

SCHEDULE 1

Regulations 17, 23(1) and 24(2)

FEES

The fees referred to in regulation 17 are—

- (a) the aggregate of any fees for admission, registration or matriculation (including matriculation exemption), any sessional or tuition fees, any composition fee, any graduation fee and, in the case of a course referred to in paragraph (ii), any fee in respect of the validation of the course (in each case excluding any element thereof representing or attributable to any such fee as is mentioned in ... sub-paragraphs **(b) or (c)**, or to maintenance) subject to the following maxima:
 - (i) in the case of a course not covered by any other sub-paragraph of this paragraph, **£1,000**;
 - ...
 - (ii) subject to sub-paragraph (iii), in respect of courses at institutions which are neither maintained nor assisted by grants paid out of public funds, **£935**;
 - (iii) in the case of a course at the University of Buckingham, four instalments of **£585**, in the case of a course at the Guildhall School of Music, three instalments of **£1,200**, in the case of a course at Heythrop College, three instalments of **£590**, and in the case of the Royal Agricultural College, three instalments of **£545**.
 - (iv) in respect of any academic year of a sandwich course during which one or more periods of experience is undertaken but any periods of full-time study are in aggregate less than 10 weeks, ... **£500**;
 - (v) in the case of a course of initial training for teachers designated under regulation 10(1)(d) involving periods of full-time study in aggregate less than 10 weeks' in the relevant year, **£500**;
 - (vi) **in respect of any academic year of an international course where periods of full-time study at the institution in the United Kingdom are in aggregate less than 10 weeks, £500**;
 - (vii) **in respect of the final year of a course referred to in paragraph (i) which is ordinarily required to be completed after less than 15 weeks' attendance, £500**;
 - (viii) in respect of the final year of a course referred to in paragraph (iii) which is ordinarily required to be completed before the first, the second or, in the case of a course at the University of Buckingham the third of the dates 1st January, 1st April, 1st July and 1st September which follow the beginning of that year, the first, the first two, or the first three of the instalments which would be payable respectively if this paragraph did not apply;
 - (ix) **in respect of not more than one academic year of a course referred to in paragraphs (iv) or (vi) where the periods of full-time study at the institution are greater than 10 weeks, but in respect of that year and any previous such years the aggregate of any one or two periods of attendance which are not periods of full-time study at the institution (disregarding intervening vacations) exceeds 30 weeks, or where the institution is the University of Oxford or Cambridge, 25 weeks, £500**;
- (b) three instalments of college fees or dues at the universities of Cambridge, Durham, and Oxford (excluding any element thereof representing or attributable to any such fee as is mentioned in the following sub-paragraph or to maintenance), or, if the final year of the course is ordinarily required to be completed before the first or second of the dates 1st

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January, 1st April, 1st July or 1st September which follow the beginning of that year, one or two instalments of those fees or dues respectively;

- (c) any fees charged by an external body in respect of examinations or the validation of the course or otherwise charged by such a body whose requirements must (for the purposes of the course) be satisfied, or any fees attributable to fees so charged, but in the case of fees in respect of the validation of the course, only where the fees are charged by a body which does not have the power to award a degree or by the University of Buckingham.

SCHEDULE 2

Regulations 18, 20(2), and 23(1)

REQUIREMENTS

PART I

ORDINARY MAINTENANCE

1.—(1) The requirements of the student referred to in regulation 18(1)(a) shall include his requirement for ordinary maintenance during—

- (a) any period while he is attending the course; and
- (b) the Christmas and Easter vacations;

and the amount of such requirement (“ordinary maintenance requirement”) shall be determined in accordance with this Part of this Schedule.

(2) Where a student’s ordinary maintenance requirements are different in respect of different parts of a year, his ordinary maintenance requirements for that year shall be the aggregate of the proportionate parts of those differing requirements.

2.—(1) This paragraph shall apply in the case of—

- (a) any student who does not reside at his parents' home; and
- (b) any student residing at his parents' home whose parents by reason of age, incapacity or otherwise cannot reasonably be expected to support him and in respect of whom the authority are satisfied that in all the circumstances the ordinary maintenance requirement specified herein would be appropriate.

(2) In the case of such a student **upon whom an old award has been bestowed** the ordinary maintenance requirement shall be **£1,810** except that—

- (a) where he is attending a course at the University of London or at an institution within the area comprising the City of London and the Metropolitan Police District, it shall be **£2,225**; and
- (b) where he is attending, for at least eight weeks and as a necessary part of his course, an overseas institution, it shall (notwithstanding anything in paragraph (a)) be—
 - £3,410** if the country concerned is a highest-cost country;
 - £2,865** if the country concerned is a higher-cost country;
 - £2,325** if the country concerned is a high-cost country; and
 - £1,810** in any other case.

(3) **In the case of such a student upon whom a transitional award has been bestowed the ordinary maintenance requirement shall be £810 except that—**

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- (a) where he is attending a course at the University of London or at an institution within the area comprising the City of London and the Metropolitan Police District, it shall be **£1,225**; and
- (b) where he is attending, for at least eight weeks and as a necessary part of his course, an overseas institution, it shall (notwithstanding anything in paragraph (a)) be—
 - £2,410** if the country concerned is a highest-cost country;
 - £1,865** if the country concerned is a higher-cost country;
 - £1,325** if the country concerned is a high-cost country;
 - £810** in any other case.

3. In the case of any other student upon whom an old award has been bestowed the ordinary maintenance requirement shall be **£1,480**, and in the case of any other student upon whom a transitional award has been bestowed the ordinary maintenance requirement shall be **£480**.

PART II

SUPPLEMENTARY MAINTENANCE ETC.

4. The requirements referred to in regulation 18(1)(a) shall include the student's requirements—
- (a) for supplementary maintenance in the cases and for the periods mentioned in paragraphs 5 and 6; and
 - (b) in respect of such expenditure as is mentioned in paragraphs 7 to 9;

and the amount of any such requirement (“supplementary requirement”) shall be determined in accordance with this Part of this Schedule.

