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Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Financial Contingency Fund 2008/09



Guidance

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Financial Contingency Fund 2008/09

Audience	Higher Education Institutions in Wales
Overview	Guidance for use by Higher Education Institutions (HEI's) for administering, assessing eligibility and the methodology for calculating payments made under the Financial Contingency Funds for Higher Education 2008/09.
Action required	Higher Education Institutions
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Available online at	www.wales.gov.uk/educationandskills
Related documents	Financial Contingency Fund 2007/08: Guidance by Welsh Assembly Government (WAG)

CONTENTS	Page
1. Summary	1
2. Terms and Conditions	2
3. Introduction	6
4. Guidance	8
4.1 Purpose of Financial Contingency Funds	8
4.2 Who is eligible to apply	8
4.3 Priority Groups for help from the FCFs	9
4.4 General rules for FCFs	9
4.5 What the Financial Contingency Fund cannot be used for	11
4.6 Eligibility of students from England, Northern Ireland and Scotland	12
4.7 Fee remission scheme for part-time students studying at least 50% FTE who lose their jobs after starting their courses	12
4.8 Treatment of 'Student Loan for Fees'	12
4.9 Additional Fee Support (AFS) for Part-time Students	12
4.10 Taster Modules	15
4.11 Students on franchised courses at FE colleges	16
4.12 Students in receipt of other significant support	16
4.13 Bursaries	17
4.14 Deciding whether a student should receive a payment	17
4.15 Financial advice for students	18
4.16 Making payments to students	18
4.17 Making payments to third parties	19
4.18 DWP disregards	19
4.19 Help for Disabled Students (including diagnostic test costs)	20
4.20 Suspension of Studies	20
4.21 Summer Vacation students	21
4.22 Appeals from students	21
4.23 Information about Payments from the Financial Contingency Fund	21
5. Financial issues	22
5.1 Total Amounts available in the Fund	22
5.2 Payment to institutions	22
5.3 Financial conditions and auditing requirements	22
5.4 Carry forward of unspent Funds	23
 Annexes	
Annex A: Residency requirements	24
Annex B: Advice on issuing short term loans from the Financial Contingency Fund	28
Annex C: Form of words for students to give to their Job Centre Plus Office or Local Authority Housing Benefit Office	30
Annex D: 2006/07 Summary	31
Annex E: 2008/09 Monitoring Requirements	37

Financial Contingency Fund 2008/09

1. Summary

This document sets out the terms and conditions for the payment by the Welsh Ministers (the 'grantor') to institutions of grant specifically earmarked for the purposes of providing assistance for students in particular need ("grant for Financial Contingency Funds") in respect of the academic year beginning August 2008. These Terms and Conditions supersede any previous Terms and Conditions imposed by the grantor for the payment of grant for Financial Contingency Funds/Hardship Funds to institutions.

2. Terms and conditions for payment of grants for the purposes of Financial Contingency Funds 2008/09

2.1 This document sets out the terms and conditions for the payment by the Welsh Ministers (the 'grantor') to institutions of grant specifically earmarked for the purposes of providing assistance for students in particular need ("grant for Financial Contingency Funds") in respect of the academic year beginning August 2008. These Terms and Conditions supersede any previous Terms and Conditions imposed by the grantor for the payment of grant for Financial Contingency Funds/Hardship Funds to institutions.

2.2 Grant for Financial Contingency Funds shall be subject to such conditions and requirements as the grantor may from time to time prescribe. The institutions shall ensure that any grant for Financial Contingency Funds is used only in accordance with the Terms and Conditions which apply to that grant. In addition, the grantor will require institutions to have regard to the guidance set out in the attached document entitled: Financial Contingency Funds (HE): 2008/09 in relation to the use of grant for Financial Contingency Funds.

Purpose of Grant

2.3 Any grant for Financial Contingency Funds is to be used by institutions to pay grants to provide financial help to those whose access to higher education might be inhibited by financial considerations or who, for whatever reason, including physical or other disabilities, face financial difficulties associated with their living costs. It may not be given to any full-time or part-time students to help them meet tuition fees with exception to those students eligible for additional fee support (AFS) for part-time students (4.9) and those students with little or no experience of higher education who wish to undertake a taster module (4.10).

2.3.1 Due regard is given to the Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations 2008, as such any person who has, in the opinion of the local authority, shown themselves by their conduct to be unfitted to receive support will not be eligible for Financial Contingency Funds.

Accountability

2.4 In HEIs the designated officer, whose responsibilities are described in the Financial Memorandum, has been notified to the grantor. In FECs comparable responsibilities are assumed to be borne by the principal of the college. Specifically in respect of Financial Contingency Funds allocations, the designated officer shall:

- a. Advise the Governing Body on the discharge of its responsibilities under this document.
- b. Ensure that the uses to which the institution puts grant for Financial Contingency Funds are consistent with the purposes for which such grant was given by the grantor and comply with any Terms and Conditions attaching to it.

2.5 The institution shall take such steps as the grantor may require from time to time for the purposes of ensuring that the systems of financial control and management are such as to enable it to fulfil its obligations under this document.

Payment of the Grant for Financial Contingency Funds to institutions

2.6 Grant for Financial Contingency Funds will be paid to institutions in September in respect of that academic year.

2.7 The amount of grant which the grantor shall make available to institutions for the purposes specified in paragraph 2.3 above shall be in aggregate not less than the amount of grant for Financial Contingency Funds specifically earmarked by the grantor.

Terms and Conditions for payment of grant to institutions

2.8 The institution shall comply with these Terms and Conditions and shall have regard to any policy guidance or directions issued by the grantor in making for the purpose specified in paragraph 2.3 above.

2.9 Payments to institutions funded by the grant for the purpose specified in paragraph 2.3 above in respect of each academic year shall be made by the grantor in September of that year.

2.10 Grant for the purpose specified in paragraph 2.3 above shall be paid to institutions subject to Terms and Conditions which, shall be issued by the grantor. The Terms and Conditions shall be in addition to any Financial Memorandum between HEFCW and the HEIs, and the Schedule to the Funding Agreement between HEFCW and FEIs. These Terms and Conditions shall include the following:

- a. Such grant is to be used only for the purpose specified in paragraph 2.3 above.
- b. Such grant is to be made available only to eligible students as defined in paragraph 2.13 below.
- c. Each institution shall operate a separate, interest-bearing account into which such grant shall be paid.
- d. The interest on such grant may be paid to students, as part of the normal allocation of the resource available, used for publicity or administration costs or used to defray audit costs.

2.11 The grantor shall require each institution to which it has paid grant for Financial Contingency Funds to present, by 31 December, audited accounts in respect of the previous academic year and such information as the grantor shall from time to time prescribe, showing how grant for Financial Contingency Funds was used in the previous academic year. The grantor shall ensure that each institution's audited accounts includes a note showing the receipt, any payments, any repayments and closing balance of the grant for Financial Contingency Funds provided by the grantor. Auditors shall be required to certify whether the Funds provided by the grantor and any interest earned on them have been applied in accordance with the Terms and Conditions of the grant. Where an institution makes

a Financial Contingency Fund payment to a student in the form of a loan, repayments may only be used in furtherance of the purpose of the funds as set out in this guidance, or for further payments which shall be documented in the same way as original payments.

2.12 The HEIs shall, by the end of January each year, provide the grantor with a report on the use of grant for the purpose specified in paragraph 2.3 above in the preceding academic year. This will include the information specified in Annex E of the attached document Financial Contingency Funds (HE): 2008/09.

Eligible students

2.13 Grant for the purpose specified in paragraph 2.3 above shall be used only to assist students falling within the following groups:

- **Undergraduate students** either full or part-time, including distance learners, following a higher education course including sandwich courses and any periods of work placement and foundation degrees (further information on eligible courses is available at 4.2 of the Guidance attached).
- **Postgraduate students** either full or part-time, following a course of higher education at a level above first degree. This may include, at the institution's discretion, those who are writing up their thesis for a maximum 6 month period from date of the end of course registration and are not therefore attending the institution.
- **Further education students** either full or part-time, following a course of further education at a higher education institution including sandwich courses and any periods of work placement, who are aged 16 or over.

