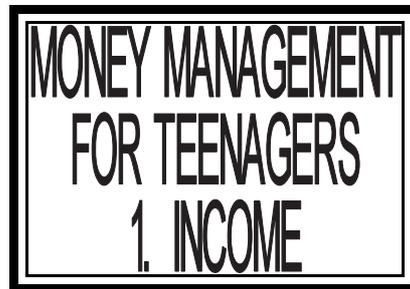


CONTENTS

| | |
|-------|-----------------------------------|
| 1 | CHOOSING A BANK |
| 2 | WHICH BANK? |
| 3-4 | BORROWING FROM THE BANK |
| 5-7 | GRANTS |
| 8 | ACCESS AND HARDSHIP FUNDS |
| 9-10 | STUDENT LOANS |
| 11-12 | AWARDS SCHOLARSHIPS AND BURSARIES |
| 13-14 | SPONSORSHIP |
| 15-17 | JOBSEEKER'S ALLOWANCE |
| 18-19 | INCOME SUPPORT |
| 20-21 | WAGES |
| 22-23 | USEFUL READING AND ORGANISATIONS |



By Carole Baldock
In collaboration with Harry Jivenmukta

CHOOSING A BANK

1

Why bank?

For most of us, the first close encounter of a financial kind does not tend to crop up unless we need to start saving money, or we would like to have some to spend; in other words, round about the age of 16, whether you've left school to start work or go on the dole, or continue your studies. Apparently, you're more likely to get divorced than change to another bank, so they are VERY keen to welcome you aboard, knowing they've probably made a friend for life.

Quite a few people end up choosing the same bank as their parents, which is useful for helping to keep you in the manager's good books, because he won't fancy losing their custom. It also makes funds more accessible for students since it's easier for parents to transfer money into their account. Students nowadays can hardly avoid running up debts but banks regard them as an investment, since they are taking their first step in the general direction of earning a steady income, graduates being expected to end up on a pretty high salary.

Barclays provide an account for 16-18 year olds studying the following:

- GCSE A Levels
- Advanced GNVQ
- City & Guilds
- BTEC

Most banks offer Student Accounts for people on the following full-time courses:

- Diploma of Higher Education
- BTEC Higher National Diploma Award (HND)
- National Vocational Qualifications (NVQ)
- General National Vocational Qualifications (levels 4 & 5)
- Project 2000 nursing course
- University Certificate or Diploma lasting at least two years
- University or CNA first degree
- Post Graduate course
- PhD or equivalent qualification

WHICH BANK?

2

Which bank?

Opening a bank account is easier than deciding where to deposit your hard won cash (or asking nicely if they wouldn't mind letting you have some of theirs). Students are spoilt for choice, but don't get carried away with all those freebies, living it up on visits to the cinema, free meals, booze, CD tokens and shopping till you drop - plus help with travelling expenses and phone calls. Some banks welcome 2nd and 3rd year students but if you switch accounts, currently, only Barclays makes the same offer as they do for a first year. But what most students really want is cash - an interest-free overdraft is more use in the long run.

What you should be considering are things like:

Overdrafts: how easy is it to arrange and to have it extended; what happens once you've graduated.

Interest Rates: how much is added to graduate loans; what charges do you pay if you exceed your overdraft limit.

Not to mention that there may be interest payable on any money in your account. Plus cheque books and cheque guarantee cards, credit cards (with no annual fee to pay), insurance, and special deals on travellers' cheques. Is there a cash point (or reciprocal cash point) near where you're staying and/or working or studying? What about the bank itself? There are usually specially trained student banking advisers in branches near universities and colleges, which is particularly useful as they've heard it all before and can probably help you sort out most of your problems. This, note, does NOT mean throwing good money after bad i.e. they do not automatically cough up more cash.

Building Societies

As if matters financial weren't complicated enough, many of the newer banks actually started out as building societies. One striking difference between these and the average High Street bank - they rarely offer special deals for students although this may well change in the near future, to make them more competitive. Then again, since most people don't tend to open a building society account until they have a mortgage to worry about, it's not that likely that a building society is top of the shopping list for teenagers. So far, the Halifax appears to be the only Society which has a special account for students and the benefits are pretty much the same as those offered by the banks - minus the goodie bag.

EXERCISE: Round up all the leaflets from the main banks and draw up a chart showing overdraft facilities, interest and so on, to work out which one offers you the best deals.

BORROWING FROM THE BANK

3

Opening an account

If you already have a bank account and you're going to University, send a letter to explain that it needs to be changed to a student account. You may still have to complete an application form and produce proof that you are a student:

Confirmation of place letter

Letter from the local education authority
Student identity card
Grant cheque

This is also necessary for students who are first time account holders. In addition, proof of identity will be required:

Birth certificate
National Insurance Numbercard
Passport
Driving licence

Keep all these documents together somewhere safe where you can lay your hands on them immediately.

Everything should be processed within four days; you then receive a cheque book, cheque guarantee card and PIN number (code for access to cashpoint). These may have to be picked up from the bank, as they are not posted to anyone in halls of residence or lodgings, for safety reasons. Make sure you have enough cash to keep you going in the meantime - and then some extra in case of any problems which could crop up and slow things down.

