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MONEY BOX LIVE

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DUGGLEBY: Good afternoon. If you're among the thousands of students about to start your first year at university, your main concern may well be how to manage financially, and that's what we're talking about on this Money Box Live. Of course it depends on where you live, what you're studying, and how much you earn once you've completed the course, to name but three qualifications. The most important change for English students is the rise in tuition fees to a maximum of £9,000 a year, but these don't have to be paid upfront. Then there's the cost of living - accommodation, food, travel, books, leisure and so on - which could easily add up to another £9,000, but which can be covered in part by student loans. There are also non-repayable grants available to those in lower income households. We don't know yet how many would-be students have been put off by the prospect of leaving university at the end of 3 years with a debt of well over £50,000, and anyway that applies to English students and not the majority of those studying in Scotland, Wales and Northern Ireland. But as Martin Lewis, one of my guests on today's programme has said, getting your brain around the price tag of university and combating the myths and misunderstandings in student finance is not an easy task. As well as his involvement with Moneysavingexpert.com, Martin has set up an independent taskforce on student finance in England. And he's joined on the panel by Phil Davis, Chair of the National Association of Student Money Advisers; and in Scotland by Sharon Sweeney, Student Finance Officer at the University of Dundee. The number for your calls: 03700 100 444. And while we'd obviously like to talk direct to as many students as possible, I suspect there'll be quite a few questions from concerned parents. So let's start with Linda in Taunton.

LINDA: Hello there.

DUGGLEBY: Hello Linda.

LINDA: Yes, I was ringing because my son had hoped to go to university in England. He had a Russell Group university as his first and second choice and, unfortunately, didn't get his grades; so he has now very happily been offered a place at a Welsh university. However, as a lower income family, we do get maintenance loan and grant for him. Had he gone to the Russell Group universities, he would have been much better off because they have a parental income scale (*coughs*) - sorry, voice is going a bit croaky - and they would have awarded him £1,250 per annum as an extra grant; and the second university, they had a parental income up to £35,000 and he would have got between £1,800 deduction from ...

DUGGLEBY: Linda, you're already losing me on these sums. I think the impression you're giving us is that he's worse off by going to a Welsh university than he would have been going

...

LINDA: He is.

DUGGLEBY: So the panel are actually nodding their heads. Perhaps you'd like to start, Phil?

DAVIS: Yeah, I think what Linda's referring to here is the financial support that's particular to various universities. So this varies from institution to institution. Obviously Linda's talked about the maintenance loan and maintenance grant situation, which we would expect to remain the same between the Welsh and English scenario for her son or daughter. But the example she's giving where Russell Group universities are offering quite generous rewards to students from lower income backgrounds ...

DUGGLEBY: But they are individual to the university ...

DAVIS: But they are individual ...

DUGGLEBY: Yeah, sure.

DAVIS: ... and they will vary from institution to institution.

DUGGLEBY: Martin?

LEWIS: This is what Mr Willetts wanted. This is the marketisation of universities. You get a choice. It's based on the financial package as well as the course. Russell Group universities tend to charge high fees. Because they charge high fees, they give out bursaries. Universities

in Wales have lower fees for Welsh students, but higher ones for English students, so they don't have the bursary money. That, I'm afraid, is the nature of the system.

DUGGLEBY: Yeah, but is it the fact that ... Linda says her family is not well off, so is this particularly hard on her?

LEWIS: Well this is about ... Is it hard on her? Her son has chosen to go to a Welsh university. There were other English universities available. Some may have had bigger bursaries. Yeah, I mean of course when you look at the facts for the individual, it is hard on her. I'm afraid that's the system we've got: different universities, different finance package. And what we're being told is you have to factor that in the choice. Many people find that objectionable politically, but I'm afraid it's a reality.

DUGGLEBY: And I suppose the differential with Scotland, Sharon, would be even greater because the fees would be paid in total?

SWEENEY: Well each institution in Scotland set different levels of fees for their RUK students. That's students from Northern Ireland, England and Wales. Each have an institutional bursary for students from different family income backgrounds, so again it's variable from institution to institution.

