





The content

Debt Advice Handbook 15th edition

Description

With living costs and unemployment rising, budgets squeezed and problem debt on the increase, no adviser should be without this essential guide to the practice and process of giving money advice in England and Wales.

Who's this book for?

It is essential for debt advisers, welfare rights advisers, lawyers, local authority and housing association staff, social workers and union official.

What does it do?

The handbook provides the most comprehensive information needed by advisers on the key stages of money advice, including interviewing clients, establishing liability, prioritising debts, preparing a financial statement, negotiating with creditors and dealing with bailiffs. Fully indexed and cross-referenced to law, regulations and official guidance, and to court and tribunal decisions Includes tactical guidance and examples

What's new?

Fully updated to cover all recent changes to legislation, caselaw and court procedure and practice Emphasis is placed on taking due care of vulnerable clients and making sure that any payment arrangements agreed are appropriate. There is a focus on sustainable credit arrangements that do not affect a client's abilities to pay essential living expenses and priority debts.

Properties

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This content was last updated:
2025-06-26

Print publication date
Feb, 2024

Print ISBN
978 1 915324 11 5

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There have been a number of changes to student funding arrangements (see here) and the information required to maximise income and check eligibility is complex. What follows is a guide to the likely sources of income for new higher education students in 2023/24. Those who commenced courses before this date may have different rules that apply. **Note:** the legislation for support and fees is different in England, Scotland, Wales and Northern Ireland.

Students seeking debt advice may be doing so due to not being able to manage irregular payments effectively when they have regular expenditure. Therefore, care must be taken to establish future budgeting and financial management to prevent the situation worsening in future payment periods.

It may be appropriate for you to deal directly with some creditors and, in certain circumstances, to request that they overpay to assist the client with budgeting. Creditors need a detailed explanation of the student's funding situation to appreciate fully the request being made and to dispel some myths or misinformation they may have about money available to students.

Income could be maximised by contacting Student Finance England or Student Finance Wales and detailing the student's particular circumstances.

If the available help is means tested, the test is normally carried out using the student's parents' income, unless the student has independent status. Students have independent status if they:

- are 25 or over at the start of the academic year for which they are applying; *or*
- are married or entered a civil partnership before the start of the academic year for which they are applying; *or*
- have supported themselves for at least three years before the start of the first year of the course; *or*
- have no living parents; *or*
- have care of at least one child on the first day of the academic year for which they are applying; *or*
- are a part-time student.

If a student has independent status, their parents' (or step-parents') income is not taken into account when Student Finance England or Student Finance Wales assesses their entitlement to means-tested support.

If none of the above applies, the student could still be treated as an independent student, if:

- their parents cannot be traced; *or*
- their parents live abroad and trying to trace them may put them in danger; *or*
- they are permanently estranged from their parents; *or*
- they are in the care of a local authority or voluntary organisation under a custodianship order on their 18th birthday, or immediately before the course, if they were not 18 when it began.

If a student is married or in a civil partnership, and is not separated, their spouse's or civil partner's income is included in the means test. Students aged 25 or over and living with a cohabiting

partner also have their partner's income included.

In general, student support is available for the ordinary length of the course, plus a year, less any years of previously supported higher education study. Additional years of support may be available if there are compelling personal reasons why the student did not complete a year or previous course. Outline the reasons in the application and their detrimental impact on the client's studies.

With the exception of supplementary grants (see here), further support is not generally available for students who have used up their entitlement to funding. However, income-contingent loans for maintenance continue to be available to students who do not already have an honours degree and to graduate students on courses leading to a professional qualification, such as a medical doctor, veterinary doctor, dentist or architect. Loans for fees and maintenance may also be available to full-time students domiciled in England who already hold a degree but wish to take a second or subsequent course in one of the allied health professions (such as nursing or midwifery). In Wales, students can apply for further funding for healthcare courses from NHS Wales. Loans for fees may also be available to part-time students domiciled in England or Wales who already hold a degree but wish to take a second or subsequent course in science, technology, engineering or maths - see the Student Finance England or Student Finance Wales websites for which subjects qualify. Given the potential impact on future funding, these rules on previous study should be highlighted to students thinking of withdrawing or transferring their course.

