



**UK Council
for International
Student Affairs**

Students in financial hardship: an adviser's guide

UKCISA

UKCISA is the UK's national advisory body serving the interests of international students and those who work with them.

It does so through research, print and web-based publications, a national training programme, dedicated advice lines for students and advisers, and liaison and advocacy with institutions, agencies and government.

Its members include all UK universities, those further and higher education colleges which are active internationally, and a range of specialist and representative bodies.

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1. Introduction

International students often find themselves in financial difficulty through no fault of their own. In some cases students can experience hardship as a consequence of poor budgeting or because advice about the cost of living in the UK has been disregarded. This Guide aims to help you and your institution to minimise the occurrence of financial hardship and to establish a realistic approach for dealing with requests for help from those students who do experience financial problems.

A key issue for consideration is the overall institutional approach to student support. Is it humane and effective? Does it offer a safety net for students in crisis? Are institutional strategies and policies student-centred or are they formulated primarily for staff convenience and the (often necessary) bureaucracy of education management?

The fundamental issue to bear in mind is your own role and its boundaries. The suggested actions and approaches in this Guide are aimed at advisers whose remit includes dealing with these issues. If your responsibilities do not include supporting students in financial hardship simply refer them on to another section of your institution where an appropriate support framework does exist or to an external agency.

1.1 The adviser

The first reaction of an adviser when faced with an international student in financial difficulty is commonly panic. Often the amount of money needed and the extent of the debt will seem impossibly large, and often they are. A careful assessment of the student's circumstances is an essential first step.

In some cases the best course of action will be to help the student face the fact that they may have to abandon or at least defer their studies and return home. This is a daunting task and an adviser needs advanced skills and a degree of experience to explain to the student the hard facts that could mean their life's ambition is no longer achievable.

Drawing together a package of financial help is time-consuming. You should only begin the process if you have the time, the commitment and the energy, and if you are reasonably sure that you will be successful.

You should also consider the appropriateness of taking on cases, with regard to your role and its boundaries (see section 3.1 on Role and boundaries). High

expectations followed by disappointment could be disastrous for a student already under stress. Above all, you have to be realistic and objective about the scale of the problem and your own ability to assist.

1.2 A note of caution

In practice, it is extremely difficult to find significant levels of funding for students already in the UK. The demand for funding far exceeds the very limited resources available. Therefore, only a small proportion of those seeking assistance are likely to be successful.

In addition, advisers should bear in mind that UK Immigration Rules require students to show that they have sufficient funding before coming to the UK. Advisers therefore need to be realistic – both with themselves and with the student – about what can practically be achieved in terms of finding new sources of financial support.

Unfortunately, in some cases, the student cannot be helped at all, and professionally this is one of the most difficult situations that an adviser has to deal with.

2. Consequences of financial hardship

When a student faces long-term financial hardship the consequences can be wide ranging. The effects are felt on many levels – practically, socially and psychologically. These effects are experienced not only by the student but also by the student's family and friends, as well as by the education institution and any sponsoring body which may be involved.

2.1 For the student

In an ideal world, advisers would have access to unlimited funds to assist students who find themselves facing unexpected financial hardship. However, in the absence of such funding, a student facing serious financial hardship may be forced to abandon their studies, jeopardising their future career. If, for example, tuition fees, accommodation bills or library fines have not been paid, the institution may prevent the student from graduating and may withhold a formal degree certificate. At best the student may be able to obtain (under the Freedom of Information Acts) a document listing part or all of their results, but this document will also usually make it clear that the student is a debtor.

Other creditors may need to be considered as well – for example, utilities providers, credit card companies, landlords – and civil proceedings may have been instituted or be in progress to recover the debts. Defaulting on payments can leave the student with a poor (international) credit rating or even lead to them being declared bankrupt in the UK.

In legal terms, the penalties are more serious should there be any breach of the Immigration Rules which students must meet at all times. If the student comes to the attention of the authorities, the consequences are likely to be curtailment of leave, detention and/or being returned to their home country. The student's passport may be marked and they may end up with a criminal record; they may also face future difficulties in obtaining immigration permission to travel to the UK or to third countries.

Financial hardship and the resulting stress can also have a negative effect on the student's mental and physical wellbeing. Students who are supporting families are under additional pressure to succeed, as are students who are relying on their parents or family members in their home country for funding. These stress factors can all lead to high levels of anxiety, depression or insomnia and students

can also become malnourished. Referral to a GP or the institution's counselling service may be appropriate.

Cross-cultural issues can also come into play, such as losing face because of having to ask for help, or reluctance to discuss private problems with strangers. Many international advisers and non-academic support staff are female and this may be an additional pressure for male students from male-orientated cultures. The situation can often be exacerbated by a deterioration in the student's ability to bridge cultures as rising levels of stress and anxiety are experienced.

2.2 For the student's family in the UK

Students with a spouse and/or child(ren) in the UK face additional pressures, as they also have dependants to support. Many scholarships do not include provision for dependants, and families can struggle in the UK because of this. Families may be forced into cheaper but inadequate accommodation, or unsatisfactory childcare arrangements while both student and spouse work as many hours as possible. Family members may become depressed and tensions can arise, leading to marital problems. In extreme cases, family members may have to return home leaving the student behind. While this may allow the student to live more cheaply in the UK, the emotional impact on the student, as well as on each member of the family, is immense. Again, there are clear social and psychological consequences in addition to the practical problems of living in poverty.

2.3 For the student's family in their home country

In many cases, a student's family will have made great sacrifices and undertaken significant financial commitments to enable their child to study in the UK. In some cases whole communities club together to send a student to the UK, placing the student under yet more pressure.

It may be difficult for family members who are far removed from the reality of student life in the UK to comprehend the various issues facing the student, and this lack of understanding and empathy can lead to family conflict.

2.4 At institutional level

For the institution, the consequences of a student not having any money are many and varied. In addition to the obvious loss of fee revenue, there are less tangible but very significant costs.

The total amount of staff time spent on the case may be substantial, involving staff in the student's academic department, as well as the institution's central and support services (for example, the international adviser, tuition fees/finance

office, money adviser, counselling staff, accommodation office). The institution's withdrawal and/or completion rates may be affected, leading to a negative knock-on effect on funding from central government and related sources.

The psychological effects on staff who have to work with such students are often underestimated, and support staff may themselves need additional support from line managers and counselling staff. The demoralising effect on fellow students when one of a cohort is obliged to interrupt or abandon their studies also needs to be taken into consideration.

It can be easy for an institution to fall foul of legal/immigration responsibilities imposed by government or for quality standards to be affected. When students at an institution regularly breach their immigration conditions by working too many hours this will diminish the institution's long-term credibility with the immigration services. Students who resort to plagiarism or some other form of academic malpractice because they were working instead of studying will affect the institution's national/international ranking based on published pass rates or OFSTED/Quality Assurance Agency inspections.

An institution's reputation may become tarnished in overseas markets or with particular sponsors if significant numbers of students have to abandon their studies. Key issues that need to be considered are: I

- is the institution recruiting responsibly?
- do prospective students receive adequate and timely guidance about student life and the cost of living?
- is the guidance realistic?
- are there any social or cultural factors which need to be taken into account?

Students' unions or guilds are commonly involved as they may offer additional support by providing debt counselling, advocacy (for example, when dealing with landlords and utilities providers) and representation, as well as financial support. This has an effect on resources, directly for the union/guild advice centre and indirectly for the education institution which may be called on for additional funding.