You may also get a Switch or Visa Delta card i.e. debit cards to use for purchases instead of a cheque, the money then being deducted automatically from your account. Keep an eye on cheques by filling in the stubs and when using debit cards, hang on to your receipts and make a note of the balance. If things don't appear to add up, you needn't wait until your monthly statement arrives; either ask the bank to issue one in the meantime or check yourself next time you use the cashpoint.

BORROWING FROM THE BANK

4

Bank loans

Interest-free overdrafts are a Godsend to students, most of whom graduate with a degree plus some hefty debts. Even an overdraft of £1000 may not be sufficient to keep them in a manner they never thought they'd have to get accustomed to (i.e. poverty). Banks also offer special low rates of interest for anything higher than the basic interest-free amount. They may be fairly amenable about lending money but really do not like it if you go overdrawn without permission; if you do, they will charge heavily just for sending a letter to let you know that you have an overdraft. You also have to pay a high rate of interest on unauthorized borrowing, no standing orders or direct debits will be paid and there is a charge for any cheques which bounce. In short, lots more expense plus loads of embarrassment. As soon as you realise you're heading for money problems, make arrangements to extend your overdraft limit. You'll probably find the bank is sympathetic and will offer advice on budgeting, to help you cut down on spending.

Credit Cards

Most banks make an offer that students can't refuse - no annual fee to pay on a credit card. But it's all too easy to end up with huge debts unless you pay the balance off each month. The interest rapidly mounts up, and you need to check and double check that there's enough money spare to cover everything you've paid for with the card; once the statement arrives, providing you pay off the whole lot, no interest is charged. If you can stick rigidly to this, then they're useful for short-term credit but otherwise could prove to be horrendously expensive. If you get yourself into a real mess, your card is withdrawn and you may end up in court. This gives you a bad credit rating, which means even more problems in the future when you try to take out a loan.

Using Plastic

The same principle generally applies to store cards, provided by High Street shops and companies: BHS, Marks and Spencer and so on. They're easily obtainable - unlike the money you'll need to pay for all your purchases if you have even the slightest tendency to be a shopaholic. More practical is a SWITCH card, which you can use at garages as well as stores. Here, the price of the purchase is automatically deducted from your account and appears on your next statement. At least this way, you can't buy something unless you already have the money to pay for it.

Other types of loan

Some banks offer students overdrafts which automatically increase each year by about £250, and low cost graduate loans. There are also career development loans and professional study loans; the latter can be as much as £10,000 if you are going into Medicine, Dentistry and so on. As with credit cards, however, the problem with any kind of 'buy now, pay later' scheme is that we're all too likely to forget about the second half; credit is NOT the equivalent of an open cheque. If you can manage on what money you have, keep these loans for emergencies - the more you have, the more you're likely to spend, making it even more hard to pay it back. Always seek advice and weigh up the pros and cons very carefully.

EXERCISE: Write a letter to your bank manager explaining why it is absolutely crucial for your overdraft to be extended.

Are you eligible for a grant?

Tuition fees are paid directly to the university by the local education authority (LEA), which also pays a sum of money to most students to help with the cost of maintenance:

Rent
Food
Books & equipment
Travel
Basic living expenses

A full maintenance grant is in three tiers:

Students living at home
Students living away from home
Students living away from home within the London area

Many students choose their local university because they can't afford to live away from home but will probably be expected to contribute something towards the cost of their upkeep, if only for food and laundry.

The amount of the grant depends on several things:

Choice of course
Parents' income (or yours or your partner's). If their combined residual income is less than a certain amount, you will be entitled to a full grant.
Whether you have already received a grant

Certain types of income may affect your grant, depending on the amount you receive, ranging from about £800 to £3000+:

Scholarships, sponsorship or money from your employer
Pension (not disability)
Trust
Other sources, but not vacation work

If you have a job, earnings are not taken into consideration unless it's a year's paid industrial training for sandwich course students, who will not receive a grant for that year.

Few LEAs have the resources nowadays so it is important you find out as soon as possible if you can get funding. At the very least, help with travel costs comes in useful. A discretionary grant may be paid for the following;

A Levels
Ordinary National Diploma
BTEC
Part-time post-graduate courses

You will be classed as an 'independent' and your parents' income will not count if any of the following apply:

You are over 25
You have no living parent
You are in care
You have been totally self-supporting for at least three years
You have been married for over two years
A spouse's contribution is higher than a parents' because he or she is deemed to gain more from their partner's education

Should your parents' income be reduced, perhaps as a result of redundancy, contact the LEA straight away so your grant can be re-calculated. The cost of sending children to university comes as a huge shock to many parents; if they can't afford to pay their share of the grant, the LEA will not make up the difference. And if your parents won't pay, there's nothing you can do to make them; if they don't wish to reveal what they earn to the LEA, you don't get a grant. Nearly 50% of students do not get the full contribution from their parents.

If you attend your local university and it is within ten miles of your home, you will receive only the lower 'home rate' grant if you choose to stay in lodgings rather than at home. However, you can appeal, providing you have good reasons for not living at home. You can also claim for travelling expenses if they come to more than a certain amount, whether away from home or living at home.

