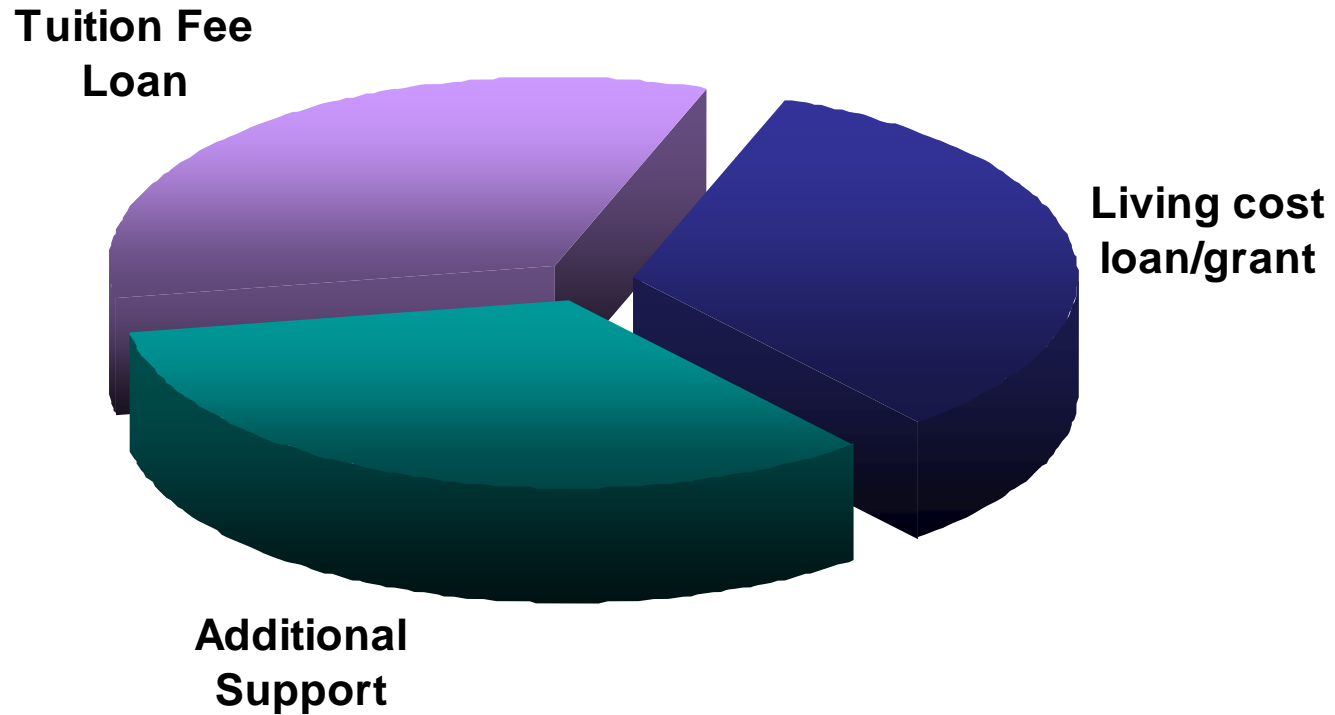


# Student Finance 2012/13

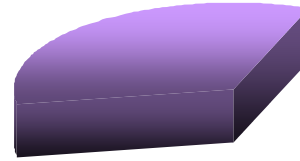
2012/13 information is taken from  
[www.bis.gov.uk/studentfinance](http://www.bis.gov.uk/studentfinance)  
and is subject to parliamentary approval



# What support could students get?



# Tuition Fee Loan

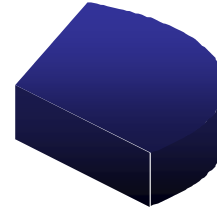


- Students don't need to find the money for fees up-front, they can take a loan which does not depend on income
- The amount they get depends on the cost of their fees – up to max £9,000 in 2012/13 (£6,000 loan limit for private providers)
- Before applying for a full-time course , they should check with their university or college how much their tuition is likely to cost
- They repay the loan once they have graduated, when they are earning
- Student Finance England pay the fees to the HEI



# Living Cost Support

## Maintenance Loan

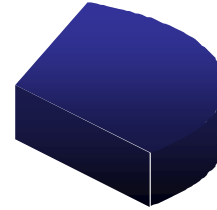


- Some of the amount students receive depends on their parental/household income, but not all of it – everyone can get some sort of loan support
- A loan of up to £5,500 will be available for students who live away from home and study at a university outside of London
- A larger loan of up to £7,675 will be available for students who live away from home and study at a university in London
- A loan of up to £4,375 will be available for students who stay living at home whilst at university



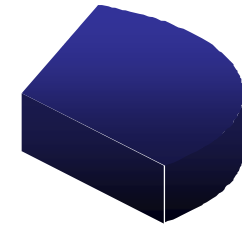
# Living Cost Support

## Maintenance Grant



- Extra help with living costs for some students
- How much students could get depends on their household income
- Maximum grant in 2012 will be £3,250
- Households with income below £25,000 will get it all; households with income up to £42,600 will get some





# Living Cost Support

Maintenance Loan & Grant – away from home outside London

Household income	Non repayable grant	Living cost loan	Total
£25,000 or less	£3,250	£3,875	£7,125
£30,000	£2,341	£4,330	£6,671
£35,000	£1,432	£4,784	£6,216
£40,000	£523	£5,239	£5,762
£45,000	£0	£5,288	£5,288
£50,000	£0	£4,788	£4,788
£55,000	£0	£4,288	£4,288
£60,000	£0	£3,788	£3,788
Over £62,500	£0	£3,575	£3,575

# Additional Support



- Extra support is available if the student is disabled or has a specific learning difficulty
- Extra support is available if the student has adults or children who are dependent on them
- New National Scholarship Programme (NSP) to help students from lower income families (<£25k) funded by Government/HEIs and decided by HEIs (at least £3,000, with flexible benefits)
- Trusts, Access to Learning Fund, charities or employer sponsorship, Mum, Dad, other family!