2.5 For the sponsoring body

Serious financial problems can also affect students who are on scholarships. Political upheaval or an emergency or natural disaster in their home country can lead to problems which could not have been foreseen by the student or sponsoring body. Some students attempt to support their whole family on the stipend for a single person while others send money to family members who may be struggling at home. This, of course, leads to a predictable problem and sponsors normally will not bail out a student in this type of situation.

Sponsors may not have access to additional funds to assist any of their scholars who are facing a financial crisis, or for those who are required to repeat a year of study. In situations such as these it is worth checking if there are any terms and conditions attached to their sponsorship. There is a delicate balance to be maintained between holding back funds for emergencies and the imperative to disburse all funds equitably between as many scholars as possible. If there is an emergency fund, the level of support available can vary considerably from year to year depending on the vagaries of investment returns as well as on international exchange rates and, of course, demand.

Sponsors may have to make uncomfortable decisions, perhaps to curtail in some way the number of scholarships to be made available in future, if a significant number of scholars at a specific institution, or studying a particular subject, regularly experience financial hardship.

3. The role of the adviser

Students facing financial difficulty may seek help from more than one section of an institution. A range of staff across the institution – lecturers or supervisors, administrative staff in departments, recruiters, students' union sabbatical officers, international student advisers, chaplains or counsellors – may all become involved in trying to help a single student. This can often lead to replication of effort as each person tries to apply for hardship funding on behalf of the same student.

It is sensible, therefore, for any adviser who is approached for help to check whether others have also been approached.

3.1 Role and boundaries

Members of staff should consider their institutional role and its boundaries when considering what action – if any – to take regarding students experiencing financial difficulties. For example, is it appropriate for you to get involved? Is this type of activity part of your job description? Should it be included in your remit or someone else's? Are there other institutional staff better placed to advise the student? Would a referral to an external agency be more suitable? Who has oversight of the whole case, and ensures minimal replication of work?

3.2 Resources

Hardship cases can be time-consuming and labour-intensive for an adviser, often with little or no positive result. Advisers should err on the side of caution when balancing the possible outcomes for the student against the considerable human resources required before taking on such cases.

3.3 Rescue

It is not always possible to find a solution to serious financial difficulty. For example, if a student comes to you in September wanting a scholarship or other substantial help for the coming academic year, it is unlikely that you will be able to help them. Advisers need to be aware of this unfortunate fact and to help the student to make practical decisions while coming to terms with it.

Substantial scholarship awards are normally decided 12–18 months in advance. Many charitable trusts can only make small awards after a selection panel of the trustees meets (usually two or three times a year) and the average award per student is around £500. Any scholarships or small awards made by a trust may be

made in line with very restrictive conditions (for example, age, subject of study or nationality) to ensure that the intentions of the original donors are complied with.

When putting forward possible options or approaches to a student, it is vital to be realistic. This may mean that one of the options for the student to consider seriously is that she or he goes home and comes back to resume their studies when they have obtained proper funding.

However, it may be feasible to help a student who only gets into financial difficulties in the final stages of their studies. Trusts are generally more forthcoming when a small grant really will make the difference between completing and abandoning studies.

3.4 Referral

If it is not appropriate or practical for you to advise the student, to whom can they be referred? Is there a specialist advisory service elsewhere within the institution, or is an external agency more appropriate? A students' union or university money adviser, the Citizens Advice Bureau or a local advice centre may be better placed to provide individual support.

Make links in your own local area and set up a network of support contacts. Effective financial help often depends on constructing a fairly complex package of measures, perhaps involving fees reduction by the institution, help from a national body or help from local trusts, though these often have limited terms of reference. As far as finding funding is concerned, whom you know may be just as important as what you know.

The package of measures needs to be constructed carefully, with institutional resources being investigated first. External organisations are more likely to make a substantial award if the institution has already pledged support.

4. A systematic approach

It is essential to have a clear strategy at institutional level for supporting international students in financial hardship. Following on from this it is relatively straightforward to design a procedure or framework within your local division or department for managing requests for financial assistance. Whether or not you deal with such issues yourself, it is helpful for colleagues to have an established process to use when approached, which may include referral to another section of the institution or indeed outside the institution altogether.

When devising your process decide how you will deal with requests for financial help based on your own role, skills and priorities as well as the resources available to your department.

Some situations – for example, requests from abroad for financial aid – can be dealt with relatively quickly by standard emails or letters, or using web-based material or information sheets. Other cases, such as hardship occurring in the final year of study, are likely to require a personal interview and further investigation.

The following sections offer advice following this suggested framework:

- Preventing financial hardship (sections 5 and 6)
- Assessing the problem (section 7)
- Addressing the problem (section 8)

5. Preventing financial hardship

5.1 Better than cure

It is desirable for both the student and the institution that serious financial difficulties do not arise. The institution can play a significant role in preventing difficulties and in minimising the effects when they do arise. Processes can be set in place to ensure that students will normally have adequate funding for their studies in the UK. It is also important that there is a clear policy in place on managing communications with prospective students. How and when is information disseminated? How pertinent is it and how well is it assimilated by the recipient?

However, it is impossible to eliminate financial hardship completely, and students can find themselves in difficulty due to unforeseen circumstances, such as conflict, natural disasters or economic problems in their home country, financial problems affecting a parent or other family sponsor, or indeed the death of a parent or other sponsor. In these situations, good strategic planning on the part of the institution is essential so that a student in crisis can be assisted as quickly as possible – see subsection 8.2.2.

6. What the institution can do

The most effective method of preventing student hardship is to have clear institutional policy and processes in place. This section looks at the issues that need to be considered.

6.1 Recruitment

Marketing material aimed at international students (and arguably all promotional material aimed at prospective students and applicants) should contain a detailed assessment of the cost of living and studying at the institution. The information needs to be accurate, up to date and locally relevant. It is useful to include tools such as the UNIAID/UKCISA International Student Calculator as well as personal statements from current students on money matters or on the practicalities of living in a new environment. With this information prospective students can better plan a reliable budget for the duration of their studies.

Increasingly, students are relying on the internet to search for courses and institutions. Financial information needs to be clearly published on institutions' websites. It should be presented in an easy-to-read and web-friendly format, as many students will have problems downloading a lengthy booklet (especially if it contains images that require a lot of computer memory). The merits of having specifically designed (financial) information pages on your website which complement the usual suite of paper-based publications should be seriously considered.

Students should be informed as early as possible in the recruitment process how much their tuition fees are likely to be. Some indication of costs for accommodation and living expenses should also be given.

Recruitment and admissions staff should also ensure that applicants are fully aware of UK immigration requirements, especially the requirement to be able to maintain and accommodate oneself and any dependants without working and without recourse to public funds. As the Immigration Rules and government policies can change at short notice, a process should be in place to ensure that the relevant staff are updated regularly.

For up-to-date details of the student Immigration Rules and the list of public funds, please check the website for the UK Border Agency .

6.2 Admissions

The admissions cycle normally begins 12–18 months before a student actually arrives to register at an institution. Admissions processes are necessarily spread out over a long period and it is easy to focus on admissions from an institutional perspective – marketing, academic and administrative issues – with less regard for those issues which a student would consider essential, for example, availability of student support and the practicalities of living and studying in a different environment. It may be useful to review the overall cycle from a student perspective with particular regard to the following:

6.2.1 Fee status

At what stage of the admissions process is this assessed? By whom and in which section of the institution? In central administration or at school/department level? Before or after the academic decision is taken to offer the student a place?

