Real Deal Parent and Carer Event
6th October 2018

Student Loans Company in partnership with Newcastle University

www.gov.uk/studentfinance
CONTENTS
LOOKING AT…

• What is available as part of the Student Finance package?
• The Application Process
• Repaying my loan
• Resources and Research...
• Questions and (hopefully) Answers
HOW ARE TUITION FEES PAID?
WITH A TUITION FEE LOAN

• Universities are currently allowed to charge a maximum of £9,250 per year
• It has been confirmed that this will not rise in 2019/20
• These fees go directly to the university to help them deliver courses and university facilities

The Tuition Fee Loan is available from Student Finance England every year that...

• ...cover the full tuition fee amount (or some of it, if you’d prefer!)
• ...does not depend on parents/carer income.
• ...is paid in 3 term instalments directly to your university or college
• ...available to all eligible full time and part time, UK and EU students

Find out more about Tuition Fee Loans by clicking here....
Figures for 2019/20 have yet to be confirmed, these amounts are for students that started their course this year in 2018/19...

**Parental Home Rate:**
Live at home while they study
£7,324

**Elsewhere Rate:**
Live and study away from home outside London
£8,700

**London Rate:**
Live and study away from home in London
£11,354
MAINTENANCE SUPPORT
FULL YEAR MAINTENANCE LOAN RATES

The living cost loan amounts for 2019/20 have not yet been released. The figures below relate to 2018/19 starters. They are annual amounts, and are paid to students at 3 termly instalments in September, January and April.

<table>
<thead>
<tr>
<th>Full Year Student*</th>
<th>Non-Income Assessed</th>
<th>Income Assessed</th>
<th>Maximum Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parental Home</td>
<td>£3,224</td>
<td>£4,100</td>
<td>£7,324</td>
</tr>
<tr>
<td>Elsewhere</td>
<td>£4,054</td>
<td>£4,646</td>
<td>£8,700</td>
</tr>
<tr>
<td>London</td>
<td>£5,654</td>
<td>£5,700</td>
<td>£11,354</td>
</tr>
<tr>
<td>Overseas</td>
<td>£4,816</td>
<td>£5,147</td>
<td>£9,963</td>
</tr>
</tbody>
</table>

*Lower amounts available for final year students
### MAINTENANCE SUPPORT

#### MAINTENANCE LOAN ENTITLEMENT

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Home</th>
<th>Elsewhere</th>
<th>London</th>
</tr>
</thead>
<tbody>
<tr>
<td>£25,000 &amp; under</td>
<td>£7,324</td>
<td>£8,700</td>
<td>£11,354</td>
</tr>
<tr>
<td>£30,000</td>
<td>£6,707</td>
<td>£8,076</td>
<td>£10,719</td>
</tr>
<tr>
<td>£35,000</td>
<td>£6,090</td>
<td>£7,452</td>
<td>£10,084</td>
</tr>
<tr>
<td>£40,000</td>
<td>£5,473</td>
<td>£6,828</td>
<td>£9,449</td>
</tr>
<tr>
<td>£45,000</td>
<td>£4,855</td>
<td>£6,204</td>
<td>£8,813</td>
</tr>
<tr>
<td>£50,000</td>
<td>£4,238</td>
<td>£5,579</td>
<td>£8,178</td>
</tr>
<tr>
<td>£55,000</td>
<td>£3,621</td>
<td>£4,955</td>
<td>£7,543</td>
</tr>
<tr>
<td>£60,000</td>
<td>£3,224</td>
<td>£4,331</td>
<td>£6,907</td>
</tr>
</tbody>
</table>
The Student Finance Calculator is available to use at Gov.UK/studentfinance
Other financial help and support may also be available if you:

- have _children_ or an _adult dependent_ on you

- have a _disability, including a long-term health condition_, mental-health condition or specific learning difficulty

- If you are studying Nursing, Midwifery or other NHS related course additional funding may be available directly from the NHS – a Learner Support Fund

- From a care leaving background

- Travel Grants for periods of study abroad
INCOMES vs EXPENDITURE

CONSIDER ALL SOURCES AND COSTS…
SECTION 2

You APPLY online

How do you get your student finance?

We ASSESS your application

You get PAID!
SECTION 2

STUDENT FINANCE APPLICATIONS

KEY MESSAGE – APPLY EARLY

Each year thousands of students apply late for their finance and have no way to pay for their course or accommodation, some even have to drop out ...please encourage early applications

• Apply online at [gov.uk/studentfinance* - check out February 2019](http://gov.uk/studentfinance)

• Apply early to make sure your student finance is ready for the start of your course.

• You don’t need a confirmed place at university or college to apply.