Other allowances

You can apply for extra grant if your course is longer than 30 weeks 3 days in any year, or 25 weeks 3 days at Cambridge and Oxford. You receive a grant based on 52 weeks if the course year is 45 weeks or longer.

Grants are increased to cover studying abroad - if you want to study languages, find out all you can about this first in case of financial difficulties.

You can apply for a two homes allowance if maintaining a home other than the one you live in to attend the course. You can also claim for dependants: spouse, other adults, children; the last depends on age and circumstances.

How to apply

You don't have to wait to be accepted by a University. Apply as soon as you can - not before January for a course which begins the next Autumn. The grant application is one of the most complicated forms you're ever likely to encounter, so once it's finally completed, photo-copy it or at least make a note of all your calculations. You also have to submit an assessment form completed by your parents with proof of their earnings, plus various other details: mortgage, pension and tax. If your parents are self-employed, with the tax year ending in April, you may only be allocated half of the grant for the summer term until their tax assessment has been completed.

Grant cheques are supposed to arrive at the grant office for the beginning of each term but they are frequently delayed, and sometimes go missing altogether. Try and make sure you have enough money to last out. Similarly, when you first start your course, you'll need money to live on until your cheque is cleared. If you're in halls of residence, you're likely to get more of a sympathetic hearing than if you're in rented accommodation - landlords want paying in advance.

The Student Union will sort out problems caused by delayed grant cheques for you and may be able to make you a small loan in the meantime if you are desperately hard up. Sometimes the LEA itself will make a provisional payment or you could try your ever friendly bank manager. Try not to ask your mates to bail you out - a friend in need is a blasted nuisance.

EXERCISE: No grant cheque has turned up. Don't panic, there are four places you can go for help - remember?

ACCESS AND HARDSHIP FUNDS

What are Access Funds?

These are made up of government money and made available to every college and university, calculated according to the number of students and local housing costs. They were originally set up once students could no longer claim Income Support or Housing Benefit and student loans were being introduced. The idea was to provide more opportunity for people to continue with their education i.e. the disabled or student parents; students from abroad are not eligible. There are three funds:

Further Education
Undergraduates
Postgraduates

Applying to the fund

It is not known how long this scheme will continue but the maximum recommended amount is about £3000, mostly used for one-off grants for hardship cases. Obviously, it runs out quickly, on a first come, first served basis, sometimes by the end of November. Apply as soon as you realise you haven't enough money to get by, though you may not be eligible if you haven't applied for a student loan. Find out more from the Student Union, Student Services or Student Support; you may be expected to draw up a financial plan for the year with proof of income and expenses, which will be assessed to work out the shortfall. See if your adviser or personal tutor will help you with a letter of support. You can apply for Access funding for help with the following:

Rent

Single parents, childcare, setting up a creche; adult dependants
Over 50 (ineligible for loan)
Course equipment
Cost of fees
Bursaries
Travel expenses

The amounts allocated vary from university to university. Some may prioritise childcare whilst others pay up more towards rent than others.

Hardship Funds

These are administered by many universities, some student unions or a fund-raising group. Mostly, the money comes from external charitable trusts and can be paid out only according to their criteria. These funds are to help students, including those from abroad, whose financial problems have arisen unexpectedly: illness or a death in the family. A small amount may be issued to help cover childcare expenses or an urgent bill. It may also be paid as an interest-free loan, which saves you worrying if your grant cheque is delayed.

EXERCISE: Draw up a financial plan - still useful, even if the application is unsuccessful.

Generally speaking, it's more practical to approach the bank for short-term borrowing or temporary financial problems, although sometimes longer-term loans are also offered at competitive rates. It's not as suitable as a student loan for long-term borrowing because banks are far more stringent about paying money back.

Eligibility

A student's total income is split, approximately, between grant and student loan. To be 'personally eligible' for a loan, as they say, you must have been 'ordinarily resident' in the British Isles for three years before the start of the academic year in which the course begins i.e. the first day of the course (NB for *award* purposes, an academic year starts on the first day of the month when a course starts). You may still be able to get an award or a loan, for example, if either you or your parents are British nationals returning from work in another member country of the European Economic Areas (EEA). You can also get a loan if you study or work abroad for a full year as part of your course.

Like grants, loans depend on where you are studying i.e. the highest amount is if you are living away from home in London; unlike grants, they're not means-tested so the amount isn't based on your income or your parents'. Rates are lower in the final year because the summer vacation is excluded, but there are some courses for which you CAN NOT get a loan:

Correspondence or Distance Learning courses

Part-time, except some initial teacher training courses

Further education courses: GCE A level or AS courses; Scottish Highers, NVQs (levels 1-3)

GNVQs, BTEC; City and Guilds and RSA Examinations Board courses

SCOTVEC National Awards

Access or Conversion courses

Nursing courses (Project 2000)

All Postgraduate courses, including NVQ (level 5), except initial teacher training

Applying for a loan

You cannot apply for a loan until you are at University; take the following with you to the student loan office:

Birth certificate (or passport)

LEA letter confirming award for fees

Bank account number and sort code (on your cheque book)

As you can make only one application a year, if you don't have the full amount, you can't go back and ask for more if it runs out. It's paid out in one lump sum or instalments but, similarly, you can't ask for the amounts due in January and April to be brought forward because you're suddenly hard up.