Bank loans

Banks may offer loans to students at competitive rates. However, a client should be advised that the interest rates on loans from Student Finance England or Student Finance Wales, as well as their income-contingent repayments, are almost always the cheapest form of long-term borrowing.

A bank loan is usually offered towards the end of the student's course. If overdraft facilities appear no longer appropriate, the bank may offer to convert the overdraft to a loan. This offers the advantages of a lower interest rate than the excess overdraft and allows the student access to additional funds. However, unless the loan has a deferred repayment arrangement, the repayments are usually too high to be met from the student's income and may create an overdraft in their current account, resulting in them paying interest on two accounts. It can become a very expensive, usually unmanageable, option. Be aware that most banks now allow student terms on their overdraft to extend to graduation and beyond (sometimes for a number of years), which may be a cheaper option.

Students often feel pressured into accepting loan arrangements, as the banks present them as

a positive alternative and are reluctant to allow further borrowing on any other terms. A client will often be better off by ceasing to use the existing bank account and using an ordinary building society savings account. You can then negotiate with the bank as with any other creditor. However, this strategy results in the loss of the interest-free overdraft facility.

See also here for information on professional studies loans.

Bank overdrafts

Most of the major banks and some building societies offer interest-free overdraft facilities on students' current accounts up to a set limit. This special facility is essential to most students in maximising income, both to cover temporary periods of cash-flow shortage (eg, between payments of funding instalments) and for long-term financial management.

Prospective students with existing bank accounts should change to a student account with either their own or a different bank to benefit from the facilities offered. When choosing a bank, students should consider the following factors, rather than any 'free gifts' on offer:

- which bank offers the largest interest-free overdraft, and the period for which it is offered – generally these extend beyond the end of the course, but can vary;
- the availability and quality of service provided by telephone, smartphone app and internet banking;
- the interest rates and charges imposed for exceeding the interest-free facility;
- the attitude of campus bank managers or student advisers in local banks – debt advisers in institutions or students' unions can be consulted on these matters.

Managers of campus banks are usually more familiar with student finance issues and are therefore more sympathetic and realistic when difficulties arise, though as with bank branches more generally, such outlets are becoming less common.

A student's credit rating is checked when they open a new account. They may be refused the usual student deal if there is a recorded history of credit problems. A student requires an account that can accept direct credits to receive their student loan. If a student has no bank account and is refused one because of their credit rating, the money adviser in the institution or students' union may be able to negotiate with the bank.

Benefits

Universal credit

Child tax credit

Health benefits

Housing benefit

Income support

Income-based jobseeker's allowance

Students taking time out from their studies

This section is a general guide to eligibility; refer to CPAG's *Welfare Benefits and Tax Credits Handbook* for full details. Most full-time students cannot claim social security benefits. However, there are a few groups of students who can receive status benefits or who are not excluded from universal credit (UC) – or, in a dwindling number of legacy cases, the means-tested benefits system – including:

- lone parents, including lone foster parents (if the child is under 16);
- one of two full-time students with responsibility for a child under 16 (or under 20 if still in full-time, non-advanced education);
- disabled students who satisfy certain conditions;
- pensioners;
- in certain circumstances, refugees who are learning English;
- students waiting to return to their course after taking time out because of illness or caring responsibilities.

Highlight the rules on entitlement to benefit, and advise students not to automatically accept DWP or local authority statements that students cannot claim benefits.

The DWP and local authorities find the calculation of students' entitlement highly complex and, in many offices, it is rare for the first decision to be correct. Clients must be advised to have their claims checked by an expert in the institution, students' union or local advice centre.

Check that decision makers do not include the student loan as a client's income if they are not eligible for a student loan. You should also inform a client who is entitled to a maintenance loan, but reluctant to take one out (or take out the full amount), that the full loan amount the student is eligible for is taken into account as income, whether or not the client receives it.