5.—(1) This paragraph shall apply in the case of a student who having, in any academic year, attended his course—

- (a) in the case of a course provided at the University of Oxford or Cambridge, for a period of 25 weeks 3 days; or
- (b) in the case of any other course, for a period of 30 weeks 3 days,

in that year attends a course so provided for a further period (“the excess period”).

(2) In respect of each week and any part of a week comprised in the excess period the supplementary requirement shall be—

- (a) in the case of a student residing at his parents' home, **£43.15**;
- (b) in the case of any other student, **£61.60** except that—
 - (i) where he is attending a course at the University of London or at an institution within the area comprising the City of London and the Metropolitan Police District, it shall be **£82.20**;
 - (ii) where he is attending, for at least eight weeks and as a necessary part of his course, an overseas institution, it shall (notwithstanding anything in sub-paragraph (i)) be—
 - £115.05** if the country concerned is a highest-cost country;
 - £97.50** if the country concerned is a higher-cost country;
 - £79.85** if the country concerned is a high-cost country; and
 - £62.15** in any other case.

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6.—(1) This paragraph shall apply in the case of a student who attends at his course for a period of not less than 45 weeks in any continuous period of 52 weeks.

(2) in respect of each aggregate period of a complete week for which he does not attend at his course in the period of 52 weeks in question, the student's supplementary requirement shall be determined in accordance with paragraph 5(2).

7.—(1) This paragraph shall apply in the case of a student who is obliged to incur expenditure—

- (a) within the United Kingdom for the purpose of attending the institution;
- (b) within or outside the United Kingdom for the purpose of attending, as part of his course, any period of study at an overseas institution.

(2) The reference in sub-paragraph (1)(a) to the student's attending the institution shall be construed—

- (a) in the case of any institution which is a constituent college, hall or school (including medical school) of a university or is a university with such constituent institutions, as including a reference to his attending, in connection with his course, any constituent institution of the university; and
 - (b) in the case of a student attending a course in medicine, dentistry or nursing, a necessary part of which is a period of study by way of clinical training, as including a reference to his attending, in connection with his course but otherwise than for the purposes of residential study away from the institution, any hospital or other premises not comprised therein at which facilities for clinical training are provided.
- (3) For the purposes of sub-paragraph (5)—
- (a) a student's total travel expenditure is the aggregate amount of expenditure he is obliged to incur for any purpose specified in sub-paragraph (1);
 - (b) a student's special expenditure is the aggregate amount of expenditure he is obliged to incur for the purposes specified in sub-paragraph (1)(b) and for the purpose of such attendance as is referred to in sub-paragraph (2)(b), ...

in each case not including any expenditure in respect of which an amount is payable under regulation 17(3)(c);

Provided that, where a period of study outside the United Kingdom (whether or not at an overseas institution) is not a necessary part of the student's course, so much of his expenditure for the purpose of attending that period of study as—

- (c) was incurred outside the United Kingdom, or
- (d) was incurred within the United Kingdom but is in respect of a journey between a port or airport within and a place outside the United Kingdom, or is in respect of a benefit to be enjoyed outside the United Kingdom,

shall not be treated as part of the student's total travel expenditure or special expenditure.

(4) For the same purposes as aforesaid, the following amounts shall be disregarded in respect of travel costs—

- (a) the first **£166** of any requirement under paragraph 2;
- (b) the first **£256** of any requirement under paragraph 3;
- (c) the first **£8.55** of any requirement under paragraph 5(2)(a);
- (d) the first **£5.45** of any requirement under paragraph 5(2)(b):

Provided that—

- (e) where regulation 22(2) applies, the amount to be disregarded shall be **£118** and

- (f) where a student's requirement under paragraph 2 or 3 relates to only part of the year, the amount to be disregarded shall be an equivalent part of **£166** or **£256**, as the case may be.
- (5) The student's supplementary requirement in respect of such expenditure as is referred to in sub-paragraph (1) shall comprise either—
 - (a) his special expenditure; or
 - (b) the amount by which his total travel expenditure exceeds the amounts specified in sub-paragraph (4),

whichever is the less.

(6) For the purposes of this paragraph any reference to expenditure incurred for the purpose of attending an institution or period of study includes expenditure both before and after so attending.

8.—(1) This paragraph shall apply in the case of a student whose home is for the time being outside the United Kingdom and who incurs expenditure travelling between his home and the institution at the beginning and end of each period of attendance.

(2) in determining the supplementary requirement of such a student under paragraph 7, the authority shall treat such amount of the said expenditure as they consider appropriate (having regard to the extent of that requirement apart from this paragraph), not exceeding the amount the student was obliged to incur, as if it were part of the student's total travel expenditure.

9.—(1) This paragraph shall apply in the case of a student who reasonably incurs any expenditure in insuring against liability for the cost of medical treatment provided outside the United Kingdom for any illness or bodily injury contracted or suffered during a period of study outside the United Kingdom.

(2) The student's supplementary requirement in respect of such expenditure shall be the amount reasonably incurred.

...

PART III

MAINTENANCE OF DEPENDANTS

10.—(1) The requirements referred to in regulation 18(1)(a) shall include the student's requirements for the maintenance of dependants during the year and the amount of any such requirement ("dependants requirement") shall be determined in accordance with this Part of this Schedule.

(2) Where a student's requirements for the maintenance of dependants are different in respect of different parts of a year, his dependants requirement for that year shall be the aggregate of the proportionate parts of those differing requirements.

