



CRGS Sixth Form: *A Brief Guide to Student Finance (2023 onwards)*

CRGS *Futures* Series Presentation 6: Mrs Johnston



“The future
depends on
what we do in
the present.”

Mahatma
Gandhi

CRGS *Futures Series*

This is the sixth CRGS Sixth Form Futures presentation:



1. *An Introduction to CRGS Futures*
2. *A Brief Introduction to Applying to University*
3. *Getting Started on your Personal Statement*
4. *Completing your UCAS Form*
5. *A Brief Introduction to Applying for Higher and Degree Apprenticeships*
6. ***A Brief Guide to Student Finance***
7. *A Brief Guide to Specialist Admissions Tests*
8. *Replying to Offers*
9. *A Brief Guide to Results Day*



Student Finance England (SFE)

- Student Finance England (SFE) provides financial support on behalf of the UK Government to students from England entering higher education in the UK
- The two main costs students have while studying are tuition fees and living costs - **there's student finance available to help students with both**
- Depending on individual circumstances, course and where a student studies, they may be able to get a range of financial help and support

Important note: all information is subject to change. Figures are based on academic year 2023-24. This is the first academic year of the Plan 5 student loan, which is different from current students and graduates, most of whom have a Plan 2 student loan.



Tuition Fees

- You won't have to pay any tuition fees up front
- You can get a Tuition Fee Loan to cover the fee charged by your university or college
- The amount you get doesn't depend on your household income
- SFE will pay the Tuition Fee Loan directly to your university or college
- You'll have to start paying your Tuition Fee Loan back when you've finished or left your course, but only if your income is over the repayment threshold.

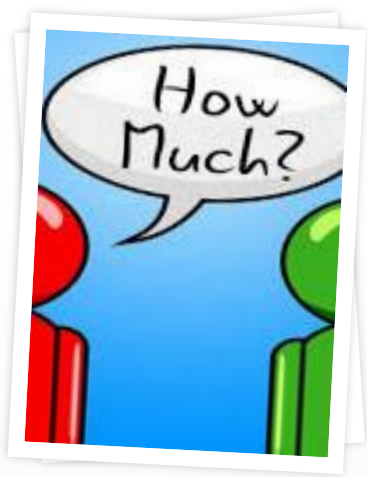


Maintenance Loan



You can get a Maintenance Loan to help with your living costs, such as rent, food and books.

- All eligible students can get some maintenance support
- The amount you can get depends on where you live and study
- You can also apply for more based on your household income
- The Maintenance Loan is paid directly into your bank account at the start of each term
- You'll have to start paying your Maintenance Loan back when you've finished or left your course, but only if your income is over the repayment threshold.



How much can I borrow in maintenance loans?



- If you are **living at home** when you study, the **maximum** amount will be £8400
- If you are **studying away from home**, but **outside London**, the **maximum** amount will be £9978
- If you are **studying in London**, the **maximum** amount will be £13022
- The **minimum** amount for a **student living away from home outside London** will be £4651
- **However, the amount you can borrow depends on a number of factors, including household income.** Use the [Student Finance Calculator](#) to find out how much you could borrow. See also: [Student Finance How You're Assessed](#).

All figures are based on 2023-24 academic year



Extra Support: Bursaries & Scholarships

Many universities and colleges offer financial support to their students through bursaries and scholarships.

Bursaries:

- linked to personal circumstances and, often, household income
- awards can include discounted tuition fees, accommodation or cash

Scholarships:

- linked to academic results or ability in an area such as sport or music
- can be subject specific and are usually limited in numbers.





Extra Support

Other financial help and support may also be available if the student:

- has children or an adult dependent on them
- has a disability, including a long-term health condition, mental-health condition or specific learning difficulty

Disabled Student's Allowance (DSA) Support:

- is available in addition to the standard student finance package
- does not have to be repaid
- is not affected by household income
- looks at the specific needs of the individual student.





How do you apply for Student Finance?



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.

- Apply online at [gov.uk/studentfinance](https://www.gov.uk/studentfinance)
- Apply early to make sure that student finance is ready for the start of the course
- Students don't need a confirmed place at university or college to apply
- Students should apply with their preferred choice, they can change details later if required.