DUGGLEBY: Okay. Linda, I hope that's helpful to you, but it's not very comforting.

LEWIS: It's probably not.

LINDA: It's not very reassuring. But what really hacks me off big time is that Cameron's Government were out to encourage everyone like us - my husband and I never went to university - and they wanted our children. That was apparently a top criteria for them. And what has happened in that? You know we haven't got any encouragement financially for that.

DUGGLEBY: Okay, well that's a political question.

DAVIS: It is a political one.

DUGGLEBY: I'll give the panel just a few seconds comment.

DAVIS: I think you're absolutely right what you say there, Linda, but I think the Government's emphasis was getting students from your kind of family to the more selective

universities, and you know certainly in your scenario you could read Russell Group for that.

DUGGLEBY: Okay, let's move onto Sian in Stroud in Gloucestershire. Sian?

SIAN: Hello there. I've got two questions, but they're linked. The first question is does the debt only accrue interest from the point at which it is either paid to the students in terms of maintenance or to the university in terms of tuition fees because I gather the university receives the money on a termly basis? And then leading on from that, does the Student Finance Company issue an annual statement telling the student how much interest they have incurred? Is it possible to pay that interest off on an annual basis, so that you're not paying interest on interest?

DUGGLEBY: I'm not sure quite why you'd want to do that because when the loan is accruing, it's actually very cheap. Martin?

SIAN: Well I understood it's 3% plus RPI.

LEWIS: It is RPI plus 3 while you're a student. And then ...

SIAN: While you're a student, which is actually I think quite ... relatively ...

LEWIS: Woah, yeah but hold ... If you forgive me, Sian, it sounds like those misunderstandings I talked about earlier may be creeping in here. The answer to your questions are yes, you get a statement; yes it's added at the point that you get the money. But why would you pay the interest off? This is a big ... Let me explain first. There are two different sums here. There's the amount that you borrow, which goes in a nominal account somewhere. This is this mythical £50,000 if you take maximum tuition fees and maintenance loan and then you have the interest added on top of it, and we've got national panic about this huge figure. And then there's the more important figure, which is the one that your children will repay. And they will only repay it at 9% of everything earned over £21,000. On less than 21 grand a year, you repay nowt; and 31,000 in a year, you repay 9% of the 10,000. That's £900 a year. And that debt wipes over 30 years. So you're talking about paying the interest off. Well if your child doesn't get a high paid job after university, it is unlikely they will repay the debt in full. They certainly will be very unlikely to repay the interest. So you're paying it off for them even though there is a substantial chance they will not ever have to pay it. You'd be better putting the money in a high interest cash ISA for them, hoping that they

get a good job, in which case it will be manufactured and you could pay off a mortgage for them which would be a much better use of the money.

DUGGLEBY: Phil, I know you've been doing some sums on this because we've had a lot of questions which are broadly a similar sort of thing - you know is this very expensive, how am I going to pay it off, what on earth's going to happen, how much am I earning? Great concern. Can we be precise with any sort of numbers that you've been able to crunch?

DAVIS: Well I mean, firstly, Martin's absolutely right in what he describes there. The sums that we have done, the modelling we've done suggests that you'd actually have to be in a situation where as a graduate pretty much your first salary straight out of university would need to be in the region of £38,000 a year for you to expect to pay back every penny of loan that you've borrowed, plus the interest that may be added on over the ... well within the 30 year life cycle of the loan.

LEWIS: And that's £38,000 starting, going up above inflation, isn't it, because we've done similar figures, yeah.

DAVIS: Starting salary - absolutely, yeah, yeah. So clearly the vast majority of graduates are expecting to be in a situation where their income is below that, which means we're expecting the vast majority of graduates to have an amount of their loan written off at the end of the 30 year period.

LEWIS: So when it comes to interest, that means while most students are being charged interest, they won't be paying it. And that's the point, so why on earth would you try and pay it off for them? If you want to give your kids money, put it in a high interest cash ISA unless you know they're definitely going to be a super high earner, they're going to be a barrister. And even then, what happens if they decide at the end of uni to go and work for Medicins Sans Frontieres and get a charity job, become an artist, become a full-time parent? You know the vagaries here, paying off upfront is a big risk that could see you throwing away tens of thousands of pounds.