6.2.2 Standard documents

At what points in the admissions process are standard letters/documents issued? By whom? What is the purpose of these letters? Is the content clear and easy to read? What part of the content is legally binding?

6.2.3 Accepting an offer

How does a student confirm acceptance of a conditional/unconditional offer? Directly to the institution or through a third party (for example, UCAS, an agent overseas)? In writing, by email, through a portal on your institution website? Is information about this process easily available?

6.2.4 Confirmation of acceptance of studies document

The confirmation of acceptance is the supporting document needed by a student to apply for a visa/entry clearance. Who is responsible for issuing it? When is it issued? Does it contain all the information required for contractual as well as immigration purposes? How often is the content reviewed? Who is involved in reviewing the content?

6.2.5 Proof of funding

Can students enrol without proof of funding? Who checks proof of funding documents? Where should the responsibility for checking students' finances lie? With government (for example, when a visa is granted) or with the institution?

6.2.6 Advance payment of fees

Is there a process for self-funding students to pay part or all of their tuition fees in advance? What about accommodation fees? When and how are receipts issued? By whom? Where is information about this process published?

6.2.7 Deposits

Many institutions are wary of asking international students for deposits, fearing that this may be seen as discriminatory. However, requests for deposits, whilst not foolproof, can be a useful tool for assessing an applicant's commitment to your institution. Students with adequate funding are usually happy to provide a deposit part way through the admissions process, while those who have no funding, or little likelihood of obtaining it, will be deterred.

If the student is eventually unable to take up their place, institutions need to consider under which circumstances deposits could be refunded (for example, if the student's visa/entry clearance application is unsuccessful; if there has been major political upheaval or natural disaster in their home country; if there are other exceptional or compassionate circumstances). Also for consideration is the question of whether or not part of the deposit should be viewed as an administration fee and held back. If so, how much would be retained?

Do all self-funding students have to pay a mandatory deposit? If a deposit is required, how large is this and when should it be paid? Before a confirmation of acceptance is issued? Should corporate sponsors who have never funded a student in your institution be charged a deposit? What about charitable trusts and overseas National Government Organisations?

If a deposit is levied, a clear institutional policy on deposits should be easily accessible by applicants early on in the admission process.

It is worth noting that according to the Immigration Rules a student must show that they have funding in place to pay their fees, accommodation and living costs before travelling to the UK. But the Rules do not require a student to have paid a deposit or part or all of their tuition fees.

6.3 Pre-arrival and joining information

Information that is sent out early in the admissions cycle tends to be promotional in nature, while joining information sent out towards the end of the cycle contains more practical financial information for example, details of tuition fees, accommodation costs and the cost of living in your area. Joining information should be sent out to students and made available on your institution's website before students make arrangements to travel to the UK. Clear and accurate information that is accessible well in advance is invaluable to students.

6.3.1 General advice

Applicants should be strongly advised not to leave home to study in the UK without sufficient funds. It should be made clear that it is extremely unlikely that any new source of finance will become available to them after arrival in the UK,

and that even if it does it will be very limited and not to be relied on to fund a course of study. You may wish to include a paragraph such as:

“You should not travel to the UK or begin a course of study without making sure that you have enough money to cover all your academic fees and living expenses. It is virtually impossible to make arrangements for financial support once you have left your own country. ”

6.3.2 More specific issues

It may be useful to review your processes from institutional and student perspectives with regard to the following issues:

6.3.2.1 Institutional policy and procedures for tuition and other fees

There should be a clear set of policies and procedures for tuition and other fees including details of how they are set and how any increases are calculated. The procedures should include: when fees are due, how much is to be paid and whether arrangements exist for paying by instalments. What is the full cost of the course (that is, tuition fees plus any extra expenses such as equipment, field trips, examination fees or binding costs for a thesis)? What are the tuition fee payment deadlines? Are the fees fixed for the duration of the course or do they increase each year?

It is helpful if this information is made available at an early stage, particularly to students whose funds are transferred periodically during the year rather than in one lump sum.

The facility to pay fees by instalments can be effective in instances of both short- and long-term financial hardship, and can be either an automatic right for all students or a concession available only to those who can demonstrate a real need.

A crucial element in payment of fees (and for financial management on the part of the student) is the establishment of a clear contract, with deadlines and clear responsibilities on the part of both the student and the institution. Following the initial agreement the institution may, as a further concession, agree to extend deadlines in order to prevent the student being suspended or expelled from a course.

Should any concessions be included as a matter of course in institutional policy on the non-payment of fees and debts? If concessions are applied on a case-by-case basis depending on individual circumstances, is this information made available to advisers and other staff in a pastoral role? Is the policy clear enough to ensure reasonable consistency?

Is there a policy on deposits including the circumstances in which any refunds can be made? See subsection 6.2.

In short, the facility to pay large expenses such as tuition fees and accommodation costs by monthly or termly Direct Debit is extremely helpful for students, practical for the institution, and may indeed be a useful marketing tool.

6.3.2.2 Living and accommodation costs

It is vital that prospective students have realistic information about the costs of living in your area. It is normal for institutions to publish a generic (approximate) cost of living for all students. In practice, this information is variable, depending on a student's personal circumstances.

Undergraduates and younger students at school or college tend to go home each summer and their cost of living is less than that of a research student who needs to be in attendance for 52 weeks a year. Students who have been living independently will normally have a different standard and cost of living, while students with families will need to consider additional costs for family accommodation and childcare.

Information needs to be available on the costs for different types of accommodation, for example, halls, private-sector single and family accommodation, lodgings, and whether these are paid in monthly or quarterly instalments. It is helpful to include information on wider accommodation issues such as rent deposits, and council tax and local authority regulations on houses that are shared by a number of students and/or other residents.

Accommodation costs and the related bills are often a cause of hardship. Where all costs are included, as in hall accommodation, the amount can be put to one side. Where the student is in private rented accommodation, there are likely to be more difficulties. The practice of paying deposits and payment by meter may be unfamiliar, as may making deferred payments for fuel and telephone costs. In some cases, laxity about rent collection can allow debt to build up. A sudden demand for full settlement on the part of an institution or other accommodation provider may precipitate a financial crisis. Stressing the importance of paying bills regularly, by easy payment options if necessary, can often prevent the build-up of debt.

6.3.2.3 Money matters

Overseas students may have no experience of a country-wide banking system, so it is helpful to include information on how the UK system operates and the different types of financial products and services available to customers (savings, ISAs, basic bank accounts, international money transfer, direct debit options, Shariah-compliant banking services, etc). It is also worth highlighting that internet

banking is widespread and that making payments on-line can simplify money management.

Opening a bank account in the UK can take time, especially at the start of an academic year, and some students find themselves in the difficult situation of having a bank draft for thousands of pounds but having no cash to buy food or pay a rent deposit. Another common arrival issue is the lack of small-denomination sterling to pay for essentials – £50 notes cannot always be used at small outlets or to pay for local transport from an airport or railway station. Students need to be alerted in as sensitive a manner as possible that problems like this may crop up.

Signposting to sources of practical information (such as currency converters, UKCISA's website) can also help to prevent students from experiencing financial problems when they first arrive in the UK.

6.4 Fees assessment

A student's fee status should be assessed as early as possible in the admissions process, so that they are aware of exactly how much they will be expected to pay and can budget accordingly.

Of course, not all students are recruited from overseas, and many (especially in the further education sector) will not necessarily make applications in advance, perhaps attending the institution for a guidance interview or simply turning up for enrolment.