After completing the application form, you receive a formal loan agreement and direct debit form; on returning these, duly signed, the Student Loan Company (SLC) arranges for the loan to be paid directly into your bank account. This takes about three weeks, so, as usual, make sure to stave off cash flow problems meanwhile. Keep in mind you need a certificate of eligibility to apply, which they are not obliged to provide after June 30th; loans are not issued after July 31st.

There is a very low rate of interest and the maximum amount you can borrow each year is designed to make up the balance following the grants cuts. Since you finish in June of your final year, the amount available is reduced accordingly, unless the course lasts 40 weeks or more. Likewise, if you live away from home but it is possible for you to commute to university.

Repayment

This does not begin until the April after you graduate (or leave) and although payment can be deferred if you are unemployed or your earnings are less than 85% of the national average, interest continues to add up. If you don't defer the repayment, the amount owed is deducted from your account every month for five years, and because the amount you borrow is index-linked to inflation, you could end up paying back a sum which is several times as much as the original loan. So, whilst consoling yourself that you can get out of repaying the loan after 25 years (or the age of 50), just think how many times over you could have paid it with all the interest you've coughed up.

At graduation, about 20% of students have no debts, but approximately 80% owe money to the bank or the SLC, sometimes as much as several thousand pounds. Remember, the SLC will wait for repayment if you cannot find work but banks are not as likely to be sympathetic. In fact, some companies may in future encourage the best graduates to join them by offering to pay off their student loan instead of providing sponsorship. Obviously, should this come to pass, it's students who owe less money who will be considered the best bet.

On the other hand, some students think ahead about covering the cost of a Postgraduate course. They take out the loan, even though they don't actually need the money, and invest it in a bank or building society. If you're having any thoughts along these lines, make sure you get plenty of good financial advice first.

EXERCISE: Get out a calculator and draw up a budget to see what is the least possible Student Loan on which you could survive.

What are they?

A scholarship is very similar to sponsorship except it does not involve industrial training. Awarded on grounds such as academic achievement or need, it can be for a specific purpose such as studying or doing research abroad i.e. to fund travel costs. Charitable awards are often scholarships but the organisation concerned has to abide by the terms and conditions of the original endowment, which often specifies certain details such as the type of course and location. However, there are trusts and charities specifically for a wide range of study, from accountancy to the visual arts, as well as those set up to help disabled students.

Sources of finance

The good news is that there are several of them and an award will not affect your grant. The bad news is that it doesn't always amount to much, perhaps a small payment to buy books or equipment, although more substantial awards cover fees or maintenance. Payments can also be one-off or else available for each year of the course. There is a pretty low success rate for applications because they may not meet your exact needs, while you may not meet their criteria. However, such sources may even include your own school, as well as the following:

Scholarships (that stalwart of historical novels)

Trusts, foundations, professional bodies

Charitable awards, benevolent funds and bursaries

Competitions (which give added prestige)

Another possibility is your parents' employers. A number of companies, particularly those in medicine, have special trusts to help the education of children of employees (or past employees). There's also the police, the coal-mining industry and The Royal Pinner School Foundation for children of sales representatives.

Some professional institutions, such as the Company of Chartered Surveyors, give scholarships for students; engineering institutions are pretty generous to students on IEE-accredited degree courses, for example, civil engineers, electrical engineers, mechanical engineers.

Universities and colleges themselves sometimes have endowments enabling them to bestow bursaries and scholarships, ranging from about £400 to £2000. Again, competition is fierce and conditions limiting; it usually involves sitting an examination. Check the prospectuses to see if anything is available and get full details before you complete your UCAS form, because some scholarships and bursaries stipulate a particular establishment. Likewise, ask at school or the LEA for a list of local charities. Ironically, most charities tend to give help to enable you to finish your course rather than to get on it. Nevertheless, always double check application deadlines and be patient - these things always take a long time to settle.

Finding out more

The Education Grants Advisory Service (EGAS) deals with maybe 40 small grants a month (up to about £200); these are mostly to help students in their final year, and for something specific, such as equipment or an unexpected financial crisis. However, it also has a database of trusts and charities and can provide a list of the most likely names and addresses plus a leaflet on how to approach them - they receive over 10,000 applications a year. This agency is mainly for students who are not eligible for statutory funding; if you are, you must have already tried Access Funds, student loans and so on. Write to them with brief details of what you are studying and where, and your financial problem. Don't forget to enclose a self addressed envelope.

If you are fortunate enough to end up with a list of possibilities:

Double check exactly what's on offer, that you fulfil all the criteria, the application deadline

Write to them for more details and an application form

Make a copy of the form: a) for future reference; b) so they get the neat version

Make sure you have filled it in correctly (and truthfully); again, check all the criteria

Competitions

Not an easy option but you can't win if you don't have a go so keep an eye on the national press, particularly *The Guardian* and *The Independent*, student publications, careers office, the notice board in the students' union, etc. Besides, not everyone can describe themselves as 'award-winning' or 'prize-winning' on their CV. Invariably, it will involve writing an essay. Not another one? Well, you can always adapt one you made earlier, especially as prizes can include books, money, working abroad or travel. One bank offers £5000 in prize money in a competition for new student account holders which simply requires you to answer three simple questions and a tie-breaker.