DUGGLEBY: I want to take a question which unfortunately it's a triple nationality question, so it's aimed first at you, Sharon, because the first choice university is Scotland. Now this girl has dual British and Irish nationality and lives in England, and the question is where she has to live in order to be able to go to Scotland with help from the EU because she has dual

nationality. Does that make sense to you?

SWEENEY: Slightly. (*laughter*) The rest of the UK issue has been quite complex this year, particularly with students from Northern Ireland who are able to access an Irish passport or

...

DUGGLEBY: She lives in England but has Irish nationality and British nationality and passport.

SWEENEY: Yes. It is reasonably complex, the question. My default answer would be that if in doubt contact the Student Awards Agency for Scotland. However, my impression would be that given that the student has lived in England, she should approach Student Finance England to inquire if she can have her tuition fees paid as an EU student based on her having the dual nationality, one of which is being Irish. So I would suggest she tries Student Finance England first.

DUGGLEBY: Right. So it's not a done deal that she'll get the Scottish EU concession?

SWEENEY: This year, I don't perceive anything to be a done deal because it has become very complex.

DUGGLEBY: Okay, well the other two are remaining remarkably silent with that question, so I think we'll move onto David in Leatherhead. David?

DAVID: Yes, good afternoon.

DUGGLEBY: Good afternoon.

DAVID: I'm not sure if my question's already partially been answered, but my daughter is planning on going to university next year and although I want to assist her financially my income is not guaranteed and I don't want to make commitments that could prove to be difficult to maintain. So the options, as far as I can see it, is that I could make payments incrementally through the year to help her, or whether I should sort of keep the money invested into a lump sum to help her pay off the loan or whether we shouldn't attempt to help her pay the loan at all.

DUGGLEBY: And are you likely to get any element of grant? Would you like to tell us what your income is?

DAVID: In terms of sort of gross family income, it's about £90,000.

DUGGLEBY: Oh well that's way, way above the limits. But Martin?

LEWIS: What does your daughter plan to do after university? Does she have any idea?

DAVID: Well not definite, no. She wants to go into science, but she's not definitely sure exactly what career she wants to do at the end of it.

LEWIS: Let me explain the problem with paying off the loan using an extreme example that makes it conceptually easier. Let's say you pay off all her fees upfront: you pay the £27,000, so she doesn't have any tuition fees. And then after university, she gets a low paying job, never earning above the £21,000 threshold - which is planned though not guaranteed to rise with average earnings in 2017 - and she never earns above that, so she never repays a penny. You've just paid £27,000 and your daughter would have never had to pay that money back. That's 27 grand thrown away. That's pretty easy to understand. It gets more complicated when you're above the threshold, but, as Phil said earlier, it would take someone on a £38,000 starting salary and then earning above inflation each year, and that's assuming I presume they work for the full 30 years before the debt wipes. If they took any maternity time off, it would make that even more stark before they repay it in full. So in many cases actually the best way to help your child if you want to is you know certainly I would hope one day she plans to get a house or maybe buy a car. A mortgage is a much worse step than a student loan. Even though the interest rate's comparable, student loan - lose your job, you don't have to repay; the more you earn, the more you repay. Mortgage, they're going to come chasing you. So you'd be better off in most cases, in most cases - put the money away for her, possibly even in your name, in somewhere earning as much interest as you possibly can.

DUGGLEBY: Quick word from you.

DAVIS: Yeah, again I would agree with what Martin's just said - you know put the money away; or alternatively if you wanted to use the money to support her while she's on the course, you know, so she's got some meaningful income while she's actually studying. But certainly you know stay away from actually making the repayments against the loans.

DUGGLEBY: Right, now we've got a question from George who I think is giving up on the UK and prefers university in Europe. George?

GEORGE: Hi. I was just wondering what grants I would be entitled to and how much loan I could get?

DUGGLEBY: You've told us that you want to go to a university in Amsterdam. Is that right?

GEORGE: Yeah in Amsterdam and I want to do business.

