



23<sup>rd</sup> January 2023

Dear Parent/ Carer

**Re: Student Finance for University**

We ran a session for the Year 13 UCAS applicant students last week to talk through Student Finance. The finances are often the biggest area of confusion and concern for both students and their families, so we are writing to you too, to provide some information, which we hope will be of some use.

Students can apply for two loans, a 'Tuition Loan' which is for fees for their education to the University, and a 'Maintenance Loan' which is for living on (accommodation, food etc). Please see the information below for full details:

TUITION FEES LOAN	MAINTENANCE LOAN (Living costs)
Maximum a university can charge is £9,250 a year	<p><b><u>Amount of loan you can get</u></b>                      This is determined by two factors:                      1)household income                      2)if the student is living at or away from home  <u>Example of sliding scale:</u>  <b>Min</b> £25K or less household income = £8,171 a year loan if living at home, £9,706 if living away but outside London; if in London £12,667.  <b>Max</b> £70,022+ household income = £3,597 a year loan if living at home, £4,524 if living away but outside London; if in London £6,308.</p>
Payments go directly from Student Finance England to the University (never into student's accounts)	<p><b><u>Applying for the loan</u></b>                      MUST apply online: <a href="http://www.gov.uk/studentfinance">www.gov.uk/studentfinance</a>                      Usually goes live in April (we will notify students as soon as we know).                      Recommend students do this by MAY.                      CANNOT start university without this in place.</p>
Only becomes repayable after graduation	<p><b><u>Repaying the Loans</u></b>                      Your child will be on a Plan 5 loan. Their threshold for when they start to repay the loan is set at £25,000 i.e., they must be earning (post-graduation) that amount or more before repayments start.                      They only pay a percentage (9%) of what they earn over £25,000 (that's £480 a week or £2,083 a month).  <u>Example:</u> Earning £2,250 a month, minus £2,083 = £167, 9% of £167 = £15 a month repayment.</p>

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**Principals** Mark Gilmore & Rachael Merritt



	<p>THEY PAY NOTHING IF THEY EARN ON OR UNDER £25,000. Loan is written off after 40 years.</p>
	<p><b>Living expenses</b> – You would expect to pay approximately £120-40 a week for accommodation, and students should be able to live on approximately £30-50 a week.</p>
<p><b>Useful websites for more information are:</b> <a href="http://www.gov.uk/studentfinance">www.gov.uk/studentfinance</a> or <a href="http://www.thestudentroom.co.uk/studentfinance">www.thestudentroom.co.uk/studentfinance</a></p>	

Please do not hesitate to contact either myself, Mr Dowey – Careers Lead, or Mr Lloyd if you would like to talk about any aspect of Student Finance, or indeed any aspect of the UCAS application process.

Yours sincerely

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Mrs S. Lewis  
Assistant Principal  
Curriculum & Progress

*D. Lloyd*

Mr D. Lloyd  
Associate Assistant Principal  
Post 16

*T. Dowey*

Mr T. Dowey  
Careers Lead

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