11.—(1) in this Part of this Schedule—

"adult dependant" means, in relation to a student, an adult person dependent on the student not being his child, his spouse or a person living with him as his spouse or his former spouse, subject however to sub-paragraphs (2) and (3);

"child", in relation to a student, includes a person adopted in pursuance of adoption proceedings, a step-child and any child for whom the student has parental responsibility and who is dependent on him;

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“dependant” means, in relation to a student, his dependent child, his spouse or an adult dependant, subject however to sub-paragraphs (2) and (3);

“income” means income for the year from all sources (reduced by income tax and social security contributions) but disregarding any pension, **allowance or other benefit paid by reason of a disability to which the person is subject, paid by any state authority or agency, national, regional or local, by an employer or any former employer, or by any other person, which is not subject to income tax under the Income Tax Acts or, where the income is subject to the tax legislation of another member State, which would not be subject to tax under that legislation if it made provision equivalent to those Acts, and disregarding any benefit or allowance paid to a person for the benefit of a child of his or of whom he has custody or care or for whom he provides accommodation, by any state authority or agency, national, regional or local,** and in the case of the student’s spouse—

- (a) where the spouse holds an award in respect of a course of teacher training designated under regulation 10(1)(d)(iii), being a part-time course or a course which is partly full-time and partly part-time, the payments in respect of maintenance made to the spouse in pursuance of regulation **17(1)(b) or (2)(c)** or so much of those payments as relates to the part-time part of the course;
- (b) where the spouse or the student make any payment which was previously made by the student in pursuance of an obligation incurred before the first year of the student’s course—
 - (i) if, in the opinion of the authority, the obligation had been reasonably so incurred, an amount equal to the payment in question;
 - (ii) if, in their opinion, only a lesser obligation could have been reasonably so incurred, such correspondingly lesser amount (if any) as appears to them appropriate;
- (c) any payments made to the spouse in pursuance of an order **of a competent court for the benefit of a child who is not his child of whom he has custody or care or for whom he provides accommodation;**

“relevant award” means a statutory award in respect of a person’s attendance at—

- (a) a full-time course of higher education or a comparable course outside England and Wales;
- (b) a course designated under sub-paragraph (d)(ii) of regulation 10(1); or
- (c) the full-time part of a course designated under sub-paragraph (d)(iii) of regulation 10(1) which is partly full-time and partly part-time;

“spouse”, except in the definition above of adult dependant, shall not include a student’s spouse if they have ceased ordinarily to live together whether or not an order for their separation has been made by any court.

(2) A person, including the student’s spouse, shall not be treated as a dependant of the student during any period for which that person—

- (a) holds a relevant award; or
- (b) (save for the purposes of paragraph 14) is ordinarily living outside the United Kingdom.

(3) A person shall not be treated as a student’s adult dependant or as his dependent child—

- (a) in the case of a person other than a child of the student, if his income exceeds by **£885** or more the sum specified in paragraph 12(4)(a);
- (b) in the case of a child of a student who either has a spouse who is, or but for sub-paragraph (2) would be, his dependant or has an adult dependant, if the child’s income so exceeds the sum specified in paragraph 12(4)(b) as applicable to his age;
- (c) in the case of a child of a student not falling within sub-paragraph (b), unless either—

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- (i) the child is the only or eldest child dependent on the student whose income does not so exceed the sum specified in paragraph 12(4)(a); or
- (ii) the child's income does not so exceed the sum specified in paragraph 12(4)(b) as applicable to his age.

12.—(1) This paragraph shall apply in the case of a student with dependants.

(2) The dependants requirement of the student shall, subject to paragraphs 13 and 14, be—

- (a) if the student's spouse holds a statutory award and in calculating payments under it account is taken of the spouse's dependants requirement, one half of the amount determined in accordance with sub-paragraphs (3) and (4);
- (b) in any other case, the whole of the amount so determined.

(3) The amount referred to in sub-paragraph (2) shall be the amount which is

$X - (Y - Z)$

where—

- a X is the aggregate of the relevant sums specified in sub-paragraph (4);
- b Y is the aggregate of the income of the student's dependants;
- c Z is so much of the sum ascertained by multiplying **£885** by the number of his dependants as does not exceed Y.

(4) The relevant sums referred to in sub-paragraph (3) are—

- (a) except where the student has a spouse who is the holder of a relevant award, **£2,025**; and
- (b) in respect of each dependent child—

- (i) under the age of 11 immediately before the beginning of the academic year, or born during that year, **£425**;
- (ii) then aged 11 or over, but under 16, **£850**;
- (iii) then aged 16 or over, but under 18, **£1,120**;
- (iv) then aged 18 or over, **£1,620**;

except that the only or eldest dependent child shall be disregarded for the purposes hereof if the student has neither an adult dependant nor a spouse who is, or but for paragraph 11(2) would be, a dependant.

13.—(1) This paragraph shall apply in the case of a student with dependants who maintains a home for himself and a dependant at a place other than that at which he resides while attending the course.

(2) The dependants requirement of the student (determined in accordance with paragraph 12(2)

(a) or (b)), shall be increased by **£700**.

14.—(1) This paragraph shall apply in the case of a student who maintains any dependant outside the United Kingdom.

(2) Notwithstanding anything in the foregoing paragraphs of this Part of this Schedule, the dependants requirement of the student shall be of such amount, if any, as the authority consider reasonable in all the circumstances, not exceeding the amount determined in accordance with those paragraphs.

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PART IV

OLDER STUDENTS

15. This part of this Schedule shall apply in the case of a student who attained the age of 26 before the first year of the course in respect of which his award was originally bestowed and who—

- (a) started the course before 1st September 1995 and in the three years immediately preceding the first year of the course earned or received by way of such unemployment benefit or income support as is chargeable to income tax under section 617 or 151 respectively of the Income and Corporation Taxes Act 1988(1) sums totalling at least £12,000; or
- (b) started the course before 1st September 1995, held an award (or was in receipt of a grant under arrangements made under section 2 of the Education Act 1962(2)) in respect of his attendance at a previous course and had earned or received such sums as are mentioned at sub-paragraph (a) in the three years immediately preceding the first year of that previous course; or
- (c) started the course on or after 1st September 1995, immediately before starting that course (disregarding any intervening vacation) attended a full-time course of further or higher education which he had started before 1st September 1995 and had earned or received such sums as are mentioned at sub-paragraph (a) in the three years immediately preceding the first year of that previous course.