In general, grants or loans paid specifically for tuition fees or course costs are disregarded as income. If a student receives allowances towards extra expenses because of a disability (see here), these are disregarded in full when calculating benefit entitlement. The childcare grant and parents' learning grant are also disregarded.

The postgraduate loan for master's and doctoral degrees is paid for both tuition and maintenance costs. For this reason, 30 per cent of the maximum loan entitlement (whether the student borrows the full amount or not) is taken into account for benefit purposes, with the

remainder of it being ignored.

Universal credit

Check whether the client is in one of the groups of students who can claim UC. Rules on work-related requirements and sanctions should be carefully explained, as certain groups of students, particularly postgraduates without access to loans, may be at greater risk of incurring these.

Child tax credit

Students can receive child tax credit (though no new claims can be made and new claimants are required to apply for UC instead – see here). Those getting the maximum amount (and no working tax credit – WTC) are entitled to free school meals for their children. Help is means tested and paid by HMRC, which has a calculator on its website to help work out eligibility and the amount available (see gov.uk/tax-credits-calculator).

Health benefits

Students under 19 and those getting UC with income below a certain level, or who are on income support (IS), income-based jobseeker's allowance (JSA) as well as some tax credit claimants, qualify for health benefits. Otherwise, students must apply for assistance on the grounds of low income using Form HC1.

Housing benefit

Check whether the client is in one of the groups of students who can claim housing benefit (HB), or whether they have a partner who can claim on their behalf. Almost all new clients, however, must apply for UC instead (see here).

Income support

No new claims for IS can be made, but when an existing claimant starts a course, you can check whether they are in one of the groups of students who can receive IS while studying. New clients must apply for UC instead (see here).

Income-based jobseeker's allowance

If the student has a partner who is claiming income-based JSA, they should be aware that working in the vacations may result in a loss of benefit. No new claims for income-based JSA can be made and any new clients must apply for UC instead (see here).

Students taking time out from their studies

Some students (sometimes known as 'intercalating students') need to leave their course temporarily – eg, because of ill health, exam failure, or family or personal problems. Benefit regulations exclude most full-time students from claiming UC (or, in a small number of legacy cases, IS, HB, or income-based JSA) for the whole duration of their period of study. For precise definitions of this period for each benefit, see CPAG's *Welfare Benefits and Tax Credits Handbook*. Students eligible to claim benefits are entitled to a period of temporary absence from their course.

Students cannot get UC (or legacy benefits) if they take time out from their course because they are ill or have caring responsibilities (unless they are classed as a disabled student), but they can claim these benefits once the illness or caring responsibilities end. They can claim from this point until they restart the course or up to the day before they start the new academic year. They can only qualify if they are not eligible for student support during this period.

If a student takes time out for any other reason, they are treated as though they were on a full-time course and therefore not entitled to UC (or legacy benefits). Students in this situation should obtain advice from their students' union or institution on alternative means of support.

Bursaries

A student may be eligible for a bursary or scholarship from their university or college.

Bursaries are paid separately from the standard student finance package.

There is no set upper limit, and institutions can decide on the amounts they offer. Some are several thousand pounds or more, although high rates are rare. Many bursaries are paid in cash, but can be paid by other means – eg, by providing accommodation or course-related equipment. The criteria vary: some bursaries and scholarships are awarded based on income or geographical location only; others have an application process; and some are awarded based on, for example, academic or sporting achievement or potential. All institutions should publicise their bursaries or scholarships on their websites, and the UCAS website has a section on each institution's funding opportunities.

If a bursary is paid for course costs, it should not be treated as income for benefit purposes, and institutions are encouraged to be clear about the purposes of the support. The institution should provide the student with a letter confirming that their bursary is for course-related costs.

Students on health-related courses in Wales may be eligible for a bursary from the NHS (see [here](#)). However, new healthcare students in England who start their course on or after 1 August 2017 must apply for the standard package of student loans from Student Finance England. Since

August 2020, these students can also apply for a new, non-means-tested training grant, which the NHS introduced for such students. In addition, the NHS in England continues to offer some limited additional finance for healthcare student parents, for travel and accommodation on placement and in cases of hardship, as well as the old-style bursaries to medical and dental students in the final years of their course.