2.14 In paragraph 2.13 a part-time student must be studying at least 50% of a full-time course in an academic year (e.g. 60 credit points, where the full-time equivalent is 120) to qualify for help. One exception to this limit can be made in the case of disabled students, whose disability prevents them from studying at least 50% of a full-time course. These students are not eligible for DSAs and may need some additional support. These students must be studying for at least 25% (30 credits) of a full-time course. Another exception is students undertaking 'taster modules' of between 10 and 50 per cent (12 credits and 60 credits) of a full-time course (see 4.10).

2.15 Grant shall **not** be used to assist those students eligible for a student loan in the relevant academic year but who have decided not to take one out. Except where a student is applying for FCF support to cover a preliminary dyslexia diagnostic test, then it **may** not be necessary. However the student should show a need for financial help to pay for the cost of the test.

2.16 In each case a 'home' student is defined as one who meets the residence conditions for living costs set out in the Schedule 1, The Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations 2008, and includes students from England, Scotland, Wales and N Ireland but not the Channel Islands or the Isle of Man. Where a student is not in receipt of statutory student support, it is for the institution to determine their residency status.

Revision

2.17 The grantor may at any time revise, revoke or add to any of the terms and conditions in this document. The grantor may make revisions, revocation or addition to the Terms and Conditions of payment.

Interpretation

2.18 Questions arising about the interpretation of the arrangements in this document shall be resolved by the grantor.

3. Introduction

3.1 The guidelines set out from 4 onwards have due regard for the Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations 2008: These are the Education, Wales Regulations 2008 (S.I.2008 No.W). They are the main regulations made by the National Assembly for Wales, providing financial support for students who are undertaking designated higher education courses. The main changes to the 2008 Regulations have been outlined at 3.4 below, as such administrators are asked to be mindful of these changes when undertaking assessment of a student's application.

3.2 Administrators are reminded that students applying to the Fund will be subject to different funding regimes which will be dependent upon when they entered onto their course and also the support available from the country of domicile and that this should be taken account of when assessing a student's application from the Fund.

3.2.1 A review of expenditure was carried out in order that budget pressures are managed effectively to help deliver Welsh Assembly Government commitments. Given that there were no easy options, it was decided to release £0.5 million from the support provided, however it was recognised that the funding could be re-instated dependant on spending patterns within other programmes later in the year. Whilst precise budget allocations have yet to be finalised, it was recognised that in order for institutions to budget adequately it would be necessary to proceed on the assumption that there would be an overall reduction in funding available. Pending final confirmation of the precise amounts, we anticipate that the reduction in funding will result in a total allocation in HE of £4.774m (this includes the £103k notionally earmarked for non-means tested NHS students).

3.2.2 An audit of FCFs was undertaken which generally concluded that controls for payment from the Fund are operating effectively. There were however two findings: a) The Scheme had not been evaluated since the introduction of a range of financial programmes had been introduced; and b) a mid year review should be undertaken and funds redistributed where necessary.

3.3 Main Changes 08/09 FCF Guidance

Outlined below are the main changes to the Financial Contingency Fund:

- Removal of 'additional funding provided though FCFs for part-time students pending the extension of targeted grants within the statutory system'. This will be administered by local authorities in Wales from academic year 2008/09.
- An additional paragraph has been included within the Terms and Conditions of the FCF at Section 2. Paragraph 2.3.1 makes reference to those students who have been deemed unfitted to receive statutory funding by their local authority and their ineligibility for support from FCFs.
- Re-arrangement of paragraphs throughout the guidance.

3.4 Main Changes to Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations 2008

Outlined below are the main changes to the Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations 2008:

- A new provision for part-time students and their eligibility for those targeted grants (Adult Dependents' Grant, Parents' Learning Allowance and Childcare Grant) within the Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations 2008. (Please note: This change will be incorporated within an amending schedule of the 2009 legislation, scheduled to be in force by the end of August 2008 and apply to new and continuing students in 2008/09).
- **Disabled Students Allowances** - The levels of support available for Non-Medical Helpers (NMH) under DSA have increased. The cap levels have been raised to an amount which will make a real difference to severely disabled students. In particular for those students with profound sensory impairments, who need expensive human support, e.g. sign language interpreters, etc.

The levels have been raised to:

£20, 000 for NMH for full time students
£15, 000 for NMH for part time students
£10, 000 for postgraduate students

- **Flexible Initial Teacher Training (ITT)** - Changes to arrangements so that the support available to Flexible ITT students is aligned with support which is currently in place for conventional Post-Graduate Certificate in Education (PGCE) students.

The specific proposals include:

New entrants in 2008/09 on flexible PGCE ITT courses of 12+ months – to become eligible to receive tuition fee support products for the first time. They previously have been eligible to receive living cost support under the existing legislation.

New entrants in 2008/09 on flexible PGCE ITT courses of 6 weeks to 12 months – to become eligible for tuition fee support products as these courses will be designated under the Regulations for the first time. These students will not be eligible for living cost support.

4. Guidance

4.1 Purpose of Financial Contingency Funds

The Financial Contingency Fund is made available to institutions to provide discretionary financial help to support vulnerable students, in particular to help them access and remain in higher education.

Specifically it should be used:

- to assist those who need extra financial help to meet particular costs which are not already being met from statutory (or other) sources of funding
- to alleviate cases of financial hardship
- to meet unexpected financial crises
- to intervene in cases where a student may be considering leaving higher education because of financial problems

4.2 Who is eligible to apply?

The Fund is for “home” students (as defined in Schedule 1, The Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations 2008) in one of the following categories:

- **Undergraduate students** either full or part-time**, including distance learners, following a higher education course including sandwich courses and any periods of work placement and foundation degrees;

Eligible undergraduate courses include:

- a first degree, such as BA, BSc or BEd
- a diploma of higher education (DipHE)
- a higher national diploma (HND)
- a higher national certificate (HNC)
- a certificate of higher education
- Initial Teacher Training course
- Course for further training of youth and community workers
- an NVQ at level 4 where this is awarded alongside a first degree, DipHE or HND
- a foundation degree
- a course which prepares for a professional examination of a higher standard than GCE advanced level, Scottish Higher, National Certificate or National Diploma.

Students on foundation years, which are an integral part of one of the above courses and where progression to the HE part of the course depends on the completion of the foundation year, are also eligible to apply for help from the Fund.

- **Postgraduate students** - either full or part-time**, following a course of higher education at a level above first degree. This may include, at the institution’s discretion, those who are writing up their thesis for a maximum 6 month period from date of the end of course registration and are not therefore attending the institution.

- **Further education students** - either full or part-time**, following a course of further education at a higher education institution including sandwich courses and any periods of work placement, who are aged 16 or over.
- **NHS Bursary Holders** - All students who receive a NHS bursary (both means-tested and non means-tested) are eligible to apply for help from the Financial Contingency Fund.
- **ITT and PGCE students** - Students on initial teacher training courses must have applied for help from the Teacher Training Recruitment Scheme, if eligible, before applying for the Financial Contingency Fund. Postgraduate trainees eligible for teacher training incentives should expect to have these taken into account when making a Financial Contingency Fund application.

****Part-time students**

A part-time student must be studying at least 50% of a full-time course in an academic year (e.g. 60 credit points, where the full-time equivalent is 120) to qualify for help. An exception to this limit can be made in the case of disabled students, whose disability prevents them from studying at least 50% of a full-time course. These students are not eligible for DSAs and may need some additional support. These students must be studying for at least 25% (30 credits) of a full-time course. Another exception is students undertaking 'taster modules' of between 10 and 50 per cent (12 – 59 credits) of a full-time course. **(Information on 'taster modules' is outlined at 4.10.)**

4.3 Priority groups for help from the Financial Contingency Fund

In line with the purpose of the fund, the grantor expects institutions to give priority for help to students who fall into the priority groups as set out below.

