Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions Caxton House, Tothill Street, London SW1H 9NA

HB/CTB A7/2012

ADJUDICATION AND OPERATIONS CIRCULAR

WHO SHOULD READ	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
ACTION	For information
SUBJECT	The Social Security (Miscellaneous Amendments) Regulations 2012 (SI 2012 No 757) Student Uprating 2012/2013

Guidance Manual

The information in this circular does affect the content of the HB/CTB Guidance Manual. Please annotate this circular number against *paragraph A4.1810; BP2* paragraphs, P2.70, P2.134, P2.168, P2.190 and Annex F; BW2 paragraph W2.134, W2.168, W2.193 and Annex F.

Queries

If you

- want extra copies of this circular/copies of previous circulars, they can be found on the website at http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hbctb-circulars/
- have any queries about the

technical content of this circular, contact DWP Housing Benefit enquiries Housing.BenefitEnquiries@dwp.gsi.gov.uk

distribution of this circular, contact housing.correspondenceandpqs@dwp.gsi.gov.uk

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The Social Security (Miscellaneous Amendments) Regulations 2012 (SI 2012 No 757)

Introduction

- 1 This circular provides information on the main provisions in the <u>Housing Benefit</u> and Council Tax Benefit (<u>Miscellaneous Amendments</u>) Regulations 2012 (SI 2012/757) that were laid before Parliament on 8 March 2012. The regulations also include some routine updates and corrections of errors or omissions, and these minor changes are not described in this circular.
- 2 The regulations can be viewed free of charge, either on DWP's website, or via the website of the Office of Public Information. The explanatory memorandum that is published with the regulations can also be viewed on the Office of Public Information website.

Coming into force

- Following parliamentary approval, the majority of the provisions, including all minor technical amendments, came into force on **2 April 2012**. The main provisions that came into force on this date are:
 - to ensure that the definitions of Paternity Leave incorporate references to Ordinary and Additional Paternity Leave and Additional Statutory Paternity
 - to support the extension of the Second Chance Learning Initiative
 - to amend the Decisions and Appeals (D&A) Regulations to remove a reference to an obsolete paragraph

Definitions of Paternity Leave

- 4 Since April 2011, fathers satisfying the necessary conditions have been able to claim up to 26 weeks Additional Paternity Leave and Additional Statutory Paternity Pay.
- The previous definitions of Paternity Leave and Statutory Paternity Pay for the purposes of income-related benefits did not include Additional Paternity Leave and Additional Statutory Paternity Pay. Therefore, for the purposes of the earnings disregard and non-dependant deductions, Additional Paternity Leave and Additional Statutory Paternity Pay will now be treated in the same way as Ordinary Paternity Leave and Ordinary Statutory Paternity Pay.
- 6 This is achieved by: amending the definition of paternity leave in HB, CTB, HB(SPC) and CTB(SPC) regulation 2(1) (interpretation); and substituting the references to include ordinary statutory paternity pay and additional statutory

paternity pay in regulations HB 28, CTB 18, HB(SPC) 31 and CTB(SPC) 21 (treatment of child care charges), regulations HB 35(1), CTB 25(1), HB(SPC) 35(1) and CTB(SPC) 25(1) (earnings of employed earners), regulations HB(SPC) 29 and CTB(SPC) 19 (meaning of income) and regulations HB 36(3), CTB 26(3), HB(SPC) 36(2) and CTB 26(2) (calculation of net earnings of employed earners).

Extension of Second Chance Learning Initiative

- 7 In line with the amendments made to the Income Support Regulations in respect of the Second Chance Learning Initiative (SCLI), amendments to the Housing Benefit Regulations 2006 regulation 56 and Council Tax Benefit Regulations 2006 regulation 45 were also made.
- These regulations reflect three further refinements to the Second Chance Learning Initiative (SCLI), which incrementally increased the cut-off age for Income Support to 20 years from April 2006 and 21 years from April 2009 where the relevant course started before the young person's 19th birthday. The refinements in the latest amendments:
 - removed the existing restriction that required the young person to have started, enrolled or being accepted on the course before the age of 19, so that young people who begin a full-time course of non-advanced education when aged 19, 20 or 21 are also able to make use of the SCLI provision, provided they meet the other conditions for accessing the provision.
 - changed the end date of the SCLI provision so that young people may remain entitled to Housing Benefit/Council Tax Benefit whilst under 21 or aged 21 if they attained that age whilst undertaking a full-time course of education (other than higher education); rather than ending as soon as they reached the age of 21.