Charities

See also [here](#).

Many charities assist students. However, support is usually in the form of small grants and it is highly unusual for a student to be able to access full funding through charitable routes. Many charities also experience high demand for their funds.

Applications are more likely to succeed if the student is close to completing their course, and/or where funding arrangements have broken down. There are a number of fund-finding websites and publications specialising in helping students access money from trusts and charities.

Employment

Tax refunds

Traditionally, undergraduate students have worked during their vacation periods; many now also work part-time during term time. Income from part-time or casual work is disregarded when assessing student support. You should warn clients of the uncertainties of relying on vacation work to supplement their mainstream income, especially given the increasing number of zero-hour contracts and 'gig economy' roles students may have to accept. Annual budgeting based on the expectation of an income from vacation work will falter if a job fails to materialise or is offered for fewer hours or weeks than anticipated.

Increasingly, institutions and students' unions provide information on jobs available to students. The institution may have regulations restricting the number of hours students are allowed to work. You can help clients balance their time between employment and study, and you should check that the student is profiting financially from the work after travel and other expenses are taken into account. You should also check the student is receiving the correct rate of minimum wage.

Tax refunds

A student who worked before starting their course, or for part of the year, may overpay tax. If so, they should be advised to claim an income tax refund when the employment ceases by

completing Form P50. The form should be submitted to the tax office of their last employer, along with the student's P45.

Grants

Maintenance grant in England

Welsh government learning grant

Travel allowances

Care leavers

Social work courses

Maintenance grant in England

A maintenance grant is available to undergraduate students who started their course before 1 September 2016. It has been abolished for students who started their course on or after this date.

Welsh government learning grant

Eligible students who normally live in Wales may be entitled to significant grant support from from the Welsh government to help meet general living costs.

In 2023/24, full-time students who began their course in 2018/19 or later receive at least £1,000 as a non-repayable grant regardless of household income. In addition, all students are entitled to a set package depending on their residence and place of study, and household income then dictates the proportion of this paid in grant or loan. For example, students living away from home and studying outside London receive the maximum grant of £8,100 if their household income is £18,730 or less, and an additional student loan of £3,620. A student with a household income of £59,200 or more receives the minimum £1,000 in grant and can take out up to £10,720 as a student loan. Full rates are available on the Student Finance Wales website.

The grant is paid in three instalments, one at the start of each term.

Those who can receive means-tested benefits should apply for an additional student support element which increases the level of student loan available regardless of income.

For students who started in earlier years, grants are also available but lower in value.

Travel allowances

Students who attend an institution outside the UK for at least eight weeks (whether obligatory or optional) and have taken out medical insurance, and those who must attend a placement in the UK away from their main college as part of a medical or dental course, can get help with their

travelling expenses above the normal allowance paid in their loan. Healthcare students in England who start their courses after 1 September 2017 and no longer qualify for NHS bursaries can also claim this help. Students studying abroad can also claim help to cover the cost of medical insurance. The travel grant does not cover the first £303 of the expenses (in some cases in Wales, this rises to £1,000).

Disabled students may also qualify for help with travel in the disabled students' allowance (see [here](#)).

Care leavers

Care leavers in England who enter higher education are entitled to a one-off £2,000 bursary from their local authority. ¹ Otherwise, local authorities remain responsible for providing support in all vacations to their care leavers. Check to ensure all support is being provided.

In addition, many higher education institutions now offer extra bursaries for care leavers, and should be approached to check what funding is available.

¹ Children Act 1989 (Higher Education Bursary) (England) Regulations 2009 No.2274

Social work courses

Bursaries are available for undergraduate students on social work degree or diploma courses in England, paid by the NHS Business Services Authority. Students must meet the residency eligibility criteria, be on an approved course, must not already hold a higher education social work qualification and not be receiving support from a social care employer. First-year students do not receive a bursary, and not all students in later years receive support, with places allocated according to local criteria. Check with the university.

The bursaries are non-means tested and paid in three instalments. Students can also access the standard student support package from Student Finance England.