Supporting an application



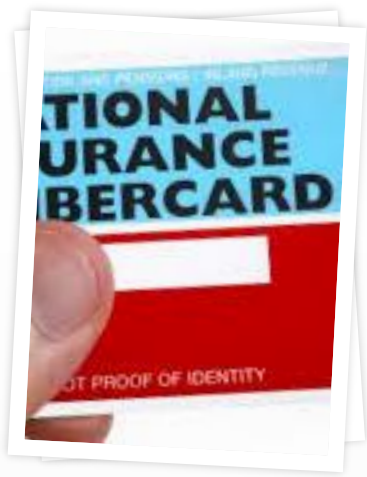
- Parents / carers supporting an application for student finance that depends on household income, will need to provide details of their taxable income and NI number. If they are the parent of a student and live with a partner, they will also have to give SFE details of that person's taxable income and National Insurance number.

Taxable earned income includes:

- wages, salaries, tips, and other taxable employee pay
- long-term disability benefits received prior to minimum retirement age
- net earnings from self-employment

Taxable unearned income includes:

- interest from savings (only the annual summary is required)
- benefits and pensions
- rent from property or a room





Supporting an Application: Household Income



Student Finance England (SFE) are no longer publishing the summary tables relating to household income and maintenance loans as they are now taking into account a wider range of factors (e.g. other children in the family) before assessing how much an individual can borrow.

Student finance calculator

This calculator is for students from England or the European Union (EU) starting a new undergraduate course in academic years:

- 2019 to 2020
- 2020 to 2021

Use the student finance calculator to estimate:

- student loans
- extra student funding, for example if you're disabled or have children

Your result will be more accurate if you know your annual household income (your parents' or partner's income plus your own).

Start now >

Before you start

If you're a part-time student you'll need to know how many credits you'll study and how many credits a full-time student would study.

You cannot use the calculator if you're from [Scotland](#), [Wales](#) or [Northern Ireland](#).

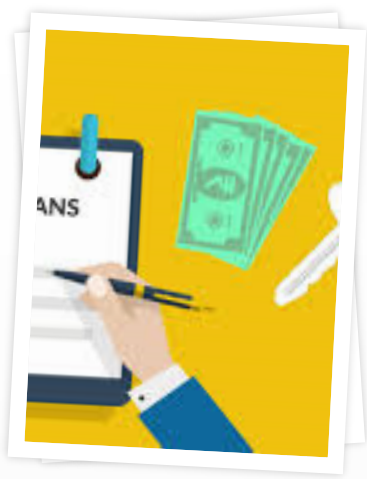


What information is required?

Financial information is needed for the tax year prior to when the student will start in higher education:

- For students starting in Sept 2023 parents/carers should submit financial information for the 2021/22 tax year
- If household income drops by 15% or more in the current tax year, SFE can reassess an application so a student may receive additional support.





How do graduates repay their student loans?



- Graduates won't make repayments until their income is over **£25,00** a year (£2,083 a month or £480 a week)
- The amount repaid depends on what you earn, not what you owe
- If they study a full-time course, they will be due to start repaying in the April after graduating or leaving their course
- They will repay 9% of their income over £25,000 and if they are employed deductions will be made from their pay through the HMRC tax system
- If their income falls to £25,000 or below, their repayments will stop
- Any outstanding loan balance will be cancelled 40 years after entering repayment.

All figures are based on 2023-24 academic year.



Repayment examples



Noah's annual income is £28,000 (£2333 per month).

This is £3,000 over the £25,000 threshold (£250 per month).

Noah will pay back 9% of £250 per month i.e. £22.50 (rounded down to the nearest pound £22 per month).

Mary's annual income is £45,000 (£3750 per month).

This is £20,000 over the £25,000 threshold (£1800 per month).

Mary will pay back 9% of £1800 i.e. £150 per month.

There are further examples in the *Understanding Student Loans* publication (see final slide)

All figures are
based on
2023-24
academic
year.



Student Loan Repayments: Interest

- Students are charged interest from the day their first payment is made until their loan is repaid in full or cancelled
- The rate of interest on your loan is linked to inflation, based on the Retail Price Index (RPI) from the previous March
- The interest rate on your loan will never be higher than the interest that is added to loans taken from a commercial lender, such as a credit card or personal loan
- Changes to interest will affect the total amount you owe and therefore how long it takes to pay off the loan, but it will not affect the amount you repay each week, month or year as this is based entirely on what you earn



Useful resources:

- [Understanding Student Loans](#)
- [Student Loans Frequently Asked Questions](#)
- [Money Saving Expert Student Finance](#)
- [Student Finance Calculator](#)
- [Gov.uk student finance undergraduate full time students](#)
- [The Student Room Student Finance](#)
- [Money Helper](#)

