing benefit and council tax benefit) and of regulation 7—
- (i) in the case of a student whose period of study begins on or after 1st August 2001 but before 27th August 2001, on the first Monday of that period;
 - (ii) in any other case, on 27th August 2001.
- (2) In these Regulations—
- “the Council Tax Benefit Regulations” means the Council Tax Benefit (General) Regulations 1992⁽⁵⁾;
- “the Housing Benefit Regulations” means the Housing Benefit (General) Regulations 1987⁽⁶⁾;
- “the Income Support Regulations” means the Income Support (General) Regulations 1987⁽⁷⁾;
- “the Jobseeker’s Allowance Regulations” means the Jobseeker’s Allowance Regulations 1996⁽⁸⁾.

Definitions

- 2.—(1) In the provisions specified in paragraph (2) below—
- (a) immediately before the first definition there shall be inserted the following definition—

““academic year” means the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September according to whether the course in question 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;”;
 - (b) in the definition of “access funds”⁽⁹⁾—
 - (i) in paragraph (a), for the words “and described as “access bursary funds” or “hardship funds”” there shall be substituted the words “for the purpose of providing funds on a discretionary basis to be paid to students”;
 - (ii) the word “or” at the end of paragraph (b) shall be omitted and after paragraph (c) there shall be added the following—

“or

 - (d) discretionary payments, known as “learner support funds”, which are made available to students in further education by institutions out of funds provided by the Learning and Skills Council for England under sections 5, 6 and 9 of the Learning and Skills Act 2000⁽¹⁰⁾”;
 - (c) in the definition of “contribution”—
 - (i) after the words “Secretary of State” in the first place where those words appear there shall be inserted the words “, the Scottish Ministers”;
 - (ii) for the words “Secretary of State” in the other two places where those words appear there shall be substituted the words “Scottish Ministers”;
 - (d) for paragraph (c) of the definition of “standard maintenance grant” there shall be substituted the following—

⁽⁵⁾ S.I. 1992/1814.

⁽⁶⁾ S.I. 1987/1971.

⁽⁷⁾ S.I. 1987/1967.

⁽⁸⁾ S.I. 1996/207.

⁽⁹⁾ The definition was inserted by S.I. 2000/1922.

⁽¹⁰⁾ 2000 c. 21.

- “(c) in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980⁽¹¹⁾, the amount of money specified as the “standard maintenance allowance” for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the Student Awards Agency for Scotland⁽¹²⁾, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority and paid under the Further and Higher Education (Scotland) Act 1992⁽¹³⁾”;
- (e) at the end of the definition of “student loan” there shall be added the words “and shall include, in Scotland, a young student’s bursary paid under regulation 4(1)(c) of the Students' Allowances (Scotland) Regulations 1999⁽¹⁴⁾”;
- (f) the definition of “year” shall be omitted.
- (2) The provisions specified for the purposes of paragraph (1) above⁽¹⁵⁾ (interpretation) are—
- (a) regulation 38(1) of the Council Tax Benefit Regulations;
- (b) regulation 46(1) of the Housing Benefit Regulations;
- (c) regulation 61(1) of the Income Support Regulations;
- (d) regulation 130 of the Jobseeker’s Allowance Regulations.
- (3) In—
- (a) paragraphs (a) and (c) of the definition of “full-time course of study” in regulation 61(1) of the Income Support Regulations;
- (b) paragraphs (a) and (c) of the definition of “full-time course of advanced education” in both regulation 61(1) of the Income Support Regulations and regulation 1(3) of the Jobseeker’s Allowance Regulations; and
- (c) paragraph (b)(i) and (iii) of the definition of “full-time student” in regulation 1(3) of the Jobseeker’s Allowance Regulations,

for the words “Secretary of State for Scotland”, wherever those words appear, there shall be substituted the words “Scottish Ministers”.

