Frequently asked questions

Eligibility

Q: I am a student from Scotland, Wales or Northern Ireland – will this apply to me?

A: No. Students who normally live in Scotland, Wales or Northern Ireland will receive financial support for university from the Scottish Government, the Welsh Assembly Government or the Northern Ireland Executive (as appropriate).

Q: I am an EU student intending to study in England – will this apply to me?

A: EU students from outside the UK that meet certain eligibility criteria will have access to a loan to cover the cost of their tuition. They will generally not be entitled to support for their living costs.

Q: I am studying on a part-time course – will this apply to me?

A: Part-time students studying at least 25% of the intensity of a full-time course will also have access to a loan to cover the cost of their tuition. More details on this will be available in due course.

Repayments

Q: Will loan repayments affect my ability to take out a loan?

A: This would be a decision for the loan provider, but student loan information won't be shared with credit reference agencies by Student Finance England.

Q: Will loan repayments affect my ability to get a mortgage?

A: The Council of Mortgage Lenders has advised that a student loan is very unlikely to impact materially on an individual's ability to get a mortgage. The amount of mortgage available may depend on net income.

Q: What control do graduates have over how much they pay back per month?

A: Graduates do not have control over how much they repay each month via the tax system.

For more information about the financial support available and the benefits of going to university or college, visit **www.direct.gov.uk/studentfinance**

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THINKING OF GOING TO UNI IN 2012?

Facts on financial support for full-time students

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[1]. 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.

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.

1 Tuition charges for courses at private higher education institutions are not subject to this limit. You may still be able to apply for support for your tuition and maintenance if you are studying at a private university or college, and their admissions offices will have the details.

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.
- If your household income is between £25,000 and £42,600 you would be entitled to a grant of between £50 and £3,250, which you won't have to pay back.

Look at the table below to find the kind of support on offer to students living away from home and studying outside London. Figures are based on household income.

Household income	Package of support for 2012/13		
	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

£150million National Scholarship Programme

- Will be introduced from 2012 and worth £150million a year by 2014/15 to help people from lower income households.
- Details will be available on UCAS and university websites from Summer 2011.

How loan repayments are expected to work[2]

- You only start to pay back when you are earning over £21,000 a year.
- You repay 9% of your income above £21,000. So, for example, if your salary was £25,000, the 9% would only apply to £4,000, meaning you would repay £30 per month.[3]
- The table below shows some salaries and typical repayments.
- If your salary falls below £21,000, your repayments stop – for example if you take a career break or are unemployed. Repayments only start again when you earn over £21,000.
- Loan repayments will be deducted from your salary, normally through the tax system.
- If you have not repaid your loan after 30 years it is written off.

Salary	Amount of salary from which 9% will be deducted	Monthly repayment
£25,000	£4,000	£30.00
£30,000	£9,000	£67.50
£35,000	£14,000	£105.00
£40,000	£19,000	£142.50
£45,000	£24,000	£180.00
£50,000	£29,000	£217.50
£55,000	£34,000	£255.00
£60,000	£39,000	£292.50

Rates of interest

The Government's plans[4] are that:

- Interest on your loan will be applied at inflation (RPI – Retail Price Index) plus 3% while you are studying, and up until the April after you leave university.
- From the April after you leave university or college, if you are earning below £21,000, interest will be applied at the rate of inflation.
- For graduates earning between £21,000 and £41,000, interest will be applied between RPI and RPI + 3% on a gradual scale depending on income.
- For graduates earning above £41,000, interest will be applied at RPI + 3%.

2 Subject to Parliamentary approval.
3 Depending on the outcome of the Government's forthcoming consultation, a charge may be applied to any additional payments to repay part or all of a loan early.
4 Subject to Parliamentary approval.