

# Student Finance Update

Katy Barge  
Student Finance Consultant  
South West



# Contents:

- 2012 proposals
- Funding packages
- Study options
- Communications
- Resources
- 2011 review



# 2012 Proposals



# 2012/13 Arrangements

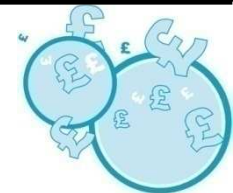
- Regulations due to be laid in Summer recess (early August). Will come into force September 2011
- Any changes will only affect new students from 2012
- Students who defer entry from 2011/12 to 2012/13 will have their loans and grants for living costs set at the 2012/13 rates
- Students who start their 'top-up' year immediately after completing a Foundation Degree, Dip HE, Cert HE or HND in 2011/12, will be charged fees and funding under the existing arrangements rather than under the new 2012 scheme (continuing student)



# 2012 Proposals

	2012/13 Proposals
<b>Full-time tuition fees</b>	Maximum <b>£6,000</b> , or <b>up to £9,000</b> providing HEIs meet tougher conditions on widening participation & fair access) Loan will fully cover fees charged
<b>Part-time tuition fees</b>	Tuition fee loans for <b>part-time</b> courses if intensity is between 25% - 75%
<b>Maintenance Loan</b>	Variable amounts in 3 bands – elsewhere, London, at home Loans increased for household incomes from £42K - £60K
<b>Maintenance Grant</b>	Max <b>£3,250</b> £25K / £42K thresholds
<b>Scholarship</b>	National Scholarship Programme (NSP) of at least £3,000 in benefits which may be: <ul style="list-style-type: none"><li>• Fee discount</li><li>• Free foundation year</li><li>• Accommodation or other service discount</li><li>• Cash award up to £1000</li></ul>

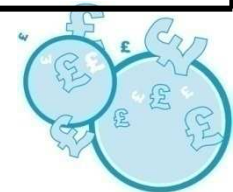
For further info: [www.bis.gov.uk/highereducation](http://www.bis.gov.uk/highereducation)



# 2012 Proposals

	2012/13 Proposals
<b>Interest rate</b>	<p>During study the interest will be RPI +3%</p> <p>Then a variable rate of interest depending on earnings:</p> <ul style="list-style-type: none"><li>- Salary &lt; 21K interest will be RPI</li><li>- Salary 21K – 41K interest will be RPI + up to 3% depending on earnings</li><li>- Salary &gt; 41K interest will be RPI + 3%</li></ul>
<b>Repayment</b>	<p>Eligible to repay once:</p> <ul style="list-style-type: none"><li>-Course ended, and</li><li>-Earnings in excess of 21k</li></ul> <p>Students will repay 9% of earnings over <b>£21K threshold</b></p> <p>Written off after <b>30 years</b></p> <p>Early repayment arrangements being considered</p> <p>Thresholds for new and existing students (21k and 15k) uprated annually</p>

For further info: [www.bis.gov.uk/highereducation](http://www.bis.gov.uk/highereducation)



# Access Agreements - Timeline

Timeline	Stage
10 Feb 2011	BIS Guidance Letter issued to OFFA
End Feb 2011	OFFA draws up guidance for institutions that wish to charge > £6,000, setting out what their Access Agreements will need to cover
Early March 2011	HECFE announces provisional National Scholarship Programme allocations
19 <sup>th</sup> April 2011	Institutional Access Agreements submitted to OFFA
11 <sup>th</sup> July 2011	Access Agreements assessed and announcement made by OFFA
Autumn 2011	2012/13 applicants are aware of course costs and institutional financial support available before they start to apply for HE

For further info: [www.offa.org.uk](http://www.offa.org.uk)



# 2012 Package





# Tuition Fee Loan

- Loan will cover all of the fees up to £9,000 at publicly funded institutions
- Maximum loan for students on designated courses at private institutions will be £6,000 (£4,500 p/t)
- Part-time students and full-time distance learning students eligible for Tuition Fee Loan from 2012 – **BUT** no maintenance support available for these students



# Maintenance Loan

- A loan of up to £5,500 will be available for students who study away from home and outside London
- A larger loan of up to £7,675 will be available for students studying away from home in London
- A loan of up to £4,375 will be available for students living with their parents
- 35% of loan income assessed for new students



# Maintenance Loan & Grant Thresholds

Household Income	Maintenance Grant	Maintenance 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	<b>£3,575</b>	£3,575

These figures are based upon the elsewhere rate  
 Maintenance Loan reduced by 50p for every £1 of Maintenance Grant awarded



# Maintenance Loan

- Income between £42,600 - £42,875 maximum loan awarded
- Income over £42,875 the loan is reduced by £1 for every £10 in excess
- Up to point where loan reaches 65% of maximum



# National Scholarship Programme

- 50m awarded via HEFCE in first year (2012-13)
- Provisional allocations have been assigned to each HEI in England
- Awards of up to £3k to be matched by HEIs charging > £6k fees
- Allocations to be confirmed by July 2011



# Loan Repayment

## Comparison

Income each year before tax	Approximate monthly repayment	
	Now	Future
£15,000	£0	£0
£16,000	£8	£0
£18,000	£23	£0
£21,000	£45	£0
£24,000	£68	£23
£27,000	£90	£45
£30,000	£113	£68
£33,000	£135	£90
£36,000	£158	£113
£40,000	£188	£143