(4) In the definition of “full-time course of study” in both regulation 38(1) of the Council Tax Benefit Regulations and regulation 46(1) of the Housing Benefit Regulations—

- (a) in paragraph (a), for the words from “a full-time course of study” to the end of the paragraph there shall be substituted the words “a full-time course of study which is not funded in whole or in part by the Scottish Ministers at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers”;
- (b) in paragraph (c), for the words “Secretary of State for Scotland”, there shall be substituted the words “Scottish Ministers”.

Disregards and deductions

3.—(1) In sub-paragraph (a) of each of the provisions specified in paragraph (3) below, for the sum “£255” there shall be substituted the sum “£260”.

(2) For sub-paragraph (b) of each of the provisions specified in paragraph (3) below there shall be substituted the following sub-paragraph—

(11) 1980 c. 44.

(12) The relevant leaflets are SAS2, SAS4 and SAS6.

(13) 1992 c. 13.

(14) S.I. 1999/1131 (S.91).

(15) The relevant amending instruments are S.I. 2000/1922 and 1981.

“(b) the sum of £319 towards the costs of books and equipment.”.

(3) The provisions specified for the purposes of paragraphs (1) and (2) above⁽¹⁶⁾ (which relate respectively to sums to be disregarded from the calculation of grant income and from student loans) are—

- (a) regulations 42(3) and 47(5) of the Council Tax Benefit Regulations;
- (b) regulations 53(2A) and 57A(5) of the Housing Benefit Regulations;
- (c) regulations 62(2A) and 66A(5) of the Income Support Regulations;
- (d) regulations 131(3) and 136(5) of the Jobseeker’s Allowance Regulations.

(4) There shall be inserted as—

- (a) regulation 42(3A) of the Council Tax Benefit Regulations;
- (b) regulation 53(2B) of the Housing Benefit Regulations;
- (c) regulation 62(2B) of the Income Support Regulations;
- (d) regulation 131(3A) of the Jobseeker’s Allowance Regulations,

the following paragraph—

“There shall also be excluded from a student’s grant income—

- (a) any grant of £250 for an only or eldest dependent child payable under regulation 15(1)(c) of the Education (Student Support) Regulations 2001⁽¹⁷⁾;
- (b) any grant of £500 in respect of expenditure on travel, books and equipment for the purpose of attending his course which is payable under regulation 15(8) of those Regulations;
- (c) any grant for child care costs payable under regulation 16 of those Regulations;
- (d) any grant in respect of a lone parent’s child care costs which is payable under regulation 4(1)(c) of the Students’ Allowances (Scotland) Regulations 1999 and which is specified as such on the student’s award notice.”.

(5) In regulation 51(1) of the Housing Benefit Regulations (eligible rent)—

- (a) in sub-paragraph (a), for the sum “£27.75” there shall be substituted the sum “£28.40”;
- (b) in sub-paragraph (b), for the sum “£19.20” there shall be substituted the sum “£19.65”.

Treatment of student loans

4. After sub-paragraph (a) in—

- (a) regulation 47(2) of the Council Tax Benefit Regulations;
- (b) regulation 57A(2) of the Housing Benefit Regulations;
- (c) regulation 66A(2) of the Income Support Regulations;
- (d) regulation 136(2) of the Jobseeker’s Allowance Regulations,

⁽¹⁸⁾ there shall be inserted the following sub-paragraph—

“(aa) 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 shall be apportioned equally between the weeks in the period beginning with the benefit week immediately following that which includes the first day of that academic year and ending with the benefit week which includes the last day of that academic year but excluding any benefit

⁽¹⁶⁾ The relevant amending instruments are S.I. 1990/1549, 1999/1935 and 2000/1922.

⁽¹⁷⁾ S.I. 2001/951.

⁽¹⁸⁾ Paragraph (2) was substituted in each instance by S.I. 2000/1922.

weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, “quarter” shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2001;”.