Or you could just buy a Lottery ticket.

EXERCISE: Having checked the list of useful organisations at the end of this pack, take pad and pen down to the library and start working your way through the various directories. Be warned, the odds are against you but you'll kick yourself if you discover too late that you could have had some kind of award.

What does sponsorship entail?

Many companies benefit from good publicity by investing money in sport, or, even better, by supporting charity events; cynics point out that with the Lottery, eventually there will be no more Government Arts funding, as all the money for the Arts will be sponsored by Lottery grants. However, nearly 500 UK companies provide sponsorship for students; some have been doing so for years. Originally, it was a means to persuade them to go in for engineering. It can work out at about the same amount as a Student Loan, plus getting paid for working in the summer. You also get training and work experience, either before or during your course, and about half the students involved start their career at their sponsor's.

But why do companies sponsor students? Simple - value for money. It's a good way of checking out those who are bright, hard-working, reliable and ambitious, and for providing a pool of potential employees. Plus, as mentioned above, it's good promotion, as well as an opportunity to have more say in training or of testing out different techniques. Companies involved in sponsorship are more likely to have properly organised programmes so you don't end up 'sitting with Nelly', stuck watching somebody else do the work and trying to explain as they go along.

Applying for sponsorship

This largely depends on the subjects you take. Engineering is still by far the main area (about 70% of employers), then Business Studies and Physics and Chemistry (about 18%) and after that, Information Technology (about 15%). 10% of companies will accept any subject, for example, Barclays Bank; the Armed Forces also offer sponsorship and terms are generous BUT you will be expected to join up.

Applications can be sent off during your second year of 'A levels', up until the final year at University, and there are quite a wide variety of sandwich courses you can opt for; here, academic training includes a certain amount of work experience, and the length of the course will be extended accordingly by one or two years. As well as companies, you may be offered sponsorship after doing work experience or through the university itself, where it has contacts with employers; ask your course director if they have a list or database of sponsoring companies if this isn't mentioned in the prospectus. Don't turn your nose up at small companies, especially local firms where you'll stand a better chance of ending up as an employee; big names may be more prestigious but be practical - you're up against far more competition. Any sponsorship generally adds that little bit extra to your CV, even if it does mean you have to come up with a good reason for applying elsewhere for a job instead of working for your sponsor.

Not all sponsors advertise their wares; they don't need to because there's so much competition. Think ahead when you're looking for work during the summer and try firms you feel may be interested in sponsorship once they've seen you in action, as it were. Or write to some suitable companies asking for work experience, as this can occasionally lead on to sponsorship. After all, contacting them shows you've taken an interest and flattery (not TOO much, though) should get you somewhere.

Companies are now more likely to sponsor students towards the end of the course, a safer bet, when they're less likely to drop out, and especially as there are fewer jobs going, even for graduates. But if you find during your first year that you really hate your course, discuss it with your tutor and your sponsor to see if there's any possibility of some sort of compromise to keep everyone happy. Some sponsorship depends on your agreeing to work for the company after graduating and if it is terminated, a few companies ask for their money back. Don't panic, you will have been informed of this at the start of the sponsorship. On the other hand, there is never a cast-iron guarantee that you will automatically have a job with your sponsor once you graduate,

Both UCAS and sponsorship forms turn up at the same time but it's better to sort out the sponsorship first, since it may depend on a specific course and you are not supposed to alter the UCAS form. Should you later receive an offer you can't refuse, with it being sponsorship, UCAS may allow you to amend the form to include the necessary course. However, the application form is complex and about 50% give up at this stage, although there's nothing to stop you applying to several companies. One organisation whittled down 2000 applicants to 50; after further assessment, they took on just nine. As for the interview, always a hideous ordeal, just remember that it's good practice; besides, where else do you get the chance to talk about yourself without interruption and having somebody listening to every word?

Any drawbacks?

Think carefully about the money involved (extra travel costs, work abroad). Find out as much as you can about the training and the actual work. Then think hard about your career and your future, and a few other things you'll have to make your mind up about:

If you have to do a year in industry, should work and experience come before your studies? Remember, you'll be restricted to the one company, no chance of shopping around other than working in different departments: sales, administration and so on.

What if you find you really dislike the work - or the course? Supposing the career you were desperate for when you were 18 seems completely wrong by the time you're 21?

You could end up miles from home, somewhere you really don't like, surrounded by people you don't like. Some companies will give you the same benefits as their employees but in other places, you feel like an outsider.

Holidays are restricted, plus any travel plans.

EXERCISE: Make a list of pros and cons. If you decide to apply for sponsorship, prepare a CV and remember, make it sound good. There's a lot of competition.

JOBSEEKER'S ALLOWANCE (JSA)

Under 18

You are unlikely to be able to claim JSA at 16 and 17 because of the guarantee of a suitable Youth Training (YT) or Modern Apprenticeship place for everyone under 18 who is not in full-time education or a job and who wants to train. These offer you a chance to get a recognised qualification as well as training for skills; duration varies according to the different levels and individual needs. The Careers Office has details of training opportunities in the area and the Social Security office will advise whether you are able to get Income Support to top up your training allowance.