It is essential that any staff carrying out fees assessments – especially those drafted in from other areas of the institution during the busy period – are properly trained and have access to appropriate reference materials. If a student begins a course assuming they will be classed as a 'home' student, only to find when they receive a fees invoice in November or December that they have been assessed as an international fee-payer, this can be absolutely devastating. This type of situation can arise, for example, where students move from an FE level course where, under the various FE funding concessions, they may have been assessed as 'home' to an HE level course where they will be classed as 'international'. This is especially confusing when a student moves between courses within the same institution.

For more information on assessing fee status please refer to the Fees and Student Support section of the current UKCISA Manual.

6.5 At enrolment

As a formal element of the student enrolment process (or, preferably for those coming from overseas, earlier in the admissions process), an institution may wish to consider requiring all students to provide evidence of sponsorship/guaranteed financial support, and to sign an undertaking that they have read and understood the conditions of enrolment. Alternatively, institutions may wish to request a financial deposit (see section 6.2) or advance payment of part or all of the tuition fee.

6.6 During orientation

Orientation is an excellent opportunity to encourage new international students to consider money matters and to budget carefully for the coming year. Just as for your UK students, information can be made available about student discounts, student railcards, coachcards and local travelcards, international telephone calling cards, shopping, eating healthily on a budget, part-time employment, and how to manage money. Students should also be advised to ensure that they have sufficient insurance for their personal belongings, especially valuable items such as laptops and televisions.

6.7 In-session support

Students are frequently overwhelmed by the variety and volume of advice thrown at them during pre-arrival briefing sessions and during their first weeks at an institution. For this reason, it is worth reiterating the advice on financial management in student handbooks and on student intranet pages. This gives students the opportunity to assimilate the initial advice on budgeting and to revisit any issues that may present problems.

7. Assessing the problem

At the outset, it is crucial to spend time assessing precisely the scope of the problem a student presents to you. Time spent at this point can save wasted effort through inappropriate referral, and can also prevent the student from building up unrealistic expectations.

Before deciding whether a student seeking financial assistance can be helped, it is important to have a clear understanding of the situation:

- How has the problem been created?
- What is the extent (ie, amount and nature) of the problem?
- How much time is available to find a solution?
- Is there a realistic expectation of a possible solution(s)?

It is essential to take time to develop as full a picture as possible of the problem, its extent, its cause and its implications for other aspects of the student's life. Only then can you begin to look at possible solutions

7.1 What is the nature of the problem?

It is possible to identify four main types of financial need:

- the need for financial assistance to begin a course
- the need to supplement income during a course
- the need for financial assistance to finish a course
- the need to manage existing finances more effectively.

In order to determine the exact nature and extent of the problem, very specific questions must be asked. As mentioned previously, cross-cultural issues may arise, in that it may be difficult for the student to discuss such private matters with a stranger, or they may be worried about losing face. It is therefore important, at the beginning of an interview, to stress the confidentiality of your conversations and any notes being taken, being specific about the terms of this confidentiality. This should include clarifying whether matters are confidential between the student and the individual adviser, or between the student and the relevant service/department of the institution (the latter is usually better). Advisers should also try to make the student feel as comfortable as possible in interviews and discussions.

7.2 Information required

It is very important to have a clear and complete picture of the whole situation. The following list gives some useful starting questions, although these will obviously have to be adapted to a particular situation:

- Which of the above four scenarios applies to this particular student?
- What is the student's nationality?
- What is the student's immigration status in the UK?
- Does the student have a scholarship from an official sponsor or any other source of funding?
- If the student has a scholarship, does it cover all their needs (academic/tuition fees, living costs, etc) and the needs of any accompanying family members?
- If the student is either wholly or partly privately funded, is the money actually available and how often is it transferred to the UK?
- What stage of their studies has the student reached?
- Is the student repeating a year, or doing a second degree?
- Exactly how much money does the student need and for what? Tuition fees? Living expenses? Family coming to join them in the UK?
- What is the student's current monthly budget (income and outgoings)?

This type of information is the minimum required for effective financial advice to be provided, and must obviously be treated in the strictest confidence. Advisers must, of course, also be aware of differing cultural sensitivities towards providing the type of information requested here.

It is useful to keep these details on file, not only at this assessment stage, but also so for future reference. If the student returns later with the same or a different problem, you will have a complete record and be able to identify any recurring trends.

When giving financial advice, an important part of the process is to try to prevent problems recurring. Encouraging good money management is vital – see Section 9.

7.3 Information checklists

When collecting data, you must ensure that the student knows:

- why you need this personal information (for example, to fit the individual to a charitable trust)
- how you are going to use it
- who will have access to it
- for how long you need to keep it

You will need to get specific authorisation to release the data to trusts, etc, if you are making applications on the student's behalf. These measures, as well

as being good practice, will assist you in complying with the requirements of the Data Protection Acts and any other relevant legislation, such as the Immigration Services Commissioner's Code of Standards. Similarly, if you plan to seek an academic reference, you should get the student's authorisation to do this as well.

The simplest means of gathering this information is to draw up standard checklists which can be completed while working with a student. Another option would be to have a general registration form which all students fill in before they meet an adviser as well as a checklist which can be completed during an interview. Appendix 5 includes a sample of a 'Registration' form, to elicit generic information which might usefully be kept throughout a student's period of study, and a 'Details of the Financial Problem' checklist, which records detailed information about the specific financial circumstances facing the student at any one time. If a student repeatedly seeks financial assistance, a separate 'Details of the Financial Problem' form should be completed on each occasion.

7.4 The student's assessment of the problem

It is also helpful to obtain the student's own view of why and how the problem has arisen. This may or may not match your own assessment. For example, it may be that the student is simply not facing the fact that their plans were unrealistic, and your role may be to help them come to terms with that. It may be that the presenting problem of financial difficulty is masking other problems. If the root of the financial difficulty is political upheaval, then it may be worth referring the student on to an immigration specialist about the possibility of claiming asylum in the UK. If the student's scholarship from home has been temporarily disrupted it may be possible to make an emergency 'urgent cases' claim for income support. If the difficulty has arisen because the student has had several examination re-sits and has consequently run out of money, then there may be an underlying academic-related problem which has not been recognised. The overall solution may then include an academic-related element, for example, a study skills refresher course or changing the course or subject of study.

There are often hidden problems that may not be clearly identified by the student, for example, fluctuating fuel bills, the need for more suitable clothing, transport costs, and whether there are dependants. Sometimes money problems may be due to health issues or learning difficulties, and these will require the support, advice and input of other relevant support services within the university. Thus it is crucially important to map out how extensive the problem may be, so that both you and the student are realistic about the chances of solving it. This may also be reflected in the amount of financial support that the student asks for. They may ask for the bare minimum because of either concern or embarrassment at the extent of the hardship, or exaggerate the problem because they are afraid of receiving only half of what they ask for.

Addressing the problem

Once a clear picture has been established about a student's financial situation the next step is to address the problem(s). In most cases a two-pronged approach is the most practical way forward. This means:

- exploring the full range of funding options with a view to constructing a package of financial assistance for the student;
- promoting better money management for the remainder of the student's stay in the UK – see Section 9.

8.1 Constructing a package of assistance

For many international students with financial problems, it will be necessary to construct an integrated support package, with assistance coming from a number of sources. This approach to fundraising means that the problems have to be carefully unpicked so that you can turn to different bodies for help with different elements. It is also important to remember that each part of the package must be integral to the whole, and the willingness of your own institution to provide some support may well help to determine the way in which other organisations will consider your application. Your role is likely to include coordinating the different elements and being the main contact point for the different external bodies involved.

