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STATUTORY INSTRUMENTS

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**2006 No. 215**

**The Council Tax Benefit Regulations 2006**

**PART 5**

**Students**

*SECTION 2*

*Income*

**Calculation of grant income**

**46.**—(1) The amount of a student's grant income to be taken into account shall, subject to paragraphs (2) and (3), be the whole of his grant income.

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

- (a) intended to meet tuition fees or examination fees;
- (b) in respect of the student's disability;
- (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 he resides during his course;
- (e) on account of any other person but only if that person is residing outside of the United Kingdom and there is no applicable amount in respect of him;
- (f) intended to meet the cost of books and equipment;
- (g) intended to meet travel expenses incurred as a result of his attendance on the course;
- (h) intended for the child care costs of a child dependant.

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

- (a) the sum of £280 in respect of travel costs; and
- (b) the sum of £352 towards the costs of books and equipment,

whether or not any such costs are incurred.

(4) There shall also be excluded from a student's grant income any grant paid under regulation 19 of the Education (Student Support) Regulations 2005<sup>(1)</sup> (grants for dependants).

(5) Subject to paragraphs (6) and (7), a student's grant income shall 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 benefit week, the first day of which coincides with, or immediately follows, the first day of the period of study and ending

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(1) [S.I. 2005/52](#).

with the benefit week, the last day of which coincides with, or immediately precedes, the last day of the period of study;

- (b) in any other case, equally between the weeks in the period beginning with the benefit 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 benefit 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<sup>(2)</sup> (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<sup>(3)</sup> shall be apportioned equally over the period of 52 weeks or, if there are 53 benefit weeks (including part-weeks) in the year, 53.

(7) In a case where a student is in receipt of a student loan or where he 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 neither paragraph (6) nor regulation 50(2) (other amounts to be disregarded) apply, shall 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 shall be excluded and the student's grant income shall be apportioned equally between the weeks in the period beginning with the benefit week, the first day of which immediately follows the last day of the period of experience and ending with the benefit 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**

**47.**—(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 his covenant income to be taken into account for that period and any summer vacation immediately following shall be 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 shall 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 from the resulting amount, £5.

(3) For the purposes of paragraph (1), the contribution shall be treated as increased by the amount (if any) by which the amount excluded under regulation 46(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).

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

**48.**—(1) Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows—

- (a) any sums intended for any expenditure specified in regulation 46(2)(a) to (e) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study;

(2) 1968 c. 46.

(3) S.I. 2003/1994; the relevant amending Instrument is S.I. 2005/2083.

- (c) there shall be disregarded from the amount so apportioned the amount which would have been disregarded under regulation 46(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, shall be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 shall 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 his covenanted income shall be calculated in accordance with sub-paragraphs (a) to (d) of paragraph (1), except that—
- (a) the value of the standard maintenance grant shall be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under regulation 46(2) (a) to (e); and
  - (b) the amount to be disregarded under paragraph (1)(c) shall be abated by an amount equal to the amount of any sums disregarded under regulation 46(2)(f) and (g) and (3).

#### **Relationship with amounts to be disregarded under Schedule 4**

**49.** No part of a student's covenant income or grant income shall be disregarded under paragraph 15 of Schedule 4 and any other income shall be disregarded thereunder, to the extent that the amount disregarded under regulation 47(2)(b) (calculation of covenant income where a contribution is assessed) or, as the case may be, 48(1)(d) (covenant income where no grant income or no contribution is assessed) is less than £20.

#### **Other amounts to be disregarded**

**50.**—(1) For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with regulation 51, any amounts intended for any expenditure specified in regulation 46(2) (calculation of grant income), necessary as a result of his attendance on the course shall 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 46(2) or (3), 47(3), 48(1) (a) or (c) or 51(5) (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

(2) Where a grant for school meals for dependant children or a grant for meals for dependent children aged 3 or 4 is paid pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998(4) or under the Students' Allowance (Scotland) Regulations 1999(5) that payment shall be disregarded as income.

#### **Treatment of student loans**

**51.**—(1) A student loan shall be treated as income.

(2) In 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 which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with—
  - (i) except in a case where head (ii) applies, the benefit week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
  - (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 benefit week, the first day of which coincides with, or immediately follows, the first day of the course,

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(4) 1998 c. 30.

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

and ending with the benefit 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 shall be apportioned equally between the weeks in the period beginning with the benefit week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the benefit week, the last day of which coincides with or immediately precedes, the last day of that academic year but excluding any benefit 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 2005<sup>(6)</sup>;

- (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 shall be apportioned equally between the weeks in the period beginning with—

- (i) except in a case where head (ii) applies, the benefit week, the first day of which coincides with, or immediately follows, the first day of that academic year;
- (ii) where the final academic year starts on 1st September, the benefit 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 benefit week, the last day of which coincides with, or immediately precedes, the last day of the course;

- (d) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of—

- (i) the first day of the first benefit week in September; or
- (ii) the benefit week, the first day of which coincides with, or immediately follows the first day of the autumn term,

and ending with the benefit week, the last day of which coincides with, or immediately precedes, the last day of June,

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

- (3) A student shall be treated as possessing a student loan in respect of an academic year where—

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

(4) Where a student is treated as possessing a student loan under paragraph (3), the amount of the student loan to be taken into account as income shall be, subject to paragraph (5)—

- (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 he 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 him;

- (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) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
- (ii) no deduction in that loan was made by virtue of the application of a means test.

<sup>(6)</sup> S.I. 2005/52; see regulation 2(1).

- (5) There shall be deducted from the amount of income taken into account under paragraph (4)—
- (a) the sum of £280 in respect of travel costs; and
  - (b) the sum of £352 towards the cost of books and equipment,
- whether or not any such costs are incurred.

### **Treatment of payments from access funds**

**52.**—(1) This regulation applies to payments from access funds that are not payments to which regulation 55 (2) or (3) (income treated as capital) applies.

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

(3) Subject to paragraph (4) of this regulation and paragraph 35 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 claimant or, as the case may be, of the claimant or any other member of his family and any payments from access funds which are used for any council tax or water charges for which that claimant or member is liable, shall be disregarded as income to the extent of £20 per week.

(4) Where a payment from access funds is made—

- (a) on or after 1st September or the first day of the course, whichever first occurs, 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 that person becoming a student,

that payment shall be disregarded as income.

### **Disregard of contribution**

**53.** Where the claimant or his partner 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 shall be disregarded for the purposes of assessing that other partner's income.

### **Further disregard of student's income**

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

### **Income treated as capital**

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

(2) An amount paid from access funds as a single lump sum shall be treated as capital.

(3) An 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 claimant or member is liable, shall 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**

**56.** In calculating a student's income the relevant authority shall disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.