Undergraduate students who normally live in Wales and studying for a social work degree are entitled to similar support from Social Care Wales. First-year students in Wales can also receive a bursary.

Full-time eligible postgraduates living in England receive a non-means-tested basic bursary from the NHS Business Services Authority and can also apply for an additional mean-tested bursary. However, as with undergraduates, not all applicants are successful.

Successful applicants also receive help with tuition fees, paid directly to the institution, and a contribution to practice learning (placement) opportunity expenses.

A childcare grant, adult dependants' allowance and parents' learning allowance are also available, paid on the same basis as for undergraduates (see [here](#)–[here](#)).

Eligible postgraduate students in Wales can apply to Social Care Wales for a similar support package.

Hardship funds

Most universities and colleges have discretionary hardship funds to assist students in financial difficulties. Students should approach the institution for details of any funds it operates. Such funds will likely prioritise certain vulnerable groups for help – eg, students with children, disabled students and care leavers. Help may be in the form of short-term loans rather than grants, especially if the issue is immediate cashflow – eg, caused by delays in processing a student finance application. If payments remain unpaid, such loans can be classed as a debt to the institution (see [here](#)).

You can help a student make a successful application by identifying the criteria and priorities of a particular institution's funds, and providing evidence or a supporting letter to show how they meet them.

For means-tested benefits, payments from discretionary hardship funds are usually treated as capital if paid as a lump sum or taken into account as income if paid regularly (subject to some disregards). See CPAG's *Welfare Benefits and Tax Credits Handbook* for more information.

Loans for living costs

[Income-contingent student loans](#)

[Long courses loan](#)

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To support themselves while studying, undergraduate students can get loans, grants (for certain groups of students), bursaries and help from hardship funds. For English-domiciled students, most support comes through loans, in contrast to the much more generous grant funding available to Welsh-domiciled students. A student must meet the personal eligibility requirements – ie, the rules on where they live, previous attendance, funding and age. ¹ For postgraduate student loans, see [here](#).

1 E(SS) Regs; E(SS)(W) Regs

Income-contingent student loans

Full-time students, sandwich students and part-time students are eligible for a maintenance loan. In Wales, loans for living costs are not available to those aged 60 or over, and in England those aged 60 or over can only access limited loan funding. Previous study affects eligibility and students who already hold an honours degree are not eligible unless their course is exempt.

The Department for Education or, in Wales, the Welsh government sets the maximum loan available. The amount a student can borrow varies enormously and depends on the calendar year the student commenced the course, the year of study, type of course, where the student lives, whether the student is entitled to certain benefits, and household income. Within the overall limits, the student decides what level of loan is needed and applies to Student Finance England or Student Finance Wales. The amount can be changed later, up to the maximum – a student applies for this on a loan adjustment form.

In England, the loan is partially means tested on household income – ie, the student's income and that of their parents or spouse or partner, as appropriate.

In Wales, students are entitled to a set amount of support, and household income affects the proportion of this support that is provided via a loan instead of a grant. Part-time students in Wales receive lower amounts of support, proportional to the intensity of study.

Part-time students in England access a lower amount of loan than full-time students, with the exact amount proportional on the intensity of study as in Wales.

Students domiciled in England who are entitled to claim certain social security benefits are entitled to a higher rate of loan (the additional amount is known as 'the special support loan'). In Wales, a similar additional entitlement to further loan funding exists, though most such students will also receive the maximum grant. In both cases, check that this is included in their entitlement.

Long courses loan

A student can apply for a set amount for each additional week they have to attend the course on top of the basic academic year. The amount of the long courses loan depends on whether the student is living in their parental home, away from home, or in London. Loans are made in addition to the student loan for maintenance and may be means tested. They must be repaid in the same way.

Studying abroad

Additional support is available to students who spend time studying abroad for at least eight weeks as part of a UK-based course (the period abroad does not have to be a compulsory part of the course). Students studying abroad for at least eight consecutive weeks who must take out medical insurance also get help to cover these costs. Help is means tested and paid by Student Finance England or Student Finance Wales. Insurance grants are equal to the cost of the policy. Travel costs are only paid if reasonable and, in any case, the first £303 of any claim is not paid.