You can earn some money before your JSA is affected, but always check what the position is. If you lose your place or job but are willing to accept a YT place, you can get a YT Bridging Allowance (YTBA), which is paid for up to eight weeks in any 52 week period. However, you will not be eligible if your parents are getting Child Benefit for you; if you've just left school, they may continue to claim Benefit for up to four months while you find a job or YT place. You must be registered with the Careers Office as being available for a YT place to be able to apply for YTBA.

Under 18s can, however, claim JSA under certain circumstances:

- You are forced to live away from your parents
- You have no parents or anyone in place of your parents
- You will suffer severe hardship if JSA is not paid
- You can meet certain labour market rules (see below)
- You register with the careers office for employment and training

However, you may be regarded as voluntarily unemployed, and payment will be affected for up to 26 weeks for the following reasons:

- If you've left your job or training place without good reason or been dismissed for misconduct
- If you've refused, without good reason, to follow official advice to help you find a job or training place or likewise, refused to apply for any or to accept them

JOBSEEKER'S ALLOWANCE (JSA)

16

What exactly is JSA?

This is the taxable benefit which replaced Unemployment Benefit and Income Support for unemployed jobseekers who are:

At least 18 and below pension age

Not in full-time education

Out of work or working less than 16 hours a week*

Capable of work; actively seeking work

Available for 40 weeks a year

*if claiming for a partner, they must be out of work or working less than 24 hours.

And those who have:

Paid enough National Insurance (NI) contributions

Income and savings below a certain level

Agreed and signed a Jobseeker's Agreement

Savings which are less than £3000

Savings between £3000 and £8000 (i.e. yours, or yours and your partner's) will affect the amount of JSA you can get.

Looking for work

If you are under 18, register at your careers office for training and employment. An interview will be arranged by the career services office and this will provide you with information and guidance about education, training and employment. You must then visit the Jobcentre, taking with you the referral form you've been given, as well as your NI Number. At the Jobcentre, they ask about your situation and explain how you claim JSA; the Jobseeker's Agreement will cover training, in addition to work.

Over 18s who are unemployed and looking for work, or about to be unemployed, should contact the local Jobcentre straight away or they may lose money by not claiming immediately. Once you decide to claim JSA, you will get an appointment for a New Jobseeker interview; there is a claim pack to be completed prior to the interview but you can get help with this and it will be checked by the Employment Service Adviser. You need to bring your NI number and should hand the P45 tax form to the interviewer. The Employment Service Adviser will help you to draw up a Jobseeker's Agreement, which is then signed jointly by you both. It sets out:

Your availability for work and any agreed restrictions

The type of work you are looking for

What you will do to look for work and to improve your chances of finding it

What you must do to remain entitled to JSA

The services which the Jobcentre will offer you

JOBSEEKER'S ALLOWANCE (JSA)

17

Payment of JSA

'Waiting days' are the first three of a jobseeking period and you will not be paid for them unless certain circumstances apply; check with the Employment Service Adviser. JSA, which is taxable, is paid every two weeks in arrears, directly into your bank or building society account or at your post office by giro cheque (eventually by Payment Card, which will also replace order books). It's more often income-based than contribution-based because the latter depends on your NI contributions, not enough of which may have been paid to qualify. If income-based, the amount depends on several factors:

Your age

Whether you have a partner

Whether you have dependent children, and their ages

When applying for JSA, you will be given forms in order to claim Housing Benefit, to help pay your rent, and Council Tax Benefit, which is for those on a low income. Always ask for help if there are problems filling in the forms and get somebody to double-check the amount you are asked to pay; even Government bodies can get their sums wrong.

Groups of people with special needs e.g. families with children, may receive additional amounts ('premiums'). You may be entitled to help with mortgage interest and certain other housing costs, as well as health costs and help from the Social Fund. Hardship payments may be made in circumstances (for example, illness) where JSA would not normally be paid. You can sometimes get help with fares to travel to interviews. Neither JSA nor Income Support are normally payable when you go abroad.

EXERCISE: There are numerous leaflets to plough through; find out where your nearest Social Security Office is and collect those on Sickness and Disability Benefits; National Insurance; Family Benefits etc. Leaflet FB23 lists the lot, tells you where to find them and who can help.

Are you eligible?

Similar rules and regulations apply to this benefit, and the payment and other help available (which may also include free school meals), as JSA. You are eligible providing the following conditions apply:

You live in the UK
Aged 16 and over
Work no more than 16 hours a week
Have a partner who does not work 24 hours or more
Income below a certain level

Or, you are not required to be available for work because you are:

Sick or disabled
Lone parent or a foster parent
Getting Invalid Care Allowance for looking after somebody

You can also claim Income Support if you are aged 16-19 and still at school, providing:

You are looking after your own child
You are an orphan with nobody looking after you
You are living apart from your parents with nobody looking after you, or not in touch with them, or separated from them for unavoidable reasons
You are so disabled that you are unlikely to find work

Students who may be eligible

Those on a full-time course are not entitled to JSA. However, you may be if the course is part-time, providing you are available for work and actively seeking it. Under the same conditions, when a couple are both studying full-time, then JSA can be claimed during the summer.

