

Hull University Union Advice Centre

Money, Budgeting & Benefit Advice

How we can help



Contents

Introducing the Advice Centre	03
Student Loan Not Arrived?	04
Maximising Your Income	
Working Out Your Budget	07
Minimising Your Expenditure	
Students and Welfare Benefits	09
Student Income and Benefits	
Dealing with Your Debts	12
The Debt Negotiation Process	
Sample Letters	
International Students: Facing Financial Difficulties	17
What Can the Advisor Do?	
Things an Advisor Cannot Do	
Additional Information for Visa Nationals	
Budget Planner	20

All information in this booklet is correct as of February 2014 and is subject to change.
For the most recent version please visit www.hullstudent.com/advice



Introducing the **Advice Centre**

The Advice Centre provides a free, confidential and impartial and non-judgemental service for all students at the University of Hull. We are independent of the University and can help you with any issues you face whilst a student here.

Like a Citizens Advice Bureau or a Law Centre, we give practical advice on all kinds of subjects relating to student life.

Whether it's debt and funding issues, academic problems, housing and tenancy queries or consumer and employment issues, we will have a member of staff that can help. We also have a free phone so you can call student finance without having to worry about the cost of the call.

Alongside staff, we also have trained Student Volunteers in the Advice Centre, who help deliver our services. They are given expert training and help thousands of students throughout the year. We are an Advice UK member and subscribe to Citizens Advice and Advisernet. Both organisations provide us with updated information that enables us to give current and accurate information at all times.

Visit us in the Advice Centre on the third floor of University House (Students' Union building) between 9.30am-3pm Monday, Thursday and Friday and 9.30am-6.30pm on Tuesday (Vacation: 9.30am - 3pm Tuesday & Thursday). If you can't make these times please email the team on huu-advice-centre@hull.ac.uk or call them on 01482 466263 to arrange a more convenient time for you.

The Advice Centre is also available at Scarborough Campus, to make an appointment please call or text 07934 148716 or email huu-advice-centre@hull.ac.uk

Student Loan

Not Arrived?

1. If your Student Loan has not arrived yet, there may be a simple explanation. To help get your loan as quickly as possible, try the following:

Telephone the Student Finance England Customer Services and ask why there has been a delay – 0300 100 0607, Mon - Fri 8am - 8pm, Sat + Sun 9am - 5.30pm.

- Have your Student Support or Customer reference number ready.
- Ask for the name of the person you are speaking to.
- Write down the reasons that are given and ask when you can expect your loan.
- Check that the details the Student Finance England (SFE) have for you are correct.

2. If you cannot get through on the Helpline, try at different times of the day and evening. The line will get busy, so do persevere. Alternatively you can track the progress of your application on-line: www.direct.gov.uk/studentfinance

3. If you have tried the above steps and are still experiencing problems, come to the Advice Centre with the information you have and we will try to assist you.

4. If you are experiencing financial hardship because your loan has been delayed, contact the Advice Centre and we will help you explore your options for short-term financial assistance. Because of the delays in the student funding process this year the University may be able to help you with a loan as well. Contact the Student Loans and Hardship Office on 462020 for further information.

Student Budgeting Guide

Most students have to manage on a low income, so planning a budget early should help avoid running out of money and getting into financial difficulty.

The Students' Union Advice Centre can help. This guide should point you in the right direction and you can always come to see us if you want to discuss your situation further or require more assistance.

Maximising Your Income

The first thing to do is to make sure you are receiving the funding that you are entitled to:

1. **Undergraduate Student Support:** Most 'home students' should be entitled to some 'statutory support' from the Government. You may have your tuition fees paid for you, be eligible for a student loan or a bursary and extra grants if you have children. On some courses such as Nursing and Social Work you may have travel costs paid. EU students may be entitled to have their tuition fees paid.
2. **Postgraduate Funding:** There are a number of organisations, who fund postgraduate courses, see Careers for further information. If you are studying Teaching or Social Work, there is extensive statutory funding available.
3. **Part-Time Funding:** If you study part-time at least 60 credits per year (i.e. the equivalent of half a full-time course), you may be entitled to a small grant and to have your tuition fees paid.
4. **International Students:** There is no statutory funding for International Students, apart from tuition fee support for EU undergraduates, but the rest of this leaflet should provide some suggestions if you are in financial difficulty.