16. The requirements referred to in regulation 18(1)(a) shall, in the case of such a student, include—

- (a) where at the beginning of the first year of his course he was aged 26 years, the sum of **£340**;
- (b) where he was so aged 27 years, the sum of **£595**;
- (c) where he was so aged 28 years, the sum of **£885**;
- (d) where he was so aged 29 or more years, the sum of **£1,165**.

PART V

FEEES

17. The requirements referred to in regulation 18(1)(a)(ii) and (iii) shall include the aggregate amount payable in respect of any such fees as are described in paragraph (a)(i), (iv), (vi), (vii) and (ix) of Schedule 1, other than such fees as are payable in respect of a course for the initial training of teachers designated under regulation 10(1)(d).

PART VI

CONSTRUCTION OF PARTS I TO V

18. In this Schedule, any reference to the home of the student's parents shall be construed, in the case of a student whose spouse attends a full-time course at any institution, as including a reference to the home of the parents of the student's spouse.

19. In this Schedule, except where the context otherwise requires, any reference to a requirement, expenditure or attendance in respect of which no period of time is specified shall be construed as a reference to a requirement, expenditure or attendance for the year.

(1) 1988 c. 1.

(2) 1962 c. 12; the relevant provisions, as amended, are set out in Schedule 5 to the Education Act 1980 (c. 20).

20.—(1) For the purposes of this Schedule, attendance at an institution, or a period of study, is a necessary part of a student's course only where the authority are satisfied that if the student did not attend the institution, or undertake the period of study, he would not be eligible to complete his course; and, for the purpose of being so satisfied, the authority may require the matter to be evidenced by a certificate given by the academic authority.

(2) For the purposes of this paragraph, "institution" includes an "overseas institution".

SCHEDULE 3

Regulation 18

RESOURCES

PART I

STUDENT'S INCOME

Calculation of student's income

1.—(1) In calculating the student's income for the purposes of regulation 18(1)(b) there shall be taken into account his income (reduced by income tax and social security contributions) from all sources, but there shall be disregarded the following resources—

- (a) the first £800 of any income other than income of a kind mentioned in paragraphs (b) to (p) below and other than any sum treated as income under sub-paragraph (3);
- (b) the first £3,865 of any income by way of
 - (i) scholarship, studentship, exhibition or award of a similar description bestowed on the student in respect of the course (in pursuance of a sponsorship scheme or otherwise) not being an award bestowed in pursuance of section 1 of the Education Act 1962⁽³⁾, and
 - (ii) in the case of a student released by his employer to attend the course, any payments made by that employer;
- (c) in the case of a student for whose benefit any income is applied or any payments are required to be applied as described in paragraph 5(5)—
 - (i) the whole of that income or those payments if a parental contribution ascertained in accordance with Part II or a spouse's contribution ascertained in accordance with Part III is applicable (at whatever amount including nil that contribution is ascertained to be), or
 - (ii) the first £1,810 of that income or those payments if such a contribution would be applicable but for the fact that the student has no parent living or is such a student as is described in paragraph 3(b), (c), (d), (e) or (f).
- (d) any ... pension, **allowance or other benefit paid by reason of a disability to which the student is subject, paid by any state authority or agency, national, regional or local, by an employer or any former employer, or by any other person, which is not subject to income tax under the Income Tax Acts or, where the student's income is subject to**

(3) 1962 c. 12; the relevant provisions, as amended, are set out in Schedule 5 to the Education Act 1980 (c. 20); section 1(3)(d) was amended by the Education (Grants and Awards) Act 1984 (c. 11), section 4; section 4 was amended by the Education Act 1994 (c. 30), Schedule 2, paragraph 2.

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the tax legislation of another member State, which would not be subject to tax under that legislation if it made provision equivalent to those Acts;

- (e) any bounty **or other payment** received as a reservist with the armed forces **of a state of which the student is a national**;
- (f) remuneration for work done during any year of the student's course;
- (g) in the case of a student in whose case a parental contribution is by virtue of Part II of this Schedule applicable (at whatever amount, including nil, that contribution is ascertained to be) any payment which is made under covenant by a parent by reference to whose income that contribution falls to be ascertained;
- (h) any payment made for a specific educational purpose otherwise than to meet such fees and such requirements for maintenance as are specified in Schedules 1 and 2;
- (i) **any benefit or allowance paid to the student for the benefit of a child of his or of whom he has custody or care or for whom he provides accommodation, by any state authority or agency, national, regional or local**;
- ...
- (j) any payments made to the student in pursuance of an order **of a competent court for the benefit of a child who is not his child of whom he has custody or care or for whom he provides accommodation**;
- (k) **any benefit or allowance paid to the student to meet or defray the cost of housing by any state authority or agency, national, regional or local**;
- (l) **any means tested benefit or allowance paid to the student by any state authority or agency, national, regional or local, in respect of a period during which he was not available for work for any reason**;
- (m) the first £3,030 of any pension, **allowance or benefit paid for the benefit of the student and not referred to in any other sub-paragraph**, including any ... pension paid to the student as a widow, child or dependant;
- (n) any payments made to the student under the programmes of the European Community known as COMETT(4) and LEONARDO DA VINCI(5);
- (o) any payments made to the student under the action scheme of the European Community for the Mobility of University Students known as ERASMUS(6) or the European Community programme for foreign language competence known as LINGUA(7);
- ...
- (p) any payment made to the student out of access funds held by the institution at which he attends his course.

(2) in the case of a student who makes any payment in pursuance of an obligation incurred before the first year of his course, in calculating his income for the purposes aforesaid there shall be deducted therefrom—

- (a) if, in the opinion of the authority, the obligation had been reasonably so incurred, an amount equal to the payment in question;
- (b) if, in their opinion, only a lesser obligation could have been reasonably so incurred, such correspondingly lesser amount (if any) as appears to them appropriate;

(4) OJNo. L222, 8.8.86, p.17.
(5) OJ No. L340, 29.12.94, p.8.
(6) OJ No. L166, 25.6.87, p.20.
(7) OJ No. L239, 16.8.89, p.24.

except that no deduction shall be made from the income of a married student where the student's spouse is a dependant for the purpose of Part III of Schedule 2 and, in pursuance of paragraph 13(1) thereof, the payment is taken into account in determining the spouse's income.

