

STUDYLINK NEWS

A resource for education providers and student associations

JUNE 2013



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Welcome to the latest edition of StudyLink News

There's lots of information in this edition about the Student Support changes that were announced as part of Budget 2013 and will be implemented from 1 January 2014. We hope you find this useful as we all have a role to play in helping people who might be affected by these changes to understand what they mean.

We are working with the Ministry of Education (MoE) and Inland Revenue (IR) to communicate directly with students to make sure that they are able to make considered decisions as part of planning their future study.

Our regional Stakeholder meetings across the country with MoE and IR are underway. It's great to see so many of you attending. These meetings are a good opportunity to discuss any questions about the changes and also for us to hear your feedback, ideas and more generally about how things are going. If your region has not yet had its meeting I encourage you to come along.

As part of these meetings we are also talking about the peak season in review, seeking your input and sharing some of the initiatives we have planned.

I want to acknowledge and thank you for your support with assisting students during a really busy time.

The big surge of applications started later this season. That presented some challenges and highlights some learnings for us for next peak. To put it in context from October to the end of April we had

processed 340,691 Student Allowance, Student Loan and Unemployed Benefit Student Hardship applications, answered 576,307 calls and had 306,702 transactions completed online through MyStudyLink.

We have completed a full review of the season and have gathered feedback from students, student unions and education providers. One of the big changes we are making is increasing the capacity and capability across our team; which includes increasing permanent staffing numbers and extending the staff sharing initiative with IR.

Amongst other initiatives, In June we will be enhancing MyStudyLink with a new service that enables students to see if their sent documents have been received. Providing this information online will mean students don't need to call us to get this information.

As you are aware, the igovt logon was introduced last year. From 1 July the igovt logon is being re-launched under the RealMe® brand. The RealMe brand is replacing the igovt logon brand, but will not change the way students' login or their login credentials. There is more about this on page 4.

Finally, thanks to those who have already contributed to the

stakeholder forums to date, and I look forward to meeting with more of you over the coming months.

Best wishes,



Susan Kosmala
General Manager

Remaining regional stakeholder meetings:

Wellington | 25 June 10am-1pm

Kauri Room, Work & Income Regional Office, Freemason House, Level 1, 195-201 Willis Street, Wellington

Dunedin | 26 June 10am - 12pm

Waipori Room, MSD Community Link, Cnr Castle and St Andrew Streets, Dunedin

Christchurch | 27 June 10am - 12pm

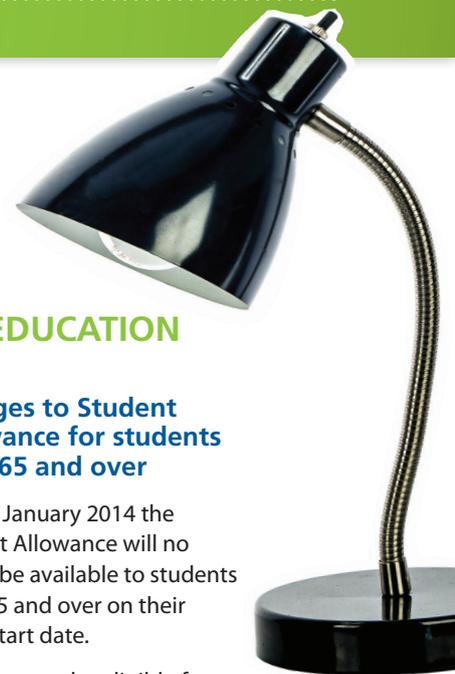
Latimer Room, NZ Government Services, Durham Street, Christchurch

Hamilton | 28 June 11am - 1.30pm

Rotary Lounge Hamilton Gardens, Cobham Drive, Hamilton East

Budget 2013

Changes to student support



RECAP

A number of changes to Student Allowances and Loans were announced as part of Budget 2013.

The following policy changes will come into effect from 1 January 2014:

- The residency 'stand-down' for Student Allowances and Loans will be extended from two to three years.
- The Student Allowance 200-week limit will reduce to 120 weeks for students aged 40 years or over.
- The Student Allowance will not be available to students aged 65 and over.
- Students aged under 18 who are studying fees-free level 1 or 2 programmes will not be able to access any component of the Student Loan Scheme.

Some of the changes include transitional provisions for the 2014 year. Students do not need to apply for any of the transitional provisions. They will be assessed automatically when they apply for study that starts in 2014.

MORE INFO

Thanks to those that attended the regional stakeholder meetings throughout June.

Once again these have been an invaluable opportunity to discuss the changes and how they will be implemented.