DUGGLEBY: I think the Dutch are possibly one of the most generous countries in Europe, but we have an expert on that particular subject we can call up. It's Mark Huntington of A Star Future who provides the information for British students studying abroad. Mark, are you there?

HUNTINGTON: Yes, good afternoon.

DUGGLEBY: Am I right in saying that Holland is a particularly favourable place financially to go?

HUNTINGTON: Well financially, but also for other reasons as well. I mean we always encourage people to go and study in Holland first and foremost because the quality of education is excellent, and also because the range of courses in English is bigger than anywhere in Europe. But also the financial side of things just does stack up as well. To answer George's question about grants and loans that are available if you go and study in the Netherlands, the short answer as far as Student Finance England is concerned is absolutely nothing, but that doesn't mean you can't get support from the Dutch Government as long as you have a European passport. Basically how that works is that anybody with an EU passport is entitled to a tuition fee loan to cover the full tuition fee costs. These are only about ... well they're 1,771 euros a year this year and will go up in line with inflation next year. So you can get a loan to take care of that, which I won't go into the terms now, but basically it is repayable 2 years after graduation, same way as it would be here. The thing you can't get ...

LEWIS: Is it proportionate to income when you repay it?

HUNTINGTON: Yes absolutely, it is. There's a minimum amount you have to repay. There's a 45 euro a month minimum repayment, but even that can be waived in extreme circumstances. But yes, the principle is it kicks in within 2 years and the principle is anything you borrow must be paid back in full; it's not income contingent like that. But the amounts

we're talking about are significantly lower than say a starting point of £9,000 a year for tuition fees. Now the most important thing I would suggest when it comes to students who want to study in the Netherlands - and this is where a lot of people hit a stumbling block - is that you can't automatically access any maintenance loans. So there are two ways to figure out how you're going to keep yourself alive when you are there. The first one is generally a financial contribution from the family. Typically around about 700 euros a month ought to be able to cover it, although Amsterdam would probably be a little bit more than that. Or you could get a job. Now the good thing about getting a job in the Netherlands is that if you work 32 hours a month while you are there, then the Dutch Government actually treats you as if you are a Dutch native, you know a resident, and residents are entitled to apply for a grant and for a loan. Now the grant is automatic for everybody working 32 hours a month or more for at least 3 months and that grant is currently around about 266 euros a month. On top of that, there is a means tested element, which, depending on your family's income, is 240 euros a month. The proportion of that you get as a loan or a grant will obviously vary. If you put ...

DUGGLEBY: *(over)* George ... Sorry, I'm going to have to wrap you up because we've got so many calls coming on, but I hope, George, that's ... Has that given you some idea of you know what you're up against in going to Holland?

GEORGE: Yeah it has, yeah.

DUGGLEBY: It sounds pretty good to me.

LEWIS: George, why do you want to go to Amsterdam? Is it because you're scared of the fees here or is it because you have an actual desire to study in a different country?

GEORGE: I guess I just want to explore the world a bit more, you know. As much as I love England, I just love to try other things out really.

LEWIS: That's a much more valid reason to me than perhaps a misunderstanding over the cost of tuition fees and the cost here.

DUGGLEBY: Anyway, thanks for that call, George. We've got to press on because we've got so many emails coming in as well, which I want to take an email perhaps for you, Phil. This is from Nuran and she says, 'I found out yesterday students who started their higher education studies in September 2011 were remaining on the old fee system; but if they wish

to transfer to the Open University, they'll be transferred onto the new system and they'll have to pay the new fee rates.' Is that right?

DAVIS: That could be correct, yes. It depends ...

DUGGLEBY: Transfer of universities, on the course?

DAVIS: *(over)* Yeah, it depends on the previous ... yes the previous course, the original course. If the original course was a part-time course, then we would expect them to remain on the current ... on the existing arrangements. If the student has been studying full-time and transfers to a part-time course, that change in mode of study is what switches them to the new regime.

DUGGLEBY: Is it the same in Scotland, is that, for you Sharon? Can you switch courses?

SWEENEY: You can switch courses. I think it would probably be the same answer that Phil would have - it would be dependent on course and circumstances.

