

# Investing in Tomorrow: Grant Reform

A position paper from The Union of Students in Ireland



**Union of Students in Ireland**  
*Aontas na Mac Léinn in Éirinn*

# Introduction

Equity of access to higher education is a core component of the work of the Union of Students in Ireland. The support structure we have at present is not working optimally and the Student Maintenance Grant has been cut significantly over the last decade. – at a time where the cost of living has increased and rental accommodation costs have risen by 10% on average nationally over the past 12 months alone. The proposals in this paper seek to rectify some of the inequalities and problems that exist with the current requirements in relation to the Student Maintenance Grant.

## The Adjacency Rate

To receive the non-adjacent rate the applicant must have a home address more than 45km (as the crow flies) from their college. This distance was extended from 24km to 45km in Budget 2011.

### Problems:

Those within the 24km – 45km band experienced an unexpected and unprecedented 50% reduction in their grant.

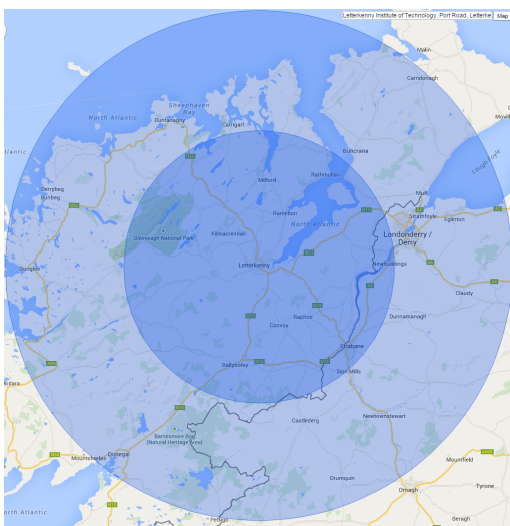
The 45km throws up significant inconsistencies which tend to disadvantage students from outside major urban areas.

Public Transport and the road network are significantly less consistent and poorer along the West Coast of Ireland. This has a number of associated implications:

- ‘As the Crow Flies’ is more meaningful in a well-developed transport and road network. In rural areas, a Crow Flies distance can very rarely equate to a consistent travel experience between locations.
- Those that live on islands are not given special allowance i.e. the Aran Islands are considered adjacent to NUI, Galway.
- Some rural public transport links are poor to the point that students may miss early or late lectures
- While the adjacent grant is there to provide maintenance for those who are capable of commuting and provides for students, as such, in many cases, the cost of travel may be comparable to a living cost in the college town, defeating the purpose of this rate.
- Incomes outside the Greater Dublin and East Coast areas are lower and grant dependency is higher

Mature and returning students who cannot move due to commitments in their current home e.g. children or mortgage, may not be able to afford college as a result. The immediate entitlement of mature students to the non-adjacent rate regardless of distance was removed in the 2011 budget also.

## Case Study: Letterkenny IT



Some affected townlands would be:

Donegal town, Dungloe, Derrybeg/Bunbeg, Dunfaghy, Carrigart, Buncrana and Carndonagh

Data needed:

- Population (taken from the 2011 Census, populations of townlands of over 1,000 are included only)
- Travel distance (taken from Google Maps)
- Fuel Cost (*variable*, average cost taken from AA Route Planner)
- Bus Cost (Service Providers (Public and Private), cheapest possible cost given)
- Times (Taken from getthere.ie, only initial trip arriving between 8am – 11am and returning trip between 4pm-7pm considered). Journey times of over one hour are noted.

## Example

Chris, 21, studies Psychiatric Nursing at Letterkenny IT and lives in Buncrana, Co. Donegal. His family have a combined income of around €20,500. His parents are only able to support him by giving him €50 a week. He is eligible for the special rate of the grant at the adjacent rate to a total of €2375, which works out at €45.67 a week, a total income of €95.67. Chris cannot afford to move to Donegal as his income would not cover rent and living costs and therefore, he must drive. After fuel cost, he only can support himself with €35.67 a week

Town	Pop.	Distance	Fuel Cost (per week)	Bus Cost (per week)	Bus Time
Donegal	2607	48.5km	€72.80	€59.40	Bus Éireann Arrives: 9.47am Departs: 7.03pm
Dungloe	1183	80.13km	€119.30	€48.00	Mangan Tours Arrives: 8.50am Departs: 5.45pm
Derrybeg/ Bunbeg	1553	69.19km	€103.00	€48.00	*journey time averages 1h45m Mangan Tours Arrives: 8.50am Departs: 5.40pm
Buncrana	6839	40.39km	€60.10	No Service Found	*journey times averages 1h30m No Service Found
Carndonagh	2534	62.27km	€92.70	No Service Found	No Service Found
Muff	1271	37.81km	€56.30	No Service Found	No Service Found

for books, stationary, living costs (where his parents cannot provide) and any other extraordinary costs. Chris has been given Sligo General Hospital for his placement and cannot undertake it due to the high cost. He would have a weekly income of €163.75 if he was awarded a non-adjacent rate.

