

## SCHEDULE 11

### Students

## **PART 2**

### Income

#### **Covenant income where no grant income or no contribution is assessed**

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

- (a) any sums intended for any expenditure specified in paragraph 4(2)(a) to (e) (calculation of grant income) necessary as a result of the student's attendance on the course must be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, must be apportioned equally between the weeks of the period of study;
- (c) there must be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 4(2)(f) and (3) (calculation of grant income) had the student been in receipt of the standard maintenance grant; and
- (d) the balance, if any, must be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 must 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 covenanted income must be calculated in accordance with sub-paragraphs (a) to (d) of sub-paragraph (1), except that—

- (a) the value of the standard maintenance grant must be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 4(2)(a) to (e); and
- (b) the amount to be disregarded under sub-paragraph (1)(c) must be abated by an amount equal to the amount of any sums disregarded under paragraph 4(2)(f) and (g) and (3).