You can find more information about these changes at www.studylink.govt.nz.

If you have any questions about the changes, please contact the StudyLink Helpline on **0508 885 885**.

WHAT THE CHANGES MEAN FOR EDUCATION PROVIDERS

Changes to the residency requirements for Student Allowances and Student Loans

Students that start study on or after 1 January 2014 who are not New Zealand citizens, refugees or protected persons (or sponsored by a family member who is/was a refugee or protected person) will have a 'stand-down' of three years before they qualify for a Student Allowance or Loan, unless they meet the transitional provisions.

Education providers that enrol students who do not meet the new residency requirements need to be aware of how this will impact students' access to the fees component of the Student Loan Scheme and other financial assistance available to those students.

Transitional provisions

Students who would have been eligible in the 2014 calendar year under the previous two-year stand-down rule will be eligible for Student Allowance and/or Student Loan from the date that they reach their two years. This applies whether or not they received an allowance or loan in 2013.

Changes to Student Allowance for students aged 40 and over

From 1 January 2014, the Student Allowance 200-week limit will reduce to 120 weeks for students aged 40 years or over on their study start date.

Students whose study period started in 2013 and carries over into 2014 will continue to be assessed under the current 200-week limit for that period of study. An application period is an approved Student Allowance application for an enrolment period of up to 52 weeks. The next application will be assessed under the 120-week limit.

Students who are approved an extension to their 200-week limit before 1 January 2014 will continue to be eligible for that extension, even if it exceeds the new 120 week limit.

Transitional provisions

Students who studied and received a Student Allowance in 2013 and apply for an allowance for study starting on or after 1 January 2014 can continue to receive Student Allowance for up to one year (until 31 December 2014) or until they reach their previous 200-week limit, whichever comes first.

Changes to Student Allowance for students aged 65 and over

From 1 January 2014 the Student Allowance will no longer be available to students aged 65 and over on their study start date.

Students may be eligible for New Zealand Superannuation when they turn 65. They are unable to receive New Zealand Superannuation or Veteran's Pension and Student Allowance at the same time.

Students whose study period started in 2013 and carries over into 2014 continue to be assessed under the current 200-week limit for that period of study.

Students who are approved an extension to their 200-week limit before 1 January 2014 will continue to be eligible for that extension after 1 January 2014.

Extensions to the 120-week limit due to 'special circumstances' can be approved beyond the age 65 limit.

Transitional provisions

Students who studied and received a Student Allowance in 2013 and apply for an allowance for study starting on or after 1 January 2014 can continue to receive Student Allowance for up to one year (until 31 December 2014) or until they reach their 200-week limit to a Student Allowance, whichever comes first.

Changes for Level 1 and 2 study

From 1 January 2014, students who are under 18 on the start date of a course that is a fees-free Level 1 or Level 2 qualification will not be eligible for any component of the Student Loan for the period of that course.

If a student is undertaking a fees-free level 1 or level 2 qualification as well as a higher level qualification they may still be able to access a Student Loan for the higher level qualification.

Inland Revenue update

Budget 2013: Changes to Student Loan repayments

Government's proposed changes to Student Loans announced in Budget 2013 focus on improving repayments from overseas-based borrowers and increasing personal responsibility for debt.

Information matching with Department of Internal Affairs

This will allow the Department of Internal Affairs to share contact details from adult passport applications and renewals with Inland Revenue. The details will be matched against Inland Revenue's database of overseas-based borrowers in default (for Student Loans) and liable parents in default or whose contact details are out of date (for child support). This will enable us to get in touch with individuals to confirm their correct contact details and discuss their outstanding arrears. This will be implemented once the relevant regulations have been approved later in 2013.

Adjusting the overseas-based repayment regime

Adjustments will be made to the overseas-based borrower repayment regime by introducing a fixed repayment obligation threshold and adding two more steps to the current overseas-based repayment regime, so borrowers with higher loan balances have a higher repayment obligation. This will be included in a bill later this year.

Introducing the ability to arrest non-compliant borrowers who are about to leave New Zealand

Making it a criminal offence to knowingly default on an overseas-based repayment obligation will allow Inland Revenue to request an arrest warrant to prevent the most non-compliant borrowers from leaving New Zealand. Similar provisions already exist under the Child Support Act, and will only be applied to the worst cases of non-compliance. This will be included in a bill later this year.

Changes to the calculation of the cost of lending in the Student Loan Scheme

The cost of lending in the Student Loan Scheme is now calculated using annual interest rate data applicable from the year the borrowing occurs. This came into effect from 1 January 2013. The change will increase the accuracy of the Scheme and provide Government with better information on the cost of lending.