It is essential to make sure you apply for what you are entitled to as most funding has deadlines for application. If you do not feel your funding is sufficient, the following may help:

- Depending on your credit rating you may be entitled to a **STUDENT BANK ACCOUNT** with an overdraft facility, especially if you are an Undergraduate Home Student, shop around to find the best offer, taking into account the overdraft limit, cheque guarantee card limit, special offers, interest rates (especially if you go over your limit), accessibility of branches, graduate facilities and whether the local branch has a Student Officer as it often helps to deal with staff who understand the needs of students. The Advice Centre tries to keep an up-to-date list of student bank accounts.
- Most students can supplement their income through **PART-TIME EMPLOYMENT**. The Students' Union JobShop has details of available work for students, visit www.hullstudent.com/jobshop
- If you are struggling financially you may be entitled to **HARDSHIP FUNDS**. The main one is the Access to Learning Fund; this is provided by the Government for Home Students with a shortage of funding and is administered by the University. The University also has other small funds to help all students in emergencies in the form of a grant or a loan. In certain circumstances, the Advice Centre can also arrange food parcels for students.
- There are a large number of **EDUCATIONAL TRUSTS** all over the country. You may well be entitled to apply for assistance if, for example, you are from a certain area or country, or you are studying a particular course. The Advice Centre has further information and Careers have a CD ROM program called 'Funder finder', which is a database of Trusts and their application criteria.

Working Out Your Budget

To work out your budget divide all the income you have over the year, or if you anticipate returning to your parents and finding work over the summer you could divide it by forty weeks. Then work out your weekly expenditure and compare the two.

When calculating your expenditure it is important to be realistic, it is easy to underestimate how much you spend a week on such things as entertainment, mobile phone costs and 'luxury' items such as magazines, haircuts and cigarettes. You can use the first half of the Advice Centre Budget Sheet to guide you (don't worry about the second half – we use it to negotiate with creditors for students)! Remember to include costs such as payments on debts, travel home, clothes, make-up, birthday and Christmas presents and holidays. If you pay one-off sums such as car tax then divide the sum by 52 weeks. You may also wish to add a small amount per week as a buffer for any emergencies that may occur.

If you are realistic and include everything then this should give you a clear picture of your financial situation, below is an example:

Paul is a first year full-time undergraduate; he receives the maximum student loan and has his tuition fees paid for him. He lives in the Lawns so his rent includes an evening meal and fuel bills. This budget is worked out for 40 weeks:

Income:	
Student Loan	£5500.00
Bank Overdraft	£500.00
Total	£6000.00
Weekly Amount	£150.00

Weekly Expenditure:

Food	
& Housekeeping	£40.00
Laundry	£5.00
Clothes	£5.00
Course Costs	£5.00
TV Licence	£4.50
Entertainments	£20.00

Travel (within Hull)	£9.50
Travel Home (3 – 4 trips per year)	£4.00
Insurance	£2.50
Telephone	£7.00
Emergency Buffer	£3.50
Total	£176.00

This leaves Paul with a shortfall of £26.00 per week. He can look to solve this by supplementing his income with part-time work, or other funding. He can also try to reduce his expenditure.

Minimising Your Expenditure

As well as simply cutting back on what you spend, there are other ways to reduce your outgoings:

- Lower payments on your debts. If you are making large payments on credit cards etc., you may well be able to reduce them or even suspend your payments. The Advice Centre has more information regarding this.
- Shop around. This can be for anything from the cheapest mobile phone, gas and electricity companies, to buying second hand textbooks, shopping where your NUS card gives you a discount and buying a student railcard or coach card.

- Food and housekeeping is an area where you can make significant savings, try shopping in bulk for non-perishable items, compare supermarket prices, look out for special offers, avoid takeaways, make your own sandwiches, cook communally and avoid impulse buys – stick to your shopping list where possible!

Keep a careful eye on your spending. If you do have a problem, don't panic. Don't just borrow more money to solve your problem. Credit cards and loans can make the problem worse. If you are having a problem or anticipate one in the future then come and see the Advice Centre, we should be able to help!

