

TUITION FEE LOAN



The tuition fee loan is to cover the cost of your course (£9,250 per year)

Non-means tested

Paid directly from the Student Loans Company to the university

Not compulsory

MAINTENANCE LOAN



The maintenance loan is to cover living costs (Accommodation, food, travel)

Is means tested - based on household income. It will also depend on whether students move out or stay at home

Paid directly to the student in 3 instalments across the year

Not compulsory

Repaying student finance



There's a repayment threshold of £27,295

You don't pay anything back until you earn over £27,295 and when you do, you only pay back 9% of your salary above this threshold.

If you earned £30,000 per year you would only pay back approximately £20 per month.



Repayments are straightforward

You pay back automatically through the PAYE system. Your employer will automatically deduct your payments from your salary. If you're self employed your repayment is calculated when you complete your tax return.



30 year time limit

30 years from the April after your graduation any debt you have remaining is cleared. Even if you haven't paid anything back.



Interest rates

Interest is applied to your student debt. This is added as soon as you take out the loan and then changes dependent on how much you earn. This ranges from RPI to RPI +3%



Mortgages and credit scores

Student loans won't have any impact when applying for mortgages or loans as they do not affect your credit score. Mortgage providers will ask how much you are repaying for their affordability checks though.

5 top tips

1. Choose a University you like

Consider location and cost

Research all of the universities that offer the course you are interested in. Research what the cost of accommodation at the university is as well as general living costs. Speak to current students about what it's actually like to live and study there.

2. Apply for student finance early

Apply on online and use the calculator

Apply for student finance as early as you can and use the Student Finance online calculator to see what you could be entitled to.

Student finance applications generally open around mid February and close at the end of May.

3. Research other forms of finance

Look out for scholarships and bursaries

Student loans aren't the only source of income as a student. There are a wide variety of scholarships and bursaries available to students. These vary from academic achievement scholarships, disabled student allowances to bursaries for being Vegan.

4. Learn to budget and cook

Master ways to save money

As a student you will need to learn to manage your own money as you probably won't have the biggest budget. Learning ways to save money will really help you out in the long term as well. This could be by shopping at different supermarkets or buying no-branded items instead. Learning to cook food instead of eating out is also a great way to save money and learn important life skills.

5. Research job opportunities

Find ways to earn more money

When researching universities consider what job opportunities are available. This could be jobs at the university or in the wider community. For example, most universities will run a student ambassador scheme. Not only will you earn money from these, but you would also develop a lot of beneficial skills.