Customs alerts for Student Loan borrowers in default

Inland Revenue now matches information with New Zealand Customs so they're notified when Student Loan borrowers living overseas who are seriously in default return to New Zealand. With this information, Inland Revenue can then follow up with the borrower to discuss their Student Loan and make arrangements to repay their loan arrears, or pursue other collection processes.

Inland Revenue is raising awareness about this among overseas-based borrowers and their influencers in New Zealand so they know what they need to do and keep on top of their Student Loan.

No Student Loan bill or refund for salary or wage earners

Recent changes to Student Loans now mean borrowers earning New Zealand salary or wages only will no longer receive an end-of-year repayment obligation notice from Inland Revenue. The repayment deductions from their

salary or wages will now generally be considered as meeting their repayment obligation, unless there's been a significant over- or under-deduction.

This means these borrowers won't have a Student Loan bill or refund on their salary or wage income at the end of the 2013 and future tax years, even if they earned under \$19,084 from salary or wages in the tax year.

Those who have income from other sources such as interest, dividends, rental or business income may still have an end-of-year repayment obligation, in which case they will receive a notice from Inland Revenue.

For more information go to www.ird.govt.nz.



Inland Revenue
Te Tari Taake



COMING SOON

SECOND SEMESTER
AND STUDY BREAK
ASSISTANCE

With second semester on its way we will be proactively contacting students who have an application that ends during the middle of the year but don't currently have a subsequent application.

The mid-year application period results in another influx of applications for StudyLink, although on a smaller scale. In addition to those students needing to apply for semester two courses we have new students, students changing courses and students needing financial support during their study break.

Emails to approximately 11,000 students who need to apply for semester two are being sent in June reminding them to apply early if they are returning to study.

You can support us by encouraging students to check their MyStudyLink account to confirm their study dates and apply early if they require financial assistance during their study break (if longer than 3 weeks) or second semester.

Our website also has information on how to apply for second semester. Please direct students there in the first instance if they have questions about reapplying.



Same service, new look

A facelift for MyStudyLink

MyStudyLink has been updated to match the look of our online application.

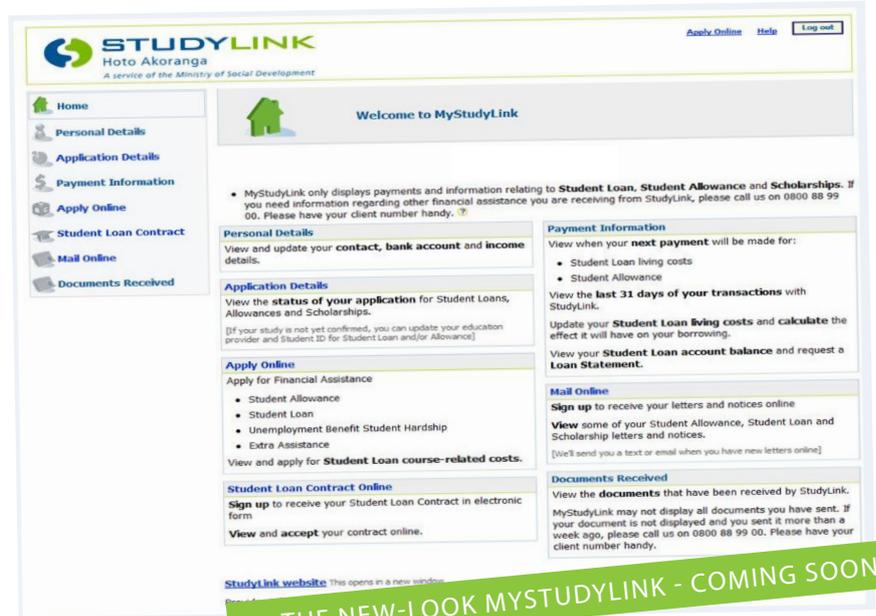
The way students navigate and use MyStudyLink hasn't changed.

Students now also have access to a new function that allows them to see when documents they've sent us have been

received and recorded in our system.

This, combined with the existing ability to track the status of their applications, will give students a better understanding of where things are at and what they still need to do to complete their application.

Information and FAQs about the new look and the new service are being added to our website.



THE NEW-LOOK MYSTUDYLINK - COMING SOON

igovt becomes RealMe

From 1 July, the igovt logon service is being rebranded as the RealMe® login service.

This means the login for MyStudyLink and Apply online will look different and will be called RealMe, but there is no change to the way students login. Students will continue to use their existing igovt username and password.