Some proposals to combat these issues:

- A full reinstatement of old rate of 24km.
- Change 45km to travel distance not geographical distance.
- Free Travel Card for grant and BTEA recipients.
- Entitlement of non-adjacent rate to those living on islands.
- Reinstatement of the entitlement of mature students to non-adjacent rate/revert mature students back to 24km.
- A rural exemption or decrease in rate for rural colleges with poor transport links.

## Independence/Estrangement

Currently, a student must have turned 23 years old the 1<sup>st</sup> January preceding the start of their course to be considered as an independently supported student. Students must evidence their independence to the satisfaction of the grant authority as stated in the Grant Scheme 2014:

*Persons whose income is considered.*

S. 21.

*(3) Where it is established to the satisfaction of the relevant awarding authority that the dependent student —*

*(a) has no living parent, or*

*(b) is irreconcilably estranged from both of his or her parents and neither of his or her parents furnishes financial support to him or her (to include foster children and unaccompanied minor refugees), a dependent student may be exempted from having parents' income taken into account.*

*(4) Where an awarding authority is not satisfied that an applicant meets any of the conditions for being exempt from having their parents' income taken into account it will assess that applicant's application for a grant taking into account parental income.*

While it can be derived that students can be considered independent if they evidence estrangement, the discretion of determining a student's estrangement is held by the relevant grant authority.

**The problem lies with the standard of evidence SUSI requires.** If a student applies as estranged from their parents, they must evidence it by 'documentation such as letters and/or reports from Gardaí, Social Worker, HSE or Court Order' and then a determination is made by SUSI.

## Problems that Arise from Estrangement procedures

- There is no formal recognition process for estrangement in Irish law, and SUSI discretion can result in unwarranted inconsistencies which have no route to challenge
- No designated officer is charged with deeming a person estranged in all these institutions except for the court. The HSE or Gardaí won't issue such evidence if requested unless they have dealt with the applicant themselves.
- Therefore most students will not have had engagement with a number of these institutions and in cases where they have done so, it was due to the sensitive and exceptional nature of the case.
- Where students are deposing evidence, they are required to revisit places sensitive issues and must ask for evidence for their case.
- In a theoretical case of estrangement from a vindictive parent or guardian, it could become impossible to establish estrangement, nor seek redress for a false claim.
- SUSI, in these cases, has put a high standard on what they determine to be evidence and what is deemed permissible. One document of evidence is rarely deemed enough despite its content and validity.
- Additionally, those who are deemed independent or estranged maybe have transitioned from post-primary to undergraduate (or undergraduate to postgraduate) immediately meaning this person could not have been in receipt of social welfare payments deeming them ineligible for the special rate.

**N.B. When USI, SUSI and the HEA met on this in March 2014, SUSI accepted the standards were too high.**

### Example:

Nicola, 22, is a postgraduate Law student in NUI Galway. Her parents divorced when she was 6 years old and she was supported solely by her father and is estranged from her mother. She was awarded an undergraduate grant due to her father's income during her undergraduate by her local authority. Her father passed away when she was 20 years old and she supports herself. She has applied to SUSI to cover her fees, under her own income, she is reckonable for this rate but combined with her mother's income considered, she will not receive this support. SUSI have asked Nicola to prove her estrangement and have asked her for father's death certificate. They have also asked her for by 'documentation such as letters and/or reports from Gardaí, Social Worker, HSE or Court Order'.

Nicola approached her local Social Worker but were told they cannot release such information and don't have a specific office for doing such. She received letters confirming the estrangement from her solicitor, who dealt with her parent's divorce, her GP (as a HSE representative and dealt with her depression after her father's death (the HSE again don't have a specified authority on this)) and her local Garda. SUSI have asked for further documentation as the GP's and Solicitor's letters were deemed inadmissible and one Garda letter deemed insufficient. She has been through an arduous process to receive this evidence dealing with very sensitive issues personal to her, this has had an adverse effect on her studies. She cannot afford the €6,000 fees of her course and must dropout if she can't pay.

### What can be done?

1. The Minister for Education and Skills can send out clear guidelines to grant authorities which could give more allowances to applicants trying to evidence estrangement.
2. The applicant could evidence it to their local community welfare officer, who could become empowered to make a declaration for the purposes of the SUSI process which could deem them estranged.
3. Where the applicant has immediately transitioned from post-primary to undergraduate or undergraduate to postgraduate within the same year and is deemed independent or estranged. This applicant may be reckonable for the special rate without having received a social welfare-based payment.