(3) In a case where the student is the parent or step-parent of an award holder in respect of whom a contribution is ascertained under Part II of this Schedule, so much of the amount (if any) by which the contribution is reduced under paragraph 4(3) as the authority consider just shall be treated as part of the student's income for the purposes of regulation 18(1)(b).

(4) **Where the student receives income in a currency other than sterling the value of the income shall be—**

- (a) **if the student purchases sterling with the income the amount of sterling the student receives for it, otherwise**
- (b) **the value of the sterling which the income would purchase using the rate for the month in which it is received as published by the Office for National Statistics in "Financial Statistics".**

PART II

PARENTAL CONTRIBUTION

Definitions and construction of Part II

2.—(1) In this Part of this Schedule—

"child" includes a person adopted in pursuance of adoption proceedings and a step-child but, except in paragraph 4, does not include a child who holds a statutory award; and, except as otherwise provided by paragraph 5, "parent" shall be construed accordingly;

"financial year" means the period of 12 months for which the income of the student's parent is computed for the purposes of the income tax legislation which applies to it;

"gross income" has the meaning assigned to it by paragraph 5;

"income of the student's parent" means the **taxable** income of the parent from all sources computed as for **the purposes of the Income Tax Acts or as for the purposes of the income tax legislation of another member State of the European Community which applies to the parent's income, or where the legislation of more than one member State applies in respect of the same period, as for the purposes of the legislation pursuant to which the authority consider that the parent will pay the largest amount of tax in that period**, except as otherwise provided by paragraph 5 or 6;

"residual income" means, subject to sub-paragraph (2), the balance of gross income remaining in any year after the deductions specified in paragraph 6 have been made;

...

(2) Where, in a case not falling within paragraph 5(3) or (4), the authority are satisfied that the income of the parent in any financial year is as a result of some event beyond his control likely to be, and to continue after that year to be, not more than 85 per cent. of his income in the financial year preceding that year, they may, for the purpose of enabling the student to attend the course without hardship, ascertain the parental contribution for the year of his course in which that event occurred by taking as the residual income the average of the residual income for each of the financial years in which that year falls.

(3) Where the student's parent satisfies the authority that his income is wholly or mainly derived from the profits of a business or profession carried on by him, then, if the authority and the parent so agree, any reference in this Part of this Schedule to a financial year shall be construed as a reference

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to a year ending with such date as appears to the authority expedient having regard to the accounts kept in respect of that business or profession and the periods covered thereby.

(4) Where a parent is in receipt of any income which does not form part of his **taxable** income by reason only that—

- (a) he is not resident, ordinarily resident or domiciled in the United Kingdom, **or where the parent's income is computed as for the purposes of the income tax legislation of another member State of the European Community, not so resident, ordinarily resident or domiciled in that member State,**
- (b) the income does not arise in the United Kingdom, **or where the parent's income is computed as for the purposes of the income tax legislation of another member State, does not arise in that member State,** or
- (c) the income arises from an office, service or employment, income from which is exempt from tax in pursuance of any **legislation,**

his income for the purposes of this Part of the Schedule shall be computed as though the income first mentioned in this sub-paragraph were part of his taxable income.

(5) **Where the income of the student's parent is computed as for the purposes of the income tax legislation of another member State—**

- (a) **it shall be computed in the currency of that member State,**
- (b) **the value of any deduction mentioned in paragraph 6(2) shall be the amount of that currency required to purchase the sterling value of the deduction, and**
- (c) **the value of the sterling which the income of the student's parent in that currency would purchase shall be determined, and shall constitute the income of the student's parent for the purposes of this Part.**

(6) **The rate applied in determining the sterling value of another currency under paragraph (5) shall be the rate for the month in which the last day of the financial year in question falls as published by the Office for National Statistics in "Financial Statistics".**

Application of Part II

3. A parental contribution ascertained in accordance with this Part shall be applicable in the case of every student except—

- (a) an independent student;
- (b) a student in respect of whom the authority are satisfied either—
 - (i) that his parents cannot be found; or
 - (ii) that it is not reasonably practicable to get in touch with them;
- (c) a student who **pursuant to an order of a competent court** has been **in the custody or care of or has been provided with accommodation by**
 - (i) **a state authority or agency, national, regional or local,**
 - (ii) **a voluntary or charitable organisation, or**
 - (iii) **any person who is not the student's parent**

throughout the three months immediately preceding the first year of his course, **or if he cannot satisfy that requirement and he attained the age of 18 before the first year of his course, throughout the three months immediately preceding his attaining that age; provided that—**

- (iv) **where sub-paragraph (i) applies the student has not** at any time in the said period been allowed by the **authority or agency** to be under the charge and control of his parents
- (v) **where sub-paragraph (ii) applies the student has not** at any ... time in the said period in fact been under such charge and control;
- (d) a student whose parents are residing **outside the European Community** where the authority are satisfied either—
 - (i) that the assessment of a parental contribution would place those parents in jeopardy;
or
 - (ii) that it would not be reasonably practicable for those parents to send any such contribution to the United Kingdom;
- ...
- (e) where sub-paragraph (7) of paragraph 5 applies and the parent whom the authority considered the more appropriate for the purposes of that sub-paragraph has died.

Parental contribution

- 4.—(1) The parental contribution shall, subject to sub-paragraphs (2), (3), and (4) be—
- (a) in any case in which the residual income **£16,945** or more but less than **£21,660**, £45 with the addition of £1 for every complete £13.00 by which it exceeds **£16,945**;
 - (b) in any case in which the residual income is **£21,660** or more but less than **£31,840**, **£407** with the addition of £1 for every complete £9.20 by which it exceeds **£21,660**; and
 - (c) in any case in which the residual income is **£31,840** or more, **£1,513** with the addition of £1 for every complete £7.50 by which it exceeds **£31,840**,

reduced in each case in respect of each child of the parent (other than the student) who is wholly or mainly dependent on him on the first day of the year for which the contribution falls to be ascertained, by £75; and in any case in which the residual income is less than **£16,945** the parental contribution shall be nil.