StudyLink's online services won't be available on Saturday 29 and Sunday 30 June while we make these changes. Information is also available on the StudyLink website now.

All current students are being sent an email to let them know that they don't need to do anything. They just enter their igovt username and password as normal and they will be able to continue to use StudyLink's online services.

There are two parts to the RealMe Service, one is a RealMe login, and the other is a verified RealMe account. StudyLink will be using RealMe logins. There will be no changes to the way students verify their identity with StudyLink and no requirement for students to verify their accounts under the RealMe service.

If you receive any queries or concerns from students please assure them it's just the look of the login service that has changed and not how they login or the credentials they use to do so.

The RealMe service will be as secure as the igovt logon service and will continue to protect students' privacy.

More information about the RealMe service is available at www.realme.govt.nz.

REMINDERS

RE-SENDING PAYMENT SCHEDULES

Payment schedules that you receive through the VoS Online site are only available on the website for fourteen days.

It is important that you download these from the website if you wish to store them for future reference.

StudyLink only stores files for three months before they are archived and we may not be able to re-send these to you outside of this timeframe.

Want to know more? Contact the StudyLink Helpline through KBase.

VOLUNTARY COMPLETION FILES

Education providers are able to submit additional completion files to provide semester one results to the Ministry of Education (MoE) in addition to those required for the scheduled Single Data Return (SDR).

Doing this can help reduce the number of Statement of Satisfactory Progress (SSP) forms that may be generated for semester two applications prior to the scheduled September SDR being submitted.

Please note that this process is voluntary and it is up to individual providers to determine the benefits of submitting an additional file.

If you have any technical questions regarding processing and updating your SDR files please contact the MoE Sector Service Desk either via email sector.servicedesk@minedu.govt.nz or phone **0800 422 599**.

For more information, or if you have any questions, please contact the StudyLink Helpline on StudyLink_Helpline@msd.govt.nz.

Moving from benefit into study

We know that beneficiaries often find the change from the level of assistance they received while on a benefit and what they get from their study assistance unexpected.

As such, it's important they have all the information and support they need early on to allow them to make informed choices. This responsibility is shared equally between StudyLink, Work and Income and the education provider.

Prospective students need to carefully consider their study options and how they translate to future employment prospects. They also need to understand how their eligibility for financial assistance may change and what's involved in the application process in order to smooth the transition from one type of assistance to the other.

Through discussions with education providers and Work and Income we have identified some ways we can work more closely together to support these students. As a result, a trial fact sheet has been developed which will support providers in these early discussions.

The fact sheet outlines the things they need to think about, who they need to talk to, and the *Seven steps to student finance* if they aren't able to stay on their benefit.

If this resource would be beneficial to your students, please email us at StudyLink_Helpline@msd.govt.nz.

Useful resources

SEVEN STEPS TO STUDENT FINANCE

Our application process is emailed to all students when they complete their online application.

It explains the different stages in the application process and the services available to help students track its progress.

Many students have told us they find the chart helpful.

If you'd like a poster of the *Seven steps to student finance* please email your request and delivery address details to StudyLink_Helpline@msd.govt.nz.

The chart is also available in a range of our printed material, as well as online at

www.studylink.govt.nz/financing-study/making-your-application/the-application-process.html.

SEVEN STEPS TO YOUR STUDENT FINANCES

EXAMS FINISH

STEP 1 – Apply at www.studylink.govt.nz for your financial assistance

STEP 2 – We will start processing your application
We'll check the information you give us and get things underway. You don't need to do anything at this point unless you hear from us.

STEP 3 – We will contact you
You'll receive a letter telling you what we need next. Make sure you read it, sign and return it (if required) and send us any documents we ask for.

STEP 4 – Use MyStudyLink to track your application:

- check your Student Allowance and Student Loan status online
- view and accept your Student Loan Contract
- view and update your personal details
- apply for your course-related costs
- get your mail online.

Please note: MyStudyLink only displays payments and information relating to Student Loan, Student Allowance and scholarships.

STEP 5 – We check your details with your education provider
You need to make sure you're fully enrolled before this can happen.

STEP 6 – We will finish processing your application
We will send you a letter letting you know what you qualify for and when your payments will start.

STEP 7 – Your payments can start
The earliest your payments can start is in the second week of your course. This is because we make payments in arrears.

REMEMBER: If you have applied for Unemployment Benefit Student Hardship, we'll write to you soon to let you know what happens next. You need to allow enough time for all seven steps to be completed, so apply as soon as you can. If you don't apply on time or don't give us all the information we need, we can't pay you on time.