You can also use the online budget calculator from the Money Doctors at www.hullmoneydoctors.co.uk



Students and Welfare Benefits

Welfare benefits are amounts of money paid to people as part of the Social Security System to supplement extremely low incomes or to compensate for disadvantages, for example when people are sick or unemployed. The benefit system is huge and supports millions of people in many different situations.

Many people think that students cannot apply for Benefits. In a lot of cases this is true, but some students can receive them or at least are eligible to apply, these may include:

- Single parents.
- Single people looking after foster children.
- Students with a disability or illness.
- Students from abroad whose funding is delayed.
- Some refugees.
- Part-time students.
- Pensioners.
- Couples who are both students with children.
- Carers.
- Some Intercalating students when waiting to return to their studies after taking time out because of illness or caring responsibilities that have now finished.
- Students with responsibility for children.

If you have a partner and they are not a student they can apply. The important thing is for people to apply if there is any doubt. We can inform you about entitlement and investigate further if you are refused Benefit or are not receiving what we think you should be.

Strictly speaking, anyone may be entitled to apply for assistance, if only for help with health costs and assistance from the Social Fund in emergencies. In most cases you have to be considered a 'home' student in order to qualify.

The main difficulty you may encounter as a student claiming Benefits is general misinformation and contradiction regarding student entitlement. Many staff involved in the administration of benefits seem to believe that no students are entitled to them. Once past this hurdle you have to make sure your income is treated in the correct way to calculate your entitlement. For many benefits, if your income is over a certain amount you will not qualify. The regulations are constantly changing in this area and are different for different benefits. Some students only receive Benefits over the summer holidays, when some or all of their student income is ignored.

Student entitlement can also depend on other things, for example, whether or not you live in University Accommodation, the hours you study, whether you co-habit, how long you have been in this country for and your student status (i.e. part-time, postgraduate in writing up period, etc. Please make an appointment at the Advice Centre to discuss any benefits you think you may be entitled to.

Student Income and Benefits:

The rules regarding student income and benefits are complicated as different Benefits treat students in different ways. Also, the type of course you do and the type of funding you receive affects your entitlement. It is important to know what period your funding is supposed to cover, for example, if you have a bursary that is paid over 12 months by instalments, you will be treated as receiving it for the whole of that time. Don't forget that it is not only your student income that can affect your entitlement, most other income can (such as your or your partners wages, maintenance and even your savings). You have a duty to declare any income you receive and any relevant change of circumstances when in receipt of benefits.

Dealing with Your Debts

The majority of students have some sort of debt and many students have debts that they struggle to repay whilst studying at University. The Advice Centre produces a 'Student Budgeting Guide' that contains information and advice regarding maximising your income and reducing your expenditure. We can also assist you in dealing with your existing debts. It may be possible to negotiate lower or suspended payments on debts you have whilst you are experiencing financial hardship. This guide aims to give you an idea of how to do this and you can come to see us if you want to discuss your situation further or require more assistance.

It may be that you cannot afford your payments, or you are just struggling until the next payment of your grant or loan. Either way your creditors will often understand this and be willing to accept what you can afford to pay, especially if you want to reduce your payments for a short period of time. If the below process does not seem applicable to you then please come and talk to us.

The Debt Negotiation Process:

The Advice Centre follows a nationally recognised debt negotiation process used by other advice agencies such as the Citizens Advice Bureau. With this leaflet there should be a 'Personal Budget Sheet' (available from the Advice Centre) that you should complete if you want to try to reduce the payments you are being asked to make towards your debts. You could initially try to arrange reduced payments by telephone, but please be careful only to agree to payments that you can afford.

Steps One and Two enable you to show what income you receive and what your expenditure is on a weekly or monthly basis. Decide how often you would like to make payments (monthly is usually easier) and divide yearly figures (such as your Student Loan) by 12 or 52 to give a realistic picture of your total income. Please be realistic about your expenditure (for example, £30.00 per

week per person for household goods/food is usually seen as the minimum that someone can live on), but also remember that if you do want your creditors to agree to reducing your payments then you have to show you are in hardship – they are not going to accept that you have to spend £50.00 per week on food without a good reason!

You can now follow Step Three and see what amount of money you feel that you can reasonably offer to your creditors on a regular basis. If you don't have any money left for your creditors, don't panic! They may accept token or suspended payments.