The institution should ensure that its assessment process identifies students who have particular financial needs and those who are in unforeseen financial difficulty. The process should result in most of the available funding being directed to students with a low income and those who have exceptionally high costs.

- Students with children, especially lone parents
- Other students, existing financial commitments, including priority debts
- Students who need extra help with childcare costs
- Disabled students, in particular those where the DSA is unable to meet particular costs and the institution has no legal responsibility to do so
- Care Leavers
- Final Year Students, who are in financial difficulty (including those unable to work due to academic pressures)
- Foyer residents and other homeless students

4.4 General rules for FCFs

a. **Tuitions Fees** - FCFs cannot be used to meet the cost of tuition fees for any full-time or part-time student **except for**:

- i. Part-time students eligible for AFS (see further information at 4.9).

ii. Those students with little or no experience of higher education who wish to undertake a 'taster module' (see 4.10 for further information).

b. **Diagnostic Tests** - In cases where a student is applying for FCF support to cover a preliminary diagnostic test then it may not be necessary for the student to have taken out their student loan first, or indeed to intend to take out a student loan, however the student should show a need for financial help to pay for the costs.

c. **Student Loan** - Where eligible, full-time undergraduate students must have applied for their full entitlement of student maintenance loan and received the first instalment before receiving any payment from FCFs.

d. **Short Term Loans** - Students can receive an emergency short-term loan from FCFs, where their first loan payment has been delayed beyond the start of the term. This should be recovered once the student loan payment is received.

The majority of students receive their student loan through the BACs credit transfer paid directly into their bank or building society account. Administrators will have the discretion to offer short-term loans to eligible students who have not received a loan instalment through no fault of their own e.g. applied for statutory funding after deadline – not to be confused with a student who has gone through clearance. It is for institutions to determine the amount of short-term loan to give. However it is recommended that this should not exceed four weeks worth of a loan. Payment should be recovered once the student loan payment is received. More detailed advice on making these loan payments is at **Annex B**.

e. **Arrears of student loan** - The Fund should not normally be used to repay arrears of student loan repayments. However, where access to a further student loan is blocked because a student is in default on a previous student loan, institutions have the discretion to make a short-term loan from the Fund. Institutions should assess the benefit to the student of making such a loan. Payment of the loan would be conditional upon the student using the money to clear their student loan debt with the SLC and enable the student to access their full statutory support package.

f. **Summer Vacation Funding** - Students in their second or subsequent year who have been receiving benefits during the **summer vacation** can receive a payment from FCFs before they enrol, to avoid a potential funding gap between the benefit payment stopping (usually in the first full week of September) and the student loan payment arriving.

g. FCFs can be used to meet the following costs/circumstances:

- the general costs associated with being a student, these include;

living costs - such as rent, mortgage payment, food, utility bills, clothing and laundry

course costs - such as childcare, travel, books and field trips

exceptional costs - such as;

- repairs to essential household equipment
- emergency situation (including travel costs for family illness or bereavement and - hardship due to burglary or fire)

- additional costs for disabled students, not met by the DSA
- high costs for students dependent on continuing medication
- assistance with priority debt

h. **Previous Study** - From 2006/07, students who have attained an honours degree following attendance on a previous course or designated part-time course does not qualify for a grant or loan for fees. There are however, some exemptions where the student wishes to retrain in a profession where undergraduate professional qualifications are required in addition to a degree, such as medicine (See regulation 5 (7) of The Assembly Learning Grants and Loans (Higher Education) (Wales) Regulations 2008.

Students ineligible for the maintenance loan due to previous study rules should be considered for FCF alongside other students. It is for administrators to decide on the percentage of additional need to award based on students having made adequate provision for living costs and administrators' local knowledge. This group of students will be in a similar position to those students aged over 60, who are ineligible for the maintenance loan due to the upper age limit.

Students ineligible for the maintenance loan due to previous study rules are not given priority for FCF funding. However, should they fall into a priority funding group because, for example, they have a disability, then they should be given priority consideration for FCF funding.

There is no change in the treatment of previous study for those undertaking specialised courses such as Initial Teacher Training (ITT), BEd or CertEd, so those students will still be able to apply for a maintenance loan.

Where a student is not eligible for the statutory part-time package because they have already received statutory support for an HE qualification, they can still be considered for help from FCF. If they fall into a priority funding group, they should be given priority consideration for FCF funding.

i. **Topping up to an honours degree** - Students on a sub-degree course (e.g. HND) who then 'top up' their degree to a full honours degree are eligible for statutory support. Administrators should be guided by the LA assessment showing the statutory support they receive. For the purposes of FCF they should be treated as for other students (either 'old system' or 'new system' as appropriate).

4.5 What the Financial Contingency Fund cannot be used for

The Financial Contingency Fund should not be used to help full-time undergraduate students meet their tuition fees (see advice at 4.8 for treatment of Student Loan for Fees) except in cases where:

- Part-time students eligible for AFS (see 4.9 for further information).
- Those with little or no experience of higher education who wish to undertake a taster module (see 4.10 for further information).

The FCF should also not be used to make adaptations to buildings nor be used to provide communal facilities such as a crèche or mini bus.

4.6 Eligibility of students from England, Northern Ireland and Scotland

Students from England, Northern Ireland and Scotland are eligible to apply for bursaries or for help from the Financial Contingency Fund. Institutions should take into account any support the student is receiving from their country of domicile.

4.7 Fee remission for part-time students studying at least 50% FTE who have lost their jobs

Should administrators receive any enquiries from part-time students for help with the cost of undergraduate part-time tuition fee support, the student should in the first instance be directed to their local authority (LA) which administers the statutory support package for part-time students.

Please Note: Where a student is studying less than 50 % FTE they should be directed to the 'Part-time Undergraduate Fee Waiver Scheme' operated through HEFCW (the 'old style' ALG continues to be available for eligible continuing part-time students (30 credits plus), however new entrants in 08/09 AY will not be eligible)

4.8 Treatment of Student loan for Fees.

It is expected that most new students will apply for a tuition fee loan. However there might be students who have paid their fees and then fallen into hardship, though these cases should be extremely rare. It is expected that such students would be advised to apply for a fee loan as soon as they are able to do so. In considering whether help should be made available through FCF, institutions will want to examine carefully the underlying cause of the student's financial difficulty and exercise their discretion accordingly.

FCFs are linked to hardship arising from living costs. They cannot be used for the payment of fees except in cases as stated at 4.9 and 4.10. Whilst a student should have exhausted their full entitlement to a student loan they should not be expected to have taken out their entitlement to a 'Student Loan for Fees' or 'Loan for Fee Contribution'.

The grantor, Department for Innovation, Universities and Skills (DIUS) and the Scottish Executive have agreed that there should be a consistent UK-wide approach. Tuition fee expenditure and income should therefore be excluded when assessing a student's application to the Fund.

4.9 Additional Fee Support (AFS) for Part-time students

a. **Introduction** - From 2006/07 new full-time undergraduates were eligible for a more generous statutory support package and it has been recognised that this should have an impact upon their call on hardship support provided by FCFs.

Mindful of the importance of part-time study upon individuals and institutions in terms of the widening access agenda the grantor has decided to open up eligibility for FCFs in respect of additional fee support to part-time undergraduate students where the statutory fee support is insufficient to meet the full fees charged. Please note that this removes the need to retain the transitional arrangements of continuing part-time students who previously received a fee waiver.

b. **Rationale** - The rationale is to allow additional fee support for low-income part-time students whose statutory fee support is insufficient to meet the full tuition fee, which could prevent the student from accessing and remaining in HE because of financial hardship.

c. **General issues: Flexibility** - Institutions have a wide discretion, taking into account the local market for part-time provision and the needs of individual students in accessing and remaining in higher education.

