

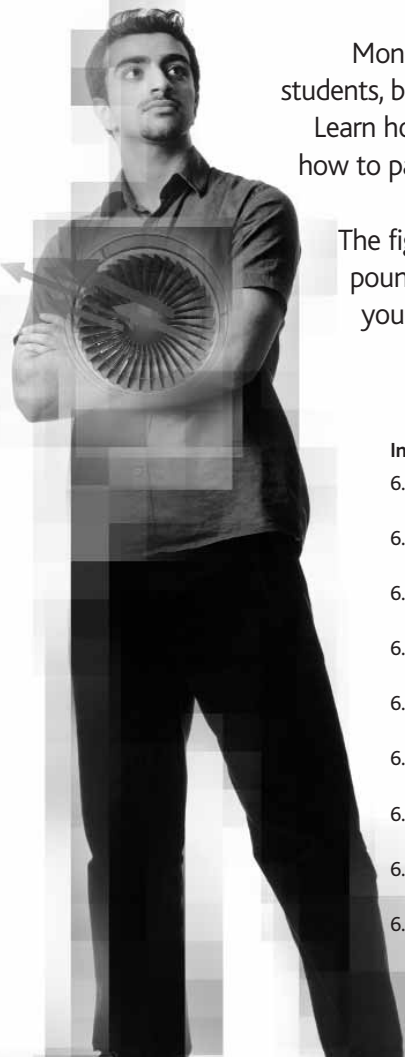


Studying and living in the United Kingdom

2005–06



Financial and legal matters



Money matters are often on the minds of students, but they do not have to be a problem. Learn how to estimate your expenses, decide how to pay for them, sort out a bank account, and manage your money day to day. The figures quoted in this chapter are all in pounds (sterling). Convert each figure into your own currency so that you can get a realistic idea of the costs.

In this chapter:

- 6.1 **Fees and the cost of study** – what to budget for your course expenses
- 6.2 **Cost of living**
– what to budget for your living expenses
- 6.3 **Scholarships and funding**
– five funding schemes you should know about
- 6.4 **Working in the UK** – how to add to your bank account and your CV at the same time
- 6.5 **Banking basics** – get to grips with cash cards, current accounts, currency and more
- 6.6 **Managing your money** – two simple steps that will keep you in control of your finances
- 6.7 **Insurance** – three kinds of coverage you might need while you are here
- 6.8 **Help with legal matters** – if you run into trouble with the law, here's how to handle it
- 6.9 **Further reading**

6.1 Fees and the cost of study

To gain entry clearance to the UK, you will need to prove that you have enough money to cover all your course fees and living expenses (see chapter 2 – *Entry clearance requirements*). To calculate whether you have enough money, you first need to work out how much you will need. The best source of information about course fees is your college or university – the admissions staff are the ones who can tell you exactly how much your course will cost. Here is a rough guide to what you can expect.

English language courses:

- fees vary greatly, but expect to pay about £100 per week for large-class tuition and £300 per week or more for intensive small-class tuition.

Always check the cost of fees with the school or college to which you are thinking of applying. Academic English study courses may cost £100–£200 per week but some universities offer these free of charge to students who are going to take their main course of study there.

GCSEs, A-levels and other equivalents:

- day pupils pay £1,500–£4,000 per term and boarders pay £3,000–£7,000 per term.

Students boarding in independent schools will not need to budget for accommodation, food or laundry costs. It is important to check what else the fees include, such as textbooks and examination fees.

Non-degree career-based and professional courses:

- £3,300–£5,000 a year.

Degree courses:

- £8,000 a year for arts or business courses
- £10,400 a year for science courses.

Remember: most undergraduate honours courses take just three years to complete, compared with four years in the USA and Australia. In Scotland, though, honours degree courses last four years – equivalent to doing an access course plus a degree course elsewhere in the UK.

Postgraduate courses (Master's degrees, PG Cert, PG Dip, PhD):

- £9,000 for arts or business courses (£13,000 or more for MBA programmes)
- £10,500 for science courses.

Most UK Master's courses take just a year, compared with two years in the USA and Australia. PhDs can involve at least three years' full-time study.

The fees quoted above are typical 'overseas' fees. But some international students qualify for 'home' fees (the fees charged to UK students), which are lower because they're subsidised by the UK government. If you are a national of an EU (European Union) country, or if you have been living in the UK for a while already, you may qualify for these reduced fees. Here are the details.