8.2 Avenues to explore

8.2.1 Fees and Student Support

Check if the student's fee status and eligibility for Student Support were correctly assessed at the start of their course.

Occasionally, there can be circumstances where not all relevant facts have been taken into account or presented by the student at the initial assessment stage. Alternatively, the student's circumstances may have changed since the start of their course in such a way that they have now become eligible. There are certain limited circumstances in which a student's fee status can change from 'international' to 'home' during the course - for details, see the 'Fees and Student Support' section of the UKCISA Manual.

8.2.2 Other forms of institutional support

In many respects, dealing with the question of fees is likely to be the main way in which an institution can help. For example, would it be possible to arrange a fee waiver, or a bursary for all or part of the fees, with the student's Head of Department or Faculty? Alternatively, is it possible to arrange for the outstanding fees to be paid in small instalments? The willingness of the institution to remit or defer part or all of a fee payment may often determine whether or not an educational trust or charity is willing to provide additional help.

Your institution or student union may already run its own hardship scheme offering assistance in the form of short-term emergency cash handouts, or payments against tuition fee or accommodation debts. Funds of this nature can be used to assist students with immediate maintenance problems or on a more long-term basis, where help is not forthcoming from other sources.

Hardship schemes will have different criteria for assisting students depending on the nature of the institution, the original source of the monies allocated to the hardship fund and the extent of other locally available resources. The support offered by such schemes tends to take three basic forms:

- direct loans: a straight financial arrangement between the institution and the student, with a fixed repayment date, stringently controlled
- risk loans: an individual's circumstances are carefully weighed up and a loan made in the light of possible default
- grants: no repayment is expected

Institutional hardship funds are a useful complement to the support that is available locally and nationally in both voluntary and statutory sectors. If your institution does not have such a fund it may be helpful to look through Appendix 3 – 'Features of institutional hardship schemes'.

An institution may already have policies in place so that a quick response can be made in the event of a natural or other regional disaster; for example, there may be a special fund for asylum-seekers, or where a sudden political upheaval affects a group of students, or for victims of a particular natural disaster.

The person with the designated responsibility for international student support should always be involved, not only because they may have direct access to an institutional hardship scheme, but also because they may themselves be trying to assist the student.

8.2.3 Employment

Encouraging a student to begin part-time work to alleviate a shortage of money can help in the short term. But care should be taken to ensure that this will not adversely affect their studies, which would be self-defeating, or lead to a breach of the student's immigration conditions. For example:

- International students who apply to extend their leave to remain in the UK must be able to show the Home Office that they can pay their fees and support themselves without working.
- Some international students are prohibited from working under the conditions of their immigration leave.
- Anyone in the UK in the immigration category of student cannot change to part-time study or take time out in order to work in a full-time job – see subsection 2.1 and also refer to the 'Immigration' section of the UKCISA Manual.

Not all full-time international students in the UK are here with immigration leave as students. Those who are here in another immigration capacity (such as dependant, work permit holder/Tier 2 or Tier 1) can undertake, for example, part-time study, take a break from study or work more than 20 hours per week without jeopardising their immigration status. Please check with the UKCISA Advice Line if you are unsure about a student's entitlement to work.

8.2.4 Welfare benefits

In some cases, a student may be eligible for some UK government support on a temporary basis. Further information is available in the 'Welfare Benefits' section of the UKCISA Manual.

8.2.5 External/other sources of funding

These can include:

- chaplaincy/religious organisations. Is the student a member of a local faith group? Do they have any contact with faith groups in their own (or a third) country?
- community groups. Is the student involved in any activities with the local community? Is their hometown twinned with a community in the UK?
- private benefactors. Benefactors/alumni who contribute to an institution's hardship scheme may take an interest in students from a specific region.
- trust funds and charities.

8.2.6 Scholarships

In general, applying for scholarships cannot provide a quick solution for students experiencing financial hardship part way through their studies. It may, however, be worth approaching a sponsoring body for emergency funding if one of its sponsored students is experiencing unforeseen difficulties. It is important that advisers are realistic when making an application of this nature. Poorly prepared and badly argued applications are not only likely to fail; they may also prejudice subsequent applications to the same institution, or on behalf of the same student.

Students who are seeking funding for second and subsequent years of study may be able to apply for scholarships such as the Overseas Research Students Awards Scheme (ORSAS). They should also be encouraged to check with their

own country's education ministry, or their embassy/high commission in London, regarding funding opportunities.

8.2.7 Trust funds and charities

The extent to which trusts and charitable organisations can assist in cases of financial hardship is often overrated. Most have strict terms of reference and will only assist with small amounts of around £200-£300 with a maximum of about £500. The students they will help are usually only those for whom the money will make the difference between completing the course and not. This usually means that final year students in the last few months of their course are given the highest priority.

You need to be clearly aware of the scope of your fundraising strategy. What level of funds can you realistically raise for students in hardship? If you attempt to raise money for a student needing to apply to more than one trust, then you may need to build a database of trusts, noting their criteria for assistance, the profile of students eligible for their help, the level of study, the academic areas, any application requirements, and deadlines. Identifying trusts and maintaining the database can be time-consuming and requires a serious commitment.

As an adviser, you should be confident of raising all the money needed from the various sources. If the amount raised falls short, then you will not have helped the student, as they will leave without the qualification they are working towards and you will have 'wasted' money from the trusts that have already made a payment to the student – the grant will not have helped the student to complete their studies successfully.

Before approaching trusts, you should make absolutely certain that the student you want them to support clearly meets their criteria. Most trusts will send you this information, or the key points will be outlined in the various trust reference materials or on their website (see Appendix 1). Most trusts will only accept written applications, although they are often happy to talk to you in advance if you are unsure whether your student meets their criteria.

You also need to find out if there are any restrictions placed on the help being offered. Can the student only use the money to pay off essential bills, such as rent or utilities arrears? Can the money be used to pay off a personal loan or overdraft? Is the payment made directly to the student or does it have to be routed through the institution?

Trusts are only likely to help if they believe their contribution will make a real difference. Given the limits of the funds, a package will often have to be constructed involving several different trusts. Increasingly trusts will expect your institution to have assisted in some way. Thus, if the total sum required is £1,000, you may have to show that you already have promises of some part of this sum

before a trust will agree to help. This can look like a 'Catch-22' situation, but most large trusts understand that other trusts will be involved, and some of them communicate between themselves both formally and informally.

Timing is all-important as many trusts will be unwilling to help unless they know there is enough money in the package to solve the problem. If a number of trusts need to be approached, then a certain amount of planning will be necessary, bearing in mind terms of reference and expected decision dates. Therefore, a trust that can give a quick decision, perhaps by telephone, can be approached first. This may provide interim help while applications are made to those whose decisions take longer.

It may be useful to have one or two trusts in reserve in case any applications unexpectedly fail. In these circumstances, developing personal contacts that can be approached by telephone is likely to make a crucial difference as you will not usually have the time to wait for trustees' decisions. However, sometimes a trustee or chair of a board of trustees can make emergency decisions between board meetings.

There are many regional trusts with strict, often geographical, terms of reference. Many local education authorities keep lists of trusts in their area, as do local libraries. It is well worth building up a list of regional trusts in your area.