Change in circumstances

If a student has a change in circumstances during the year, they should inform Student Finance England or Student Finance Wales to have their loan reassessed. For example, if the student's household income has fallen by more than 15 per cent in the current tax year, as compared with the tax year on which the income assessment is based, their entitlement to student finance may be increased.

NHS bursaries

NHS bursaries are available for full-time or part-time pre-registration courses in Wales, and in England if the student started the course before 1 August 2017 (see below for those starting in England after this date). For a list of eligible courses and up-to-date information, see nhsbsa.nhs.uk/student-services or nwssp.nhs.wales/ourservices/student-awards-services. Applicants must meet certain residence conditions. The bursaries are non-taxable and are paid in monthly instalments. Under these rules, the NHS pays the tuition fees.

NHS-funded degree and postgraduate diploma-level students can get a £1,000 non-means-tested bursary and an additional means-tested amount, depending on family income. Degree students can also apply for a reduced-rate student loan through Student Finance England or Student Finance Wales. Postgraduate diploma NHS students are not eligible for student loans.

Additional allowances may also be payable for:

- disabled students;
- practice placement costs;
- students entering training from care;
- extra weeks' attendance;
- childcare;
- adults and children who are financially dependent on the student.

There are also maternity, paternity and adoption allowances. NHS Student Bursaries has details.

Undergraduate medical and dental students living in England and Wales on standard five- or six-year courses in any UK country are eligible for NHS bursaries and help with their tuition fees in their fifth and sixth year of study. This includes English-domiciled students starting courses after 1 August 2017. Those students in England and Wales on the four-year graduate-entry medical programmes are also eligible for NHS bursaries and help with tuition fees, although some upfront contributions to fees are required. Medical and dental students can also apply for NHS hardship funds through NHS Student Bursaries. You should help clients to present their case, as there is no prescribed form or process. It is advisable to add a covering letter explaining the circumstances and the nature of the application.

Other healthcare students in England who start their courses on or after 1 August 2017 should apply for the standard undergraduate funding package. Since August 2020, a new non-means-tested NHS training grant of £5,000 has been introduced to supplement the standard package. Some additional support is also available for these students if they have a dependent child, placement expenses or in cases of hardship. The training grant and additional support are claimed through NHS Student Bursaries under the 'NHS Learning Support Fund' banner. Students must make a separate application to receive these funds; applying for Student Finance England support will not automatically result in the additional NHS support being paid.

Part-time support

Part-time students in England who start their course on or after 1 September 2012, and part-time students in Wales who start on or after 1 September 2014, can apply for a loan to cover the cost of fees in the same way as full-time students (see here). Courses must be at least 25 per cent of the intensity of an equivalent full-time course, and support can be provided for up to 16 years.

In England, part-time students can apply for additional loans for living costs if they started their course on or after 1 September 2018. No support for course or maintenance costs is available if they started before this date.

In Wales, students who started their courses on or after 1 September 2018 and are studying at least at 25 per cent intensity are entitled to a set package of support, the proportion of which is grant or loan varying by household income. If the student started before this date and is studying at least at 50 per cent intensity, a course costs grant is available, depending on income. In both cases, students in Wales may be entitled to additional grants for dependants.

Applications are assessed by Student Finance England or Student Finance Wales, and support is available for a maximum of 16 years.

Postgraduate support

Income-contingent student loans are available for taught postgraduate master's and doctoral courses from Student Finance England and Student Finance Wales. In Wales, master's funding also includes a grant element.

For master's courses, a maximum loan of £12,167 in England and a combination of loan and grant £18,770 in Wales is available in 2023/24. Support can be paid for one year's full-time study, or two years' part-time study at master's level, where other state funding is not available – eg, if the student is receiving a social work bursary. Students must be aged under 60 on the first day of study, but in Wales some limited bursary funding may be available for older students.