# What about repayment?

- Students are eligible for repayment the April after they graduate (likely to be April 2016 for all 2012 starters, even those who finish early)
- Repayments are collected by HMRC
- Students don't start repaying anything until they earn over £21,000 pa (£1,750 per month) gross
- They repay 9% of what they earn above £21,000
- Outstanding repayments written off after 30 years



# Loan Repayment

Illustrative comparison (rounded up to the nearest £)

Income each year before tax	Approximate monthly repayment	
	Now	Future
£15,000	£0	£0
£16,000	£8	£0
£18,000	£23	£0
£21,000	£45	£0
£24,000	£68	£23
£27,000	£90	£45
£30,000	£113	£68
£33,000	£135	£90
£36,000	£158	£113
£40,000	£188	£143

# Rates of Interest

- Subject to Parliamentary approval, the proposals are: -
  - Retail Price Index (RPI) plus 3% while studying and up until the April after completing the course (for those finishing early likely to be RPI only between the April after finishing the course and April 2016)
  - Then a variable rate depending on graduate's earnings: -
    - Earnings <£ 21,000 interest will be RPI
    - Earnings between £ 21,000 & £ 41,000 interest between RPI and RPI + 3% on a gradual scale based on earnings
    - Earnings above £ 41,000 interest will be RPI + 3%
  - Early repayment subject to Government consultation



# Additional Information

2012/13 information is taken from  
[www.bis.gov.uk/studentfinance](http://www.bis.gov.uk/studentfinance)  
and is subject to parliamentary approval



## Additional Information

- According to BIS Q & A document: -
  - A student loan is very unlikely to affect a student's ability to get a mortgage (The Council for Mortgage Lenders )
  - Mortgage lenders are most interested in monthly income ('ability to repay')
  - Under the new system monthly repayments lower = greater disposable income



## Fact sheets and FAQs

Policies

Higher education

Students

▼ **Student finance**

► The reality

► Deferred entry from  
2011 to 2012

► Part-time students

## Student finance

The Government's plans for reforms to higher education and student finance will mean that universities continue to play a key role in promoting social mobility as well as economic growth. The new reforms will offer a more generous package of financial support for students from low income backgrounds to go to university.

You might have heard reports of changes English universities and colleges will make in 2012. Don't be put off – the system is designed so that students from England studying full-time for their first degree or other higher education course will not have to pay anything while they study. More details are given here:

From September 2012, universities and others providing higher education will be able to charge up to £6,000 a year for their courses<sup>[1]</sup>. Some will be able to charge up to £9,000 a year – to do so they will need to meet strict criteria to make sure that all eligible students, regardless of background, can access those courses. Please contact the relevant university or college for further information.

Full time students who are studying for their first degree or other higher education course can benefit from a range of financial support including:

- **No upfront costs**
  - You don't have to pay for your course yourself upfront
  - You can get a loan to cover the cost of your tuition, which you only start to pay back when you are earning over £21,000 a year.
- **Loans for living costs**
  - Available to help with living costs such as food, accommodation and travel.
  - A loan of up to £5,500 will be available if you live away from home and study outside London.
  - A larger loan of up to £7,675 will be available if you live away from home and study in London.
  - A loan of up to £4,375 will be available if you live with your parents.
- **Non-repayable grants**
  - Available to help with living costs such as food, accommodation and travel
  - If your household income is up to £25,000 you will be entitled to a full grant, of £3,250, which you won't have to pay back.

### Student finance resources

- [Facts on financial support for full-time students \(PDF, 132 Kb\)](#) 
- [Frequently asked questions \(PDF, 140 Kb\)](#) 
- [Thinking of going to university part time in 2012? \(PDF, 527 Kb\)](#) 

### Access to Education

Simon Hughes MP is the [Advocate for Access to Education](#), working with the Government to increase participation in higher education by those from the most disadvantaged backgrounds.

### Student protests

David Willetts addresses some of the issues raised by student protestors and explains [the reality](#) of the student finance proposals.

### Press notices

- [Student Charter Group final report published \(17 Feb\)](#)

[www.bis.gov.uk/studentfinance](http://www.bis.gov.uk/studentfinance)

# IAG Resources



**UNIVERSITY**  
**MAKE YOUR FUTURE HAPPEN**

# FUTURE STUDENTS



**HOW MUCH WILL UNIVERSITY  
COST FROM SEPTEMBER 2012?**



**HOW WILL I REPAY  
THESE COSTS?**



**WHAT OTHER FINANCIAL  
SUPPORT IS AVAILABLE?**



**WHO CAN GET  
A GRANT?**



**WHAT IF I'M A  
PART-TIME STUDENT?**



**CALCULATE YOUR  
REPAYMENTS**

**APPLIES TO ELIGIBLE STUDENTS IN ENGLAND**

<http://yourfuture.direct.gov.uk/>

# Online support

<b>Students, Parents &amp; Partners</b>	<b>Customer website</b>	<b><a href="http://www.direct.gov.uk/studentfinance">www.direct.gov.uk/studentfinance</a></b>
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# Any Questions ?

