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Funding

Higher Education:

An overview of Student Finance

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Before we start

- The following figures are for 2023 entry as 2024 entry information is usually not released until Christmas
- **Changes in Student Loans are subject to Government changes** rather than individual universities. We are not expecting any major changes but please keep an eye on the Media/information from your school or college
- If you are planning to defer going to university until 2025, please be aware that a General Election is due to take place that year which could see changes to the way the Student Loans system operates

How do students pay for Higher Education?

- **Student Finance England (SFE) provide financial support to all eligible students**
- The **two main costs** you will incur when studying at University are paying **tuition fees** and **living costs**. A **loan** is available from the Student Loans Company to help you cover both of these costs
- Tuition **fees are capped at £9,250 a year until the 2025/26 academic year** and most places charge the maximum. Yet **you don't need the cash to pay upfront**
- The **amount of loan you may be eligible for depends on your circumstances**, the **course you choose** to study and **where you plan to study**
- You may be eligible additional financial support such as Bursaries and Scholarships which you **don't have to pay back!**

How do I know if I am eligible for a loan?

You can apply for full support if all the following apply:

- you're a UK national or Irish citizen or have [‘settled status’](#) (no restrictions on how long you can stay)
- you normally live in England
- you've been living in the UK, the Channel Islands or the Isle of Man for 3 years in a row before the [first day of the first academic year](#) of your course (apart from temporary absences such as holidays)

You may be eligible for full support if you're a UK national who:

- was living in the EU, Switzerland, Norway, Iceland or Liechtenstein on 31 December 2020, or returned to the UK between 1 January 2018 and 31 December 2020 immediately after living in the EU, Switzerland, Norway, Iceland or Liechtenstein
- has been living in the UK, the EU, Gibraltar, Switzerland, Norway, Iceland or Liechtenstein for 3 years in a row immediately before the [first day of the first academic year](#) of your course

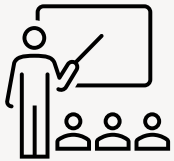
Some EU students can apply for tuition fee loan only if they have pre-settled status.

- [Full details can be found on the Student Finance website](#). You can call Student Finance England on **0300 100 0607** at anytime if you have any questions or if you are unsure of your residency status

How do I apply for Student Finance?

- You need to Apply online www.gov.uk/studentfinance from February or March in the year you plan to enter university - this is separate from your UCAS application!
- **The deadline to apply for Student Finance is around the end of May (*check the deadline date each year!*)**
- **Please apply as soon as possible!** You do not need to wait until you have a confirmed place in UCAS to apply for Student Finance as you can amend your details at any time to reflect changes in your circumstances
- Applications can be cancelled easily if you decide not to go to university or defer entry to the year after
- You fill out their section and then your parent(s)/guardians or partner will fill out a section about household income
- **REMEMBER: it's up to you whether you want to apply for the loan or not**

A **Tuition Fee Loan** is available to cover the fee charged by a university or college which is currently £9,250 for *full-time courses at a publicly-funded Universities or colleges*, or up to £6,935 for *approved courses at private providers*.



TUITION FEE LOAN

Eligible students **do not** have to pay any tuition fees up front

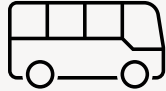
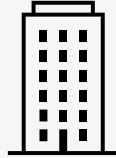
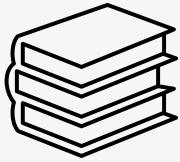
A Tuition Fee Loan is **not** dependent upon household income i.e., it is not means tested

The loan is **repayable**, but only once you have graduated and your income is over £25,000 a year

Student Finance England pay the Tuition Fee Loan directly to your university or college



A **Maintenance Loan** is available to help with **your living costs** while in higher education e.g., accommodation, books, clothes, travel etc.



The amount of Maintenance Loan you can get depends on where you live and study, and sometimes the income of your household

MAINTENANCE LOAN

The loan is **repayable**, but only once you have graduated and your income is over £25,000 a year

Maintenance Loan is **paid directly to you** into your bank account **each term** – You can nominate someone else to be a contact though



What 'counts' as Household income?

- The family residual income assessment for under 25s is based on the **home you are primarily resident in**. This may be:
 - The joint income of your household
 - If your parents do not live together, then it is based on the parent that you live with most of the time
 - If that parent lives with a partner, it will be based on their income too
- Parents will need the following information:
 - your personal taxable income - <https://www.gov.uk/income-tax>
 - any income your child gets from their own savings, investments or property - if you're supporting your child's application
- They will be looking at household income from the **last complete tax year** which for 2024 entry students will be the 2022-2023 tax year
- If your income has gone down by at least 15% since the relevant tax year, you can [apply for a current year income assessment](#) after completing your initial application. These can be completed at any time during the year



The Maximum Maintenance Loan amounts (2023 entry figures)