Details on contacting national trusts and charities are available in Appendix 1. Please note that UKCISA does not provide any funding or scholarships, and cannot give personal funding advice to students. Information can be found on the UKCISA website at <www.ukcisa.org.uk/student/source_funding.php>

8.3 What should be included in an application for financial assistance?

Before sending in an application, you should check the student's eligibility for any assistance from a particular organisation. A well-prepared application demonstrating that a student falls within the grant criteria is more likely to be successful.

In order to make a quick assessment of whether the student falls within their broad terms of reference, any funding organisation will need basic information about the student – their age, gender, nationality, and the subject and level of study, as well as information about where they are studying.

The letter of application should be brief, no more than two sides of A4 paper, but it should contain all the necessary information that will distinguish the student's case from others. An outline of how the student's difficulties have come about

should be included, as well as a breakdown of income, minimum expenditure and the level of debt.

Academic references will be required by most trusts, showing that the student has the confidence of their lecturers or teachers. References should not simply confirm that the student is studying on a particular course, but should indicate the student's potential, give something of a character reference, and indicate that the writer does know the student personally. To comply with the Data Protection Act, you should advise academics that you will be sending the reference to external trusts in support of an application for funds and also that you will release the reference to the student if they make a subject data access request.

It is important when constructing a package that you let trusts and charities know what part of a total need you are asking them to cover. You should include information on what money the student is contributing and how much you are planning to raise from other sources. Trusts will not help if it looks as if their contribution is going to be wasted. If, however, they see that the student and the adviser are being realistic about their aims they are more likely to be sympathetic.

To reiterate an earlier point, the payment of tuition fees is likely to be the largest single cause of financial hardship to students affected by crises, or to be the major debt. It is also the area of difficulty that most directly affects an institution. A fee bursary or deferred payment of fees is therefore a significant mechanism for institutions to consider when assisting students in financial difficulty, and attempts to gain additional support from educational charities and trusts are more likely to be successful if institutions are willing to make concessions on fees.

Appendix 4 contains sample letters that can be used when applying for financial assistance.

9. Money management

Money management is particularly important for international students, both to avoid hardship and to make any emergency help obtained go as far as possible. Coming to a new country with what may seem a large amount of money, dealing with a new currency, unfamiliar methods of payment (such as direct debits), utilities bills, and, sometimes, easy access to credit can cause problems for international students. The situation can be exacerbated by more commonplace difficulties, such as budgeting and living away from home for the first time.

This does not, of course, apply to all international students: many are older, perhaps with families, and holding senior positions in their home country. For this group, however, opposite considerations sometimes apply in that their expectations may be greater than the living standards they can actually afford.

It is vitally important to provide initial guidance on realistic budgeting for all new students. In addition, clear arrangements need to be set up within the institution regarding the timing and manner of fee payments.

9.1 Assisting the student to set a realistic budget

The key to all money management is efficient and accurate budgeting, setting money aside for bills and taking advantage of any available discounts and suitable banking schemes. Some basic elements of budgeting, about which students should be advised, include:

- buying a travel card or season ticket where possible;
- working out a realistic weekly or monthly budget which looks ahead through the year. This should include allowances for leisure activities, fuel bills, books, photocopying/printing, laundry and personal care, food, accommodation and, where appropriate, child-care.
- planning for the end-of-year expenses particular to international students, such as flights and shipping costs;
- putting money in the most productive place in terms of interest earned, but also where it is readily accessible – bank, building society or post office accounts; Shariah-compliant banking services are available and Muslim students should not be apprehensive about using them.

Advisers can greatly assist with budgeting by providing local information that contains regionally accurate costings for all elements over the year.

9.2 Prioritising debts

An adviser needs to map out a comprehensive, accurate and up-to-date picture regarding all debts, including the identity of creditors and the stage of action reached by those creditors concerning the amounts owing. It is important to check that the student really is liable for the debts, to ensure that the levels of indebtedness given are correct, and that there are no genuine disputes regarding the size of certain debts. You should check whether the student's difficulties are caused by the actions of other students (for example, non-payment of shared rent, fuel or telephone bills, or the break-up of established relationship) and whether these other parties are likely to provide additional resources if pressed. A checklist for assessing debts and helping with budgeting is provided in section 7.3 'Assessing the Problem: Information Checklists' and Appendix 5 'Information Checklists'.

Another problem area for international students is debts incurred between friends. (The term 'loan' may be used to maintain the student's esteem.) Repayment may not be immediately urgent, if the friend understands the student's plight, and the friend may not expect repayment at all. However, some 'lenders' may not only expect but also need repayment, and may put the student under considerable personal pressure. In the latter case, debts owed to friends should be given the same priority as debts to institutions.

Having obtained a list of debts, the adviser should draw up a set of priorities. . Some debts are obviously more important than others:

- A service might be withdrawn (such as accommodation, electricity, academic studies).
- Actions might be undertaken by the creditor, depending on the stage the creditor may have reached in enforcing a debt (for example, court action, seizure of assets, imprisonment), which could be damaging to the student.

National Debtline produce useful materials, including a Budget Form. See Appendix 1 for contact details.

Normally a money adviser would classify all credit debts (such as credit card accounts, bank overdrafts, catalogue/hire purchase repayments, tuition fees) as low priority debts. An individual does not incur a criminal record if such debts are not settled immediately. Such creditors can be approached with an explanation of the circumstances, and a fresh payment plan may be negotiated.

However, in the case of international students, some credit debts must be listed as high priority debts. In the past, debts incurred to the educational institution were unlikely to result in court action or the immediate withdrawal of study facilities. But non-payment of fee debts in particular may result in the withholding of academic qualifications. Since the main purpose of an international student's stay in the UK is to gain such qualifications, these debts must be counted as a

high priority despite the apparent lack of urgency relating to their payment. Many institutions are now adopting a more rigorous approach to tuition and hall fee debts because they need to maximise their income. Despite sympathy on the part of individual staff for a student, the institution will pursue any debtors vigorously.

9.3 Maximising income and reducing liabilities

After obtaining a clear picture of the level of indebtedness and allocating priorities to those debts, it is important to look systematically at the expected income of the student. Areas for consideration should include the entitlement to, and level of, any government funding, possible help from the student's family, likely help from external sources or the institution, or income from work.

At this point in the process, an adviser should go through a personal budget/ financial statement with the student. This is a list of weekly or monthly income and essential outgoings which includes a list of debts in order of priority.

Part of the budgeting process will be to identify any savings that can be made, or cheaper methods of payment that can be adopted, for example, direct debit for utility bills. It is at this stage that detailed budgeting advice must be provided, and it may be possible to devise a realistic budget for the student that can be sustained over a period of time. Ideally a small surplus will be left that can be used to pay off debts in instalments.

9.4 Negotiating repayment of debts

Examine the prioritised list of debts to decide which debts need to be repaid urgently. For international students towards the end of their course, the main priority debt is likely to be a tuition fee debt with smaller amounts owed for rent or utilities.

A sensible approach is to negotiate with creditors, giving them full details of the student's circumstances. Some creditors may cease to press for repayment if the student is clearly destitute. For others, it may be possible to negotiate partial resettlement or repayment by instalments. Creditors needing repayment (particularly where they are providing an essential service) should be offered as low a repayment plan as possible. The creditor should be reminded of the futility of pressing for unrealistically high repayment instalments; such actions will result in default, which is not in their own interest. It should also be explained that court action is unlikely to result in a better settlement than that being offered, and that the process of going to court itself incurs additional expenses which are unlikely to be recovered from the debtor. It may be worth referring the student to a specialist money advisor at one of the organisations listed in Appendix 1, or to a debt management company.