For doctoral courses, a maximum loan of £28,673 (in England) and £28,395 (in Wales) for a full-time or part-time doctoral course is available in 2023/24. If the course is part time, it must take no longer than eight years to complete. You cannot receive more than £12,167 (in England) or £14,195 (in Wales) of your entitlement in any one year. You cannot access a loan if you receive other state funding such as a research council studentship. You must be aged under 60 on the first day of the course.

In both cases, applicants must meet residency and course requirements, and must not already have a master's level or doctoral qualification as appropriate. The loan can be used to cover tuition fees, living costs or both, and is partially taken into account when calculating means-tested benefits. It is paid in three instalments over the year, directly to the student.

Postgraduate research students studying at doctoral level can apply for studentships from research councils instead (see here). Competition for these is usually strong, and students must usually have at least a 2:1 degree at undergraduate level. They are normally paid in the form of non-repayable grants.

Disabled postgraduate students are eligible for a disabled students' allowance (see here) from either a research council (see here), Student Finance England or Student Finance Wales if they must pay extra costs in their postgraduate study as a result of their disability. Details of the levels and type of support available, and information on how to apply, are on each research council's website, or from Student Finance England or Student Finance Wales.

A client can obtain appropriate information and assistance from the department in which they intend to study and the university careers service. Clients should begin their enquiries well in advance of the start of their course – applications may need to be made at the start of the academic year before the year in which they intend to study.

There are also organisations which offer awards for vocational courses, and a limited number of companies offer assistance to postgraduates. Sponsorship is usually linked to particular

courses and institutions, rather than individual students. Clients should be advised to contact the appropriate careers/advice centres at the relevant institution.

Professional studies loans

Professional studies loans are now rare, but some banks and specialist lenders make personal loans available to postgraduate (and sometimes also 'second degree') students to cover their course fees and living costs (see here). The terms and amounts of loans vary between different lenders, and a client should check which is most suitable for them. They must consider carefully whether they can afford the amount of indebtedness involved and the repayments when they are due, even if not in employment.

Research councils

Seven research councils fund postgraduate study via non-repayable studentships, though the numbers are relatively small and competition high:

- Biotechnology and Biological Sciences Research Council;
- Engineering and Physical Sciences Research Council;
- Economic and Social Research Council;
- Medical Research Council;
- Natural Environment Research Council
- Science and Technology Facilities Council;
- Arts and Humanities Research Council.

See ukri.org/councils for more information.

Supplementary grants

Disabled students' allowance

Adult dependants' grant

Childcare grant

Parents' learning allowance

Certain 'supplementary' grants are available for full-time undergraduate students with additional support requirements. Most are unavailable to part-time undergraduate students in England, except the disabled students' allowance. All these grants are available to part-time Welsh-domiciled undergraduate students, on a pro rata basis, assuming their course takes no longer than twice the time of the equivalent full-time course to complete. Only the disabled students'

allowance is available to postgraduate students, except those on Postgraduate Certificate in Education (PGCE) courses. **Note:** similar allowances may be available when students receive funding from a research council or for a social work course.

Except for disabled students' allowance, supplementary grants are also means tested, both as part of the main means test for support and on the income of any dependants the student has.

Disabled students' allowance

Part-time students, full-time students, distance learners (including Open University students), postgraduate students and undergraduate students who have a disability which makes it more expensive for them to take their courses may be entitled to extra allowances for equipment, non-medical personal support, miscellaneous expenses and travel.

Part-time students must complete the course in no more than four times the time it takes to complete a full-time equivalent course.

Postgraduate students in receipt of an award from a research council (see [here](#)) and those getting an NHS bursary (see [here](#)) are not eligible for a disabled students' allowance from Student Finance England or Student Finance Wales, but receive very similar grants from those funders.

The allowance is a non-repayable grant. It is not affected by any rules on previous study and is not means tested. It is usually paid directly to any provider of approved specialist equipment or personal support.

In England, if a student is given support towards IT equipment, they are normally expected to contribute the first £200 of the cost. If a client is unable to do so, they could contact the hardship fund at the university or college.

Adult dependants' grant

Full-time undergraduate students and, in Wales, part-time undergraduate students who have a spouse, partner or adult member of the family who is financially dependent on them may be eligible for a means-tested, non-repayable adult dependants' grant. It is paid by Student Finance England or Student Finance Wales in three instalments with the maintenance loan.