(2) The amount or (where a contribution is ascertained in respect of more than one child of the parent) the aggregate amount of the parental contribution shall in no case exceed **£6,125**.

- (3) For any year in which a statutory award is held by—
- (a) more than one child of the parent;
 - (b) the parent; or
 - (c) the student's step-parent,

the parental contribution for the student shall be such proportion of any contribution ascertained in accordance with this Part as the authority (after consultation with any other authority concerned) consider just; provided that where a contribution is ascertained in respect of more than one child of the parent the aggregate amount of the contributions in respect of each shall not exceed the amount of the contribution that would be ascertained if only one child held an award.

...

Gross income

5.—(1) For the purposes of this paragraph “preceding financial year” means the financial year preceding the year in respect of which the resources of the student fall to be assessed and “current financial year” means the financial year which includes the first day of the year; provided that where references to a financial year fall to be construed in accordance with paragraph 2(3) as references to

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a year ending less than five months before the beginning of a year of the student's course, "preceding financial year" shall mean the year last ending five or more months before the year in respect of which the resources of the student fall to be assessed and "current financial year" shall mean the year ending within those five months.

(2) Subject to the provisions of this paragraph, "gross income" means the income of the student's parent in the preceding financial year or, for the purpose of calculating residual income under paragraph 2(2), in the financial year there mentioned.

(3) Where the authority are satisfied that the **sterling value of the** income of the **student's** parent in the current financial year is likely to be not more than 85 per cent. of **the sterling value of** his income for the preceding financial year, they may for the purpose of calculating the parental contribution ascertain the gross income by reference to the current financial year; and in such case sub-paragraph (2) shall have effect, in relation to the year in respect of which the student's resources fall to be assessed and, if the authority so determine, any subsequent year, as if the reference therein to the preceding financial year were a reference to the current financial year.

(4) Where—

- (a) one of the student's parents dies either before or during the year in respect of which the resources of the student fall to be ascertained ("the relevant year"); and
- (b) that parent's income has been or would be taken into account for the purpose of determining the parental contribution,

the parental contribution shall—

- (c) where the parent dies before the relevant year, be determined by reference to the income of the surviving parent; or
- (d) where the parent dies during the relevant year, be the aggregate of—
 - (i) the appropriate proportion of the contribution determined by reference to the income of both parents that is to say such proportion thereof as the part of the relevant year during which both parents were alive bears to the full year, subject to a maximum of the same proportion of the student's maintenance requirements as determined in accordance with Schedule 2; and
 - (ii) the appropriate proportion of the contribution determined by reference to the income of the surviving parent, that is to say such proportion thereof as the part of the relevant year remaining after the parent dies bears to the full year, subject to a maximum of the same proportion of the student's maintenance requirements as determined in accordance with Schedule 2.

(5) Without prejudice to sub-paragraph (6), where, in pursuance of any trust deed or other instrument or by virtue of **any applicable legislation** any income is applied by any person for or towards the maintenance, education or other benefit of the student or of any person dependent on the student's parent, or payments made to his parent are required to be so applied, that income, or those payments, shall be treated as part of the gross income of the parent.

(6) Where any such benefit as is mentioned in paragraph 1(1)(b)(i) of Part I of this Schedule is provided, by reason of the parent's employment, for any member of his family or household who holds a statutory award (whether the student or some other such member) then ... that benefit shall not be treated as part of the gross income of the parent.

(7) Where the parents do not ordinarily live together throughout the year in respect of which the resources of the student fall to be ascertained ("the relevant year"), the parental contribution shall be determined by reference to the income of whichever parent the authority consider the more appropriate in the circumstances.

(8) Where the parents do not ordinarily live together for part only of the relevant year, the parental contribution shall be the aggregate of—

- (a) the appropriate proportion of the contribution determined as provided in sub-paragraph (7), that is to say such proportion thereof as the part of the relevant year for which the parents do not so live together bears to the full year, subject to a maximum of the same proportion of the student's maintenance requirements as determined in accordance with Schedule 2; and
- (b) the appropriate proportion of the contribution determined without regard to this sub-paragraph, that is to say, such proportion thereof as the part of the relevant year for which the parents so live together bears to the full year, subject to a maximum of the same proportion of the student's maintenance requirements as determined in accordance with Schedule 2.

(9) Where one of the student's parents is his step-parent the parental contribution shall be ascertained by reference only to the income of the other parent.

Deductions

6.—(1) For the purposes of determining the income of a student's parent (and, accordingly, the parent's gross income), ... in computing his **taxable** income as for the **purposes of the Income Taxes Acts or for the purposes of the income tax legislation of another member State of the European Community** any deductions **which** fall to be made **or exemptions which are permitted—**

- (a) by way of personal reliefs provided for in Chapter I of Part VII of the Income and Corporation Taxes Act 1988, **or where the parent's income is computed as for the purposes of the income tax legislation of another member State, any comparable personal reliefs;**
- (b) in respect of any payment made by the parent under covenant;
- (c) **in pursuance of any legislation or rule of law with the effect that income which for the purposes of the law of the United Kingdom is subject to income tax, or would be subject to income tax but for the deductions or exemptions, is not subject to income tax or**
- (d) without prejudice as aforesaid, of a kind mentioned in sub-paragraph (2),

shall not be made or permitted.