This discretion extends to:

- Whether or not to offer additional fee support;
- Who is eligible for additional fee support (see general eligibility conditions below);
- The amount of fee support to award to students.

d. **Allocations** - There is no separate or ring-fenced amount included within the overall FCF allocation.

e. **Publicity** - Institutions who decide to offer additional fee support to low-income undergraduate part-time students may wish to consider how best to publicise it in the context of part-time tuition fees to their part-time students.

f. **Eligibility** - Institutions have a wide discretion as to who is eligible for additional fee support. However general eligibility conditions have to be met before eligibility for additional fee support can be considered.

g. **General eligibility conditions** - To ensure consistency with arrangements for statutory support, applicants must meet:

- Residence conditions (see Annex A), apart from EU students (see below).
- The requirement that the course is equivalent to at least 50% (60 credits) of a full-time course, apart from certain disabled students (see other categories below).
- **EU students** - To ensure consistency with EU students' entitlement to statutory fee loans (FT) and statutory fee grant (PT), EU students would, if they meet other eligibility criteria, be eligible for help with additional fee support. **(EU students are not however eligible for hardship awards from FCF).**

h. **Eligibility for AFS** - It is expected that students in receipt of financially assessed statutory support for part-time undergraduates (fee grant and/or course grant) would account for the majority of awards.

i. **Other categories** - Institutions have discretion to consider whether the following students should also be eligible for additional fee support (it is expected that the number of students in these categories would be small):

- Students not eligible for statutory support on income grounds but whom the administrator feels would benefit from support to enable them to access or remain on the course.
- Students not eligible for statutory support because of previous study rules but who are, for example, retraining through a second degree.
- Disabled students not eligible for statutory support because, due to the nature of their disability, they are unable to study at least 50% of a full-time course but who are studying at least 25% of a full-time course.

j. **Applications** - Institutions can decide how to invite and handle applications and have the discretion to consider whether to have a separate application form or to combine it with their FCF application form.

Institutions can decide when to invite applications, although it is expected that institutions would receive the majority of applications near the start of the academic year once students have received formal notification about their entitlement to statutory support.

k. **Assessments** - It is for institutions to decide how to assess a student's eligibility for support. However once students have provided evidence of their statutory support which shows that this does not fully meet their fees, institutions can consider making an award in line with their internally agreed practice about the levels of these awards (see below).

Institutions can decide what information and evidence other students have to provide. For students not eligible for statutory support, institutions may wish to assess income in the same way as for an FCF hardship award.

l. **Amount of Additional Fee Support** - Institutions have discretion as to how much additional fee support to award taking account of local circumstances, the needs of individual students in accessing and remaining in higher education, and the budget available. For example, they may wish to ensure that low-income students can access the course without having to pay any fees.

m. **Payments of Additional Fee Support** - Institutions can decide how payments will be made. It is expected that in the majority of cases, awards will be credited directly to the institution.

n. **Monitoring returns** – Please note the change to the monitoring requirements included at Table 1 in Annex E.

4.10 Taster Modules

Support for undergraduate taster modules

a. **Introduction** The aim of offering support for taster modules is to encourage students from poorer backgrounds with little or no experience of higher education, and who may lack the confidence to enrol on a full degree programme, the opportunity to experience higher education by providing fee support and course-related costs support for a single taster module.

Part-time students undertaking a taster module of between 10% and under 50% of a full-time course can apply for support towards fee and course costs. Institutions have discretion to provide support from FCF for taster modules which are less than 10% or 12 credits and otherwise fulfil the eligibility criteria for taster module support.

b) **Eligibility** Courses eligible for taster module support must be undergraduate higher education courses. The module itself may lead to an HE qualification or it may be self-standing with no formal qualification at the end of the module.

The taster module must be:

- At least 10% or 12 credits of a full time course
- Less than 50% of a full time course.

The taster module fee support is limited to one academic year or one module, whichever is the shorter.

c. **Personal eligibility** Students must meet the general residence criteria for 'home' student status. EU students are eligible for help with fees for taster modules.

No or little experience of HE

Institutions have discretion to determine the criteria for what is no or little previous experience of HE. However, we suggest that previous experience of HE should not exceed one term or semester (whichever is the longer) in order to be eligible for support.

HEFCW part-time undergraduate fee waiver scheme

Administrators of FCFs should be mindful of the HEFCW part-time undergraduate fee waiver scheme when considering eligibility for FCFs. The HEFCW Scheme offers fee remission for students who are unemployed and actively seeking work or who are in receipt of Department for Work and Pensions benefits and are studying on a course, module or unit which corresponds to ten credit values or more.

d. **Assessments** It is for institutions to decide how to assess a student's eligibility for support. However it is expected that applicants to the Fund will be treated equitably i.e. the amount awarded from support received should be taken into account when considering support given from the Fund.

e. **Amount of support** The amount of fee support payable for taster modules is at the discretion of the institution, taking into account the intensity of study.

f. **Course-related costs** Limited assistance should also be made available for course-related costs, such as books or travel. It is for institutions to determine the exact amounts.

g. **Limits to support under this scheme** Once a student has received support for one taster module they are not eligible for any further support under this scheme (although payments made under this scheme will not affect their eligibility for the statutory support package or discretionary support from FCF, should they progress to a full- or part-time degree course).

h. **Transferring into a 50% FTE course** Where a student studies a taster module and within the same academic year, transfers those credits into the first year of a 50% FTE part-time course, the institution should ensure that the total fee received for that academic year of study from both the FCF and the LA should not exceed the grant for fees institutions receive from students who enrolled directly on to the 50% FTE part-time course. If the student is not permitted to transfer the taster module credits into the first year of a 50% FTE part-time course, this does not apply.

4.11 Students on franchised courses at FE colleges

Students who attend a franchised course at an FE college, or who are on a course provided jointly by an HE and FE institution, remain the responsibility of the “parent” HEI. Students on franchised or partnership courses should be able to apply for help from the Financial Contingency Fund just as easily as those at the parent HEI and wherever possible through the college they attend. This will prevent them having to make unnecessary journeys to apply for and collect money. Institutions might like to consider setting aside an appropriate proportion of their Financial Contingency Fund for franchised students, for their franchised or partner FE college(s) to administer. Institutions with distant campuses must also ensure that students there can apply for the Financial Contingency Fund. This should be at the campus they attend wherever possible.

4.12 Students in receipt of other significant support

Institutions should be aware that being in receipt of other significant financial support does not prevent the student from applying for or being awarded financial support from the Financial Contingency Fund. However the amount awarded should be taken into account when considering support given from the Financial Contingency Fund.

Institutions should also direct those students who ‘appear’ eligible for relevant elements of the statutory support package but have not applied, to do so before considering an application for support from the Financial Contingency Fund.

Assembly Learning Grant/Maintenance Grant. ‘New system’ undergraduate students (started their courses from 2006) may be eligible to apply for an Assembly Learning Grant/Maintenance Grant of up to £2, 835 per year. How much a student

gets is dependent upon the household income and does not have to be paid back.

4.13 Bursaries

Discretionary Bursaries

From 2006/07 some Institutions will be offering discretionary financial awards to students in addition to statutory funding. These awards may come in the form of attainment based awards, often called scholarships, or means tested bursaries which provide extra support for students. When granting these awards from the FCF fund to students, institutions should consider whether it is appropriate to take these scholarships and bursaries into account.

Institutional Bursaries from FCFs

Institutions can use up to 10% of their total FCF allocation to provide bursaries for students. These bursaries can be made available to full and part-time undergraduates and postgraduate students. Where institutions decide to set aside funding for bursaries, they should make it clear in the information provided to the student what their criteria for awarding such bursaries are and how students will be identified and assessed.

Welsh National Bursary

From the 2008/09 academic year, any student regardless of where they are from in the UK, may be entitled, depending on household income, to a Welsh National Bursary (WNB) of £310. The WNB will be means-tested on household income with a maximum of £18,370.

Institutions may wish to consider whether it is appropriate to take these scholarships and bursaries into account when considering a student's eligibility for an award from FCFs.

4.14 Deciding whether a student should receive a payment

It is for institutions to decide an individual student's need, and they should have a fair and open system for making this decision. Institutions should consider whether the claimed shortfall between income and expenditure constitutes real need, and cannot be reduced to a more manageable level through action by the student. Institutions should also consider the availability of support from other sources.

