

# STUDYLINK NEWS

A RESOURCE FOR EDUCATION PROVIDERS AND STUDENT ASSOCIATIONS

AUGUST 2012



## WELCOME TO THE LATEST EDITION OF STUDYLINK NEWS.

**In May, the Government announced a number of changes to student support as part of Budget 2012. You will have heard about these from us already and may have attended one of our regional stakeholder meetings to talk about the changes in more detail.**

Thanks to all of you who attended these sessions, I have enjoyed the opportunities to meet and talk with so many of you.

It has been particularly valuable to have representatives from both the Ministry of Education and Inland Revenue attend these sessions with us. We work closely with both of these agencies to ensure student support is delivered effectively. This joined up approach is critical to providing quality service to students as well as to achieving government's goals.

There were some questions from these sessions that we have either identified as being important across the sector or which the agencies needed to investigate further. We've made a commitment to come back to you on these and will circulate the responses to everyone by email so you can all benefit from the information.

There were also some great ideas from these sessions about how we can help each other to better support

students in cost effective ways. Great ideas such as these need a forum all throughout the year. I want to hear your feedback and keep these communication lines open.

To share your ideas with us, you can contact your regional Outreach Manager. Their contact details are at the bottom of this page.

We see StudyLink News as an important tool for communicating with you about updates and changes. I want to make sure it continues to be valuable for you and that it is meeting your needs. If you would like to provide us with feedback on StudyLink News, please email us at [studylink\\_communications@msd.govt.nz](mailto:studylink_communications@msd.govt.nz)

Regards

Susan



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## BUDGET 2012 – CHANGES TO STUDENT SUPPORT

### **A number of changes to Student Allowances and Loans were announced as part of Budget 2012.**

You will have already received our fact sheet detailing these changes and may have attended a regional stakeholder meeting to discuss how they will be implemented.

To recap, the following changes will come into effect from 1 January 2013:

- Pilot training courses will have a fee cap of \$35,000 per EFTS.
- Student Loan borrowing will be limited to 2 EFTS per loan account.
- Eligibility to Student Allowance for postgraduate qualifications (NQF level 8 and above, except Bachelor degrees with Honours) will be removed.
- Exemptions, for long and national interest programmes, to the 200-week lifetime limit for Student Allowance will be removed.

### **WHAT THESE CHANGES MEAN FOR EDUCATION PROVIDERS**

#### **STUDENT LOAN BORROWING LIMITS FOR PILOT TRAINING STUDENTS**

New students that commence pilot training on or after 1 January 2013 will have a pro rata cap on fees of \$35,000 per EFTS.

Education providers that deliver pilot training qualifications will need to make sure they are charging the correct fees per EFTS for new students commencing on or after 1 January 2013.

There is a transitional period for students that have been enrolled in a pilot training programme between 1 January 2009 and 31 December 2012. These students can continue to have the full amount of their compulsory fees from their Student Loan until they complete their qualification or 31 December 2015 (whichever comes first), provided they are continuing to study the same qualification.

These students do not need to have already accessed a Student Loan for their study to qualify for the exemption.

If the student was not accessing a Student Loan, StudyLink will need to request evidence from the student to confirm their enrolment during the period 1 January 2009 to 31 December 2012.

#### **STUDENT LOAN ANNUAL BORROWING LIMIT**

From 1 January 2013, students will be able to borrow for up to 2 EFTS worth of study each year.

The Verification of Study (VoS) details that providers already give StudyLink will be used to calculate the 2 EFTS limit, therefore it is crucial that we receive accurate information.

The same refund and withdrawal rules that exist for the 7 EFTS lifetime limit will be applied to the 2 EFTS limit as well. The EFTS will not be counted if:

- a student withdraws from study and StudyLink receives a full fee refund, or
- the confirmed withdrawal date is within 30 days of the original study start date and a partial refund is received.

A student's application will be declined if StudyLink receives a VoS response that advises that they are enrolled in more than 2 EFTS for a single qualification.

Where a Student Loan is already approved and a subsequent VoS is received that takes the total EFTS for the loan account over 2 EFTS, that subsequent VoS will not be approved. The previous study will remain approved.