Childcare grant

Full-time undergraduate students and, in Wales, part-time undergraduate students with independent status and with dependent children in registered, approved childcare can get a childcare grant of up to 85 per cent of the actual costs. The maximum limit depends on whether the student has one child or two or more. This grant is non-repayable and it is not taken into

account when calculating entitlement to means-tested benefits and tax credits.

Students cannot get a childcare grant if they (or their partner) receive the childcare element of UC or WTC or the equivalent allowance in an NHS bursary.

Note: in England, a system introduced from 2019/20 means payments are made directly to childcare providers. Students are given a budget based on their entitlement for the year, but if they draw this down in the earlier stages, it may mean they have limited funds for childcare towards the end of the year.

In Wales, the childcare grant is calculated using estimates of childcare costs and paid directly to the student. This often results in overpayments. Overpayments are usually reclaimed in the same way as other overpaid grants (see here). The student may need to negotiate with Student Finance Wales if the overpayment will cause hardship if taken in one lump sum from future payments.

Parents' learning allowance

Means-tested help with course-related costs can be paid to students with dependent children for full-time undergraduate students and, in Wales, part-time undergraduate students.

The grant is paid by Student Finance England or Student Finance Wales in three instalments and is non-repayable. This grant is not taken into account when calculating entitlement to means-tested benefits and tax credits.

Teacher training incentives

In England, there are teacher training bursaries of up to £30,000, depending on the subject and the undergraduate degree classification. Some students are not entitled to any bursary. For details, see the Get into Teaching website at getintoteaching.education.gov.uk/funding-and-support.

The bursaries are generally paid monthly over nine months and are available for home students undertaking postgraduate courses that lead to qualified teacher status (QTS) at colleges in England (PGCE or Postgraduate Diploma in Education (PGDE) courses), but who are not currently employed as teachers. Some of the larger bursaries may have elements paid on the completion of certain stages of the course.

PGCE and PGDE students in England can also apply for the full undergraduate package of support. Teacher training students on graduate-entry programmes funded via schools receive a salary instead.

In Wales, home students (except those already qualified as teachers or employed as teachers) on postgraduate courses leading to QTS at institutions in Wales with at least a 2:2 in certain shortage subjects receive an incentive payment of up to £15,000 for courses starting in 2023/24; some of this will be paid once the student starts a role. See gov.wales/initial-teacher-education-ite-priority-subject-incentive-scheme for more details.

Some students studying in the Welsh language can apply for Welsh medium incentive supplements. Applications should be made to the institution.

Help with tuition fees

Eligible, full-time undergraduate students in England and Wales can apply for a loan to cover the cost of their tuition fees.

Full-time Welsh-domiciled students may also be entitled to a grant, which significantly reduces their total fee liability, though these are not available to new students who started on or after 1 September 2018. Student Finance Wales should consider these as part of the standard application process - if this does not appear to be the case, contact Student Finance Wales. Loans are available for any remaining liability.

Part-time, English-domiciled students who started their course before 1 September 2012 and Welsh-domiciled part-time students who started their courses before 1 September 2014 may be eligible for a means-tested grant to cover all, or part, of their fees.

Part-time English-domiciled students who start their course on or after 1 September 2012, or Welsh-domiciled students who start their course on or after 1 September 2014, can apply for a student loan to cover the cost of their fees in the same way as full-time students (although in Wales this may not cover the whole cost). The course must be at least 25 per cent intensity of an equivalent full-time course – ie, the course must take no longer than four times the length of the full-time course.

There are no age limits for help with tuition fees or for tuition fee loans. Payment is made directly to the institution by Student Finance England or Student Finance Wales.

Additional funds to assist students

Many institutions and some students' unions and religious groups have small funds available to meet specific circumstances, as well as general hardship funds. Some funds make grants, others offer interest-free loans. Students should consult their institution's student services department or students' union for advice.

Please be aware that welfare rights law and guidance change frequently. This page was printed on Friday, October 17, 2025 and may go out of date.