• Apply with your preferred choice, you can change details later if required.
Before starting an application, students should have the following to hand:

- Passport - SFE can check identity using valid UK passport details
- University and course details
- Bank account details and National Insurance number

The easiest way for parents or other sponsors to support a student's application is online through GOV.UK, providing information including:

- National Insurance number(s)
- Household income information (Based on prior tax year)
- Details of other child dependants

The application process is explained to students in this 2 minute video clip from our [YouTube channel](https://www.youtube.com).
A dependent student will be assessed on the income of the parents or parents that they usually live with. Common reasons why we wouldn’t use any parental income, and usually award full support include:

- Students aged 25 or over
- Married students
- Students with children
- Students that are Care Leavers – see factsheet here for more information

*certain other regulations exist*
We’ve produced a series of key messages around **Clearing** that you can use in communications to help your students.
SECTION 3

STUDENT LOAN REPAYMENT

HOW DOES IT WORK?
The FACTS

How do you repay a student loan?

The FIGURES

The INTEREST
STUDENT LOAN REPAYMENTS

KEY POINTS TO NOTE…

• Accessing Student Finance is not dependent on your personal credit file. And repaying your student loan is not linked to your personal credit file.

• Repayment is based on what you earn – not what you owe. This means that interest charged on the loan will not increase your monthly payments.

• Do read the terms and conditions – it is a loan, an investment in your future.

• Access, monitor, run your student finance account like you would a bank account. Understand the system, take an interest in your money!

For up to date information on Teresa May’s announcement of a rise in the threshold to £25,000, visit our news at www.slc.co.uk
STUDENT LOAN REPAYMENTS
AN OVERVIEW

- You won’t make repayments until your income is over £25,000 a year.

- If you study a full-time course, you will be due to start repaying in the April after graduating or leaving higher education.

- You’ll repay 9% of your income over £25,000 and if you’re employed deductions will be made from your pay through the HMRC tax system.

- If your income falls to £25,000 or below your repayments will stop.

- Any outstanding loan balance will be cancelled 30 years after entering repayment.
STUDENT LOAN REPAYMENTS

THIS MAKES THE REALITY OF THE SITUATION...

• Some students will repay everything within 30 years (e.g. high earners)
• Some students will repay nothing, and have all loan cancelled upon 30 years (part time workers)
• Most students will repay something, but have something written off upon 30 years
• Scary upfront costs ≠ higher monthly loan repayment or higher total loan repayment

• No student will repay more than they earn
# STUDENT LOAN REPAYMENTS

**THE ‘NEW’ FIGURES**

<table>
<thead>
<tr>
<th>Income each year before tax</th>
<th>9% will be deducted from</th>
<th>Monthly Repayment (Approx)</th>
</tr>
</thead>
<tbody>
<tr>
<td>£21,000</td>
<td>£0</td>
<td>£0</td>
</tr>
<tr>
<td>£30,000</td>
<td>£5,000</td>
<td>£37</td>
</tr>
<tr>
<td>£40,000</td>
<td>£15,000</td>
<td>£112</td>
</tr>
<tr>
<td>£50,000</td>
<td>£25,000</td>
<td>£187</td>
</tr>
<tr>
<td>£60,000</td>
<td>£35,000</td>
<td>£262</td>
</tr>
</tbody>
</table>

The government have announced that the income threshold for ‘Plan 2’ student loan repayments is to be increased to £25,000 from April 2018.
Income linked interest rates with £25,000 threshold increase:

- **During study until entering repayment**
  - **Income:** Under £25,000
  - **Interest Rate:** RPI Only
  - **Interest Rate:** RPI + up to 3%

- **Income:** £25,000 to £45,000
  - **Interest Rate:** RPI + up to 3%

- **Income:** Over £45,000
  - **Interest Rate:** RPI +3%

The interest rate is updated once a year using the RPI figure from March which is carried forward and applied in September.
RESOURCES
FOR PARENTS AND STUDENTS

A LITTLE LIGHT READING…

www.gov.uk/studentfinance
Our new look ‘Zone’ on The Student Room has now made it even easier for students to find the student finance information they are looking for:

Visit the ‘Zone’ for:

• Interactive Guides
• Films and Resources
• Student Finance Forum
• Regular news and updates direct from SFE

Encourage the students you work with and support to bookmark our ‘Student Finance Zone’ for easy access and reference.
SFE ONLINE

FOR MORE INFORMATION AND RESOURCES

Student Finance England

Student Finance Explained
12,595 views 10 months ago
Thinking of going to uni or college in 2015/16? Sort out your student finance in three easy steps.

Related channels
- SFWILM
- Fine Brothers Enter...
Students can find a range of useful information about their loan repayments at [www.slc.co.uk/repayment](http://www.slc.co.uk/repayment):

- Content helps them understand their repayment plan type
- Take them to the appropriate information
- Plan 2 customers will be directed to the Repayment Quick Start Guide
IF IN DOUBT, PLEASE CALL US…

CONTACT DETAILS

Student Finance England

Twitter
Facebook

Telephone: 0300 100 0607
Monday to Friday - 8am to 8pm
Saturday - 9am to 4pm
Sunday - closed