If courses are no more than 16 guided 'learning hours' per week and funded by the Further Education Funding Council (FEFC), they are regarded as part-time; for other courses (generally excluding 'relevant education') all details have to be taken into account. Non-advanced education is considered part-time only if 12 hours or less a week. If necessary, an Independent Adjudication Officer will make the final decision about a course being part-time.

Other situations where students may be eligible

For vacations and work placements, you may be able to claim Income Support or JSA while on your course, providing:

You are a lone parent bringing up a child under 16

You are disabled or deaf

You are unlikely to have to pay Council Tax so that Benefit won't apply but you may be eligible for Housing Benefit and get help with your rent. However, this is unlikely during term-time or in the short vacation if you are in halls or accommodation rented from the university.

EXERCISE: All the forms which have to be completed can be extremely complicated; you'll have to queue up for ages to get help in the Social Security offices. Make a list of the other places where you could get help, starting with the local library.

Part-time jobs

So, you've done your sums, several times over, tried everywhere else to get the money you need, now there's nothing left for it - you need to get a job. You are not alone (although that IS part of the problem i.e. lots of competition): approximately 75% of students have a part-time job, 10% working more than twenty hours a week. On the other hand, a fifth of students who want to work can't find a job. Nevertheless, it is worth persevering because it isn't just a question of having extra cash (although one good way of saving money is to be too busy working to spend it); as far as your CV is concerned, it demonstrates that you are willing to work hard, you are organised and reliable, you can use your initiative and you have extra experience.

And, of course, this also applies, as does all the following, to those who aren't students.

Unfortunately, golden opportunities don't always coincide with ample funds, and there are few things worse than having to turn down something you really want simply because you cannot afford it. Besides, if you think that in all probability you will eventually need to look for work, don't wait too long, especially if you are studying in an area where there is high unemployment. In any case, most part-time jobs will be snapped up at the beginning of term and if you're competing against the locals, remember that they have a much more flexible timetable and don't have to worry about fitting work in alongside lectures, revision and exams.

On the other hand, there is quite a high turnover with part-timers and you should be able to earn a bit working in shops, supermarkets, restaurants, clubs, pubs, bars and possibly offices. As for vacation work, although there will be hordes of students desperately seeking something, at least there are more temporary vacancies, not just because of people taking holidays but women employees who have to take time off to look after their children during the school holidays. Similarly, if you're good with children, you can always advertise your services because this also means there will be an increased demand for baby-sitting.

Where should you start looking for work?

The University itself, particularly the Student Union, will employ a large number of part-time staff. Try the local Jobcentre but keep in mind that their priority is finding employment for local people rather than students. Look in the local paper as well, but if you can't see anything advertised that you fancy, ask around the High Street - not all job vacancies are made public because a) they won't go begging for long and b) it avoids the likelihood of being inundated with enquiries. Even if you are just added to the local record store's waiting list, there's still a chance you could be in. Make sure you're on as many waiting lists as possible to increase your chances BUT remove your name as soon as you have got work elsewhere. If it's part-time, there's no point antagonising somebody who may be a future employer by messing them about.

Similarly, register with a temping agency if you have suitable skills like word-processing, doing market research or even working as a cleaner. It may not ensure regular employment, but it could be enough to keep you solvent. What's more, you'll gain more experience of what it's like working in different fields and maybe make some useful contacts, for example, when you need work during the summer. If you're really lucky, you could end up working somewhere which will increase your future career prospects no end. On the other hand, if you're dead unlucky and absolutely desperate for work, think twice before you go in for anything that seems at all dodgy. Clinical testing, for example, can mean a huge amount of money and takes up little of your time. Nevertheless, undergoing medical trials is a risky business and you should double-check with the Student Union and your own doctor first.

National Insurance (NI) and Income Tax

The main problem with part-time work is that overheads like fares, food etc. can mean you're as near as damnit just as badly off. Not only that, the more you earn, the more you have to pay out in the way of taxes, and in certain circumstances it can mean that working looks like it isn't actually a viable proposition.

Everyone receives a NI card with their number on at the age of 16. NI contributions go into a fund which pays out unemployment benefits, retirement pensions and so on, thus qualifying you for state benefits. There are four classes, levied on different kinds of income. Although you will not have to pay NI unless you earn over a certain amount a week, gaps in your record may affect future benefits such as your state pension. It is possible to make up the difference by paying Class 3 contributions but you can find out more from your local Social Security office.

Income Tax, similarly, has to be paid if you are earning above a certain amount. However, everybody has a personal allowance depending on their circumstances, i.e. about £3,500 for a single person and this is tax-free, as are grants and most scholarships. Students and their employers should complete the Inland Revenue form P38 (S).

If tax is due, this is done either through the PAYE Scheme (Paye As You Earn) or by assessment in April, at the end of the tax year; if you have overpaid through PAYE, you will get a refund by cheque from the tax office. Students on work placement should contact the tax office to make sure they are exempt from paying tax, which may be the case, providing:

Their level of earnings does not exceed £7000
They are enrolled for at least one academic year
Attendance is for at least 20 weeks full-time

EXERCISE: Polish up your CV then draw up a list of jobs for which you have the necessary skills. Compare with a list of likely problems if you have to juggle study, work and the occasional night out.