Stay at home

Live at home while you studying

Up to
£8,400



Elsewhere

Living away from home and study outside of Greater London

Up to
£9,978



Live in Greater London

Not living with family and study in London

Up to
£13,022

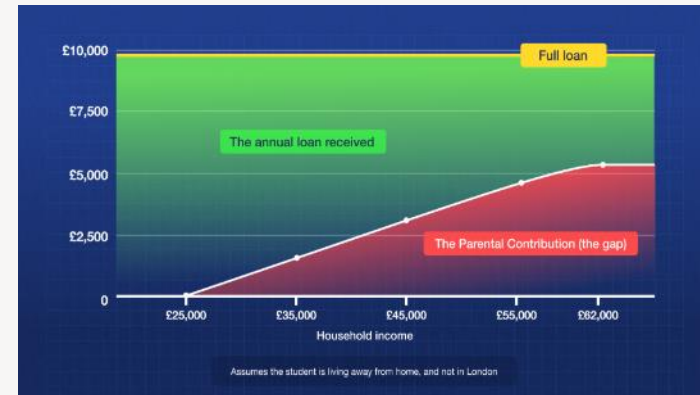
Maintenance Loan (2023 entry figures)

Household Income	Live at Home (£58,291)	Elsewhere (£62,343)	Greater London (£70,040)
£25,000 & under	£8,400	£9,978	£13,022
£30,000	£7,694	£9,265	£12,297
£35,000	£6,988	£8,552	£11,571
£40,000	£6,282	£7,839	£10,845
£45,000	£5,576	£7,125	£10,120
£50,000	£4,869	£6,412	£9,394
£55,000	£4,163	£5,699	£8,668
£60,000	£3,698	£4,986	£7,943
£65,000	£3,698	£4,651	£7,217
£70,040 & over	£3,698	£4,651	£6,485

<https://www.gov.uk/student-finance-calculator>

The Parental hidden contribution cost

- For students receiving less Maintenance Loan, there is an assumption from Student Finance England that **parents/family will make up the difference** to bring all students to the top of the Maintenance Loan table
- There is **no rule that forces Parents and Guardians to contribute** to their children studying at University
- If you are not in a position to do this, your child may need to consider their university options carefully in terms of accommodation especially (the biggest cost of going to university)
- Students can **work part time** alongside their degree which will be additional income
- It is important for both parties **to have an open and honest conversation** together to work out how you are going to plug the hole



Repaying your student loan

- **Everything you borrowed** (e.g., your Tuition Fee Loan and Maintenance Loan) is brought together when you repay your loan
- Your repayments are based on your **future salary**, not on how much you borrowed
- The overall amount you borrow will not affect **how much** you pay back monthly, but may affect the **length of time** it takes for you pay back your loan
- You will **only make repayments when you are in work** and earn **over the repayment threshold** to make the repayments affordable



Repaying your Student Loan

- Students do not start making repayments until their own personal income is over **£25,000 a year** or the weekly / monthly equivalent
- 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
- Any outstanding loan balance will be **written off after 40** years after entering repayment

Gross Annual Income	9% Repayment Deducted From	Approximate Monthly Repayment @ £25,000
£25,000	£0	£0
£28,000	£3,000	£22
£30,000	£5,000	£37
£35,000	£10,000	£75
£40,000	£15,000	£112
£45,000	£20,000	£150
£50,000	£25,000	£187

Interest Rates on your student loan

- Interest is charged on your loan even while you are studying
- The Government has currently capped student loan interest rates for current graduate borrowers to protect them from a rise in inflation. Students currently pay **interest of 7.3%** on loans taken out through Student Finance England (SFE)
- The interest rate on student loans is usually the Retail Price Index (RPI) plus up to 3%. The up to 3% varies depending on your income
- Further information, including Frequently Asked Questions regarding interest applied to student loans can be found here: www.gov.uk/repaying-your-student-loan/what-you-pay
- <https://www.moneysavingexpert.com/students/repay-post-2012-student-loan/>

Bursaries and Scholarships

Universities (and some companies) offers bursaries and scholarships to help make University affordable and living costs achievable. Unlike student loans, **students do not need to pay these back!**



Bursaries

- A **Bursary** is usually means tested based on household income, and is usually awarded to students who live in low-income households, are first in their family to go to university, based on their post code etc

Scholarships

- **Scholarships** are usually awarded on academic and extra-circular excellence in areas such as Arts, Music, Sports as well as Volunteering and Community work

NHS Learning Support Fund (LSF)

- If you are planning to study a course related to a career in the NHS, you can apply for **NHS Learning Support Fund (LSF)**
- The NHS Learning Support Fund (LSF) provide students with **a training grant of up to £5,000 per academic year**, if you choose to study on any Healthcare or NHS Career related pre-registration undergraduate or postgraduate courses
- **Reimbursement for travel** and excess costs occurred such as temporary **accommodation** costs while on Placement known as (Travel and Dual Accommodation Expenses)