UK residents

If you have been living in the UK, you may qualify for home fees if you meet all three of the following conditions.

- You were 'settled' in the UK on 1 September, 1 January or 1 April (whichever is closest to the beginning of your course). For example, if your course begins in October 2004 you must be 'settled' by 1 September 2004. 'Settled' means you were ordinarily resident in the UK without any immigration restrictions on the length of your stay. To be settled, you must either be a full British citizen, or have right of abode, or have indefinite leave to enter/remain.
- You were ordinarily resident in the UK for the full three years leading up to 1 September, 1 January or 1 April (whichever is closest to the beginning of your course). For example, if your course begins in October 2004, you must have been ordinarily resident in the UK from 1 September 2001 to 31 August 2004. Under the regulations, 'ordinarily resident' means living in the UK habitually, normally, lawfully and by choice.
- During that entire three-year period, at no time were you in the UK just because you were receiving full-time education; you were always living here for reasons other than study.

EU nationals

If you are a national or the child of a national of an EU country, you may qualify for home fees if:

- you were ordinarily resident in the European Economic Area (EEA) or Switzerland for the three years leading up to 1 September, 1 January or 1 April (whichever is closest to the beginning of your course),
and
- you were not there just because you were a full-time student on a course; you were genuinely living in the EEA or Switzerland for reasons other than study.

There are a few exceptions to these rules. For example, if the only reason you don't meet the rule is because you (or your parent or your spouse) were temporarily working abroad during that period, then you still qualify. Other exceptions are mainly for refugees and EEA/Swiss migrant workers.

Your college or university makes the final decision about whether or not you qualify for home fees. They will base the decision on the evidence you give them, so be sure to provide all the relevant documents and details.



Further information

Do you think you might qualify for home fees as a UK resident or an EU national? To find out, contact your nearest British Council office in your own country, or the welfare officer or students' union at your institution if you're already in the UK.

See chapter 2 (*Entry clearance requirements*) for a reminder of which countries are in the EU and the EEA.

See UKCOSA Guidance Notes for students: *Fees and student support* available on the internet at www.ukcosa.org.uk/pages/guidenote.htm

6.2 Cost of living

Apart from the fees for your course itself, how much will it cost you to live in the UK? As a rough guide, for a nine-month academic year, you should allow (on average):

- £6,650 if you will be living in London (or £730 per month)
- £5,250 if you will be living elsewhere in the UK (or £585 per month).

These figures are based on 2002 prices, and include the cost of accommodation, heating, lighting, food, clothing, books and daily travel for one person for a nine-month academic year. Living costs for career-based and access or foundation courses tend to be lower than these average figures.

Cost breakdown

Here are some typical prices for specific items and services in the UK overall. In London you might need to pay a little more for some things. On the other hand, at discount stores and street markets (both in London and elsewhere), you may be able to find many of these things for less than the prices given below.

Deposit on rented accommodation: £250–£400 (one month's rent)

Heat and light (if charged separately): £20–£40 per month, depending on the season

Food (if not included in accommodation): £30–£40 per week

Wine: £3–£5 for a 75cl bottle (table wine)

Beer: £1 for a half-litre can of lager; £1.70–£2.50 for a pint of bitter in a pub or bar

Personal hygiene items, cosmetics, etc: £10 per month

Haircut: £7–£20

T-shirts, underwear: £10 and under

Shirts and tops, lightweight sweaters, lightweight shoes: £25 and under

Jeans and other casual trousers, skirts, lightweight outdoor jackets, heavier sweaters, heavier shoes: £35 and under

Raincoats and other outerwear, boots: £60 and under

Winter coats: £100 and under

Laundry: £16–£20 per month

Dry cleaning: £4 for skirt or trousers; £9 for heavy coat

Small electrical appliances (e.g. hairdryer, kettle): £20 and under

Textbooks: £10–£50 or more; some may be available second-hand for less

Paperback books to read for leisure: £5–£10; second-hand books as little as £1 or less

Newspapers: 30p–£1.20 per issue

Magazines: 50p–£3

CDs: £5–£15

Television licence: £121 per year per household

Phone card (for use in public telephones): choice of £2, £5, £10 or £20. Some excellent deals may also be available online.