Parental Contribution

Where students declare that the expected parental contribution is not met, genuine cases should be treated sympathetically. Administrators may wish to make students aware that from 2006/07 'old style' students can apply for the 'Student Loan for Tuition Fee Contributions' Institutions should not include the LA assessed contribution in the assessment where a student has demonstrated a clear relationship breakdown (but where there is insufficient evidence to establish estrangement for statutory support purposes).

It is recommended that the student should be asked to complete a supplementary

form or provide a letter, outlining the circumstances surrounding the relationship breakdown and why the contribution is not being made. This should be taken as sufficient evidence for administrators to look at the actual rather than the expected contribution. It may also be appropriate for such additional evidence to be marked as confidential for consideration by a senior member of staff only.

Maintenance Payments

From 2005/06 payments **received** by the student's parent/partner/spouse (as appropriate) under written agreement for the benefit of children will no longer be treated as household income for the purpose of assessing a contribution to statutory entitlement; and maintenance payments **paid out** by students for their own children will no longer be excluded from the assessment of the student's income. It is expected that this change will create more winners than losers and will be introduced for all new and existing students. Institutions are asked to take account of these changes when considering applications from the Fund.

4.15 Financial advice for students

The Financial Services Authority (FSA), an independent financial watchdog, leads a national strategy in partnership with government and others to improve the population's financial capability. The FSA has been examining the situation in a pilot project as part of its National Strategy.

In the university sector, the FSA are working with money advice staff in various universities in Wales who are involved in the pilot to help them plan ways to engage students through the 'Money Doctors' Scheme'. This is an excellent opportunity to encourage a broader financial awareness for young students going to university who have to think seriously about money for the first time.

All HEIs in Wales should have a copy of the 'Money Doctors' Toolkit', it can however be accessed via the FSA website: http://www.fsa.gov.uk/financial_capability/our-work/higher_education/

4.16 Making payments to students

The minimum individual payment should not normally be less than £100, unless the institution believes this is appropriate e.g. emergency short-term loan, AFS or taster module support.

We recommend the maximum total payment to any student should not exceed £3,500 in any one year, but institutions may make exceptions to these levels in exceptional circumstances, such as disabled students who are not eligible for a DSA, where a payment larger than £3,500 may be merited.

However, those responsible for administering the Fund should ensure, as far as possible, all vulnerable groups having fair access to the Funds. Institutions should not commit themselves to large year on year levels of awards to students.

Financial Contingency Fund awards can be agreed in principle prior to the start of the academic year, although they cannot be paid until the student has started the

course. They can be offered in addition to other Bursaries. Payments from the Financial Contingency Fund can be made in instalments at the institute's discretion. This can help students to manage their budgets, and can also help institutions to manage theirs - if a 'students' circumstances change, or if there are more resources in the budget than first envisaged, then the level of payment can easily be reviewed. However, for students eligible for benefits it is better for the payment to be made as a lump sum, in line with the advice on treatment of student income by the DWP (at paragraph 4.18).

Students can apply more than once during the academic year for help from the Fund but usually only where circumstances change or they are applying for assistance during the summer vacation. The level of any second payment should take into account the amount awarded at the first application.

To prevent unnecessary drop out due to hardship, the grantor expects students to be able to receive the help they need in a timely fashion. It is recommended that the process of approving aid, where all relevant documentation has been provided, should take no longer than 15 working days. Institutions should also consider including student representation in the decision making process. Clear procedures should be formulated for dealing with appeals, and all applicants should be aware of their right to appeal.

4.17 Making payments to third parties

Payments can be made directly to a student, or to a third party or through the provision of items for the student (e.g. a PC), or through a short-term repayable loan. It may also be provided through the loaning of equipment (e.g. a PC, or wheelchair) which would remain the property of the institution.

Where a student owes money to the institution, the Fund can be used directly to reimburse the institution but only with the student's consent. Institutions must not make payments from the Financial Contingency Fund conditional on a student first settling their debt to the institution, nor should they require the student to use any payment from the Fund to settle the debt. Institutions may, however, take into account any outstanding short-term loan from the Fund which the student has not repaid, when determining how much to give a student from the Financial Contingency Fund.

4.18 DWP Disregards

Any payment from the FCFs for course-related costs, such as childcare, will be fully disregarded by the DWP for benefit purposes. Payment in instalments for these costs will not affect benefits.

It is recommended that payments for living costs are made as a lump sum for students on benefits, e.g. paying an electricity bill, as such payments will be disregarded provided the student's capital holding does not exceed £3,000.

Where payments from FCFs are for everyday living costs such as rent, food, utilities or clothing, and are not paid as a lump sum, they will be taken into account for

benefit purposes with a £20 a week disregard. This disregard will include the £10 a week disregard of the student loan if applicable.

It will help students who have received a payment from FCFs in claiming benefits if they are given a document to present to their local JobCentre Plus. A suggested form of words is at **Annex C**.

4.19 Help for Disabled Students (including diagnostic test costs)

The Fund is not intended to provide additional study support that is available from the Disability Students' Allowance (DSA), unless the DSA is insufficient to cover the whole cost or the cost cannot be met from the DSA. Disabled students, especially those with dyslexia, who wish to apply for a preliminary diagnostic test, prior to applying for a DSA, may have difficulty meeting the cost of that test. The cost cannot be provided by the DSA. Assistance in meeting the cost of the test, and associated costs such as travel to the assessment centre, may be provided through the Financial Contingency Fund. In this circumstance it may not be necessary for a student to have taken out a student loan. However, he/she should show a need for financial help to pay for the costs of the test.

Institutions also have a duty under the Disability Discrimination Act to provide certain facilities or assistance for disabled students to enable them to access their course and to take part in the university 'experience'. The FCF should not be used to fund facilities/services etc where it is the institution's legal responsibility to provide this.

Students can also receive help for other disability costs from the Financial Contingency Fund. Students who face financial difficulty because they have disabled dependant children may also need additional help. *Disabled students who have to study for less than 50% FTE because of their disability are also eligible for the Financial Contingency Fund provided that they study at least 25% FTE.*

Where the Institute has made a purchase of equipment for a disabled student from FCF provisions that equipment should normally remain the property of that Institute.

4.20. Suspension of studies

Students are eligible for full statutory student support for absences of up to 60 days if the student is ill.

Where illness exceeds 60 days or if a student suspends their studies for reasons other than illness, they may continue to receive student loans and grants for living costs at the discretion of the Local Authority (LA). LAs are advised by the Department to treat these students favourably.

Reasons other than illness may include pregnancy (see paragraph below on pregnancy), caring responsibilities, specific financial difficulties, bereavement or premature termination of a work placement. This is not an exhaustive list and LAs and institutions have discretion to consider other reasons that they consider appropriate.

Applications for help from FCF can be assessed and awards can be paid to students who are unable to attend their course during this period, due to health, caring reasons or for any other circumstances deemed appropriate by the institution. Payments from the Fund can be made to students who are not attending the course, provided the institution is satisfied that the student has not withdrawn from or abandoned the course and that the student intends to return to the course.

To assist student retention grantor guidance to LAs recommends that discretionary payments can normally last for up to 52 weeks, but payment may be extended where a student is prevented by circumstances outside their control from returning to their course. Also, payment may be extended where discontinuation of payment would cause hardship and lead to the student abandoning their course.

If the institution decides that the student has withdrawn, abandoned or been expelled from the course payments from the Fund should not be made.

Pregnancy

Where students suspend their studies because of pregnancy, Guidance to LAs strongly encourages LAs to use their discretionary power and continue to award statutory support where the student requests it. For NHS Bursary students maternity awards are available for up to 45 weeks.

FCF payments can be made during such periods, providing the institution is satisfied that the student has not abandoned, withdrawn from or been expelled from the course.