If you do have money available and you have 'Priority Debts', for example gas or rent arrears, it is important to contact these creditors first and arrange payment agreements (Step Four). Priority debts are ones where the powers the creditor has if you don't pay are greater, for example, they could evict you. We may be able to help negotiate lower payments if you are unable to do so.

If, after you have agreed payments on any 'Priority Debts', you still have money available, then you can offer payment on your 'Non-Priority Debts' or 'Credit Debts'. These may include credit cards, non-secured bank loans, defaulted bank accounts and catalogue debts (Step Six). These creditors have lesser powers when it comes to pursuing you for the debts. The easiest way to divide any money available amongst your creditors when making offers is to do it on a pro-rata basis. This means you offer the most to the creditor whom you owe the most to. You can work this out for each debt exactly using the following calculation:

**Total Money Available For Credit Debts X Money Owed For Individual
Credit Debt**

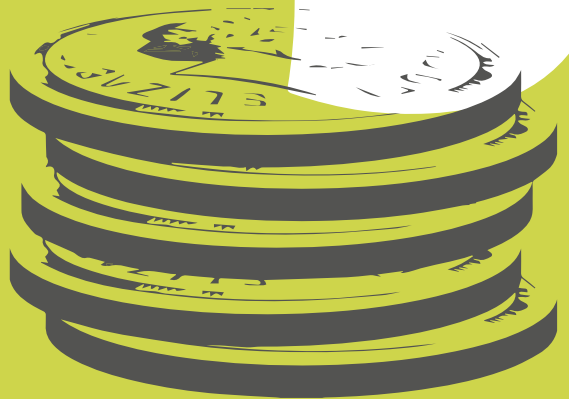
÷ Total Amount Owed For Credit Debts

This calculation gives you your weekly/monthly repayment figure. Creditors like this method, as it shows that they are being treated fairly! However, please bear in mind that pro-rata payments are not always the best option. For example, if creditors do not agree to suspend interest charges whilst you make your reduced payments, and the interest rates on one debt are higher than the others, then you may lose out financially by not concentrating on paying off that debt first.

Once you have completed your Personal Budget Sheet you should send a copy of it, with a letter, to each of your creditors. There are two sample letters you could adapt to your own circumstances on the other side of this leaflet.

Please be aware that reducing your monthly repayments will affect your credit scoring, however if you have received a default notice this will have already affected your credit scoring. If you wish to check your credit status, please visit www.experian.co.uk or www.equifax.co.uk. There may be a fee payable.

Remember: Always keep a copy of your personal budget and any letters you send. Use this example letter if you are making pro-rata offers to your creditors.



Dear Sir/Madam

Account No. _____

Since making the above agreement with you, my/our circumstances have changed.

I/We cannot now afford the agreed monthly payments because _____

I/We enclose a Personal Budget sheet which shows my/out total income from all sources and my/our total outgoings. As you can see I/we have only £_____ per month left for my creditors.

The offers I/we have made to my/our creditors have I been worked out on a pro rata basis and I/we have written to all my/our creditors asking them to accept reduced payments.

In view of my/our circumstances, please would you agree to accept a reduced offer of £_____ per month. If interest or other charges are being added to the account I/we would be grateful if you would freeze these so that all payments made will reduce what I/we owe you.

Should my/our circumstances improve I/we will contact you again.

I/we would be grateful if you would send a (paying-in book) (standing order form) to make it easier to pay you. Thank you for your assistance. I/We look forward to hearing from you as soon as possible.

Yours Faithfully

Explain what the problems are, for example if you have lost your job, separated from your partner or had an unexpected increase in outgoings or a drop in income.

Use this example letter if you are making no offer of payment or token payments:

Dear Sir/Madam

Account No. _____

Since making the above agreement with you, my/our circumstances have changed.

I/We cannot now afford the agreed monthly payments because _____

I/We enclose a Personal Budget sheet, which shows my/our total income from all sources and the total outgoings of my/our household. As you can see, I/we have no money left to make offers of payment to my/our creditors.

In view of my/our circumstances, would you please accept (no payments at present) (a token offer of £2.00 per month) to be reviewed in six months. If interest or other charges are being added to the account, I/we would be grateful if you would freeze these so my/our debt does not increase.

Should my/our circumstances improve I/we will contact you again.