Restaurant meal: £5 per head minimum; £15 per head average (drinks extra)

Cinema ticket: £4–£10

Theatre ticket: £10–£30

Concert ticket: £5–£30

Swimming pool use: £2.50

Tennis/squash court: £3–£5 per hour

Special reductions are offered for students at many local shops, theatres, cinemas, museums and galleries; and special student fares are available on buses and trains. Some stores operate loyalty schemes offering a range of rewards, from cashback to money-off vouchers. Ask at your students' union for details.

Entertainment expenses, in particular, vary a great deal from student to student. Also, remember that in addition to these entertainment expenses, you'll have monthly expenses such as rent and heat, and occasional expenses such as clothing and textbooks.

6.3 Scholarships and funding

If you are hoping for help with funding your studies in the UK, you need to get working on this as soon as you can – it is almost impossible to make arrangements for financial support once you have left your own country. Start by enquiring with your own Ministry of Education or Department of Education. Your local British Council office can provide details of awards available including those offered by UK institutions themselves. You'll also find information and a scholarships database at www.britishcouncil.org

The main scholarship schemes available for international students include:

- British Chevening Scholarships
- Commonwealth Scholarships and Fellowship Plan (CSFP)
- DFID Shared Scholarship Scheme
- Overseas Research Students Awards Scheme (ORSAS).

British Chevening Scholarships

What they are: Prestigious awards enabling talented international students to study in the UK at postgraduate level. About 2000 new scholarships are currently awarded each year to students from over 150 countries. There are three types of scholarship:

- a full award, where all the fees, a living allowance and travel to and from the UK are paid for
- a fees-only award, where all or part of the fees are paid
- a partial award, where a combination of the fees and the allowances allowed in the full award are paid.

The value of the scholarship will vary, depending on the type of award, the length of the course and the country from which the student comes, up to a maximum of £20,000.

In 2005 the Foreign and Commonwealth Office introduced the Chevening Fellowship programme aimed at mid-career professionals.

Funded by: The Foreign and Commonwealth Office.

Eligibility: You should be undertaking a postgraduate diploma or Master's course in the UK lasting up to one year. (Awards are sometimes given for shorter courses as well.) Ideally, you should already be established in a career.

Applications: Contact the British Council or the British Embassy or High Commission in your own country for details. You should be resident in your home country when you apply. Candidates are selected by British Embassies and High Commissions overseas with input from the local British Council Director.

Commonwealth Scholarships and Fellowship Plan (CSFP)

What they are: These awards are mainly for postgraduate study, although funding for undergraduate study may be possible if there are no suitable undergraduate courses in your home country.

Funded by: The Department for International Development and the Foreign and Commonwealth Office.

Eligibility: You must be a citizen of either a Commonwealth country or a British dependent territory. A university degree, or equivalent, is usually required.

Applications: Apply to the Commonwealth Scholarship Agency in your country (ask your local British Council office for information). You must be resident in your own country when you apply.

DFID Shared Scholarship Scheme

What they are: A joint initiative by the Department for International Development (DFID) and certain UK higher education institutions. The awards are normally given for taught postgraduate courses. In rare cases, an award may be made for undergraduate study if the course is not available at an institution in your home country.

Funded by: The Department for International Development and participating UK higher education institutions.

Eligibility: You must normally be under 35 years of age, you must be resident in a developing Commonwealth country, and you must not be currently employed by your government or an international organisation. You should be planning to study a subject related to development and be fluent in English.

Applications: Apply directly to one of the participating institutions. You can ask for a list of participating institutions from the British High Commission or your local British Council office.

Overseas Research Students Awards Scheme (ORSAS)

What they are: Awards for full-time postgraduate study, for a period of one year, initially. They make up the difference between home and overseas students' fees.

Funded by: The Department for Education and Skills.

Eligibility: You must be a postgraduate research student at a publicly funded higher education institution in the UK. You will need to demonstrate academic merit and research potential.

Applications: Application forms are available from UK higher education institutions – contact the one where you want to study. For further information, contact the ORSAS office at Universities UK: Woburn House, 20 Tavistock Square, London WC1H 9HQ, telephone +44 (0)20 7419 4111, fax +44 (0)20 7388 8649, e-mail ors_scheme@universitiesuk.ac.uk, www.universitiesuk.ac.uk

Top-up fees

Effective from the academic year 2006, it is proposed that some higher education institutions will introduce top-up fees of variable amounts up to £3,000. This will apply to UK and EU students only who are paying home fees. International students who pay 'overseas' fees are unaffected by this legislation.