Removal of obsolete reference in HB D&A Regulations

- 9 A minor amendment was required to remove a reference to an obsolete paragraph in regulation 1 of the HB/CTB (D&A) Regulations (SI 2001/1002). The paragraph in question was removed by SI 2003/274 with effect from 30 June 2003.
 - This is achieved by removing the reference to the deleted paragraph in the HB/CTB (D&A) Regulations (SI 2001/1002), regulation 1(2) (interpretation).

Student Support Uprating 2012/2013

Introduction

There are some changes for new and continuing students starting higher education starting in the academic year 2012. Therefore in assessing entitlement to HB and CTB, the grant and loan rates as shown on the student

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notification award should be used. If an award notification is not presented, reference should be made to the figures set out by Department for Business Innovation & Skills (BIS) which provides a more detailed breakdown of the support available to students each year of their courses on the Direct Gov website:

http://www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/StudentFinance/index.htm

Disregards for travel, books & equipment

The rates for travel grants disregard and books & equipment disregard has been frozen since 2010 and again this year. For the academic year 2012/2013 the disregard rates will remain at £303.00 in respect of travel and £390.00 in respect of books and equipment.

What is changing from September 2012

- 12 Students who start university or college on or after 1 September 2012 (academic year 2012/2013) will be on a new finance scheme. The main changes are:
 - Universities and colleges can charge tuition fees of up to £9,000 (full-time)
 - Tuition Fee Loans will go up to cover the higher fees
 - Part-time students can apply for a Tuition Fee Loan (replacing grants) for the first time up to £6,750

Maintenance Loans and Maintenance Grants for new students 2012

Only full-time students can get Maintenance Loans and Maintenance Grants for their living costs.

Maintenance Loans

- 14 The maximum Maintenance Loan for new students starting from 1 September 2012 is
 - students who live away from home and study elsewhere £5,500
 - students who live away from home and study in London £7,675
 - students who live at home £4,375

Maintenance Grants

15 The maximum maintenance grant for new students starting from 1 September 2012 is £3,250 for those with a household income of £25,000 or under.

Maintenance Grants for continuing students

16 The maximum grant available for continuing students in 2012/13 is £2,984. This allows the student not to borrow as much through the maintenance loan and therefore will have less to pay.

Maximum Maintenance Loans for continuing students

- 17 If the student began their course on or **after** 1 September 2009 the maximum rates are:
 - Students living away from their parents and studying in London £6,928
 - Students living away from their parents and studying elsewhere £4,950
 - Students living with their parents £3,838
- 18 If the student began their course **before** September 2009 the maximum rates are:
 - Students living away from their parents and studying in London £6,643
 - Students living away from their parents and studying elsewhere £4,745
 - Students living with their parents £3,673

Special Support Grant

19 Students who qualify for certain benefits like (Income Support), are entitled to the Special Support Grant (SSG) instead of the Maintenance Grant. It will not affect the amount of maintenance loan the student may be entitled to. The amount they can get through the SSG is the same as that available through the maintenance grant but it won't reduce how much they get for the maintenance loan. The maximum amount for 2012 student package is £3,250. Continuing students will be entitled to £2.984.

Tuition Fees

- 20 The changes to tuition fees should not affect continuing students i.e. courses which began before 1 September 2012 (academic year 2011/2012). If the course began before 1 September 2012 UK universities and colleges can charge:
 - new and continuing full-time students applying in 2011/2012 up to £3,375
 - continuing full-time students applying in 2012/2013 up to £3,465
 - no limit for part-time students