## STUDENT ALLOWANCE CHANGES FOR POSTGRADUATE STUDY

The Student Allowance will not be available for postgraduate study that starts on or after 1 January 2013.

For the purposes of this policy postgraduate qualifications are all qualifications NQF level 8 or higher, excluding Bachelor degrees with Honours.

Students who have a partner or children can continue to receive a Student Allowance for up to one year, until 31 December 2013, or until they use up their 200-week entitlement to Student Allowance, whichever comes first. They must be continuing the same qualification. Students will not need to do anything to qualify for this exemption.

Students who have an approved Student Allowance application for study commencing in 2012 and ending in 2013, will remain approved for that application until their confirmed end date.

It is expected that the postgraduate qualifications will have the Student Allowance eligibility removed from the programme information that StudyLink receives from the

TEC. StudyLink will be able to assess a student's eligibility to the transition period based on information we hold therefore students and providers will not be required to provide any additional information.

## EXEMPTIONS TO THE 200-WEEK LIFE-TIME LIMIT FOR STUDENT ALLOWANCE

The current exemptions to the 200-week limit for tertiary study will be removed for all study starting on or after 1 January 2013, except for the special circumstances provision.

The exemptions that will be removed cover: long programmes, equivalent long programmes and retraining for employment where it is in the National Interest (currently only teacher training).

Students who have an exemption approved before 31 December 2012, will continue to be eligible for the length of their approval.

The special circumstances exemption will be amended to exclude any change to the policy being included as a special circumstance.

## MORE INFORMATION

We have now completed regional stakeholder meetings, which provided an opportunity to discuss the changes with many of you. We also have a brochure on these changes that we can supply to you to assist in communicating these changes.

We will continue to provide updates in future editions of StudyLink News.

If you have any questions or would like more information please email us at [StudyLink\\_ChangeSupport@msd.govt.nz](mailto:StudyLink_ChangeSupport@msd.govt.nz).

## OTHER CHANGES FROM THE 2011 BUDGET WILL BE IMPLEMENTED IN 2013

### STUDENTS AGED 55 AND OVER

People aged 55 and over will only be eligible for the compulsory fees component of the Student Loan for study that starts on or after 1 January 2013.

### OVERDUE LOAN REPAYMENTS

Students will not be able to borrow through the Student Loan Scheme if they have \$500 or more in default when they apply, and if some of that amount has been overdue for a year or more. This applies to all new Student Loan applications received on or after 7 February 2013.

### CONTACT PERSON FOR NEW LOAN APPLICATIONS

All students applying for a new Student Loan for study starting on or after 1 January 2013 will need to nominate a New Zealand-based contact person.



## IGOVT LOGON

As outlined in the last edition of StudyLink News, StudyLink will be using igovt as its logon service for online applications and MyStudyLink. This service was successfully implemented on 5 August and by the end of the first week over 20,000 students had already completed the transition to igovt.

The igovt logon service is implemented and managed by the Department of Internal Affairs. The integration of the igovt logon service into the StudyLink environment is the first step in providing students with an integrated logon service to all of government.

Having an igovt logon means that students will only need to remember one set of logon details to complete the application process, manage their personal details and check their information with other government agencies.

## WHAT STUDENTS WILL SEE

The Apply Online application and MyStudyLink have had new logon pages developed for the introduction of igovt. The new look Apply Online page has been designed to cater for first time students and returning students with information that is specific for each group to help them through the apply process.

As part of the transition to igovt, returning students are required to complete a one-off linking process in which they will link their existing StudyLink username and

password to their igovt logon. This linking process means we are able to identify students the next time they log on using their igovt logon. Students will not be able to access their MyStudyLink account or enjoy the benefits of applying using their account until they have completed the linking process. To support students with the creation of an igovt logon and linking their details we have developed video tutorials to step them through the process.

One of the many benefits of igovt, for students who forget their username or password is the "Forgot your username" and "Forgot your password" functions that allow students to request a reminder username email and reset their own password online.

