

General Guide to Financing a University Degree

Student Loans to pay tuition fees (up to £9250 p.a.) are available to all, regardless of parents' income. Living expenses can be covered by an additional Maintenance Loan. This is means tested. Where household (parental) income is below £25000 p.a. the full amount of £8700* per year is available. However, once household income has reached around £62 000 p.a. the loan available is reduced to a minimum of £40500 per year, leaving a possible gap of around £5000 per year to be covered by alternative sources.

* for study outside London

Loans are to be repaid by the student, after graduation. The key facts about these loans are:

- The interest rate on the loans is linked to the RPI inflation rate (plus between 1.6 and 3%, depending on various circumstances)
- Repayments of the loan are payable only once the student begins earning over £25,000 a year
- Payments are made at a rate of 9% of all earnings above £25,000 until the debt is repaid
- All debt still owed after 30 years will be cancelled according to current government policy

All universities have significant bursaries (financial support) available for certain target students. All universities who decide to charge the maximum tuition fee have to make financial provision for access to less advantaged students from their own income. There is some, non-means tested, additional support from the government for those with disabilities.

Details and updates from:

<http://www.studentfinance.direct.gov.uk>