Funding your higher education – an overview

This leaflet gives an overview of the financial assistance available to students entering higher education in 2011/12. It covers loans (for tuition fees and living costs), grants and bursaries. If the information will affect your parents, carer, spouse or partner, please share it with them.

You have probably heard about the proposed increases to tuition fees and other changes to student finance that have been widely reported in the news. These changes will only affect those students entering higher education from 2012/13 onwards.

Unless otherwise stated, the information in this leaflet applies to students from England and relates to the 2011/12 academic year. Variations for students living in other parts of the UK are given at the end of this leaflet.

The financial arrangements described below apply to full-time students (unless otherwise indicated) entering first degree, HNC/D, foundation degree, Diploma of Higher Education, Initial Teacher Training and postgraduate Certificate of Education (PGCE) courses at publicly-funded institutions. Access and conversion courses, and foundation years that are not an integral part of a degree course, are not covered.

The figures quoted in this leaflet are those proposed for entry in 2011/12 unless otherwise stated as final details were not available at the time of updating. For full details and the most up-to-date information, contact the student finance organisation for your part of the UK, listed at the end of the leaflet.

Generally, to be eligible for financial assistance, you must have been living in the UK for the three years before the start of the academic year in which your course begins. Support is also available to EU students and to people who have been granted refugee and certain other types of immigration status. If in doubt, check your eligibility.

Students can apply for most of the financial support described in this leaflet through the websites listed in the further information section. These websites include lots of useful information, including student finance calculators.

Eligibility for, and levels of, loans and grants are always subject to change. The details in this leaflet are correct at the time of updating, but you should check with up-to-date information as necessary.

Financial considerations

If you are considering HE, the main costs involved are those relating to your tuition fees and living costs. Institutions may charge fees of up to £3,375 per year. Most courses charge the maximum fee. Living costs will vary depending on your particular situation, but you may need to budget for rent, utility bills, food and travel, for example. Leaflet 7.02 has advice about how you can manage your money as a student.

There is a range of financial help available to you – with varying terms and conditions applying. Look out for whether the funding is:

- income assessed – meaning the amount you receive will vary depending on how much other money you, or your family etc, have coming in
- not income assessed – everyone receives the same rate regardless of individual circumstances
- repayable – such as in the case of a loan
- non-repayable – you are not normally expected to pay back bursaries or grants, for example.

Student loans

Student loans can help you pay for the costs of studying. These loans have to be repaid. You will be able to take out a Tuition Fee Loan to cover the cost of your tuition fees. Your student finance company pays this directly to your course provider on your behalf.

You may also apply for a Maintenance Loan to help with living costs of up to £4,950 per year, £6,928 if studying in London, or £3,838 if living at home. The exact amount you can borrow is income assessed.

Repaying the loans
• You have to start paying back the loans from the April after you have finished or left your course, but only if you are earning over £15,000. If your income falls below the threshold, repayments are suspended.
• You pay back 9% of the part of your salary which exceeds £15,000 (e.g. if you are earning £18,000 you will pay back approximately £22 per month).

For more information on repaying student loans, see: www.studentloanrepayment.co.uk

Funding you don’t need to pay back

Maintenance Grant/Special Support Grant

The Maintenance Grants is an income-assessed grant of up to £2,906 per year to help cover your living costs. Students whose household income is £25,000 or less are eligible for the full amount, and those whose income is up to £50,020 are eligible for a partial grant. The amount of Maintenance Loan that a student can borrow is reduced by 50p for each £1 of Maintenance Grant you are entitled to. If you are eligible to claim certain income-related benefits, instead of getting the Maintenance Grant, you may be entitled to a Special Support Grant of up to £2,906. Receipt of this grant will not affect the amount of Maintenance Loan borrowed, or the right to claim benefits.

Bursaries and scholarships

These are awards made by HE institutions to help with living costs. Colleges and universities that charge the full tuition fee have to offer annual bursaries to those students who are eligible for the full Maintenance Grant or Special Support Grant. For 2010/11 the minimum bursary colleges/universities had to offer was £329; many bursaries are considerably higher. Some HE institutions award bursaries and scholarships based on criteria other than household income. For instance, they may be available to students who live locally, for academic or sporting excellence, to attract students to certain courses or for students who have been in care. Many bursaries go unclaimed, so make sure that you get what you are entitled to. Useful information can be found through: www.direct.gov.uk/bursarymap

The Access to Learning Fund

Once on a course, financial support may be available through the Access to Learning Fund, paid at the discretion of the college or university. Priority will normally be given to certain groups, such as students who have left local authority care, lone parents or students from low-income families. The Funds are intended to help those who are experiencing a financial crisis or whose financial problems could prevent them from completing their course. This support may be offered to you in the form of a grant that doesn’t need to be paid back, sometimes however you may be offered a loan that you will have to repay. Similar funds are available to students in other parts of the UK (see below).

Sponsorships, charities and trusts

Some employers sponsor students on degree courses, usually in the form of an annual bursary and paid work placements during vacations. Various charities and trusts can also offer financial help to students, but the conditions of such funding limits who is eligible for help. For more information, see leaflet 2.31 in this series.