To apply for the Learning Support Fund, you need to register and create an account on the NHS website using this link here:

<https://services.nhsbsa.nhs.uk/nhslsf/>



Eligible courses for the Learning Support Fund (LSF)

Courses at City, University of London which are eligible:

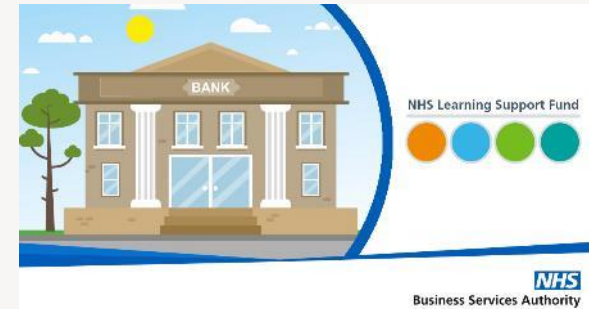
- BSc Adult Nursing
- BSc Children's Nursing
- BSc Mental Health Nursing
- BMid Midwifery
- BSc Radiography (Diagnostic Imaging)
- BSc Radiography (Radiotherapy and Oncology)
- Speech and Language Therapy

Other higher education courses that are eligible for the Learning Support Fund:

- Dentistry
- Occupational Therapy
- Operating Department Practice
- Orthoptics, Orthotics and Prosthetics
- Paramedic Science
- Physiotherapy
- Podiatry or Chiropody

Medicine

- There is different funding available for Medicine - a mixture of the Student Loans and an NHS Bursary, but it covers 5-6 years rather than 3-4 years as the duration of the course is longer



Additional Student Support

There are additional parts to the Student Loan that you can apply for if you're eligible:

- **Disabled Students Allowance (DSA)** is support to cover the study-related costs you have because of a mental health problem, long-term illness or any other disability
 - specialist equipment, for example a computer if you need one because of your disability
 - non-medical helpers, for example a British Sign Language (BSL) interpreter or specialist note taker
 - extra travel to attend your course or placement because of your disability
 - Other disability-related study support e.g., printing additional copies of documents for proof-reading
 - For more information about the DSA please visit: <https://www.gov.uk/disabled-students-allowance-dsa>
- **Parents Learning Allowance:** If you have a child who financially is dependent on you
- **Childcare Grant:** If a child who financially depends on you is in childcare
- **Adult Dependents' Grant:** If you have an adult who significantly financially depends on you

Study Abroad

- If you are UK (home) student, your **tuition fee for your study abroad or work placement year will be reduced to 15%** of your tuition fee. For example, for students paying £9,250, the **reduced fee will be £1,835.**
- You may be **eligible to obtain a Grant** to cover some of your **travel expenses** if you normally live in England
- Speak to your university's study abroad team to find out more
- <https://www.savesthestudent.org/student-finance/student-finance-on-a-year-abroad.html>

A few FAQs

- Student Loans **do not affect a student's credit rating** (as they are education loans) so do not affect students getting a mortgage. However, they do affect the amount they repay on their mortgage as their take home income is lower due to repaying their loan
- Student loans are the **sole responsibility of the student** who takes them out. Liability for the loans cannot be transferred to their parents or anyone else
- Students still have to pay back their loan if they **move abroad**
- It is the choice of the student whether they take out none, some or all of the loan they are entitled to. It is worth considering that if they are taking out some, it may be worth taking out all, even if they choose to use the money for other things
- Students may wish to use income/savings/inheritance to pay off some of their loan. Whether they do this is an individual choice, but we would strongly advise them to consider only doing this if they can reasonably clear enough of the debt that interest isn't just going to go back on what's left. <https://www.moneysavingexpert.com/students/repay-post-2012-student-loan/> (note repayment period is now 40 years)

Top Tips

- If you will be travelling by train, invest in a **16-25 railcard** to save 1/3 on train travel
- Use other **discounts** such as NUS and Student Discounts
- Use **Budgeting resources** to help you plan ahead. Our biggest tip is have two bank accounts – one which you have your loan go into and then divide that into weekly instalments set up to your daily account
- Consider getting a **Student Bank Account** which have 0% interest free overdrafts. Martin Lewis is a great resource to find out more
- **Work through your summer holidays** of Year 13 to save money for the first few weeks of university (either before your loan comes in or to stop you spending it all during Freshers' week!)

Find out more about studying at City

- Attend one of our open days www.city.ac.uk/study/visit-us/undergraduate-open-days
- Register for one of our taster days www.city.ac.uk/study/visit-us/taster-days
- Tour our campus through our 360 virtual tour www.city.ac.uk/study/visit-us/campus-tours
- Chat to current City students about their experience www.city.ac.uk/study/ask-a-student
- Order a prospectus for more information about City's courses www.city.ac.uk/study/prospectus



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