6.4 Working in the UK

If your course in the UK lasts under six months, you can ask for permission to work when you apply for leave to enter the UK. If your course lasts longer than six months, you should automatically be given permission to work. Check that the stamp or sticker in your passport says 'Work and any changes must be authorised'. This means that you are allowed to work full time in the UK during the vacations, and part time (up to 20 hours a week) during term-time. Your spouse or children may be given permission to work as well. This can be a useful way to develop your work skills and strengthen your CV.

To find a job, start with the employment advice service at your college or university. Many institutions have a few openings for students to work on campus in various roles, and the employment advice service should have the details. They will probably also have information about current vacancies or upcoming vacation jobs off campus, and about what sort of work is usually available in the area.

Other ways to find a part-time or vacation job in the UK include:

- checking the notice boards around your institution
- reading the advertisements in the local newspaper
- looking for 'help wanted' signs in the windows of local shops, restaurants and businesses
- word of mouth – tell your friends, your tutor, your landlord, etc., that you are looking for a job – someone might know of an opening.

6.5 Banking basics

It's important to make secure arrangements for your cash. You should not carry large sums of money with you or leave a lot of cash in your lodgings. Instead, open a bank account or building society account and make full use of the facilities it offers.

Most banks in the UK are open from 9.30 a.m. to 4.30 p.m. Monday to Friday and many are open on Saturdays. But if you have a cash card for your account, you can withdraw money from your account at any time of the day, any day of the week, by using a cash machine (see 'Cash card' below).

Find out as much as you can about banking in the UK before you get here. Ask your college or university what your options are for paying your fees, so that you know what facilities you will need. And then contact your bank in your home country and ask:

- how best to transfer your money to the UK
- about running a bank account in the UK
- whether your bank has a special relationship with any of the UK banks
- whether you can use cash cards from your home bank in cash machines in the UK.

Speaking the language: UK banking terms

Balance: The amount of money in your account at any particular moment.

Cash card: Also called 'cashpoint card'. This plastic card allows you to take money from your account at any time of the day, including outside banking hours, by using a cash machine (also called 'cashpoint'). You will find cash machines built into the wall outside the bank, and also in other places such as outside supermarkets, at petrol stations and in large shopping centres. You can use your card in the cash machines of other banks. There is a limit on how much money you can take out of your account each day by cash card. There may be a charge if you use a cash machine that is not provided by your own bank or building society, for example in certain supermarkets.

Cheque guarantee card: A plastic card which guarantees that your bank will pay the cheques you write, usually up to a fixed limit shown on the card. The cheque guarantee card and the cash card are usually combined as one card, often with debit-card facilities as well (see below).

Current account: A bank account, with a cheque book, for depositing and withdrawing money. Most current accounts pay little or no interest.

Debit card: A plastic card that allows you to spend money directly from your account without withdrawing cash or writing a cheque. Often combined with cash-card and cheque-guarantee facilities as one card.

To deposit: To put money into an account. Also called 'to pay in'.

Deposit account: A savings account where money can earn interest. You may have to give notice if you wish to withdraw any money, and you cannot write cheques for this account.

Interest: Extra money paid to you on money you have deposited, or extra money you pay on money you have borrowed by loans or overdraft.

Overdraft/to overdraw: To overdraw your account means to spend more money than you have in your account. When you overdraw, you are basically borrowing money from the bank. If you think you might need to do this, you should arrange an overdraft with your bank when you set up your account: you and the bank agree on an amount of money by which you may overspend. You will probably have to pay interest and bank charges on your overdraft, although some banks offer free overdraft arrangements for students.

PIN: When you receive your cash card or debit card for your account, the bank will also send you a personal identification number (PIN). Memorise this number: you will need to key it into the machine each time you use your card. Do not tell anyone else your number. Once you are sure that you know the number, destroy the slip that had the number written on it and do not write the number down anywhere else. These are security precautions: if anyone else found out your PIN and found or took your card, they could access your account and take money from it.

To withdraw: To take money from your account by writing a cheque or using a cash card.

Choosing an account

Choose your bank in the UK carefully. Try to visit the main banks and building societies (see below) near your college or university to see which can offer you the best service. Also, check with the welfare officer or student services department at your institution: they may have information about the services offered by local banks.