### Proving Independence

Current legislation requests that to be classed as a "independent student" the student must have resided in a residence other than the parental home from October of the year before the first point of entry to an approved post leaving certificate course. With more mature students living at home up until starting a college course and thus living independently this section of legislation adversely affects mature students.

## Mature Student Dependency

With the shortage in accommodation and the rising cost of rent it is becoming more common for mature students to live at home and commute to college. In the current legislation anyone living in the parental home is assessed on their parent's income as a "Dependent student".

### Case Study

Joan, 34, is studying in IT Carlow studying in her first year of Youth and Community Work and lives with her mother. She lives with and cares for her mother, 69, who is retired and on a small pension. Her mother is not in the position to support her and Joan, before starting her course was on a jobseekers allowance of €188 p/w. Her mother's income of €14000 per annum and Joan's income per annum on Jobseeker's allowance was €9778. This would make her reckonable for the 100% rate of €1215 as opposed to €2375 where her mother's income not being taken into account. She cannot afford college on a maintenance support of €23.36 p/w.

### What can be done?

1. USI recommends that Students over the age of 23 and classed as Mature Students should be assessed on their personal income and not that of their parents or have their community welfare officer determine independent living.
2. Formal guidelines can be sent out by the Minister for Education and Skills to SUSI.

## Postgraduate Students

The postgraduate maintenance grant was abolished in the 2012 budget and was replaced by a postgraduate fee contribution varying from €2000 to €6270 based on income with thresholds of €31,500 to €22,703 respectively. The state projected a saving of over €50million with this move with many universities seeing postgraduate applications dropping 15%-20% the following year alone.

A student is deemed reckonable for the fee contribution through the same mechanism as undergraduates.

### The issues

- The large majority of students continue straight from undergraduate to postgraduate studies. This means that students that were within reckonable income limits for the undergraduate grant may find themselves not within the limits (of €31,500) for postgraduate studies.
- For students who do find themselves within these limits, some have support in paying fees. However, they have no maintenance for living costs.
- Students who support themselves through college e.g. through part-time work, must have their income assessed along with their parents' income (if applicable) meaning this may limit the possibility of being reckonable for fee contribution.
- The majority of students who enter postgraduate studies are under the age of 23 and will be assessed of their parents' income. This means that families of the lowest incomes who are naturally, the least likely to be in a position to support their children will possibly have income levels as a factor that will deem the student ineligible for a fee contribution.

### Example

Nigel, 26, completed his degree in Civil Law in UCC and wishes to continue in his studies doing an LLM at UCC also. He receives no support from his parents and supports himself through his studies by working in a local nightclub. He has an income of €6,250 a year. As he was supported by his parents throughout his undergraduate, their income (of €42,000) was taken under consideration and he received a maintenance grant to the tune of €605 a year along with the student contribution charge being covered. His parents are not in a position to support Nigel and due to his age he lives independently of them. He has evidenced this to SUSI. However, since he did not receive any social welfare payment, he cannot attain the special rate of the postgraduate contribution. Rather than covering his fees of €6,000, the grant regulation only sees him eligible for a contribution of €2,000. He will not be able to do a masters program on this basis.

## What can be done?

1. USI advocates for the full reinstatement of the postgraduate maintenance grant and calls for this first and foremost.
2. Allow students to prove independent living without the age requirement (of 23 years) to those who are not estranged. This can be done through proving this to a community welfare officer as mentioned previously or guidelines sent to SUSI from the Minister for Education and Skills.
3. The postgraduate fee contribution can match those at the level of undergraduate.
4. Students who support themselves through part time work during their undergraduate studies should have deductible income limits to a limit of €10,000.
5. In order to receive the special rate of postgraduate fee contribution, those who are admissible must have received one of the specified payments of social welfare. This condition should be abolished for those who transition directly from undergraduate to postgraduate allowing those of low incomes (of under €22,703) to be deemed eligible for the special rate without having received a special rate of the grant.

## Bereavement/Marital Breakdown

Students who lose parents support (through their death or marital breakdown) during their studies, for the most part, see significant effect on their studies. The financial effects of loss of a parent's income can be a massive factor. The readjustment of finances can be an arduous and stressful process.

## The issues

- Student who suffer the death of a parent during studies and are reassessed based on this must account for all incomes for themselves and the surviving and supporting parent (if applicable). This includes widow's pension,
- Students whose parents enter separation throughout their studies must evidence this to SUSI's satisfaction; like estrangement, this can be a stressful process for the student. No guidelines are stated in the Grant Scheme.
- Students have been asked to evidence death by autopsy or coroner's report, this can take a number of months before it is sent to the family and questions arise as to why this is required when death certificate evidences death.