LEWIS: What's interesting about this is that people are automatically assuming that the new regime is worse for them - in England, I'm talking. Now the way I would define it as a short cut is if you're going to be a lower earner after university, the new regime is probably an improvement for you because under the new system you repay 9% of everything above £21,000. Current graduates repay 9% of everything above £15,795. If you're going to be a mid to high earner, because of the bigger borrowing, because of the interest, then it's a worse system for you. But you know there were many people last year who were going, "I wanted to defer but I can't and I want to be a nurse afterwards." Well actually on the calculations, you may not have been worse off by holding it. So it's a balance, it's a balance.

DUGGLEBY: Phil?

DAVIS: Yeah, I mean the thing is what we mustn't do is try and suggest that there might be a choice between the two systems. You know it is legislation that lays down which one you will ...

LEWIS: *(over)* But there's an implicit panic of people to the new system ...

DAVIS: *(over)* Yes, I would agree with that.

LEWIS: *(over)* ... which isn't necessarily. You know studentfinancecalculator.com will show your likely cost under the new system. The lower earner you are, the less you'll repay, and it becomes at certain levels more favourable than what current graduates have.

LEWIS: Okay. This one is an email from Susan. It sounds like an administrative mess up. 'Starting third year. Checked with student finance about the application for the grant. Found out today the application hadn't been processed. Starting uni next week. Can't afford the fees and rent and everything else and so an absolute farce. We're told it's going to take 8 weeks to get a new application processed. What's going on?'

DAVIS: That sounds like somebody's been asked to fill out a paper form rather than going with the online form. We're just beginning to encounter this issue ...

DUGGLEBY: Are you, huh?

DAVIS: ... across the sector, so many of our members are reporting that this is beginning to happen. Unfortunately the online form, the online system that is the route into the funding does seem to fall over as soon as any ...

DUGGLEBY: And should you just go to your student finance officer and ask for help?

DAVIS: Well certainly, absolutely, we can offer assistance there. But the fact is what SFE in particular are asking students to do is fill out the paper form and that does have a time allocation attached to it. It does take much longer to process than the online form.

DUGGLEBY: So Susan is absolutely spot on with that message to us essentially?

DAVIS: I'm afraid so, yeah.

LEWIS: Year on year, we tend to have these type of problems. It shouldn't happen. I presume though the university aren't going to kick her out because the fees haven't been paid ...

DAVIS: Oh no.

LEWIS: ... so I wouldn't worry about that.

DAVIS: Yeah, I mean the key thing is get along to the university, speak to somebody in the advice service, and they will be able to liaise with the relevant departments. I mean to an

extent this happens year on year with the loans company, so ...

DUGGLEBY: And presumably Sharon in Scotland, in Dundee, that would be the same advice from you?

SWEENEY: Absolutely.

DUGGLEBY: These things happen, unfortunately.

SWEENEY: They do and quite often institutions are able to offer short-term loans to help people tide over until they get their loan, especially for food.

DAVIS: Absolutely right, Sharon.

DUGGLEBY: Okay. Right now, Christopher, you've waited patiently in Romsey.

CHRISTOPHER: Hello.

DUGGLEBY: Fire away with your question.

CHRISTOPHER: Okay, my question is about the student travel grant for students that study abroad. Now I'm a student of modern languages and it's a compulsory part of my course to spend my third year abroad either studying or working, which is the choice that we can make. And the reason that we get sent abroad is to study the languages and cultures of these countries where we go.

DUGGLEBY: Indeed, yes.

CHRISTOPHER: Now I'm eligible for the travel grant because I receive a maintenance grant, and when I sent off for my travel grant then they told me that my ... I spent half the year working and half of the year studying abroad and they told me that my work placement was not eligible because they didn't deem it to be studying.

DUGGLEBY: Okay, what countries were you going to?

CHRISTOPHER: I spent the first half of the year in Argentina and the second half of the year in Brazil.

DUGGLEBY: Okay, so this is a matter of not getting as much money for your travel grant as

you expected, and I think Phil can explain why.