Your options include:

- **Banks.** The main ones offer specific accounts for full-time students, featuring special facilities and fewer charges. But at some banks, these special student accounts are available to UK students only, so ask about this before you decide where to open your account.
- **Building societies.** These institutions were originally formed to lend money to people who wanted to buy a house. Now they offer a range of financial services, including banking. You may find that, unlike some banks, a building society will offer you interest on a current account.
- **Post Office.** The Post Office offers a banking service, called National Giro, and a National Savings Bank where you can put your money if you want to earn interest. These accounts tend to be less flexible for international transactions than the services offered by banks and building societies. Consider them only if you want to have an extra account in addition to your main one.

The most useful account to arrange at first is a current account. You can put money into the account in cash, or by cheque or bank draft made out to you. Then you can write cheques and withdraw cash yourself. To withdraw cash, you can either write a cheque to yourself or write it to 'cash' – or you can use your cash card in a cash machine (see the beginning of this section).

If you find you are paying large amounts of money into your account, you might want to open a deposit account as well, so that you can earn interest on your money.

When you go to the bank to open an account, you will need to take your passport and a letter of acceptance from your college or university. A letter of reference from your bank in your home country may also be useful. The bank will probably ask for evidence of your UK address, in which case you can show them your agreement with your hall of residence, or tenancy agreement if you live in private accommodation. When giving the bank details of your address in your home country, or if you use a P.O. box for receiving mail, it helps to give a street address as well as a postal address if you can.

Mastering pounds and pence

- The basic unit of British currency – ‘sterling’ – is the pound (£).
- One pound is made up of 100 pence (p).
- The most common paper bank notes are for £20, £10 and £5; you may also see £50 notes from time to time.
- Coins are for £2, £1, 50p, 20p, 10p, 5p, 2p and 1p.

6.6 Managing your money

It is worth making a little effort to keep your financial affairs in good shape. Keep your money under control, and you can concentrate on the real business of studying and living in the UK. Here are two tips for managing your finances.

1 Make full use of banking facilities

Once you have opened a bank account, you can ask the bank's financial advisers to help you decide how to manage your money. You can use your bank account (or other account) to pay your regular bills such as electricity, gas and telephone by direct debit or by standing order, on a regular basis. The financial advisers can help you to organise a budget account to pay regular bills or help you to deal with any periods when you might need an overdraft facility. If you have a financial sponsor, make sure you find out from them exactly when the money will become available to you and how much there will be.

You can also use cheques to pay for goods and services. You may also find that you can use a cash card linked to an account that you have in your own country to draw money from your home account while you are in the UK. Cards carrying signs such as Cirrus or Maestro may have this facility. Ask your home bank about this before you leave, in order to ensure that you bring the right cards with you.

2 Deal with financial problems promptly

Monitor your account in the UK carefully and make sure you do not overdraw – or, if you have arranged an overdraft, make sure you do not go over the amount you agreed with the bank. If you do run into any money problems, take the initiative and sort them out quickly – do not risk going into debt or falling behind with your rent. Problems may arise, for example, if there is a sudden change in the political situation in your country, if there are unexpected delays in transferring your money, or if your personal circumstances change (e.g. your accommodation arrangements, your marital status).

In these situations, do not be tempted to borrow money. Instead, get advice from a reliable source. Start by meeting with the student counsellor at your college or university. He or she can tell you what to do about paying your tuition fees, and whether there are any college funds or charitable trusts that might be able to help you. If you are building up debts on credit cards or rent arrears, debt counselling may be available at your institution or at a local Citizens Advice Bureau. If the problems are caused by political situations or changes in foreign exchange, ask your Embassy or High Commission for advice.

6.7 Insurance

During your stay in the UK, there are three types of insurance that you might need:

- personal property insurance – to cover your possessions against damage or theft (if possible, try to arrange this in your own country before you come to the UK)
- medical insurance – to cover your medical bills if you are not entitled to NHS services (you may prefer to arrange this in advance; see chapter 7 – *Health*)
- motor insurance – it is an offence to drive a car or motorcycle in the UK without this.

For each type, there are many different insurance policies available, so look around until you find one that meets your needs – including your budget. You will find a range of insurance companies listed in your local UK telephone directory, and your bank or building society may also be able to offer you an insurance policy. Many insurance companies have special policies for students. Ask the welfare adviser at your college or university for advice. And make sure that you understand all the conditions before you agree to a policy.