4.21 Summer vacation funding

It is recommended that institutions set aside an amount at the beginning of the year to provide support for students over the summer vacation. Students who apply for help from FCFs before the summer can be reassessed for an additional summer vacation payment, if they demonstrate need.

Institutes can hold back up to a maximum of 15% of their FCF allocation for summer vacation funding. They are reminded however that only 10% of the total allocation can be carried forward.

4.22 Appeals from students

Institutions should have an appeals procedure in place for cases where students have applied unsuccessfully for help from the Financial Contingency Fund. This procedure should be clear, and students must be informed of their right to appeal. It is for institutions to consider each case and resolve appeals; cases should not be referred to the grantor. Institutions are of course, welcome to contact the grantor for clarification of policy or procedure when deciding applications.

4.23 Information about payments from the Financial Contingency Fund

The grantor asks institutions to submit an analysis on the use of the Financial Contingency Fund at the end of each academic year. This provides useful

information for the grantor on how the Fund has been spent, the main recipients and reasons for payment, and informs future policymaking. Where possible please group FCF payments into the identified categories of support. 'Other' should only be used where expenditure clearly falls outside the main categories of support. The grantor is grateful for the time spent by institutions in completing these returns. The summary for 2006/07 is attached at **Annex D**.

Please provide the information requested at Annex E using the forms shown.

5. Financial Issues

5.1 Total amounts available in the Fund

The sums of money which the grantor is allocating to institutions for 2008/09 is as follows:

- £4.774 million is available for the Financial Contingency Fund. This amount includes a **notional** amount of £103k (an additional resource provided from 2003/04) for non-means tested NHS bursary students.
- Institutions will continue to be allowed to use up to 3 per cent of their *total allocation or £525 (whichever is the greater) to ensure that the Funds are effectively publicised and administered.

*** provided for AY 2007/08 minus the additional amount provided to support those part-time student groups targeted by the Graham Review to receive additional support on a statutory basis.**

5.2 Payment to institutions

Institutions will be paid the **Financial Contingency Fund** in September.

5.3 Financial conditions and auditing requirements

- a. Institutions must observe the following:
The Funds must only be used for the purpose specified in this Guidance
- b. The funds must only be made available to eligible students as specified in this Guidance.
- c. Any interest gained on the Funds must be either paid to students, as part of the normal allocation of the resources available, used for publicity or administration.
- d. Each institution shall present to the grantor by 31 January audited accounts in respect of the Financial Contingency Fund for the previous academic year and such information as the grantor shall from time to time prescribe, showing how grant was used in the previous academic year. The grantor shall insure that each institution's audited account includes a note showing the receipt, any payments, any repayments and closing balance of the grant for the Financial Contingency Fund. Institutions must identify in their monitoring returns any interest accrued on Financial Contingency Fund. Auditors are required to certify that Funds, and any combined interest earned on them,

have been applied in accordance with the terms and conditions of the grant, and this Guidance.

5.4 Carry forward of unspent Funds (for Financial Contingency Fund)

Institutions may carry forward a proportion of their total allocation of Funds at the end of each academic year without reference to the grantor. This is not intended to encourage institutions to under-spend, but to encourage them to plan ahead. Institutions can set aside some Funds in order to help them meet commitments in future years for students to whom they have provided Bursaries, and can also ensure they have sufficient funds to help students over the summer vacation period and at the beginning of the following academic year.

Institutions will be allowed to carry forward up to 10% of the total of their allocations and interest each year without reference to the grantor. However, the grantor will review this periodically to ensure that institutions are making use of the Funds carried forward and are not simply carrying forward an unused surplus each year.

Institutions will be able to carry forward any unspent Funds up to 10% of the total of their allocation and interest at the end of 2008/09.

ANNEX A: RESIDENCY REQUIREMENTS

Normal eligibility criteria for FCF support:

*A 'home' student is defined as one who meets the residence conditions for living costs set out in the Student Support Regulations, and includes students from England, Scotland, Wales and N Ireland but not the Channel Islands or the Isle of Man. Where a student is not in receipt of statutory student support, it is for the institution to determine their residency status.

To be eligible for FCFs the student must normally be able to satisfy three residence requirements relating to the residence and immigration status on the first day of the first academic year of their course (for example, for a course starting in the Autumn this date is 1 September). On that date they must:

- Be settled in the United Kingdom under the terms of the Immigration Act 1971, in other words ordinarily resident here without being subject to any restriction on the period for which he may stay (see paragraphs below for exceptions).
- *Be ordinarily resident in England, Wales, Scotland or Northern Ireland.
- Have been ordinarily resident in the United Kingdom and Islands throughout the three year period preceding that date other than wholly or mainly for the purpose of receiving full-time education.

*Students from the Channel Islands and the Isle of Man are ineligible for support.

In the majority of cases Local Authorities (LA's) or the relevant Scottish, English or Northern Irish administering bodies will have determined the residence criteria. There will be instances, however, where the administrator must make the decision when determining eligibility for FCFs. Guidance on the residence requirements for statutory support can be found at, Assessing Eligibility chapter in the LA Guidance 2008/09, although, for FCFs purposes, the following differences should be noted:

- Students from Scotland, England and Northern Ireland are eligible for support from FCF, subject to satisfying the other eligibility conditions outlined in this guidance.
- EU students who are eligible only for tuition fee support are NOT eligible for support from FCFs. (but see 4.9 and 4.10 on EU students eligible for AFS and Taster Modules).

Administrators should satisfy themselves that they have understood the applicable law and practice when making their assessments.

Additional Fee Support

To ensure consistency with EU students' entitlement to statutory fee loans (FT) and statutory fee grant (PT), EU students would, if they met other eligibility criteria, be eligible for help from AFS. (EU students are not normally eligible for hardship awards from FCF).

Other residence eligibility criteria for statutory student support

It should be noted that students may still be eligible even if they do not satisfy the residence criteria above. These groups are:

- EU nationals.
- Refugees, their spouses/civil partners, children or stepchildren.
- Persons who have been informed by the Home Office that although they do not qualify as a refugee, they have been granted exceptional leave to enter or remain (ELE/ELR) in the UK, or Humanitarian Protection or Discretionary Leave, their spouses/civil partners, children or stepchildren.
- EEA and Swiss migrant workers, their spouses/civil partners and children and stepchildren.
- Children of Turkish Workers.
- Nationals of the Republic of Ireland.

Further details of these alternatives for students ordinarily resident in England or Wales on the first day of the course can be found at Assessing Eligibility chapter in the LA Guidance 2008/09)

For further advice on refugees/migrant workers resident in Scotland, England or Northern Ireland on the first day of the course, please contact the Scottish Executive (general enquiries: 08457 741 741), DIUS (England, ALF general enquiries: 0845 602 0583) or DELNI (Northern Ireland, general enquiries: 028 9025 7777).

EU students, EEA/Swiss migrant workers and children of Turkish Workers

Generally EU students are not eligible for hardship funds from FCF. They may qualify for help for part-time tuition fees for transitional fee protection. They may also qualify for the Additional Fee Support Scheme, if the institution chooses to offer AFS. (However, those who have satisfied the 3-year residence requirement in the UK and Islands before the start of their course may be eligible for the full student support package).

Children of Turkish workers

Wales (and the UK) already allows support (and home fee status) to children of economically active EEA and Swiss nationals who have been ordinarily resident in the EEA and Switzerland throughout the three years prior to the first day of the academic year of the course. Additionally, a person who is the child of a Turkish worker and is ordinarily resident in Wales on the first day of the first academic year of the course; and has been ordinarily resident in the territory comprising the European Economic Area, Switzerland and Turkey throughout the three-year period preceding the first day of the first academic year of the course would qualify under the same conditions as children of economically active EEA and Swiss nationals.

For precise information on how to assess whether an EU or EEA/Swiss migrant worker, child of a Turkish Worker should be treated as a home student for student finance purposes see Assessing Eligibility chapter in the LA Guidance 2008/09. Administrators are referred to this in cases where eligibility has not already been recognised by the LA. Eligibility for FCF follows this guidance.