(2) For the purpose of determining a parent's residual income there shall be deducted from his gross income—

- (a) in respect of any person, other than a spouse, child or holder of a statutory award, dependent on the parent during the year for which the contribution falls to be ascertained, the amount by which **£2,140** exceeds the income of that person in that year;
- (b) the gross amount of any sums paid as interest (including interest on a mortgage) in respect of which relief is given under Income Tax Acts in respect of a loan to the parent, **or where the parent's income is computed as for the purposes of the income tax legislation of another member State, the gross amount of any such sums in respect of which relief would be given if that legislation made provision equivalent to the Income Tax Acts;**
- (c) half of the gross amount of any premium payable under a policy of life insurance in respect of which relief is given under section 266 of the Income and Corporation Taxes Act 1988 (life policy and certain other premiums), **or where the parent's income is computed as for the purposes of the income tax legislation of another member State, half of the gross amount of any such premium in respect of which relief would be given if that legislation made provision equivalent to the Income Tax Acts;**
- (d) the gross amount of any other premium or sum in respect of which relief is given under section 266, 273, 619 or 639 of that Act, **or where the parent's income is computed as for the purposes of the income tax legislation of another member State, the gross amount**

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of any such premium in respect of which relief would be given if that legislation made provision equivalent to the Income Tax Acts;

- (e) where the parents ordinarily live together and one of them is incapacitated, so much of the cost in wages of domestic assistance as does not exceed **£1,680**;
- (f) where a parent whose marriage has terminated either is gainfully employed or is incapacitated, so much of the cost in wages of domestic assistance as does not exceed **£1,680**;
- (g) in respect of additional expenditure incurred by reason of the fact that the parent lives in a place where the cost of living is higher than that cost in the United Kingdom, such sum (if any) as the authority consider reasonable in all the circumstances;
- (h) in the case of a parent who holds a statutory award, the amount by which the aggregate of his requirements for his ordinary maintenance (ascertained in accordance with Part I of Schedule 2) and **£870** exceeds the sum payable in respect of maintenance in pursuance of that award;
- (i) any payments made to the parent **of the student in pursuance of an order of a competent court for the benefit of a child who is not his child of whom he has custody or care or for whom he provides accommodation;**
- (j) **any income which is exempt from tax under the Income Tax Acts, or where the parent's income is computed as for the purposes of the income tax legislation of another member State, any income which would be exempt from tax under that legislation if it made provision equivalent to those Acts.**

(3) In any case where income is computed **as for the purposes of the Income Tax Acts** by virtue of paragraph 2(4), there shall be deducted from the parent's gross income sums equivalent to the deductions mentioned in paragraph (b), (c), ... or (d) of sub-paragraph (2), provided that any sums so deducted shall not exceed the deductions that would be made if the whole of the parent's income were in fact taxable income **for the purposes of the Income Tax Acts.**

PART III

SPOUSE'S CONTRIBUTION

Application of Part III

7. A spouse's contribution ascertained in accordance with this Part shall be applicable in the case of every man student ordinarily living with his wife and every woman student so living with her husband except—

- (a) a student in whose case a parental contribution is applicable in accordance with Part II; and
- (b) a student whose child holds an award in respect of which a parental contribution is applicable.

Spouse's contribution

8.—(1) Subject to sub-paragraphs (3) and (4), Part II above, except paragraphs 3, 4(1), (2), (3)(a) and (c), 5(4), (7), (8) and (9), and 6(2)(f), shall apply with the necessary modifications for the ascertainment of the spouse's contribution as it applies for the ascertainment of the parental contribution, references to the parent being construed, except where the context otherwise requires, as references to the student's spouse and, unless the context otherwise requires, this Part shall be construed as one with the said Part II.

- (2) The spouse's contributions shall be—

- (a) in any case in which the residual income is **£13,405** or more but less than **£21,665**, £10 with the addition of £1 for every complete £9.80 by which it exceeds **£13,405**;
- (b) in any case in which the residual income is **£21,665** or more but less than **£31,835**, **£852** with the addition of £1 for every complete £7.05 by which it exceeds **£21,665**; and
- (c) in any case in which the residual income is **£31,835** or more, **£2,294** with the addition of £1 for every complete £5.60 by which it exceeds **£31,835**;

reduced in any such case by £100 in respect of each child of the student who is dependent on him or his spouse on the first day of the year for which the contribution falls to be ascertained; and in any case in which the residual income is less than **£13,405** the spouse's contribution shall be nil; provided that the amount of the spouse's contribution shall in no case exceed **£6,125**.

(3) If the student marries during any year for which the contribution falls to be ascertained the contribution for that year shall be the fraction of the sum ascertained in accordance with the provisions of sub-paragraphs (1) and (2) of which the denominator is 52 and the numerator is the number of complete weeks between the date of the marriage and whichever is the earlier of the end of that year and the end of the course.

(4) If the student's marriage terminates during any year for which the contribution falls to be ascertained the contribution for that year shall be the fraction of the sum ascertained in accordance with the provisions of sub-paragraphs (1) and (2) of which the denominator is 52 and the numerator is the number of complete weeks between the beginning of that year and the termination of the marriage.

SCHEDULE 4

Regulation 18(2)

SINGLE STUDENTS WITH DEPENDANTS

1. This Schedule shall apply in the case of a student who does not ordinarily live with a spouse or with another person as a spouse.

2.—(1) This paragraph shall apply where the student has dependants within the meaning of Part III of Schedule 2.

(2) In the case of such a student—

- (a) the sum to be disregarded under paragraph 1(1)(a) of Schedule 3 shall be £1,735 instead of £800; or
- (b) his requirements under paragraph 12 of Part III of Schedule 2 shall be treated as increased by the sum of **£1,000**; or
- (c) in the case of a student to whom Part IV of Schedule 2 applies, his requirements shall be treated as including the sum specified in paragraph 16 thereof,

whichever is the most favourable to him (disregarding paragraph (b) where, in pursuance of the following paragraph, he elects as there mentioned).

3.—(1) This paragraph shall apply in the case of a student with one or more child dependants under the age of 19 years and for the purpose of this paragraph "child" shall have the same meaning as in Part III of Schedule 2.

(2) Such a student may elect that the sum specified as his requirements in Part III of Schedule 2 shall be disregarded and that instead there shall in calculating his income be disregarded **£2,320** in respect of his only or eldest such child and **£730** in respect of every other such child.