Students need to be aware that if they change their personal details within igovt these details will not be transferred to their MyStudyLink account or our systems as this is not a logon service that is maintained by StudyLink. Students will need to update both services when their details change.

If you receive enquiries from students about the new logon service, please refer them to the information and videos on the website first. If they need further assistance please get them to contact us on the 0800 number.

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**FOR MORE INFORMATION CONTACT** Derek Carey,  
Project Manager, at [derek.carey001@msd.govt.nz](mailto:derek.carey001@msd.govt.nz)





## HELPLINE UPDATE

StudyLink has recently reviewed some aspects of the VoS information exchange and identified changes that would improve the confirmation of enrolment and fee payment processes.

### VOS LEAD DAYS

Students provide an indicative study start date when they apply for their Student Allowance or Loan. VoS lead days are the number of days before that start date that StudyLink will start requesting VoS information. This parameter is set when providers set up their Information Matching Agreement.

For example, if VoS lead days are set at 60, StudyLink will start requesting study details 60 days prior to the student's indicative start date if their application reaches VoS stage, or immediately if their application reaches this stage within that 60 days.

We recommend that the maximum lead days are set to no longer than 42 days (six weeks) in advance of a student's study start date. This change will reduce the number of VoS cycles that expire before a student has completed their enrolment. This should reduce the intervention required by education providers or StudyLink to reopen closed VoS cycle when enrolment information becomes confirmed. Most education providers are set at 42 days or less.

### VOS REQUEST FREQUENCY

VoS request frequency is the interval (in days) in which StudyLink sends further VoS requests when initial responses don't provide confirmed study details.

Currently education providers have their VoS request frequency set between two and 14 days. Providers may like to take this opportunity to review their VoS request frequency, as more frequent requests may allow applications to be finalised faster during peak enrolment periods.

To confirm the current settings for your education provider or to request a change please contact the StudyLink Helpline through logging a KBase question or call us on 0508 885 885.

## OVERSEAS STUDY

Students can be eligible for a Student Allowance and Student Loan while on exchange in another country if they meet the following conditions:

- their course is a recognised international exchange scheme, **and**
- their course meets the minimum definition of a full-time course or programme in New Zealand for each year of study, **and**
- the study must be able to be credited towards a recognised New Zealand course.

Students need to complete the additional Overseas Study application form, which includes a section for the exchange staff at education providers to complete, before they depart.

StudyLink undertakes a regular data match with the New Zealand Customs Service, which identifies current students who have left the country. If students haven't completed an application, they may have to repay any assistance they've received.

As a result, it is very important that StudyLink receives Overseas Study applications for all students who are required to study overseas as part of their course requirements.

The Overseas Study application can be downloaded at [www.studylink.govt.nz](http://www.studylink.govt.nz).

## STUDENT'S SUPPORTING EVIDENCE

When sending evidence on behalf of students, please take care to ensure that documents for different students are not stapled together. This reduces the risk of items not being attached to the record they are intended for.

If you do not have a business stamp, can you please include a business card to show that the evidence has been received and forwarded by an education provider staff member.

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**IF YOU HAVE ANY QUESTIONS** on any of these topics please email us at [studylink\\_helpline@msd.govt.nz](mailto:studylink_helpline@msd.govt.nz).

## STUDENT LOAN CONTRACT REWRITE

StudyLink and Inland Revenue have been working together to review the Student Loan Terms and Conditions.

Over the years many additions have been made to this document to reflect policy changes and priorities that have increased the length of the terms and conditions.

The aim of this review is to streamline the terms and conditions so it contains the essential elements of a contract in clear and simple terms.

Students will start receiving the updated contract from the end of October 2012.

Returning students who are aged over 18 are able to view and accept their contract online using MyStudyLink.

For more information on the use of contract online, please see the article on page 7 – The strength of our online services.



## MYSTUDYLINK MOBILE

Mobile internet is becoming more accessible for New Zealanders. An increasing number of New Zealanders already own smart phones and numbers are forecast to grow over coming years as the devices continue to become more affordable. Studies have shown that web access via a mobile phone will soon exceed that via conventional PCs.