EU students treated as 'home' students

Those students who have lived in the UK or its Islands for the three years before the start of their course may be classed as 'home' students for FCF if the following apply:

- They are an EU national themselves (having an EU national parent is not enough to qualify).
- They have lived in the UK and Islands for the three years before the start of their course.
- They are living in Wales, Northern Ireland or England at the start of their course (this is 1 September for a course that starts in the autumn).

They may qualify for help with living costs even if their main reason for being in the UK for the previous three years was to receive full-time education. However, to qualify they must also have been 'ordinarily resident' within the European Economic Area (EEA) and Switzerland immediately before the three-year qualifying period in the UK and Islands before the start of the course.

Undergraduates

Administrators will wish fully to satisfy themselves of the eligibility criteria before agreeing short-term loans against the arrival of statutory funding, or before assessing any FCF applications from those who do not get statutory support for other reasons.

Since PGCE students are treated as undergraduates for funding purposes, after three years residence in the UK a PGCE student would be eligible for FCF as a home student, so a student who completed an undergraduate degree in the UK may be eligible.

Postgraduates

Some EU postgraduate students are also eligible for FCF on the same basis as home undergraduate students. Since these students are generally unlikely to be eligible for statutory funding, administrators will have to satisfy themselves in all cases that the student fully meets the residence requirements before making any FCF assessment.

Accession of New Member States to the European Community

From 1st May 2004 the following countries joined the European Community:

Bulgaria (joined in 2007)
Cyprus
Czech Republic
Estonia
Hungary
Latvia
Lithuania

Malta
Poland
Romania (joined in 2007)
Slovakia
Slovenia

Further details can be found at LA Guidance, assessing eligibility guidance chapter 2008/09.

ANNEX B

ADVICE ON ISSUING SHORT-TERM LOANS FROM THE FINANCIAL CONTINGENCY FUND

Institutions will need to make some checks before making a Financial Contingency Fund payment to these students. A suggested checklist is below:

- full name, contact address, telephone number and proof of identity
- student is registered or enrolled on a designated course
- student has applied for a loan (or at least requested an application form from the LA)
- if student has changed course since original application, that he has informed LA
- basic eligibility (see below)

If these checks suggest a payment should be made, the student should be asked to sign a declaration of eligibility, if their eligibility as a home student has not already been established by the LA. Some wording is suggested here:

I certify that, to the best of my knowledge, I meet the following conditions: please tick the relevant boxes

Either

- There are no restrictions on my stay and I am therefore “settled” within the United Kingdom (UK) (i.e. have the Right of Abode in the UK or have Indefinite Leave to Enter/Remain (ILE/R) in the UK.)

Or

- I have been recognised by the UK Government as a Refugee and have Full Refugee Status/ILE/R as a result.
- I have Exceptional Leave to Enter/Remain in the UK (ELE/R) Humanitarian Protection (HR) or Discretionary Leave (DL).
- I am the child/spouse of an EEA Migrant Worker or Swiss Migrant Worker.
- I am the child of a Turkish Worker.

*‘settled’ – on the first academic year of your course.

Plus

- I have been ‘ordinarily resident’ within the United Kingdom or

Islands for three years immediately before the start of my course.
(Anyone with ELE/R or HP/DL or anyone recognised by the UK Government as a Refugee should have maintained 'Ordinary Residence' from the date this status was granted).

- None of this time was wholly or mainly for the purposes of receiving full-time education or if it was I was resident in the EEA immediately prior to this three-year period.
- The loan is being made because of a delay, or for a stop-gap loan for childcare costs, and not because I have not received my loan because I owe money to the SLC for non-repayment of a previous student loan.

And

- I confirm that I am registered and in attendance on the course described in the application for support from the Financial Contingency Fund.

If a student gives inconsistent information, or if the institution is aware of contradictory evidence, it should not make a payment. In these circumstances, the student could be asked, for example, to return later, to allow time for further checks, for example with the LA, to be made. Where necessary, institutions could make a very small payment to tide such students over until the date of the next interview.

Institutions should also ask the student to sign a declaration that they will repay the loan. Some recommended wording is below. This gives institutions the flexibility to pursue the non-repayment of loans if a student leaves the course or does not receive a student loan:

“ I acknowledge receipt of cash/cheque/(other....) of [£] from [name of institution]. I hereby promise to repay this amount in full:

- within 10 days of receiving the first instalment of my main student loan; or
- at the end of the academic year,
- when I leave the course, whichever is the earlier. “

ANNEX C:

Form of words for students to give to their JobCentre Plus Office or Local Authority Housing Benefit Office

[Name of student] has received a payment of [£amount] from the Financial Contingency Fund provided by the Government.

Delete as appropriate:

(i) It is a single payment

(ii) It is part of a series of [*number of payments*] payments which will be made during the period [*enter period*].

(iii) The payment is a short-term loan which is repayable when the student receives the first instalment of the student loan.

To the best of my knowledge the student has not applied for this payment to meet every day living costs.

----- (signed)

on behalf of [stamp or other identification of institution]

Annex D: Summary of Financial Contingency Funds: Comparison of 2005/06 to 2006/07

2005/06

Allocation: £5,103,000

	Assistance with disability costs	Fees	Books & Equipment	Accommodation	Childcare	Transport	Utility costs	Other including personal overdrafts	Bursary	Total
Expenditure	156,471	847	373,390	856,822	244,229	262,248	550,868	2,381,797	291,692	5,118,364
%	3.06	0.02	7.3	16.74	4.77	5.12	10.76	46.53	5.70	100
Awards made	576	4	828	1,111	320	613	776	2,963	466	7,657
%	7.52	0.05	10.81	14.51	4.18	8.01	10.13	38.7	6.09	100

Numbers applied for funds	8,289
Numbers allocated funds (PG)	493
Numbers allocated funds (UG)	6,472
Numbers allocated funds (FE)	83
Total numbers allocated	7,048
Numbers refused assistance	1,241

2006/07

Allocation: £5,103,000

	Assistance with disability costs	Fees	Books & Equipment	Accommodation	Childcare	Transport	Utility costs	Other including personal overdrafts	Bursary	Total
Expenditure	134,202	11,700	437,548	855,724	223,703	356,875	474,839	2,124,243	198,642	4,817,476
%	2.79	0.24	9.08	17.76	4.64	7.41	9.86	44.09	4.12	100
Awards made	615	17	1,307	1,369	342	881	782	3,429	402	9,144
%	6.73	0.19	14.29	14.97	3.74	9.63	8.55	37.5	4.4	100

Numbers applied for funds	9,038
Numbers allocated funds (PG)	544
Numbers allocated funds (UG)	7,078
Numbers allocated funds (FE)	100
Total numbers allocated	7,722
Numbers refused assistance	1,316

Note:

Awards made exceed numbers of students to whom funding was allocated as students can be made awards under more than one category.

TABLE 1: REASONS FOR GRANT PAYMENTS**Student Numbers**

	Undergraduate			Postgraduate			FE			Total		Grand Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	
Disability	569	18	587	18	6	24	3	1	4	590	25	615
Fee Remission	15	1	16	1	0	1	0	0	0	16	1	17
Books and Equipment	1,086	34	1,120	53	52	105	81	1	82	1,220	87	1,307
Accommodation	1,226	8	1,234	85	19	104	31	0	31	1,342	27	1,369
Childcare	295	13	308	12	15	27	3	4	7	310	32	342
Transport	759	31	790	43	27	70	20	1	21	822	59	881
Utility costs	740	17	757	17	4	21	4	0	4	761	21	782
Other or unspecified	3,166	50	3,216	191	21	212	1	0	1	3,358	71	3,429
Bursary	314	21	335	64	3	67	0	0	0	378	24	402
Total	8,170	193	8,363	484	147	631	143	7	150	8,797	347	9,144

