



HM Government

Student Finance Key Facts

IMPORTANT NOTE: These presentation slides are an introduction to the subject of student finance. They are not exhaustive. Individuals should always check how any information applies to their specific circumstances. The information on these slides should be used with the accompanying notes, which are written as if delivered by a teacher. All information is correct at the time of publishing (January 2023).

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Summary

- You can get financial support from government to help with the costs of higher education
- Repayments depend on your income and are only made after you have left your course and are earning above a certain amount
- Any outstanding loan amount is written off after 30 years, even if you haven't paid it all
- Additional support is available for those who might need it



Student loans

Funds loaned to you by the government, to help you cover the costs of going to university

Two types:

1 Tuition fee loan **2** Maintenance loan

- Not like a bank loan
- If you change your mind you can cancel your loan application any time before it is paid to your university or college (tuition fee loans) or into your bank account (maintenance loans) at the start of term
- You will only have to start making repayments from the April after you've left your course, and only when you are earning above a certain amount



Additional support



Disabled Students'
Allowances



Grants if you have a
financially
dependent child or
adult



Students studying
nursing, midwifery
and allied health
profession courses
may be eligible for
extra help

Nursing, midwifery & allied health profession courses

- From September 2020, if you choose to study an eligible pre-registration nursing, midwifery or one of many allied health profession courses at an English university, you'll receive at least £5,000 a year in extra funding to help with living costs, which you won't have to pay back – plus up to £3,000 additional funding for eligible students, including for:
 - specialist disciplines that struggle to recruit, including mental health
 - an additional childcare allowance
 - areas of the country which have seen a decrease in people accepted on some nursing, midwifery and allied health courses over the past year.



Tuition fee loan: 'Approved (Fee Cap) Providers'



An 'Approved (Fee Cap) Provider' is a university or college where the maximum tuition fee is £9,250 per year for a standard full-time course



You will be eligible for a loan to cover ALL of your tuition fees, if it's your first degree



Your tuition fee is paid directly to your university or college

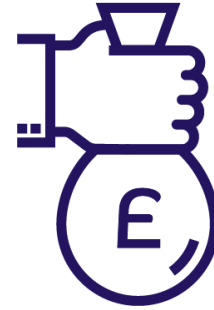
Tuition fee loan: 'Approved Providers'



Universities or colleges whose maximum fees aren't capped by the government



If you choose to study at one of these you will be able to apply for a loan of up to £6,165 per year towards your fees for a standard full-time course



This could mean you're not able to borrow the full amount of your tuition fees



You can check tuition fees on individual providers' websites

Other types of study: Accelerated degrees

- Same as a standard full-time degree but completed one year faster
- Tuition fees can be higher per year: up to £11,100 at an Approved (Fee Cap) Provider
- Likely to cost less overall than a standard full-time degree as you'll be studying for fewer years
- You can get a tuition fee loan to cover all of your fees for most accelerated degree courses
- You can get an additional long courses loan to help with living costs over the year

Other types of study: part-time study and distance learning

Part-time courses

- Tuition fees for most part-time courses are capped at £6,935
- If you decide to study a degree-level course part-time, you can get a maintenance loan similar to that available when studying full-time

Distance learning courses

- Some higher education providers offer full-time and part-time distance learning courses
- Tuition fees for most distance learning courses are capped at £9,250 for a full-time course or £6,935 for a part-time course, like courses you attend in-person
- You can get a tuition fee loan – but note maintenance loans are not available for distance learning courses



Tuition fee loan: how it works

1

Decide which course and where

2

Apply through [gov.uk/student-finance](https://www.gov.uk/student-finance)

3

The money is paid directly to your chosen university or college in three instalments per year

4

You won't need to pay anything back until

- you've left university or college, AND
- you start earning over a certain level: £27, 295 a year