Save time – Get it done online www.studylink.govt.nz

New Zealand Government **STUDYLINK**

Updates to education provider tools

STATUS REPORTS

From 24 June 2013 a new context has been added to the status report for students who have reached the annual 2 EFTS limit.

This new context will appear on status of ACTIVE, LEAA or VOSREC when a new VoS is received and has not been applied to the student's loan application due to the student reaching their annual 2 EFTS limit.

VOS ONLINE

As part of our commitment to the ongoing improvement of our systems, VoS Online has been updated to use an 'https' address to further strengthen the connection used to transfer VoS files.

The new URL is <https://vos.studylink.govt.nz>.

The functionality of the VoS Online tool has not changed.

Welfare Reform changes

New Zealand's welfare system is changing to one that better recognises and supports people's work potential. It focuses on what people can do to achieve a better future for themselves and their families.

From 15 July 2013, students receiving the Unemployment Benefit Student Hardship will transfer to Jobseeker Support Student Hardship.

For more information on the changes to Work and Income benefit types, visit www.workandincome.govt.nz.

The change to Jobseeker Support Student Hardship will happen automatically and no students' payments will reduce, but the Jobseeker Support Student Hardship is a new benefit with a number of new requirements.

Most students will continue to receive their payments as usual and are able to receive up to \$80 (before tax) a week before their benefit payments are affected.

Students are currently required to look for full-time work while receiving this benefit and this hasn't changed. They must continue to meet their work obligations.

Students who are sole parents will be

able to receive up to \$100 (before tax) a week before their benefit payments are affected (or \$120 if they have childcare costs). The way extra income affects their benefit is also different.

These changes mean that if a sole parent is receiving income when they transfer to the Jobseeker Support Student Hardship on 15 July 2013, they may see an increase in their benefit rate.

New obligations and requirements

To receive Jobseeker Support Student Hardship there are some new things that students must do.

If a student has an arrest warrant, their benefit may be reduced or stopped unless it's cleared or they've taken all reasonable steps to clear it.

All students must advise StudyLink before leaving New Zealand. Payments will automatically stop from the day after they leave New Zealand unless they've told us before they go and we've agreed there are approved reasons that mean their payments can continue.

Students with dependent children need to take reasonable steps to make sure that:

- **all children** are enrolled with a general practice that's part of a Primary Health Organisation.

- **from the age of three until they start school**, children are enrolled in and attending:
 - an approved early childhood education programme, or
 - Te Aho o Te Kura Pounamu – The Correspondence School, or
 - another approved parenting and early childhood home education programme.
- **children under five** are up-to-date with core Well Child/Tamariki Ora checks.
- **from the age of five or six** (depending on when they start school), children are enrolled in and attend school.

All students who are moving to Jobseeker Support Student Hardship will be sent a letter explaining the changes before they come into effect.

This is a summary of the changes. If you would like more information about these changes you can contact our Helpline on **0508 885 885** or at studylink_helpline@msd.govt.nz.



Student Job Search: Volunteering Otago

It's no secret that the youth of today are a generation that want to help out and make a difference. Canterbury's Student Army's activities following the earthquakes highlighted the value student volunteers can offer.

The Otago Polytechnic, OUSA and OPSA under the 'Scarfie Army' banner have partnered with Student Job Search to roll out a volunteer jobs pilot project, which will aim to see Otago students from the University and Polytechnic volunteering their time and skills to Otago based charities.

The pilot will see the Scarfie Army coordinate and communicate with the region's registered charities and encourage them to list any volunteering opportunities on SJS's website.

SJS's Sales and Marketing Manager, Dean

Jervis says, "The idea behind the pilot is to encourage and enable students studying in Otago to apply for volunteer roles which allows them to build up valuable work experience whilst helping out in their community. It can lead to better community engagement as well as increased employability of the students.

"SJS has adapted its system to ensure volunteer roles in Otago receive the same level of screening as paid jobs for the purposes of this pilot – this being the key differentiating factor from volunteer roles listed in other regions."

Dean says that a key message SJS communicates to students is that their qualification isn't necessarily their ticket into the workforce.

"Employers are telling us more and more that work experience

is one of the major determining factors leading to post graduate employment success. Grades of course remain important, but experience can often be the difference between students securing or not securing their desired job."

Student Job Search is a cutting-edge job-matching service that operates a unique web based service accessible to all registered charities throughout New Zealand.

To find out more about this service or if you are interested in implementing a volunteer pilot in your region, contact dean.jervis@sjs.co.nz.



Te Roopu Rapu Mahi Taurira