## Case Study

Cian, 22, recently finished his Bachelor of Arts degree in Maynooth University. He lost his mother suddenly at the age of 20. He received the 100% grant based on his combined family income (of €35,000) during his undergraduate. He now wishes to study the Professional Masters in Education (PME). He is supported by his father and has no other support. Since the death of his mother, the family income from Cian's father is €20,500 but also received an additional €13,000 in state supports by widow (er)'s pension and widowed parent grant. This brings the family support to €33,500, outside the remit of a postgraduate fee contribution. Cian's father is supporting four dependent children including Cian and he is unable to support Cian with fees for the upcoming year. Cian cannot proceed to his masters without sufficient supports.

## What can be done

1. Students who suffer from bereavement during their studies have their income assessed with an allowance that any legal inheritance, pension payments or social payments (such as widow(er)'s pension or widowed parent's grant) to the surviving supporting parent (if applicable) or student not be assessed.
2. Guidelines can be given from the Minister for Education and Skills to SUSI on how to evidence separation or evidence from the community welfare officer.
3. Autopsy or Coroner's reports may not be asked for by the relevant grant authority if the death has been evidenced by a death certificate.

## Assets

It has been speculated previously that discussing a family's assets should be considered as a possible route of determining means-based eligibility. While it can be appreciated that the State does not want to see those rich in assets and low in income seek benefits may be able to afford, USI would have concerns with how this may be handled.

## Issues

- It's most likely that any 'asset-rich' family in Ireland will predominately be 'asset-rich' from land or property.
- Much of this property can be working farmland, working property and the family home. Concerns on this have been raised by the USI and the IFA.
- If assets were to be considered in means- testing, many citizens may feel that they are told by the State to sell their assets to fund their child's education. However, this asset may or may not be an income generating asset, which, in future is envisaged to support the family e.g. holding land so it may be inheritance or support in old age.
- The assets held by a family may be an income generating asset at present e.g. working farmland or working property such as a rental property or business.

## What can be done

1. A feasibility group of relevant stakeholders of which USI sits on may be established to be agreed with by the Minister for Education and Skills.
2. Assets in effect should not be assessed if they are primary source of income for the family e.g. the family farm.
3. The family home should not be assessed.
4. Those in negative equity on property should be able to be given allowances of that amount of negative against the combined family income.
5. If the family can evidence an asset is to be a primary support for all or any of the family in future and is valued at less than €1,000,000. This should be omitted from consideration.
6. If an asset is not an income generating asset and is outside of the family home e.g. valuables. The applicant or dependent of the applicant must evidence its need not to be sold or disposed of (e.g. long term investment) to either their community welfare officer or to the relevant grant authority with guidelines set out by the Minister for Education and Skills.
7. Trusts in the name of the applicant which are left on the basis of betterment of the applicant in life for reasons outside of third level education funding should not be brought under consideration.
8. It can be determined the amount of assets a family may have, income generating assets may be given allowances if the assets are of valuations determined by said feasibility group.

## Add on Years

Many institutions have courses which allow additional years which allow the student to attain a level 8 degree in one additional year as opposed to the level 7 that may be attained a year sooner. This is usually the same course but we also see transitional programs to attain professional standard credits e.g. a student may attain a level 8 Bachelor of Arts degree in Legal Studies but must undertake a one year level 8 LLB degree to obtain standards for FE1s in Blackhall Place or King's Inn entrance exams.

## Issues

- This can be a point of confusion for SUSI while the student stays in the same institution, effectively doing the same course or a transitional course of the same NFQ level, SUSI may see this as the start of a new course, when in effect and in the eyes of the institution, it isn't.

## What can be done

1. Institutions should be requested to submit what courses are transitional or add-on years before the next academic year. Students may also request SUSI or the Dept. of Education and Skills to do so.
2. Any course with over two-thirds progression rate into this year should be considered transitional.
3. Any course which is the same in title but offers an 'Add-on' level to progress to a higher level of NFQ of level 7 to level 8 should be considered the same course in views of a maintenance grant.

## Repeat Years

The Grant Scheme 2014 states that a person may receive a grant in a 'repeat year' of studies based on guidelines outlined by the Minister for Education and Skills.

## Issues

- No further information of said guidelines can be found on any website, statute or literature relating to student finance.
- There's widespread misinformation that a grant cannot be obtained if a student has failed their college year and where they cannot receive a grant for their repeat year. This has often come from grant authorities to students.
- It can be assumed by many that a student is repeating a year of their course due to deference of their course or inability to perform based on capabilities. This is not the case, many students repeat due to 'extraordinary circumstances' such as family or health issues.
- As a result, many students will either attempt their course with a significant diminished support despite being eligible for the same support as the previous year or may drop out of the course due to inability to afford it.

## What can be done

1. The guidelines that are sent out by the Minister for Education and Skills should be made readily available on all grant authorities website and should be sent to websites that provide information on student finance. A briefing note should also be sent by the Dept. to support staff members of grant authorities.
2. Extraordinary circumstances may be evidenced by counsellors, gardaí and doctors.

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