Treatment of loan income of former students

5.—(1) For regulation 40(3A) of the Income Support Regulations(19) (calculation of income other than earnings), there shall be substituted the following paragraphs—

“(3A) Paragraph (3AA) applies where—

- (a) a relevant payment has been made to a person in an academic year; and
- (b) that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

(3AA) The amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph (1) in respect of a person to whom paragraph (3A) applies, shall be calculated by applying the formula—

$$\frac{A - (B \times C)}{D}$$

where—

- A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under regulation 66A(5);
- B = the number of benefit weeks from the benefit week immediately following that which includes the first day of that academic year to the benefit week immediately before that which includes the day on which the person abandoned, or was dismissed from, his course;
- C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under regulation 66A(2) had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to income support immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to income support;
- D = the number of benefit weeks in the assessment period.

(3AB) In paragraphs (3A) and (3AA)—

“academic year” and “student loan” shall have the same meanings as for the purposes of Chapter VIII of this Part;

“assessment period” means the period beginning with the benefit week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the benefit week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person and for the purposes of this definition, “quarter” shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2001;

“relevant payment” means either a student loan or an amount intended for the maintenance of dependants referred to in regulation 62(3B) or both.”.

(19) Regulation 40(3A) was inserted by S.I. 1990/1549.

(2) For regulation 103(5) of the Jobseeker’s Allowance Regulations (calculation of income other than earnings), there shall be substituted the following paragraphs—

“(5) Paragraph (5ZA) applies where—

- (a) a relevant payment has been made to a person in an academic year; and
- (b) that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

(5ZA) The amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph (1) in respect of a person to whom paragraph (5) applies, shall be calculated by applying the formula—

$$\frac{A - (B \times C)}{D}$$

where—

- A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under regulation 136(5);
- B = the number of benefit weeks from the benefit week immediately following that which includes the first day of that academic year to the benefit week immediately before that which includes the day on which the person abandoned, or was dismissed from, his course;
- C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under regulation 136(2) had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to a jobseeker’s allowance immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to a jobseeker’s allowance;
- D = the number of benefit weeks in the assessment period.

(5ZB) In paragraphs (5) and (5ZA)—

“academic year” and “student loan” shall have the same meanings as for the purposes of Chapter IX of this Part;

“assessment period” means the period beginning with the benefit week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the benefit week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person and for the purposes of this definition, “quarter” shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2001;

“relevant payment” means either a student loan or an amount intended for the maintenance of dependants referred to in regulation 131(5A) or both.”.

(3) For regulation 24(4) of the Council Tax Benefit Regulations (calculation of income other than earnings) there shall be substituted the following paragraphs—

“(4) Paragraph (4A) applies where—

- (a) a relevant payment has been made to a person in an academic year; and
- (b) that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

(4A) The amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph (1) in respect of a person to whom paragraph (4) applies, shall be calculated by applying the formula—

$$\frac{A - (B \times C)}{D}$$

where—

- A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under regulation 47(5);
- B = the number of benefit weeks from the benefit week immediately following that which includes the first day of that academic year to the benefit week which includes the day on which the person abandoned, or was dismissed from, his course;
- C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under regulation 47(2) had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to council tax benefit immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to council tax benefit;
- D = the number of benefit weeks in the assessment period.

(4B) In paragraphs (4) and (4A)—

“academic year” and “student loan” shall have the same meanings as for the purposes of Part V;

“assessment period” means the period beginning with the benefit week immediately following that which includes the day on which the person abandoned, or was dismissed from, his course and ending with the benefit week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person and for the purposes of this definition, “quarter” shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2001;

“relevant payment” means either a student loan or an amount intended for the maintenance of dependants referred to in regulation 42(4B) or both.”.

