



A SIMPLE GUIDE TO...

# STUDENT FINANCE

If you're considering progressing to higher education (HE) by studying at a university or college, you're probably wondering about the cost. We've created this simple guide to help you understand the finances associated with HE and to bust some of the myths that may be playing on your mind.



*Please note that this information is correct for UK students entering into their first undergraduate course in 2018/19. We recommend looking at the websites we highlight for up to date information.*

## HOW MUCH DOES IT COST?

There are two main costs associated with studying at higher education:  
**tuition fees** and **living costs**.

FIND OUT MORE



## TUITION FEES

The university or college you decide to study at will charge **tuition fees**. Tuition fees can vary depending on the course and institution, but they can be up to £9,250 a year.

### You do not need to pay these fees up front

The Government provides loans that cover the full cost of tuition fees. Once you've applied for a Tuition Fee Loan through Student Finance, and confirmed which course and institution you're going to, the Student Loans Company will automatically pay your tuition fees to your higher education institution.

## LIVING COSTS

If you decide to move away from home to study at a university or college a long way away, you'll need to consider your **living costs**, like rent, insurance, and food.

Even if you live at home whilst you study, you might need to buy books for your course, or think about how much it costs to commute to your place of study for lectures etc.

### You can get funds to help cover these other costs too

The Government also provide loans to help cover some of these living costs. This loan is called a Maintenance Loan. You'll need to answer some questions about your family's income and your living situation in order to find out how much Maintenance Loan you'll get each year.

## ▶ APPLYING FOR THE LOANS

It's easy to apply for these loans. The quickest way is to do it online at:  
**[www.gov.uk/student-finance](http://www.gov.uk/student-finance)**

You fill in the online form and press submit. The Student Loans Company will then review your application, check if they need any additional information, then write to you to confirm your Tuition Fee Loan and Maintenance Loan amounts.

Once you've got a place on your chosen course, you just need to turn up and register at your university or college! Once you've registered, the Student Loans Company will know you've started your course and will pay your fees automatically to the university or college you're at, and will pay you your first Maintenance Loan instalment straight into your bank account.

## PAYING BACK YOUR LOANS

It's a loan, so you will have to pay what you've borrowed back. However, it's not as scary as it sounds.

Your Tuition Fee Loan and Maintenance Loan will be combined into one amount.

Currently, you only start paying your loan back from the April after you've finished your course and only if you're earning over £25,000 a year.

How much you repay is dependent on how much you earn. Currently your repayments are 9% of anything you earn over £25,000. Your loan payments are taken from your salary (along with tax and national insurance) before you get paid, so you don't have to worry about setting up any regular payments. It's all done automatically.

### **EXAMPLES:**

#### **Your salary is £26,000:**

*That is £1,000 over £25,000.*

*So you pay back 9% of £1,000 which is £90 a year.*

#### **Your salary is £30,000:**

*That is £5,000 over £25,000.*

*So you pay back 9% of £5,000 which is £450 a year, or around £37 a month.*

### **MAIN POINTS TO REMEMBER:**

- ▶ If your salary goes below £25,000, no money will be taken from your salary to pay your loan. You'll only pay if your salary is above £25,000.
- ▶ After 30 years, any remaining loan is wiped.
- ▶ Student loans don't go on your credit file. Usually when you apply for a mortgage or bank loan, they look at your credit file to see if you already borrow money or how good your money management is. Your student loan will not appear on this so will not affect things like mortgage applications.

Find out more at  
[www.gov.uk/student-finance](http://www.gov.uk/student-finance)

More about Student Loans here:  
[www.slc.co.uk](http://www.slc.co.uk)

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## OTHER FINANCIAL SUPPORT AVAILABLE IN HIGHER EDUCATION

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It's definitely worth doing a bit of further research to see if you're eligible to receive other funds when you start in higher education. You may find that you can apply for bursaries, grants or scholarships; these are typically fixed amounts of money that you do not have to pay back.

The individual institution you apply to will probably have its own bursary schemes. Make sure you check out their websites and ask at Open Days to find out more about the various scholarships and bursaries that you could be eligible for.

### **Disabled students' allowances (DSA)**

If you have a long-term health condition or disability, you might be eligible for additional funding support through the DSA. It's worth checking out the government's website as this support does not have to be repaid.

### **Care Leavers**

You may be eligible for additional funds through your local authority or through the university or college you're applying to. We also recommend you visit the 'Propel' website which is specifically for care leavers applying for higher education: [www.propel.org.uk](http://www.propel.org.uk)

### **Healthcare students**

If you're planning to study a healthcare subject, such as Medicine, Nursing, Physiotherapy, Social work, or many other subjects, it's definitely worth having a look at the NHS website to see whether you could receive additional funds: [www.nhsbsa.nhs.uk/student-services](http://www.nhsbsa.nhs.uk/student-services)

If you have any questions or would like further information, please contact the Study Higher team on the details below