

## Financial Implications of Withdrawing or Suspending from University & Compelling Personal Reasons

*The leaflet is aimed at undergraduates, postgraduates, home, EU and international students*

This information leaflet outlines some of the financial implications if you withdraw or suspend from the University of Reading.

The leaflet will also explain 'Compelling Personal Reasons' (CPR) in relation to Student Finance England, and how to go about requesting it.

### Withdrawal/Suspending and Student Finance England

Your entitlement to the Student Finance package will stop on the day that you are withdrawn/suspended from your course.

This means that you will need to pay back any money which was given to you for after that date: this is called an overpayment. Student Finance England considers that students who have suspended or withdrawn now have the time to be in full time employment and therefore do not need a maintenance loan/grant.

'Sarah' suspends from her course on the 1<sup>st</sup> March. She received her maintenance loan payment in January for the whole of spring term.  
Student Finance England will calculate how much loan she has used (in January and February) and how much money she needs to pay back (from the 1<sup>st</sup> March to the end of spring term).

Students will have the option to either:

- Have the overpayment deducted from their next Student Finance instalment;
- Pay it back directly to the Student Loans Company.

Students who are suspending on medical grounds get an additional 60 days funding applied to their account. This is because Student Finance understands these students are unable to look for employment straight away.

If Sarah suspended on medical ground on 1<sup>st</sup> March, the additional 60 days will take her to the 30<sup>th</sup> May. This extended date goes beyond the end of term and therefore Sarah will not need to pay back any money to Student Finance England. She may also get a smaller payment at the start of term in April to cover her costs until 30<sup>th</sup> May.

You will need to apply for a medical suspension through the university and will need to submit evidence from a medical professional to get the additional 60 days. Any questions for the suspension process speak to a RUSU advisor or contact your student support coordinator.

You can request funding from Student Finance England for the time you are suspended if you have no other means to support yourselves, for example you are too ill, have become pregnant or have caring responsibilities. This is up to the discretion of Student Finance England – please speak to an adviser to help you put together a case with evidence of your current circumstances.

## Withdrawal/Suspending and Council Tax

Full time students are usually exempt from Council Tax. However, if a student leaves their course they may become liable if they are living in privately rented accommodation.

For Council Tax purposes, the definition of a full time student is one whose course:

- lasts for at least one calendar or academic year of duration;
- runs for at least 24 weeks within that year;
- includes 21 hours (or more) of study a week during term time.

If a student receives a Council Tax bill they need to make sure

1. The period of liability is correct;
2. If you are the only person in the house liable for Council Tax that a single person discount has been applied – this is a 25% reduction.

Sarah has suspended her course on the 1<sup>st</sup> March. She will be liable for Council Tax from the 1<sup>st</sup> March until the day her re-starts her course.

If she is living in rented accommodation which she moves out of on the 30<sup>th</sup> June Sarah will receive a bill from the 1<sup>st</sup> March until 30<sup>th</sup> June. If she then moves into another property on 1<sup>st</sup> July she will receive another council tax bill from the 1<sup>st</sup> July until she enrolls in the new term on 24<sup>th</sup> September.

If you are struggling to pay your Council Tax bill speak to a RUSU Adviser.







Suspended or withdrawn students living in Halls of Residence are NOT liable for Council Tax because the building is exempt, not the people inside it. However, they may be asked to leave Halls of Residence after 4 weeks if they have suspended/withdrawn.

## Withdrawal/Suspending and Welfare Benefits

Below is a table of benefits you may be entitled to claim if you suspend or withdraw from your course.

Generally, if you are suspending you cannot claim any additional benefits, except disability related benefits, as you are still counted as a Student.

Benefit	Description	Suspended	Withdrawn
Personal Independence Payment (PIP)	Non-means tested benefit for people with a long term disability or illness	✓	✓
Employment and Support Allowance (ESA)	For people who cannot work because of a disability or illness	✓	✓

Universal Credit	For people looking for employment		
Housing part of Universal Credit	Help with rent/mortgage payments.		
Carers Allowance (CA)	Looking after someone who claims a disability benefit for 35hrs a week		

Students receiving **Universal Credit** who suspend or withdraw will need to speak to the Job Centre about their change in income, or put a message on their online portal.

### Compelling Personal Reasons (CPR)

If you have been unable to finish a year at University due to reasons outside your control you can apply to have that year disregarded by a process called 'Compelling Personal Reasons' (CPR) by Student Finance England. Examples of where this may apply include if you have suspended due to illness, a family bereavement or caring responsibilities.

Entitlement with student finance is only for the tuition fee loan, there isn't a restriction for the amounts of years you can apply for maintenance loan.

Student Finance England will fund the 'Length of your current course + one additional year – previous study'. Previous study is related to course you have undertaken before the course you are currently enrolled on.

Sarah is on a three year Psychology course, starting in the 18/19 academic year.  
Sarah has suspended during Part 1 due to medical reasons.  
Sarah had started a course at another university in 17/18 but withdrew in her first year.



Student Finance England will fund Sarah for the Length of her course (3 years) plus a gift year, minus previous study years (1 year).  $3+1-1 = 3$   
However, as she has suspended it will take Sarah 4 years to complete her course and therefore Sarah does not have enough funded years to complete her course.



Sarah can apply for Compelling Personal Reasons for the year she suspends on medical grounds and ask for it to be disregarded from the equation.

To **request** CPR, you must write a letter to Student Finance England which explains how your CPR affected your studies at the time and provide evidence of this. The letter should contain;

- Your details (name, address, university and course titles and Customer Reference Number);
- Your Student Finance history e.g. when you started your course, which year the CPR needs to be applied to;
- What the reasons for your CPR request are and how your CPR has affected you and your studies.

Evidence can include:

- Medical letters (GP or specialists);
- Letters from University services like Counselling and Wellbeing or Disability Advisory Service or your Personal Tutor;
- Other: Police report/Crime Reference Number or death certificate etc.

Please note that if you are granted CPR then you are still liable to pay back all of the money which has been loaned to you once you graduate even if a year is disregarded.

If you would like further advice or to speak with somebody in person then a Students' Union Adviser may be able to help. The specialist advisers offer a confidential service, independent from the University so they can discuss your case with you in private.

Contact us by email at [advice@rusu.co.uk](mailto:advice@rusu.co.uk), or complete an online client form at [www.rusu.co.uk/getadvice](http://www.rusu.co.uk/getadvice)