(4) For regulation 33(3A) of the Housing Benefit Regulations(20) (calculation of income other than earnings) there shall be substituted the following paragraphs—

“(3A) Paragraph (3B) applies where—

- (a) a relevant payment has been made to a person in an academic year; and
- (b) that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

(3B) The amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph (1) in respect of a person to whom paragraph (3A) applies, shall be calculated by applying the formula—

$$\frac{A - (B \times C)}{D}$$

where—

- A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under regulation 57A(5);
- B = the number of benefit weeks from the benefit week immediately following that which includes the first day of that academic year to the benefit week which includes the day on which the person abandoned, or was dismissed from, his course;
- C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under regulation 57A(2) had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to housing benefit immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;
- D = the number of benefit weeks in the assessment period.

(3C) In paragraphs (3A) and (3B)—

“academic year” and “student loan” shall have the same meanings as for the purposes of Part VII;

“assessment period” means the period beginning with the benefit week immediately following that which includes the day on which the person abandoned, or was dismissed from, his course and ending with the benefit week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person and for the purposes of this definition, “quarter” shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2001;

“relevant payment” means either a student loan or an amount intended for the maintenance of dependants referred to in regulation 53(3B) or both.”.

NHS Dependant Grants

6. At the beginning of—

- (a) regulation 42(4A) of the Council Tax Benefit Regulations;
- (b) regulation 53(3A) of the Housing Benefit Regulations;
- (c) regulation 62(3A) of the Income Support Regulations; and
- (d) regulation 131(5) of the Jobseeker’s Allowance Regulations,

(calculation of grant income) there shall be inserted the words “Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968⁽²¹⁾ (grants in respect of the provision of instruction to officers of hospital authorities) and”.

Grants for school meals

7. In both regulation 46(2) of the Council Tax Benefit Regulations and regulation 57(2) of the Housing Benefit Regulations⁽²²⁾ (other amounts to be disregarded), after “1998”, there shall be inserted the words “or under the Students' Allowance (Scotland) Regulations 1999⁽²³⁾,”.

(21) 1968 c. 46.

(22) The relevant paragraphs were added by S.I. 2000/1922.

(23) S.I. 1999/1131 (S.91).

Signed by authority of the Secretary of State for Work and Pensions.

26th June 2001

Malcolm Wicks
Parliamentary Under-Secretary of State,
Department for Work and Pensions

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Council Tax Benefit (General) Regulations 1992 (S.I. 1992/1814), the Housing Benefit (General) Regulations 1987 (S.I. 1987/1971), the Income Support (General) Regulations 1987 (S.I. 1987/1967) and the Jobseeker's Allowance Regulations 1996 (S.I. 1996/207) in so far as those Regulations apply to students and former students.

In particular they—

insert a definition of “academic year”, remove the definition of “year” and amend the definitions of “access funds”, “contribution”, “standard maintenance grant” and of “student loan” (regulation 2(1) and (2));

amend the definitions of “full-time course of study”, “full-time course of advanced education” and “full-time student” (in jobseeker's allowance) to reflect changes in the funding of such courses in Scotland and to clarify the existing wording (regulation 2(3) and (4));

increase the amounts of grant and loan income to be disregarded in respect of books and equipment and for travel costs and allow the former to be disregarded even if a student's grant income includes an amount for books and equipment (regulation 3(1) to (3)), add new exclusions for grants paid to certain students who are lone parents, for child care costs and for certain course-related expenditure (regulation 3(4)) and also increase the amount deducted from rent for calculating eligible rent (regulation 3(5));

provide rules as to the apportionment of student loans where the academic year starts other than on 1st September (regulation 4);

provide a formula for calculating the income of a former student who has received a student loan or an amount intended for the maintenance of dependants and who abandons, or is dismissed from, his course before the end of the penultimate term of the academic year (regulation 5);

ensure that grants paid to students receiving instruction as officers of hospital authorities are taken into account over 12 months and not 10 (regulation 6);

disregard school meal grants paid in Scotland as income in housing benefit and council tax benefit (regulation 7).

These Regulations do not impose any charge on business.