Expenditure

	Undergraduate			Postgraduate			FE			Total		Grand Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	
	£	£	£	£	£	£	£	£	£	£	£	
Disability	117,591	6,945	124,536	3,611	5,025	8,636	820	210	1,030	122,022	12,180	134,202
Fee Remission	10,190	250	10,440	1,260	0	1,260	0	0	0	11,450	250	11,700
Books and Equipment	336,557	12,300	348,857	26,370	23,595	49,965	38,526	200	38,726	401,453	36,095	437,548
Accommodation	702,959	5,803	708,762	75,652	6,598	82,250	64,712	0	64,712	843,323	12,401	855,724
Childcare	178,019	9,272	187,291	14,177	6,127	20,304	9,675	6,433	16,108	201,871	21,832	223,703
Transport	315,145	11,300	326,445	18,504	7,076	25,580	4,750	100	4,850	338,399	18,476	356,875
Utility costs	445,849	5,525	451,374	17,155	3,310	20,465	3,000	0	3,000	466,004	8,835	474,839
Other or unspecified	1,939,784	30,415	1,970,199	140,806	12,737	153,543	500	0	500	2,081,091	43,152	2,124,243
Bursary	121,492	5,950	127,442	69,850	1,350	71,200	0	0	0	191,342	7,300	198,642
Total	4,167,586	87,760	4,255,346	367,385	65,818	433,203	121,983	6,943	128,926	4,656,955	160,521	4,817,476

TABLE 2: STUDENT DETAILS

Level	Mode	Number of applications	Number of Successful Applications			Number in receipt of ALG	Payments made (£)
			Under 21	21-24	25+		
Undergraduate	F/T	8,025	2,265	2,393	2,254	200	4,167,586
	P/T	217	8	24	134	44	87,760
Postgraduate	F/T	549	2	242	190	N/A	367,385
	P/T	136	1	17	92	N/A	65,818
F/E	F/T	106	75	9	11	0	121,983
	P/T	5	0	0	5	0	6,943
<i>Total</i>		9,038	2,351	2,685	2,686	244	4,817,476

TABLE 3: TOTAL FCFs DISTRIBUTED BY NUMBER AND AMOUNT

	Numbers of students	Amount (£)
Under £100	84	3,966
£100 - £999	5,967	2,450,035
£1,000 - £3,499	1,635	2,234,406
£3,500 and over	36	129,069
<i>Totals</i>	7,722	4,817,476

TABLE 4: REASON FOR REFUSAL

Reason	Numbers
Insufficient evidence for financial hardship	885
Did not meet institution's priority for use of funds	259
Student in receipt of support from other sources	2
Institution's FCF allocation exhausted	9
Other	161
<i>Total</i>	1316

TABLE 5: LOANS FOR REPAYMENT

	Number Successful	Paid Out (£)	Repaid within year (£)	Repaid from previous year (£)	Outstanding within year (£)
Loans to students whose loan cheques from the SLC is delayed	347	76,529	52,940	12,160	22,389
Other loans	80	24,643	3,709	590	20,094
<i>Total</i>	427	101,172	56,649	12,750	42,483

TABLE 6: FINANCIAL DATA

			£	Notes
Add	i	Funds allocated in 2006/07	5,103,000	
Add	ii	Funds brought forward from 2005/06	236,802	
Add	iii	Plus interest earned	79,618	
Less	iv	Funds distributed	4,817,476	
Less	v	Less expenditure on administration and publicity	178,275	Up to 3% of the total allocation or £525 (whichever is greater)
Add	vi	Loans repaid	69,399	
		Total Funds Remaining	493,068	
		Funds to carry forward	400,243	No greater than 10% of the total income (i +ii + iii)
		Fund to be returned to WAG	92,825	

Annex E: Monitoring Requirements

2008/09 Monitoring Requirements

Each Institution is asked to provide the grantor with a commentary on the use of the Financial Contingency Fund. This information will be used to assist in evaluating the performance of the Funds to inform future decisions on the purpose of the Funds, and will be published in a bulleting produced by the Welsh Assembly Government.

In table 1: The **number of students** to whom assistance from FCFs was given **in the form of grants only** - with total amounts disbursed for the following categories of students. (**Do not** include payments made as loans):

- a) Undergraduates
- b) Postgraduates
- c) FE students

Also record details of full-time and part-time, including the amount given within each of the categories of support.

In table 2: Student details including **the total numbers of applications** made and the numbers to whom assistance was given **in the form of grants only**. Broken down by age, numbers in receipt of an ALG and amounts paid from FCFs. (**Do not** include payments made as loans).

In table 3: The **number of successful applications** and total amount of FCFs, **including grants only**, disbursed during the academic year, by payment band. (**Do not** include payments made as loans).

In table 4: The **number of students** whose application for assistance from FCFs was **refused** and reasons for refusal.

In table 5: The amount of Funds distributed to **students in the form of loans** for repayment, and whether this was paid as an emergency short-term loan for students with no other support at the beginning of term who did not have a loan cheque, or for other reasons.

Also:

- amount repaid within year
- amount repaid from previous year
- amount outstanding

In table 6: Details of carry-over calculation including funds used for administration/publicity (if not possible to apportion separately record all against Financial Contingency Fund).

In table 7: Arrangements made for improving targeting of FCFs to students in real need.

**FINANCIAL CONTINGENCY FUNDS MONITORING INFORMATION: 2008/09
ACADEMIC YEAR**

Please complete this form and return to Statistical Directorate by 11 December 2009 for inclusion in summary by the end of February 2010.

Institution	
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Table 1: Reason for Payment (including payments made as grants)

a) Undergraduate students					
Categories of support	Numbers of successful F/T	£	Numbers of successful P/T	£	Total Amount of support
Assistance with Disability costs					
Taster Module (see 4.10)					
Books & Equipment					
Accommodation					
Childcare					
Transport					
Utility costs					
Other or unspecified hardship					
Bursary scheme					
Totals					
b) Postgraduate students					
Categories of support	Numbers of successful F/T	£	Numbers of successful P/T	£	Total Amount of support
Assistance with Disability costs					
Taster Module (see 4.10)					
Books & Equipment					
Accommodation					
Childcare					
Transport					
Utility costs					
Other or unspecified hardship					
Bursary scheme					
Totals					
c) FE students					
Categories of support	Numbers of successful F/T	£	Numbers of successful P/T	£	Total Amount of support
Assistance with Disability costs					
Taster Module (see 4.10)					
Books & Equipment					
Accommodation					
Childcare					
Transport					
Utility costs					
Other or unspecified hardship					
Bursary scheme					
Totals					

Table 2: Student details (including payments made as grants only)

	Mode	Number of applications	Number of successful applications			Numbers in receipt of an ALG	Payments made (£)
			Under 21	21 to 24	25+		
Undergraduate	F/T						
	P/T						
Postgraduate	F/T						
	P/T						
FE	F/T						
	P/T						
Totals							

Table 3: Total FCFs distributed by number of successful applications and amount including payments made as grants only)

	Number of awards	Amount (£)
Under £100		
£100 - £999		
£1,000 - £3,499		
£3,500 and over		
Totals		

Table 4: Reason for Refusal and number of students

Reason	Numbers
Insufficient evidence for financial hardship	
Did not meet institution's priority for use of funds	
Student in receipt of support from other sources	
Institution's FCF allocation exhausted	
Other	
Totals	

Table 5: Loans for repayment

	Number successful	Paid out (£)	Repaid within year (£)	Repaid from previous year (£)	Outstanding within year (£)
Loans to students whose loan cheques from the SLC is delayed					
Other loans					
Totals					

Table 6: Financial Data

Add	i	Funds allocated in 2008/09	£	
Add	ii	Plus interest earned	£	
Add	iii	Plus funds brought forward	£	
Less	iv	Less funds distributed (grants and loans)	£	
Less	v	Less expenditure on admin & publicity	£	Up to 3% of total allocation plus interest earned or £525 (whichever is the greater)
Add	vi	Plus loans repaid	£	
	vii	Total funds remaining	£	
	viii	Funds to carry forward	£	No greater than 10% of the total income (i + ii + iii)
	ix	Funds to be returned to DCELLS	£	

Table 7. Arrangements for improving targeting of FCFs to students in real need.