Further information

To check the status of an insurance company (or to make a complaint), contact the Association of British Insurers, 51 Gresham Street, London EC2V 7HQ, telephone +44 (0)20 7600 3333, fax +44 (0)20 7696 8999, www.abi.org.uk

When you are considering a particular policy, ask yourself the following questions:

- What will be paid out to me when I make a claim? Some personal property insurance policies, for example, only pay you the second-hand value of your lost possessions. 'New-for-old' policies will pay you the full cost of replacing the item, but they tend to be more expensive.
- Are there any conditions attached to the policy? Some medical insurance policies will not cover you for pre-existing medical conditions (that is, conditions you already have when you take out the policy). Some personal property policies may not cover your possessions if they are taken away from the place where they are normally kept (for example, if you take your CD-player to a friend's house).
- Are there any exceptions to the policy? For example, a medical insurance policy may not cover you if you play a dangerous sport (find out how they define 'dangerous sport').

Motor insurance

The cost of a car insurance policy will depend on your age, how long you have been driving, where you are living, the age and value of your car, and the type of car it is. You can choose from three different types of car insurance policy:

- comprehensive – the fullest cover but also the most expensive
- third-party, fire and theft
- third-party only – the minimum possible cover and the least expensive option. Third-party insurance covers you if you are legally responsible ('liable' for harming someone else or damaging their property).

6.8 Help with legal matters

Happily, most international students complete their courses in the UK without running into any serious legal problems. But if you do find yourself involved in a legal dispute of any kind, ask for help. Here are two options:

- Contact the students' union or welfare officer/counsellor at your college or university. Even if they cannot help you directly, they should be able to advise you where to go for help.
- Contact the Citizens Advice Bureau in your area (see the local telephone directory for the address) for expert advice. They will be able to recommend a lawyer if you need one, and tell you if there is a local law centre providing free legal advice. They will also be able to tell you whether you can claim legal aid to help pay for any court and legal fees.

The police

The police have the power to stop and search anyone who appears to be behaving in a suspicious manner. If you are arrested:

- Try not to be aggressive.
- Do not try to bribe the police officer.
- If you are arrested by plain-clothes police officers, ask to see some form of identification.
- Give your name and address if the officer asks you to.
- Do not sign any statement until you have received advice from a lawyer. (There is always a solicitor on duty at the police station.)
- You will be entitled to make one telephone call. If you use this call to telephone a friend, urge your friend to contact someone from your college or from the students' union and get advice about what you should do next.

If you find yourself in trouble with the police, it is very important to get specialist advice. Contact any of the following:

- your college or university welfare officer
- the students' union at your college or university
- your local Citizens Advice Bureau
- a local law centre.

If you are convicted (found guilty) of an offence, it could seriously damage your position as an international student, so be sure to ask for help as early in the process as possible.

Reminder: obey the local laws

The laws in the UK may not be quite the same as in your own country. Here are a few examples of actions that are illegal in the UK.

It is against the law to:

- possess offensive weapons, e.g. knives (including flick-knives), guns, chemical sprays used for personal defence – even women are not allowed to carry sprays or other deterrents to protect themselves against possible assault (except for rape ‘alarms’)
- possess or supply hard or soft drugs
- disturb the peace – this is called ‘disorderly conduct’. You can be arrested for being too noisy or rowdy.

6.9 Further reading

Awards Guide, The Association of Commonwealth Universities, telephone +44 (0)20 7380 6700

The Educational Grants Directory, Directory of Social Change, annual, telephone +44 (0)20 7209 5151

Studying in the UK – sources of funding for international students, Foreign and Commonwealth Office/British Council/UKCOSA joint publication

UKCOSA Guidance Notes for students: *EEA students; Fees and student support; Working during your studies; Financial hardship; Opening and running a bank account in the UK* (available from your local British Council office or directly from UKCOSA: The Council for International Education, 9–17 St Albans Place, London N1 0NX, telephone advice service available 1.00 p.m. to 4.00 p.m., Monday to Friday +44 (0)20 7107 9922, www.ukcosa.org.uk)

The Department for Education and Skills (DfES) has produced a leaflet: *International students working in the UK, what you need to know*. It is available on their website at: www.dfes.gov.uk/international-students

The British Bankers’ Association has produced a leaflet: *International students: Opening a bank account*. It is available on their website at: www.bba.org.uk