I/we would be grateful if you would send a (paying-in book) (standing order form) to make it easier to pay you.

Thank you for your assistance. I/We look forward to hearing from you as soon as possible.

Yours faithfully

If a creditor doesn't accept your offer, or this leaflet doesn't cover the difficulties you are experiencing, or if you would just like some further information or assistance, don't worry. The Advice Centre can provide a wealth of help, from advising on budget sheets to long-term representation and negotiation.

International Students: Facing Financial Difficulties

All International Students should have researched the costs of living in the UK prior to coming to the University, and prepared themselves financially for the duration of their course. For those Students coming from countries where you require a visa or residence permit to study in the UK, this will be a condition of your visa/residence permit.

Because of the above, if the financial difficulties could have been avoided, for example, if you started the course knowing that you did not have enough money or you are looking for funding for the entire course, it is unlikely that there is anything the university can do for you. You may have to face the difficult reality of returning home. The international Office will be able to advise you if you find yourself in this position.

Sometimes, however, you can find yourself in short term financial difficulty because of unforeseen emergency costs or because of unexpected reduction in your funding. In these situations there may be a range of options open to you through a variety of sources.

If you find yourself in this situation there are two things you should do:

1. Contact the Students Union Advice Centre
2. Speak to your personal Supervisor/Tutor about your situation, as your worries may be affecting your academic performance.

We are experienced in dealing with students with financial problems, although if you require a visa or residence permit to study we advise you to contact the International Office. We can help you go through all your options to reduce your financial difficulties.

What can the Adviser do?

Before seeing an adviser we would ask that you complete the budgeting sheet included with this leaflet to gain an idea of the amount of support you may need. An Adviser will then explore a range of options with you. These will be based on two main principles of budgeting or balancing your income with your costs and which you should actively seek to follow:

1. Reduction of your expenditure

If you have an outstanding bill, or tuition fees etc, we can contact the relevant bodies and ask for extra time for you to pay whilst we try and resolve your situation. Or it might be that we look at offering you alternatives to paying for goods, such as the short term provision of food parcels.

2. Increasing your income

If your sponsors are not meeting their obligations, we may contact them for details of the problem and ask them to consider making interim payments. We may assist you in making an application to Educational Trusts and Charities for additional help. Or we may direct you to our Job Shop to look for part time employment to help supplement your income (in accordance with visa limitations please seek advice from the International office).

THINGS AN ADVISER CANNOT DO.

Neither the International Office nor the Advice Centre holds funds for International students themselves, nor do they offer loans to cover long term problems. It is also extremely difficult to obtain a fee waiver. Neither service is able to authorise such action, though we may look at requesting this from the department in very exceptional circumstances (normally only for final year students). We also can not authorise the registration of students who cannot meet the requirements to pay the 50% of their fees.

We will assist you as far as we can, but please understand that help may be limited.

Additional Information for Visa Nationals

If you are a Visa or residence permit to study in the UK, it is a condition of your Visa that you are able to support yourself financially, for both tuition and maintenance costs, for the full duration of your course.

You must also be a registered student and studying on a full time programme. Therefore, if you are experiencing financial problems, it will not be possible for you to study part time.

It is likely that your visa or residence permit will have a condition that means you do not have recourse to public funds. This means that you cannot claim most welfare benefits.

We strongly recommend that if you are struggling financially that you contact the Advice Centre for Advice.

International Office, Hull

Tel: 01482 466904

Fax: 01482 466554

International Office, Scarborough

Tel: 01723 357127

Fax: 01723 370815

Email: international@hull.ac.uk

Budget Planner

	Weekly	Monthly
STEP ONE- INCOME		
Sponsorship/Bursary		
Money from friends/family		
Wages/Salary		
Other Income		
Total Income (BOX A):		
STEP TWO- EXPENDITURE		
Rent/Accommodation fees		
Food & toiletries		
Gas		
Electricity		
Water rates		
TV Rental/license		
Child care costs		
Clothing		
Laundry		
Telephone		
Medical costs		
Study costs		
Car tax/insurance		
Tuition fees		
Other expenditure		
Total expenditure (BOX B):		
STEP THREE -TOTAL		
Total Income BOX A		
take away Total Expenditure BOX B		
SHORTFALL		