DAVIS: Yeah, that does sound as though that is in line with the regulations governing the funding, I'm afraid, Christopher. I think again very similar advice to what we've just given. I think you would be well placed to go back to your university and ask whether they are in a position to offer any further financial support for you during your placement year abroad. Obviously they'll be particularly familiar with the way your course runs. It may well be that they're able to apportion some of their hardship funds, their access to learning fund for the purposes of supporting you from a living cost point of view whilst you're studying. But unfortunately, yes, you're absolutely right, there are only particular kinds of placement opportunity which are eligible for the grant.

DUGGLEBY: Martin, briefly.

LEWIS: Yeah, just a quick tip from me. Hola Christopher. What I would say is it's worth checking websites like Family Action, Turn2us, Scholarship Search. There is money available for weird and wonderful purposes. You never know, there might just be a Brazil and Argentina scholarship out there somewhere. It's worth a check or something else that you're eligible for. That applies to anybody. There are some bizarre grants being ... Some daughter of a fireman I remember in the past. I don't know if it's still available. Go and have a look on those websites. Have a look for scholarships and grants that may be available.

DUGGLEBY: Right, couple of emails coming in. This is Richard in Shipley and he says, 'If a student does not complete the first or subsequent years, how is the loan paid back?'

DAVIS: Yeah, this is a case in point at the moment. (*laughs*) The Government in their wisdom have introduced the new scheme and have made the assumption that everybody will be on a 3 year course, so nobody will have to make any repayments until April 2016.

DUGGLEBY: Wrong.

DAVIS: So if you do happen to leave your course ... I mean the institution I work at, we have PGCE students. It's only a one year course. They will graduate in the summer, but they won't be expected to make any repayments until April 2016.

LEWIS: So for 2012 starters, your first time you will repay your loan is April 2016. For people in future years, you would normally start repaying the April or be eligible to start

repaying - because of the £21,000 threshold - the April following finishing your course.

DUGGLEBY: Okay, now we've got Victor in Birmingham and he's got three children. Two have gone through university under the old system - that's fine. The third one is about to start, so he's caught under the new system. His income is £36,000 a year and he'd like ... Can you do a quick calculation, Martin, to sort of say what he's ...?

LEWIS: I haven't got my computer with me. Phil's got his out. He's tapping away.

DUGGLEBY: Okay, Phil's going to have a look. £36,000, one child. The other two presumably, Martin, don't count because they're grown up and gone?

LEWIS: They're old and gone, yes.

DUGGLEBY: So it doesn't affect the income, otherwise there would be income taken?

LEWIS: What's he asking for?

DUGGLEBY: He's just asking what this third child's going to get?

DAVIS: Okay, I can do that. Are they studying outside of London?

DUGGLEBY: Yeah.

DAVIS: Not living with their parents during term-time?

DUGGLEBY: No.

DAVIS: Okay, so with the income being £36,000, they should ... Did you say there was one child younger than him, or ...

DUGGLEBY: No, no, two have gone through, one to go.

DAVIS: Okay. It will be just over - because I don't have an actual figure for £36,000 - but we'd expect them to get a maintenance grant of just over £1,432; a maintenance loan of just over £4,784. And together that will give support of just over ... well just around about £6,300 per year.

DUGGLEBY: Right, okay. Now you've worked out ...

DAVIS: And that's in addition to the fee support obviously.

DUGGLEBY: Have you worked that out on your own website or how have you done it?

DAVIS: No, this is from the Government.

DUGGLEBY: Can you do that, Martin? Have you got a website that you can put that information in and get the answers out?

LEWIS: I think Direct Gov has a calculator, to be honest.

DAVIS: Yes, absolutely, Direct Gov has a student finance calculator that you can do an individual calculation on.

LEWIS: You get a loan for living. You'll get the full loan if you are under around £42,000 income; but the lower you go, some of that is replaced by a grant. Sorry, I got that ...

DAVIS: No, full grant.

LEWIS: Sorry, full grant. You get the full grant below 25,000 pounds worth of income and that will replace some of your loan. The more you earn, the smaller grant you get, the bigger loan you get until around forty ...

DAVIS: £42,875.