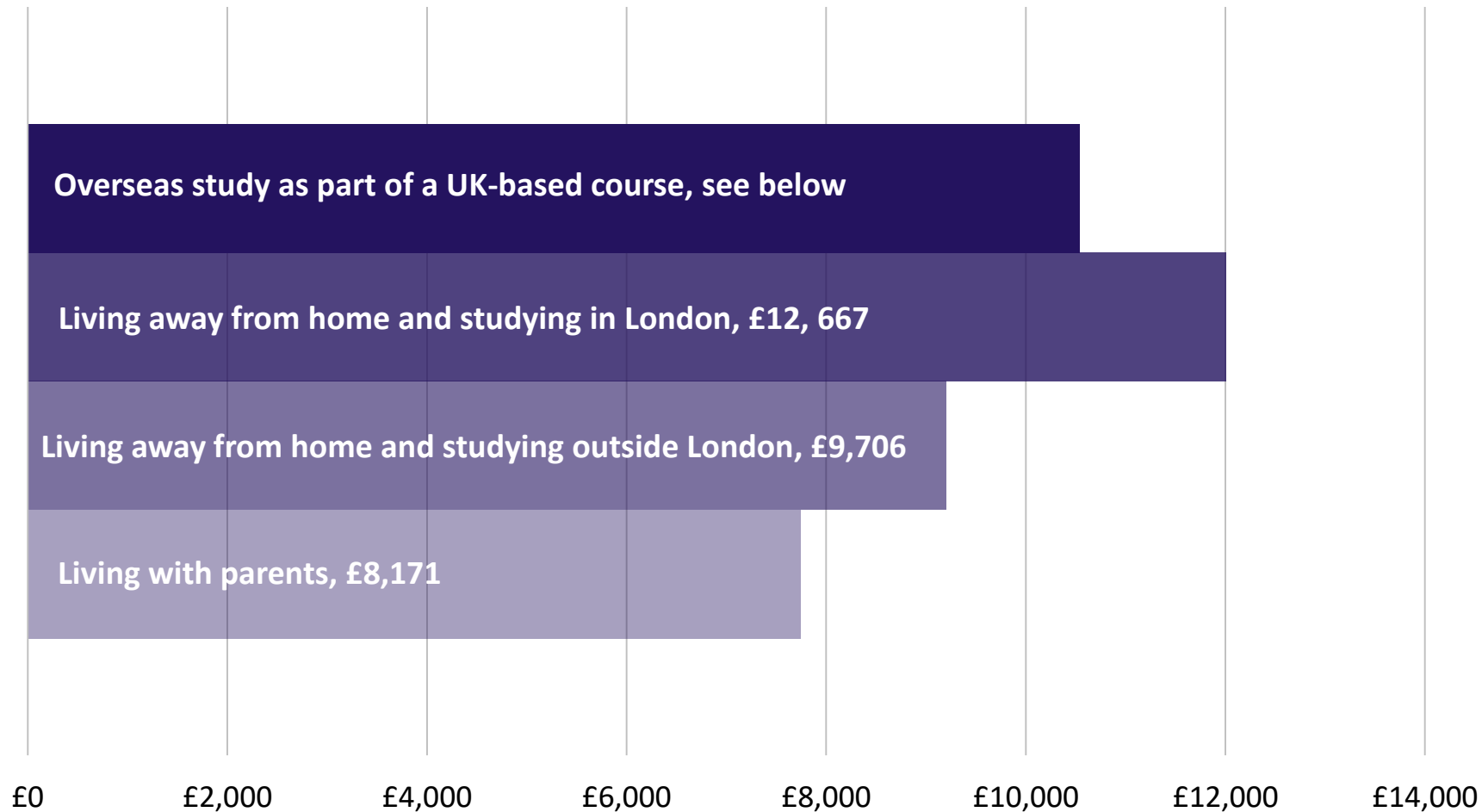
Maintenance loan

- The government also provides a maintenance – or living costs - loan that is designed to help towards your living costs.
- The amount depends on your circumstances, including your household income and where you live and study
- You may also be eligible for an additional long course loan for certain full-time courses
- Once you have applied for the loan, it's paid into your bank account in three instalments at the start of each term
- Then it's up to you to plan your budget and be smart about spending!



Full-time maintenance loan

maximum amounts for 2023-24



[Work out what you can apply for at gov.uk/student-finance-calculator](https://www.gov.uk/student-finance-calculator)



Maximum Loan: depending on household income

The amount you'll receive isn't affected by what the 'average' student gets. Instead, the size of your Maintenance Loan is determined by your household income, where you'll be living while studying and where in the UK you normally live.