StudyLink have been piloting a MyStudyLink mobile application from 10 April to 22 June 2012.

The application was available on iPhones, Android devices, Java based phones, iPod touch and iPad devices and allowed users to check the status of their application and identify any information they needed to provide, and view the details of their next payment.

Users were invited to take part through an email campaign. The first 1000 students to respond were given

the opportunity to take part. Once the app was launched they were asked to register their mobile phone number through MyStudyLink on a page that only invited users see. They were then able to download and access the app using their MyStudyLink login.

During the trial it was particularly interesting to note the speed of response we received from smart phone users. We typically saw that users either opened our messages immediately or not at all, and this was also reflected in their speed to download the app and complete the evaluation.

We are now completing evaluation on the user's impression of the design and function of the app. Final analysis is now underway, however we are pleased that we can already see clear priorities for future development.

We will continue to provide updates in future editions of StudyLink News as we progress this initiative.



## STRENGTH OF ONLINE SERVICES

For the 2011-2012 year, students logged into MyStudyLink a record-breaking 2,625,228 times. This compares with 2,280,454 for the previous year. Use of MyStudyLink continues to go from strength to strength as managing their own details in the online environment becomes habit for students who have been engaged in our online systems since they first started study.

These students made 569,311 updates, with applying for course-related costs the most popular activity, closely followed by setting preferences for mail and contracts online.

Another 79,000 students opted in to mail online this year, and 61% of our automated correspondence has been sent online over the past 12 months.

We have also had 104,932 students opt into contracts online, which is available to returning students who are aged 18 and over. Sixty-five per cent of total contracts were sent online.

These great results are driven by our successful apply online strategy, which engages students in the online tools from their first contact with us, creating the habit to return online for future questions, changes and interactions.

## ONLINE ACHIEVEMENTS 2011-2012

Student Allowance – 99%

Student Loan – 97%

Course-related costs – 99%

Unemployment Benefit Student Hardship – 89%

## YOUTH SERVICE – SUPPORTING YOUNG PEOPLE TO RE-ENGAGE IN EDUCATION

The Government has announced major changes to the welfare system, aimed at breaking the cycle of welfare dependency by promoting self-reliance and recognising people's work potential.

The changes are being introduced in three stages;

1. Youth Service
2. Increasing work focus for sole parents
3. Simplifying the benefit system

The new Youth Service focuses on supporting young people to re-engage in education, training or work-based learning because too many young people in New Zealand do not have the qualifications to get into work. More than half the young people who end up on a benefit before they're 18 years old spend at least five of the next 10 years on welfare.

With the introduction of Youth Service, Youth Service providers (contracted community-based organisations) will provide wrap around services to 16 and 17 year olds who are not in education, employment or training (NEETs) and are at risk of ending up on a benefit.

From the same time, government financial assistance for those 16 and 17 year olds who cannot live with, or be supported by, their family, and 16 to 18 year old parents will move to either a Youth Payment or Young Parent Payment. People receiving these payments will generally

have to be in full-time education or training. Youth Service providers will support them to meet their obligations and develop life skills including budgeting, and for parents, parenting skills. Young people who meet these obligations can receive additional incentive payments.

For both groups the Youth Service provider will have a mentoring role, supporting these young people to successfully re-engage in education or training, stick with it, and help address any issues that may arise.

Youth Service providers will work with the young people and assess their needs to decide what form of education will be the most appropriate, but it is expected that young people will work towards qualifications on the NZQA framework. The aim is for young people to achieve an NCEA Level 2 qualification or higher.

The amount that people on the Youth or the Young Parent Payments can earn through part-time work before their payment is affected has been brought into line with the Student Allowance. Currently this is \$206.73 (before tax).

Young parents in Youth Service may also qualify for a new Guaranteed Childcare Assistance Payment for a child to attend Early Childhood Education (ECE).

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**IF YOU HAVE ANY QUESTIONS** on any of these topics please email us at [studylink.helpline@msd.govt.nz](mailto:studylink.helpline@msd.govt.nz)