LEWIS: ... £42,875. Above £42,875, the amount of loan you get starts to reduce, but you will always get at least 65% of the maximum available loan. Thirty-five per cent of the loan is means tested; 65% isn't. So it's a grant and loan, up to loan, and then a slightly smaller loan the more you earn.

DUGGLEBY: Okay, a call now from Colin in Leicester. Colin?

COLIN: Hello. Do you want me to explain my circumstances?

DUGGLEBY: Well not too much. We're running a bit short of time, so ...

COLIN: Okay, I'm a 54 year old fire fighter. I've been a fire fighter for 30 years. I did a degree before I joined the job though. Now I'm wanting to do a law degree when I retire, which is January next year, but I'm really struggling to get funding for it because I've

approached the Student Loan Company and they've said because I've already got a degree.

DUGGLEBY: Colin, in other words you've already got a degree, so you're trying for another one.

COLIN: That's right.

DUGGLEBY: I think the answer is it's very difficult. We've had this question many times before and it's very, very hard.

LEWIS: If you hadn't been for a degree before, this would have been easy. In fact it would have been wonderful because the likelihood is in retirement you won't earn over 21 grand a year; you'd never have to pay a penny back. It's wonderful for older students, the new system. But to get the money, the student loan, you have to be studying at least 25% of a course and you have to have not done a degree before. I mean there may be grants and scholarships out there. I would struggle even on professional study type loans because you're going to be in retirement. You're talking about ... The honest answer, no it's going to be tough.

COLIN: What if I'm registered disabled?

DAVIS: Ah right, well that could make a difference.

DUGGLEBY: Yeah.

COLIN: Yeah, that's what I thought. I've got ulcerative colitis, you see, so I might be able to ...

DAVIS: It would depend on whether you qualify for a disabled student allowance.

COLIN: Yeah. Now how would I find that out?

DAVIS: Speak to your advice service at the university you're interested in. I'm conscious that we seem to be running short of time.

DUGGLEBY: We are.

DAVIS: That's the nub of the issue. Get in touch with the university. Make sure you mention the disability and ask about disabled student allowances.

DUGGLEBY: And we've got one final question. Make it fast if you can, Alison in Edinburgh.

ALISON: The daughter of family friends. They were asylum seekers, now have leave to remain. Is there something like a directory, a grant making trust equivalent for young people looking for further financial support and/or what advice would they give to concerned friends who would perhaps like to give but wouldn't want to pay income tax, nor to ask the person ...

DUGGLEBY: *(over)* Okay, I'm conscious you're ringing us from Edinburgh, so I'm going to fire the question. I know it's very short, Sharon, but can you help somebody in Edinburgh looking for a university, looking for sort of how to go about it for an asylum seeker? Presumably, having gained asylum, then they are in the Scottish system, are they?

SWEENEY: I would think so, but obviously wouldn't want to say anything specific because I don't understand the person's individual circumstances.

DUGGLEBY: No, exactly.

SWEENEY: I'd suggest two things. One is that you visit the advice service of the institution that the person's considering attending. And, secondly, for anyone looking to support them financially, go to their local Citizens Advice Bureau and check things out from that perspective.

DUGGLEBY: Yeah.

LEWIS: You mentioned about gifts. You can give people money as long as it's not income, as much as you like. There might be a slight inheritance tax risk on that. By the way, it's Student Finance Day tomorrow. I should plug. Lots of universities with open days. And if people want more information, lots of free booklets on the Independent Student Taskforce website.

DUGGLEBY: We're just about out of time, but that's ...

DAVIS: *(over)* Just on that last point. Can we just make a distinction between seeking asylum and having been granted refugee status?

DUGGLEBY: Yes, I'm afraid we can't because we have actually run out of time. All I can

say is that that was Phil Davis; Martin Lewis from Moneysupermarket.com; Sharon Sweeney

...

LEWIS: Moneysavingexpert.com.

DUGGLEBY: ... Moneysavingexpert.com - sorry; Sharon Sweeney in Dundee. Paul Lewis will keep you up to date with the latest finance news in Money Box at noon on Saturday. He'll be here to take your calls on Money Box Live next Wednesday afternoon and the subject then will be benefits.