# What won't change for new students?

- There are no changes to eligibility for student support e.g. residency rules, age, previous study etc
- Targeted support will remain in place for students in specific circumstances e.g. Disabled Students' Allowances and the Childcare Grant



# Study Options





# Part Time

- Tuition Fee Loan now available for those studying at least 25% of a full-time course
- Maximum limit 75%
- No maintenance support available for new students
- Repayable in April after course has finished (or in April 3 years after course has started if longer)



# Study Options

- As part of UK course – full support available (plus overseas loan rate and travel grant)
- ERASMUS study or work placement – full support available PLUS non means tested ERASMUS grant and fee waiver if abroad for full year.
- Study abroad for full course – no UK statutory support available BUT research fees (if any), cost of living, bursaries and scholarships
- Sandwich course – full support may be available depending on length of full-time study in placement year



# Study Options

- NHS
- Social work
- ITT



# Communications & Resources



**UNIVERSITY**

**MAKE YOUR FUTURE HAPPEN**

[Back to Homepage](#)

# FUTURE STUDENTS



**HOW MUCH WILL UNIVERSITY COST FROM SEPTEMBER 2012?**



**HOW WILL I REPAY THESE COSTS?**



**WHAT OTHER FINANCIAL SUPPORT IS AVAILABLE?**



**WHO CAN GET A GRANT?**



**WHAT IF I'M A PART-TIME STUDENT?**



**CALCULATE YOUR REPAYMENTS**

<http://yourfuture.direct.gov.uk/>

**APPLIES TO ELIGIBLE STUDENTS IN ENGLAND.**

**THIS SITE**

- What will university cost?
- Other financial support
- Part-time students
- Loans
- Grants
- Loan repayment calculator

**MORE HELP**

- Information for students starting in 2011/12
- Parents
- Campaign resources

## 1. The changes ONLY hit new undergraduate September 2012 starters; existing and 2011 students stay on current system

The new system only affects those starting an undergraduate (or certain teacher training) course at university or college in 2012. Those still on courses started before then stick with the current fees and repayments.

The [NHS bursary](#) for pre-registration nursing courses has not yet been fully decided for 2012 students, we'll add more when it's confirmed.

More info if you're [changing degree](#) or [on foundation course](#) ☺

## 2. Trebling tuition fees doesn't always mean tripling your costs

Under the current system university tuition fees are £3,290-a-year max, in 2012 all institutions will be allowed to charge up to £6,000 and many will do so, providing they make extra provision for poorer students.

Yet some students won't ever need to repay at all, others will pay far less than the fees and some will pay back much larger amounts (read on to discover which you're likely to be).

It may seem like universities will be cock-a-hoop over this as they're getting more cash, but their direct funding has been radically cut by the government (sometimes by more than the extra fees received).

## 3. You don't need to have cash to go to university

It ISN'T a case of 'pay up or you can't go'. Tuition fees are automatically paid by special Student Loan Company loans which full time students only need to start repaying in the April AFTER graduation at the earliest, no matter how long your course (part time students see [note 9](#)).

Of course you don't have to take the loan for tuition fees, you could opt to pay it directly. [Read more advanced info on is it worth taking the loan?](#) ☺



<http://mse.me/student2012>

### FREE TOOLS

[Premium Bond Calculator](#)

[Budget Planner](#)

[International CallChecker](#)

[UK CallChecker](#)

[FlightChecker](#)

### FORUM : RELEVANT BOARDS

[Relationships & Family Board](#)

[Student Board](#)

[Over 50s MoneySaving Board](#)

[Health & Beauty Board](#)

[Benefits & Tax Credits Board](#)

[Special Occasions &](#)

[Style Board](#)

[Pensions & Retirement Board](#)



### FUN STUFF AND THE SITE

[Play The Game](#)

[About the site](#)

[The MoneySaving Books](#)

[Free car sticker](#)

[Martin's Biography](#)

[Site Stats](#)

[How the Site is Funded](#)

[The Gallery](#)

[Christmas MoneySaving Quiz](#)

# Communications

- Regular and pro active UCAS mailings to students and advisers
- UCAS Conventions 2012
- Regular surgeries for students hosted on UCAS student network 'yougo'
- Daily Q&A sessions on both our Facebook and Twitter pages
- Suite of 'How To' videos posted on Direct Gov website to help with most common issues
- 2012 resources from Autumn 2011



# 2011 Update





# 2011/12 Overview

Student Finance England			
	New	Returning	Total
<b>Registered</b>	371,827	443,924	815,751
<b>Submitted</b>	330,746	405,353	736,099
<b>Processed</b>	203,357	349,423	552,780

Online applications for new students = 96%

Online applications for returning students = 97%

1.14m applications forecasted for AY 2011/12



# Messages for your current year 13s:

- Students starting in 2011 will not be affected by the new finance package
- Tuition Fee Loan will rise by inflation to £3,465 in 2012
- Maximum Maintenance Grant will also rise with inflation to £2,984
- Maintenance Loans will be maintained at 2011/12 levels



# Contacts

For students:

- <http://yourfuture.direct.gov.uk/>
- <http://direct.gov.uk/studentfinance>
- 0845 300 50 90
- [facebook.com/SFEngland](https://www.facebook.com/SFEngland)
- [twitter.com/sf\\_england](https://twitter.com/sf_england)



• For you:

- <http://practitioners.studentfinanceengland.co.uk>
- 0845 602 0583 Practitioners Helpline
- 07827 449 280 / [katy\\_barge@slc.co.uk](mailto:katy_barge@slc.co.uk)