USEFUL READING AND ORGANISATIONS

22

MAGAZINES

Young People Now, National Youth Agency, 17-23 Albion Street, Leicester LE1 6GD. Tel: 0116 285 6789; fax: 0116 247 1043. Monthly publication; annual subs: £22.80

Youth Clubs, Youth Clubs UK, 11 St Bride Street, London EC4A 4AS. Quarterly; annual subs: £10

BOOKS:

STUDENTS

students' money matters, by Gwenda Thomas. Supported by UCAS; Trotman; pb £7.95

Cosmopolitan Guide to Student Life, by Louise Clarke. Penguin; pb £6.99

FINANCE

Managing your Money, by Leo Gough. Teach Yourself Books, Hodder & Stoughton; pb £6.99

WHICH Consumer Guides: *Be your own Financial Adviser*, by Jonquil Lowe. Penguin; pb £9.99

How to Save Money, by Richard Benson. Tip-Top Guides, Summersdale; pb £5.99

Mr. Thrifty's How To Save Money On Absolutely Everything, by Jane Furnival. Pan Books; pb £3.99

JOB APPLICATIONS

The Perfect CV: How to Get the Job You Really Want, by Tom Jackson & Ellen Jackson. Trotman, pb £9.99

Classic Sample Letters: Letters that Get Results and Have Stood the Test of Time, compiled by Lee Jarvis. Foulsham; pb £7.99

Readymade Job Search Letters, by Lynn Williams. Trotman; pb £8.99

Winning a Job at the Interview, by Sarah Berry. Cassell (Finding a Job Series); pb £6.99

FINDING WORK

Working Holidays. Trotman; pb £9.99

Summer Jobs in Britain. Trotman; pb £7.99

WORKING ABROAD

How To Do Voluntary Work Abroad, by Mark Hempshell. How To Books; pb £8.99

Working Abroad: The Daily Telegraph Guide to Working and Living Abroad, by Godfrey Golzen. Trotman; pb £9.99

TIME MANAGEMENT

Study Time Management, by Lynn Underwood. Foulsham; pb £6.99

GRANTS & LOANS

Student Grants and Loans: a brief guide Department for Education and Employment, Publications Centre, PO Box 2193, London E15 2EU. Tel: 0181 533 2000

Scotland (see below): ring 0131 244 5823

Wales: 01222 825831; Northern Ireland: Bangor (01247 270077)

The European Commission, 8 Storey's Gate, London SW1 3AT

Tel: 0171 973 1992

Finance from Europe: A guide to grants and loans from the European Community

Guide to the European Community Programmes in the fields of Education, Training, Youth

NB: The RNIB provide braille and cassette editions for blind students:

PO Box 173, Peterborough PE2 6WS. Tel: 01345 023 153

USEFUL READING AND ORGANISATIONS

23

AWARDS & BURSARIES

The following should be available in the city library

Charities Digest. Family Welfare Association

Directory of Grant-Making Trust. Charities Aid Foundation

The Educational Grants Directory. Directory of Social Change

The Grants Register. Macmillan

Money to Study. Family Welfare Association

SPONSORSHIP

Engineering Opportunities for Students and Graduates. Institution of Mechanical Engineers, Northgate Avenue, Bury St Edmunds, Suffolk IP32 6BN. Tel: 01284 763277

Everything You Wanted to Know about Sponsorship. Amoeba Publications. Lakeside Manor Farm, Crowland Road, Eye Green, Cambs. PE6 7TT. Tel: 01733 223113

Sponsorship for Students. Hobsons Publishing plc. CRAC, PO Box 348, Bristol BS99 7FE

ORGANISATIONS

GENERAL ADVICE

NUS UK, Nelson Mandela House, 461 Holloway Road, London N7 6LJ.

Tel: 0171 272 8900. E-mail: nus@nus.org.uk

Scotland: ring 0131 556 6598

Wales: 01792 643323; Northern Ireland: 01232 244641

National Youth Agency, 52 Grosvenor Gardens,

Victoria, London SW1 WOAG. Tel: 0171 823 5363

Provides free Discount Directory for members and under-26 card

The National Association of Citizen's Advice Bureaux,

115-123 Pentonville Road, London N1 9LZ. Tel: 0171 823 2181

GRANTS & LOANS

Department for Education and Employment

Sanctuary Buildings, Great Smith Street, London SW1P 3BT

Tel: 0171 925 5000

Scottish Office Education Department

Gyle View House, 3 Redheughs Rigg, South Gyle, Edinburgh EH12 9HH

Tel: 0131 244 5823

Department of Social Security Freephone: 0800 666555

Student Loan Company, tel.: 0800 405010

Education Grants Advisory Service (EGAS)

c/o Family Welfare Association, 501-502 Kingsland Road, Dalston, London E8 4AU

tel.: 0171 254 6251

Career Development Loans:

Freephone 0800 585 505 for booklet - also free

FINANCIAL PROBLEMS

Credit Action Freephone Helpline: 0800 591 084

National Debtline: 0121 359 8501