Student Finance
2020/2021
Contents

Student loans
Additional support
Tuition fee loan
Maintenance loan
Different types of study
Interest and repayments
Budgeting and financial support
What to do next
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:
  
  o  specialist disciplines that struggle to recruit, including mental health
  
  o  an additional childcare allowance
  
  o  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
Degrees with a placement year/sandwich courses

• Some degree courses include a year in industry

• Tuition fees during the placement year vary at different universities with some charging full fees, some partial and others including Middlesex do not charge fees at all

• You may be eligible for a maintenance loan however, the amount you receive will be at the discretion of Student Finance England and depend on where you are staying while on your placement year
Tuition fee loan – how it works

1. Decide which course and where

2. Apply through [gov.uk/student-finance](http://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: £25,725 a year / £2143 a month / £494 a week
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 2020/21

- Living with parents: £7,747
- Living away from home and studying outside London: £9,203
- Living away from home and studying in London: £12,010
- Overseas study as part of a UK-based course: £10,539

[Work out what you can apply for at gov.uk/student-finance-calculator]
Living away from home and studying outside London

Maximum loan depending on household income

Household income

<table>
<thead>
<tr>
<th>Income</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>£25,000</td>
<td>£3,067.66</td>
</tr>
<tr>
<td>£30,000</td>
<td>£1,968.33</td>
</tr>
<tr>
<td>£35,000</td>
<td>£1,080.00</td>
</tr>
<tr>
<td>£40,000</td>
<td>£629.75</td>
</tr>
<tr>
<td>£45,000</td>
<td>£381.33</td>
</tr>
<tr>
<td>£50,000</td>
<td>£309.09</td>
</tr>
<tr>
<td>£55,000</td>
<td></td>
</tr>
<tr>
<td>£58,222</td>
<td></td>
</tr>
<tr>
<td>£62,249</td>
<td></td>
</tr>
<tr>
<td>£69,977</td>
<td></td>
</tr>
</tbody>
</table>

- £3,067.66 for £25,000
- £1,968.33 for £30,000
- £1,080.00 for £35,000
- £629.75 for £40,000
- £381.33 for £45,000
- £309.09 for £50,000
- £0 for £55,000 onward
Living away from home and studying inside London

<table>
<thead>
<tr>
<th>Household income</th>
<th>Maximum loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,000</td>
<td>5,981</td>
</tr>
<tr>
<td>11,340</td>
<td>6,249</td>
</tr>
<tr>
<td>10,670</td>
<td>6,977</td>
</tr>
<tr>
<td>10,000</td>
<td>7,557</td>
</tr>
<tr>
<td>9,330</td>
<td>7,017</td>
</tr>
<tr>
<td>8,659</td>
<td>6,475</td>
</tr>
<tr>
<td>7,989</td>
<td>5,981</td>
</tr>
<tr>
<td>7,557</td>
<td>5,409</td>
</tr>
<tr>
<td>7,017</td>
<td>4,827</td>
</tr>
<tr>
<td>6,475</td>
<td>4,245</td>
</tr>
<tr>
<td>6,000</td>
<td>3,663</td>
</tr>
<tr>
<td>5,409</td>
<td>3,081</td>
</tr>
<tr>
<td>4,827</td>
<td>2,500</td>
</tr>
<tr>
<td>4,245</td>
<td>1,918</td>
</tr>
<tr>
<td>3,663</td>
<td>1,336</td>
</tr>
<tr>
<td>3,081</td>
<td>0</td>
</tr>
</tbody>
</table>
Living with parents

<table>
<thead>
<tr>
<th>Household income</th>
<th>Maximum loan depending on household income</th>
</tr>
</thead>
<tbody>
<tr>
<td>25,000</td>
<td>7,747</td>
</tr>
<tr>
<td>30,000</td>
<td>7,095</td>
</tr>
<tr>
<td>35,000</td>
<td>6,442</td>
</tr>
<tr>
<td>40,000</td>
<td>5,789</td>
</tr>
<tr>
<td>45,000</td>
<td>5,137</td>
</tr>
<tr>
<td>50,000</td>
<td>4,484</td>
</tr>
<tr>
<td>55,000</td>
<td>3,831</td>
</tr>
<tr>
<td>58,222</td>
<td>3,410</td>
</tr>
<tr>
<td>62,249</td>
<td>3,410</td>
</tr>
<tr>
<td>69,977</td>
<td>3,410</td>
</tr>
</tbody>
</table>
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: £25,725 a year / £2,143 a month / £494 a week (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 £27,725

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

The first £25,725 of earnings is not included in repayment calculation.
Repaying your loan – earnings of £33,725

You pay 9% of the £8,000 above the repayment threshold; that is £720 each year or £60 each month.

First £25,725 of earnings is not included in repayment calculation.
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 £25,725** = RPI only
- **More than £46,305** = RPI + 3%
- **£25,725 to £46,305** = 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 £25,725 a year / £2,143 a month / £494 a week? Repayments pause.
- Stop work? Repayments pause.
- Loan not paid off after 30 years? Outstanding balance written off.
Mature students

- May be eligible for help with rent if you have children
- You may be eligible for a reduction in council tax- if you are the only adult in the house
- You can still apply for tuition and maintenance loans however if you are not studying your first degree you may not be eligible for funding.
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

- Middlesex University scholarships and bursaries can be found here: [https://www.mdx.ac.uk/study-with-us/fees-and-funding/scholarships-and-bursaries](https://www.mdx.ac.uk/study-with-us/fees-and-funding/scholarships-and-bursaries)
Budgeting

• Before starting university, it is important to think about the costs you are likely to face and how to manage your money

• It’s advisable you work out a budget to pay for essentials such as:
  • Accommodation
  • Gas/electricity
  • Food and drink
  • Mobile phone
  • Books and study materials
  • Sport, leisure and social activities

• We recommend you budget your income over 40 weeks on average, per year as your maintenance loan won’t cover 52 weeks.
Budgeting

• Depending on your circumstances you may need to:

  — Get part-time work
  — Ask your parents/family for help
  — Open a student bank account with a 0% interest overdraft facility
  — Check you are getting the correct funding you are entitled to
  — Apply to any grants from the university you may be eligible for
  — Ask for help!
Middlesex Student Welfare Advice Team

- The Student Welfare Advice Team (SWAT) is there to help students deal with any financial, practical or legal difficulties they may face during their studies at Middlesex.

- The SWAT deals with a range of issues, including:

  - Student loans, grants and bursaries
  - Fee assessments queries
  - Welfare benefits
  - Debt and money management
  - Housing issues
  - Visa applications and Immigration matters
  - Consumer queries
  - Miscellaneous issues
Next steps

Register an account at gov.uk/student-finance

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

Budgeting

moneyadviceservice.org.uk
moneysavingexpert.com/students
citizensadvice.org.uk
Any questions?