Bear in mind that the household incomes we've given in the table above are just examples. The Maintenance Loan you receive will be calculated using your **exact household income** rather than a band (e.g. £42,345 instead of £40,000 – £45,000).

HOUSEHOLD INCOME	LIVING AT HOME	LIVING AWAY FROM HOME (Outside London)	LIVING AWAY FROM HOME (London)
£25,000 or less	£8,171	£9,706	£12,667
£30,000	£7,484	£9,012	£11,951
£35,000	£6,796	£8,318	£11,225
£40,000	£6,108	£7,623	£10,549
£45,000	£5,420	£6,929	£9,843
£50,000	£4,733	£6,234	£9,136
£55,000	£4,045	£5,540	£8,430
£58,253	£3,597	£5,088	£7,971
£60,000	£3,597	£4,845	£7,724
£62,311	£3,597	£4,524	£7,398
£65,000	£3,597	£4,524	£7,018
£70,000	£3,597	£4,524	£6,312
£70,022+	£3,597	£4,524	£6,308

Repaying your loan

- Your tuition fee loan and maintenance loan are combined for repayment purposes
- You will only need to start making repayments
 - From the April after you've left your course, AND
 - If you're earning above a certain level: £27,295 a year (this is called the 'repayment threshold')
- You only ever repay a percentage of what you earn above the repayment threshold
- Payments taken direct from salary for most people



Repaying your loan:

earnings of £29,295

The first £27,295 of earnings is not included in repayment calculation

You pay 9% of the £2,000 you earn **above** the repayment threshold; that is £180 each year or £15 each month

earnings of £31,295

First £27,295 of earnings is not included in repayment calculation

You pay 9% of the £4,000 **above** the repayment threshold; that is £360 each year or £30 each month



Repaying your loan:

ANNUAL SALARY	MONTHLY REPAYMENTS*
£27,295	£0
£30,000	£20
£35,000	£58
£40,000	£95
£45,000	£133
£50,000	£170

*Example for 6th April 2022 to 6th April 2023



Other monthly costs for comparison

£9

Phone/TV/
broadband packages

£14

Mobile contract

£17

Toiletries

£17

Cinema/gigs

£10

Clubbing

£32

Drinking out

£9

Drinking in

£12

Sports and hobbies

£129

Non-course travel

Source: rounded mean figures for full-time students from the [Student income and expenditure survey 2014 to 2015](#)

The current cost of living crisis will have seriously impact these figures and cost will be significantly higher.

Loan interest



Interest while studying

From enrolling until the April after you leave college/university, your loan interest rate will be the retail price index (RPI) plus **3%**

RPI is currently set at 2.4%



Interest after leaving

From the April after, your loan interest will vary according to your earnings.

Up to £27,295 = RPI only

More than £49,130 = RPI + 3%

£27,295 to £49,130 = Interest rates go up from RPI to RPI+ 3%, on a sliding scale.



BUT REMEMBER

Interest rates don't affect your monthly repayments - they are always fixed at **9%** over the repayment threshold

What if...

- Earnings go below £27,295 a year?
Repayments pause.
- Stop work? Repayments pause.
- Loan not paid off after 30 years?
Outstanding balance written off.



Bursaries and scholarships

- Many universities and colleges offer bursaries and scholarships to students.
- You might be eligible if you:
 - Are a high academic achiever
 - Have a special talent, such as sports
 - Are from a low-income household
- You need to research and ask – they are not always widely advertised
- If you think you're eligible, there is nothing to lose from applying



Next steps



Register an account at gov.uk/student-finance in January/February (Year 13)



The main window for student loan applications is in the spring (usually February to the end of May)

Applying early helps ensure your loan is in place for when you start your course



Do your research

Student Finance

discoveruni.gov.uk

savethestudent.org

thestudentroom.co.uk/student-finance

ucas.com

apprenticeships.gov.uk

nationalcareers.service.gov.uk

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Budgeting

moneyadviceservice.org.uk

moneysavingexpert.com/students

citizensadvice.org.uk