The student, creditor and adviser should all reach a clear agreement on how to approach each problem, and the adviser should ensure that any such agreement is formalised in writing. In the event of any need to depart from the original plan, the whole debt evaluation process should be repeated.

Appendix 1 Contact list

AdviceUK

12th Floor
New London Bridge House
25 London Bridge Street
London SE1 9SG
Tel: 020 7407 4070
Web: www.adviceuk.org.uk

The UK's largest support network for free, independent advice centres.

Citizens Advice Bureau Online Advice Guide

Web: www.adviceguide.org.uk/index.htm

Free advice on prioritising and managing debts.

Community Legal Advice

Web: www.clsdirect.org.uk/index.jsp

Directory of advice organisations in England and Wales who have the CLS Quality Mark. The Community Legal Advice website also has a range of free information leaflets

Educational Grants Advisory Service (EGAS)

Web: www.egas-online.org.uk/fwa/index.html

EGAS is part of the Family Welfare Association (FWA) which was formed in 1869 and which provides support to some of the poorest families in the community.

Eligibility:

EGAS can help:

- individuals who wish to enter post-16 education or training who are resident in the UK;
- residents of the European Economic Area (EEA) studying in the UK;
- international students in the UK who are coming to the end of their course.

EGAS cannot help:

- international students from outside the European Economic Area (EEA), who are making contact from their country of origin
- anyone who wishes to study outside the UK

EGAS has a single application form and therefore offers an efficient way to assess a student's eligibility for a significant number of funding opportunities with a range of trusts.

Institute of Money Advisers

Web: www.i-m-a.org.uk

London Advice Services Alliance (LASA) (RightsNet)

Web: www.rightsnet.org.uk

For up-to-date information, developments and case law relating to welfare benefits (including asylum support).

Money Advice Scotland

Web: www.moneyadvicescotland.org.uk

Maintains details of free money advice services in Scotland, and offers a range of good practice publications.

National Association of Student Money Advisers (NASMA)

Web: www.nasma.org.uk

Membership support network for money advisers in the field of student funding.

National Debtline

Web: www.nationaldebtline.co.uk

National Debtline has a telephone helpline and numerous web-based tools for people with debt problems in England, Scotland and Wales. The service is free, confidential and independent.

Refugee Council

Web: www.refugeecouncil.org.uk

Refugee Council can provide advice and support for asylum seekers and refugees.

TaxAid

Web: www.taxaid.org.uk

Charity which provides free and independent tax advice to people who are low paid. Can advise on most tax issues, but do not have the resources to take on casework.

UNIAID**International Student Calculator**

Web: www.studentcalculator.org.uk/international/
and UNIAID's home page: www.uniaid.org.uk/

Appendix 2 Publications

Most of the publications listed may be consulted in large reference libraries, British Council offices, or at British embassies/high commissions/consulates overseas.

The Educational Grants Directory

Published annually. Listings educational charities in England and Wales that give support to children and students in need. Available from Directory of Social Change. Web: www.dsc.org.uk

Education Year Book

Published annually by Pearson Education. This reference work provides detailed information on the wide range of individuals, institutions and organisations involved in education and related fields in Britain today.

The Grants Register Guides and GrantFinder

Published annually by Macmillan Palgrave. Information on postgraduate funding in four subject categories – Science, Medicine, Arts & Humanities and Social Sciences.

Web: www.palgrave.com/catalogue

Welfare Benefits and Tax Credits Handbook

Published annually by the Child Poverty Action Group (CPAG). CPAG also publish a range of other handbooks on Council Tax, Debt Advice, Disability Rights, etc.

Web: www.cpag.org.uk

Funderfinder

Web: www.funderfinder.org

Funderfinder supplies software which can be purchased by institutions to enable students to search for funding. Free online resources are also available.

Appendix 3 Features of institutional hardship schemes

The descriptions given below may be helpful both in applying to and understanding existing schemes, and in establishing new ones. The details of any scheme will of course vary from one institution to another, and it is important to develop a good knowledge of different sources of support within any particular institution.

Background

Usually, institutions expect all students admitted to courses to make adequate arrangements for their maintenance and payment of their fees, including making allowance for unavoidable increases. However, financial assistance is sometimes made available to students who fall into unforeseen financial difficulties during a course.

Funds may come from a range of sources, including funds allocated by the institution (perhaps a small percentage of international fees), contributions from the students' union, fund-raising among alumni, etc. Considerable success has been seen in hardship schemes where a range of parties within the institution work collaboratively to consider individual cases. Panel members may include an international student adviser, a representative from central administration (who may have the authority to consider fee waivers), and students' union representatives, and a package of support can be put together using funds from different sources as appropriate.

Whom can the institution help?

Where demand will almost certainly exceed the money available a hardship scheme needs a clear set of criteria to ensure that funds are allocated appropriately. In most cases an assessment of income and expenditure will be made, and budgeting advice given to help reduce any unnecessary or excessive expenditure. This process allows a total shortfall to be calculated, so it is clear exactly how much money is required to allow the student to complete their studies.

The applicant will often also be required to demonstrate the unexpected nature of their financial hardship. This might involve studies being prolonged due to illness, death of a sponsor, or disruption of funds due to conflict or natural disaster in their home country. It will usually be necessary for them to provide evidence that they had adequate funding in place at the outset of their studies.

Funds are usually available to both undergraduate and postgraduate students, although there may be some sources of funding (for example, if the institution has an allocation from the Mountbatten Fund or another benefactor with specific interests) which may be limited to very clearly defined groups of students or situations. Applications will often be considered from students in any year of their course, although if students are applying before commencing their final year the shortfall (including tuition fees) may be unmanageable. Fee waivers or bursaries should be considered, but these are usually only granted in the most extreme circumstances.

Some schemes make funds available for air fares to students who experience bereavement overseas, and assist families of students with travel expenses in the event of serious illness or even death of a student during their studies in the UK.

How can the institution help?

Schemes will ideally be set up to administer both grants and repayable loans. In some cases the problems will be temporary, and an interest-free loan can be repaid when funding is reinstated.

Grants are amounts given with no expectation of repayment.

Loans can range from short-term small amounts (often around £50), to be repaid within a few weeks, to much larger amounts repayable over longer periods. In some cases an agreement may be reached for repayment after completion of studies or on graduation. Some institutions will require repayment of such a loan before the student is permitted to graduate.

Some institutions offer paid work to students in hardship, for example, in the library or in catering facilities. Note: this is not always suitable, for example for students who have a work restriction with which the work does not comply, or a prohibition attached to their limited leave.

Application procedures

Information about the scheme should be widely available in a range of formats (for example, on the institution's website, or in leaflets) in appropriate locations around campus, such as student advice centres, the international office, halls of residence and central student support services.

Any information and/or application form should be clear and easy to understand, and should assure students of confidentiality so they can be frank about their situation. It should encourage them to discuss their situation with their academic department; funds may be available there or a tutor or supervisor may be willing to write to support their case from an academic perspective, giving realistic targets

for when studies may be completed. It is often appropriate to request additional documents in support of the application, such as bank statements, details of any employment, payslips, recent bills, doctors' notes, etc. Advice on and assistance with completing the forms should be available.

Any maximum amount to be awarded should be clearly stated in order to ensure realistic expectations.

There should be clear guidelines about how to submit an application, and an indication of when decisions will be made. Some schemes have regular, fixed decision dates and others consider applications on an ad-hoc basis. Consideration should be given to making decisions as quickly as possible, to minimise the applicant's anxiety while awaiting an outcome. Applicants should be informed of any outcome in writing as soon as is reasonably possible.