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SCHEDULE 5

Regulations 2, 4(3) and 20

SANDWICH COURSES

1.—(1) in this Schedule—

“sandwich course” means a course consisting of alternate periods of full-time study in an institution and periods of experience so organised that, taking the course as a whole, the student attends the periods of full-time study for an average of not less than 19 weeks in each year; and for the purpose of calculating his attendance the course shall be treated as beginning with the first period of full-time study and ending with the last such period;

“periods of experience” means, subject to sub-paragraph (2), periods of industrial, professional or commercial experience associated with full-time study at the institution but at a place outside the institution;

“sandwich year” means, as respects any student, any year of a sandwich course which includes both periods of full-time study in the institution and periods of experience, other than—

- (a) unpaid service in a hospital or in a public health service laboratory in the United Kingdom;
- (b) unpaid service with a local authority in the United Kingdom acting in the exercise of their functions relating to health, welfare or the care of children and young persons or with a voluntary organisation providing facilities or carrying out activities of a like nature in the United Kingdom;
- (c) unpaid service in the prison or probation and aftercare service in the United Kingdom;
- (d) teaching practice;
- (e) unpaid research in an institution or, in the case of a student attending an overseas institution as a necessary part of his course, in an overseas institution;
- (f) such experience as aforesaid falling wholly within the usual periods of attendance at the institution in any year which do not comprise paid service or employment and either—
 - (i) do not aggregate more than 6 weeks during that year; or
 - (ii) fall within that year and another year and do not aggregate more than 12 weeks during the two years taken together, where that other year has not already been taken into account for the purposes hereof; or
- (g) unpaid service with—
 - (i) a Health Authority established pursuant to section 8 of the National Health Service Act 1977⁽⁸⁾ or a Special Health Authority established pursuant to section 11 of that Act⁽⁹⁾;
 - (ii) a Health Board or a Special Health Board constituted under section 2 of the National Health Service (Scotland) Act 1978⁽¹⁰⁾; or
 - (iii) a health and social services board established under Article 16 of the Health and Personal Social Services Order (Northern Ireland) 1972⁽¹¹⁾;

“prescribed proportion” means the proportion which the number of weeks in the year for which the student in question attends the institution bears to 30, except that where that proportion is greater than the whole it means the whole;

⁽⁸⁾ 1977 c. 49; section 8 was substituted by the Health Authorities Act 1995 (c. 17), section 1(1).

⁽⁹⁾ Section 11 was amended by the Health Services Act 1980 (c. 53), Schedule 1, paragraph 31, the National Health Service and Community Care Act 1990 (c. 19), Schedule 10 and the Health Authorities Act 1995 (c. 17), Schedule 1, paragraph 2.

⁽¹⁰⁾ 1978 c. 29; section 2 was amended by the Health and Social Security Adjudications Act 1983 (c. 41), Schedule 7, paragraph 1, and by the National Health Service and Community Care Act 1990 (c. 19), section 28 and Schedule 9, paragraph 19(1).

⁽¹¹⁾ S.I. 1972/1265 (N.I. 14).

“modified proportion” means the proportion which the number of weeks in the year in which there are no periods of experience for the student in question bears to 52.

(2) in the case of a student whose course includes the study of one or more modern languages for not less than one half of the time spent studying on the course and which includes periods of residence in a country whose language is a language of the course, “periods of experience” means such periods of residence for which he is in gainful employment.

(3) For the purposes of determining the prescribed proportion or the modified proportion where the number of weeks in question is not a whole number, a day shall be reckoned as a seventh of a week.

(4) in the application of this Schedule to a student to whom Schedule 4 applies, references to Schedules 2 and 3 are to be construed as references to those Schedules as modified in accordance with Schedule 4.

(5) In the application of this Schedule to a student attending a course provided at the University of Oxford or of Cambridge the provisions thereof shall have effect as if—

- (a) in the definition of “prescribed proportion” in sub-paragraph (1) for the number “30” there were substituted the number “25”; and
- (b) in paragraph 3 for the words “30 weeks 3 days”, in both places where they occur, there were substituted the words “25 weeks 3 days”.

2. For the purposes of calculating payments in respect of maintenance under regulation 17(1)(b)(ii) and (2)(c)(ii) the prescribed proportion of aggregate of the amounts specified in regulation 17(3) shall, as respects any sandwich year, be treated as the aggregate of the amounts so specified.

3. The provisions of Schedule 2 shall, as respects any sandwich year, have effect subject to the following modifications—

- (a) where the period of full-time study does not exceed 30 weeks 3 days, the student’s requirements for his ordinary maintenance shall be the prescribed proportion of the appropriate amount specified in Part I;
- (b) where the period of full-time study exceeds 30 weeks 3 days, the student’s requirements for his ordinary and supplementary maintenance shall be the aggregate of the appropriate amount specified in Part I and the appropriate amount specified in paragraph 5 of Part II;
- (c) the student’s requirement for the maintenance of a dependant shall be the modified proportion of the sum specified in Part III except that where such a requirement falls to be increased under paragraph 13 it shall be increased by the prescribed proportion of the sum there specified; and
- (d) if the student is a person to whom Part IV applies, his requirements under that Part shall be the modified proportion of the amount there specified.

4. In the case of an old award the provisions of Schedule 3 shall, as respects any sandwich year, have effect subject to the following modifications—

- (a) the sum to be disregarded under paragraph 1(1)(a) of Part I shall be the prescribed proportion of £800 and the reference in paragraph 1(1)(c) to £1,810 shall be construed as a reference to the aggregate of £1,010 and the prescribed proportion of £800;
- (b) in calculating the student’s income,
 - (i) there shall be disregarded any payment made to him by his employer in respect of any period of experience;
 - (ii) the prescribed proportion of his income shall be treated as if it were the whole of his income;

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- (c) the amount of the parental contribution applicable to his case shall be the prescribed proportion of the contribution ascertained in accordance with Part II;
- (d) the amount of the spouse's contribution applicable to his case shall be the prescribed proportion of the contribution ascertained in accordance with Part III;

5. In the case of a transitional award Schedule 3 shall as respects any sandwich year have effect subject only to disregarding any payment to the student by his employer in respect of any period of experience in calculating his income.

5th May 1998

Kim Howells
Parliamentary Under Secretary of State,
Department for Education and Employment