Monitoring the hardship scheme

It is important to review the types of hardship applications received in any particular year. It may be possible to spot trends in the reasons for hardship. Through monitoring, other approaches might be identified, such as an institutional response to a sponsor who does not honour an award, is now required or that the institution's own procedures contribute to hardship and should be changed. If, for example, a number of cases occur among students with a common sponsor, the institution could raise this with the sponsor, and discuss possible solutions. Or perhaps students are not accessing appropriate budgeting information, and pre-arrival publications need to be reviewed. The aim of any hardship system is twofold: to assist students in hardship, and to reduce the number of students getting into hardship.

Appendix 4 Sample letters

1. Letter to a charitable trust

Re: Student A (Bangladesh) PhD (final year) Department of Colour Chemistry, University of Leeds

I wonder whether the Trust may consider assisting Student A who is in the final stages of his PhD studies.

He commenced his PhD here at the University of Leeds in September 2004 and was funded by a Commonwealth Scholarship until August 2007. Unfortunately, his research has taken rather longer to complete than expected. As a result of illness, a lengthy piece of experimental research has had to be repeated.

Student A was recently diagnosed as diabetic. Until his treatment was established he felt lethargic and had difficulty applying himself to his research (please see enclosed medical notes).

As a result, Student A is now expected to submit his thesis in April 2008, with his viva-voce examination scheduled for June 2008 (please see enclosed supporting letter from academic supervisor).

Student A has made every effort to reduce his expenditure, including his wife and children returning home to Bangladesh without him to save on accommodation and living costs. On the basis of our institutional hardship assessment criteria, I estimate that he has a shortfall of around £3000, assuming that he will complete any minor corrections and be ready to return home by the end of July 2008.

On completion of his course Student A intends to return to Bangladesh and is likely to find employment as a lecturer in the Leather Technology College at Dhaka. The leather industry is, of course, very important within the local economy of Bangladesh and Student A will be a valuable resource with his knowledge of colour chemistry and dyeing.

As you will see from Student A's supervisor's letter, he has the full support of his department, and they have in fact awarded him a grant of £1000.

The Students' Union has awarded him £500 from their hardship fund, with a further £500 pledged by the Mountbatten Trust.

9. Money management

I would therefore be most grateful if you would consider awarding Student A £1000 from your funds to allow him to complete his studies.

I hope you will feel able to assist this student, who has made every effort to help himself. I will, of course, ensure that Student A knows the source of any forthcoming assistance, and I feel sure he will be keen to write and thank those who have helped him.

Thank you for your continuing support of our students.

2. Academic reference

Student B began a course of research leading to the degree of PhD, in the Department of Physics here at the University of Manchester, in September 2004. She is currently in the process of writing up her PhD thesis.

Throughout the period of her research she has demonstrated a mature and enthusiastic approach to her studies. She is an able and conscientious practical worker and has consistently shown a thorough understanding of both the theoretical and practical aspects of her work.

Student B's thesis submission has been delayed partly through some technical problems in the final stages of her research, and partly through her perfectionist approach to writing a lengthy report in English, her second language.

I have every confidence that Student B will complete her studies within the next six months, and fully support any application for funding to enable her to do so.

3. Letter requesting second reference

Student C approached us in the middle of April with a request for financial assistance because his Iranian government scholarship expires at the end of May and he is already over-running on his period of study leading to a PhD. I have already received a helpful reference from Dr Smith, his immediate supervisor, which I enclose for your information.

Student C has estimated that his expected time of completion and submission of his PhD will be by the end of August 2008. We are keen to assist him but, in line with our hardship scheme policy, we are required to ask the Head of Department to confirm that the completion date is realistic.

I would be grateful if you could do this at your earliest convenience so that we can proceed with assisting Student C. I look forward to hearing from you.

Appendix 5 Checklists

The checklists below are intended for use by advisers when dealing with requests for financial assistance. The 'General information' checklist elicits generic information which the adviser might usefully keep throughout a student's period of study, while the 'Detailed information relating to specific requests' checklist is concerned with detailed information about specific financial circumstances facing the student at any one time. If a student repeatedly seeks the assistance of an adviser, a separate 'Detailed information relating to specific requests' checklist may have to be used on each occasion. The 'Assessing debts and helping with budgeting' checklist is an aid to mapping out the extent of debt and any sources of income and can be used to negotiate a fresh repayment plan with creditors.

1. General information

Name:
 Address in UK:
 Age and date of birth:
 Sex:
 Marital status:
 Details of any dependants in UK (ages/dates of birth) and relationship:
 Religion (if any) [This information is necessary if applying to a trust fund which is restricted to applicants from a specified religious background]:
 Institution:
 Course of study:
 Length of course:
 Date started:
 Expected completion date:
 Personal tutor:
 Rate of fee paid on current course:
 Date of arrival in UK:
 Immigration status :
 Nationality/ethnic origin:
 Expected date of return home:
 Plans on finishing present course of study:
 Full academic history, including qualifications obtained and failed (include level, number of years of study, etc):
 Other relevant information:

2. Detailed information relating to specific requests

Has the student worked full or part-time prior to present course?
 If yes, give details:
 Full details of any previous scholarships/grants awarded (including from own country, UK sources, trusts, international agencies etc):
 Is the student working now?
 If yes, give details:
 Why is there a financial difficulty?
 Could it have been foreseen?
 What action has been taken so far?
 Full details of expected expenditure for the period from: _____ to:
 Institutional costs (fees, materials):
 Other essential spending (laundry, clothing):
 Current debts (if any):
 Utilities bills:
 Additional bills:
 Travel costs of return journey to home country:
 Baggage:
 Accommodation:
 Food:
 Travel costs in-country:
 Other:
 Amount of financial help sought:
 Sources of assistance already tried:

3. Assessing debts and helping with budgeting

The total figures for A, B and C below should all be for the same period – for example, for a year or for the remaining period for which the student will be in the UK.

A = Existing debts (not listed here according to priority)

- family/personal debts; maintenance/child support; childminding bills
- mortgage/secured loans; finance house loans (in the UK or overseas)
- bank or building society overdrafts or loans
- credit cards and store/charge cards; HP or Conditional Sale agreements; catalogues
- council tax
- rent arrears
- water; payments to utilities
- telephone; TV licence
- tuition fees; other institutional debts
- any previous County Court Judgements from previous debts – payments on

these can be reduced or 'varied' if set too high

- any outstanding Magistrates Court fine

Total A =

B = Future expenditure

1. Institutional charges:

- tuition fees
- typing/thesis/bench fees
- books/stationery/photocopying/printing costs
- field trips/specialist equipment
- library charges

2. Accommodation and food:

- rent
- water rates
- utility bills
- council tax
- insurance
- telephone
- TV licence

3. Travel:

- essential transport costs
- costs of travel home, where appropriate
- shipping

4. Other essentials:

- clothing purchases
- laundry
- toiletries
- leisure and entertainment
- housekeeping

5. Dependants:

- additional costs for dependants/maintenance
- school meals
- health costs/prescriptions
- child-care provision
- sending money to family overseas

6. Other

Total B =

C = Income

- scholarship or grant
- support from family overseas
- salary from employment overseas
- savings
- loans
- earnings
- existing support from hardship fund or trust
- partner's wages or salary and/or other income

Total C =

D = Budget

Total A + Total B – Total C = gap that needs to be filled

Notes

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