Information for specific students

Some students may be entitled to extra help in meeting the costs associated with studying. Although most full-time students are not entitled to state benefits, certain students may be able to make a claim. Get advice from the Jobcentre Plus or your local authority Housing Benefit department.
Students with dependants— a range of support is available, including the Childcare Grant, Parents' Learning Allowance and Adult Dependents' Grant. Your entitlement depends on your income, but the grants are non-repayable.

Students with disabilities— Disabled Students' Allowances (DSAs) are not income-assessed, and are non-repayable. They are intended to cover any extra costs incurred because of a disability, mental health condition or specific learning difficulty. They are also available for students taking distance learning courses. The free booklet *Bridging The Gap* can be downloaded from the Directgov website or a copy can be ordered (see details at the end of this leaflet); audio, Braille and large print versions of the booklet are also available.

Students with extra travel expenses— a Travel Grant may be available to help with some costs. For more information, see the Directgov website, listed at the end of the leaflet.

Part-time students— some non-repayable, income-assessed support is available. The **Fee Grant** can pay up to a maximum of £1,230 towards tuition fees and the **Course Grant** can pay up to £265 for study-related costs. DSAs (described above) are available for disabled students studying part time. Access to Learning Funds (see above) are available to some part-time students.

Social work students— if you intend to take an approved course in social work, you may be eligible for a non-income-assessed Social Work Bursary. For information, tel: 0845 610 1122, or see: www.nhsbsa.nhs.uk/students

Student teachers— undergraduate and postgraduate students on full-time initial teacher training (ITT) courses are entitled to the same financial support as described previously in this leaflet. Postgraduate ITT students may also be eligible for a bursary from the TDA (Training and Development Agency for Schools) – the amount depends on the subject and age group you are training to teach. Employment-based schemes pay a salary. Funding arrangements for students in Wales differ slightly. For full details, see leaflet F 06 in this series.

Studying abroad— if you intend to study overseas, seek advice about funding arrangements. There are special arrangements on fees and grants for students who take part of their degree course in Europe through the Erasmus scheme. For information, see: www.britishcouncil.org/erasmus

Professional healthcare courses— the following is based on 2010/11 entry. Income-assessed NHS bursaries are available for full- or part-time pre-registration courses in chiropody/podiatry, dental hygiene, dental therapy, dietetics, occupational therapy, orthoptics, physiotherapy, prosthetics and orthotics, radiography, radiotherapy, speech and language therapy, nursing and midwifery (degree courses only), and audiology.

Students who have an NHS-funded place on one of the courses listed above also have their course fees paid by the NHS and, depending on their circumstances, may be eligible to receive additional allowances, e.g. for dependants, childcare etc. Students on these courses are also entitled to apply for a reduced-rate Maintenance Loan.

The NHS also funds places on diploma courses for operating department practitioners and nursing. In these cases, the NHS pays the course fees and students receive an NHS bursary, which is not income assessed. Students on these courses are not eligible for student loans.

For the first four years of a medical or dental course, the usual financial arrangements for undergraduates apply. From year five, students are eligible to apply for income-assessed NHS bursaries, help with tuition fees and reduced-rate maintenance loans.

Students not on NHS-funded places are subject to the same financial arrangements as other undergraduates. Funding is administered by different authorities in different parts of the UK; for further information, consult the relevant authority for the country in which you intend to study. Similar arrangements apply across the UK, but there are variations, e.g. in Wales, students on operating department practice courses are employed and paid a salary – they do not pay tuition fees.

In England, see the booklet *Financial Help for Healthcare Students – Academic Year 2010/11* available from NHS BSA Student Bursaries, tel: 0845 358 6655 or view: www.nhsbsa.nhs.uk/students

For Wales, see the booklet *Financial Help for Healthcare Students in Wales*, tel: 029 2019 6167, or view: www.wales.nhs.uk

N.B. The NHS Bursary scheme is currently being reviewed. Changes to the scheme may come into effect from September 2011 at the earliest.

If you have previously undertaken an HE course, this may affect your eligibility for financial support. It is important to seek advice on your entitlement to financial assistance.

**Professional and Career Development Loans**
If other funding is unavailable, you could apply for a Professional and Career Development Loan (PCDL). These are for work-related courses, whether full time, part time or through distance learning. The loans are from £300 to £10,000 and can fund up to two years of study, or longer if the course includes work experience. Repayments do not start until a month after the end of your course. PCDLs are available through certain high street banks in collaboration with the Young People's Learning Agency. For more information call Next Step 0800 100 900, or see:
www.direct.gov.uk/pcdl

Students in Wales, Northern Ireland and Scotland

Usually, students living in one part of the UK and studying in another pay fees according to the host country's arrangements and receive the support package of the country they normally live in. Summaries of financial arrangements in different parts of the UK are given below – more details can be found on the websites listed at the end of this leaflet.

**Wales**: Fees and the loans to pay for them are the same as in England. Students who normally live in Wales and are studying in the UK can apply for an income-assessed **Assembly Learning Grant** of up to £5,000 a year to help with living costs. This is available to full-time students; other arrangements exist for part-time students. **Maintenance loans** are also available for living expenses. The income-assessed **Welsh National Bursary** is available to any UK student studying full-time in Wales. **Financial Contingency Funds** provide similar assistance to the Access to Learning Funds in England.

**Northern Ireland**: Support for students living in Northern Ireland is currently broadly similar to England. However, there are differences, e.g. the income thresholds for eligibility for the Maintenance Grant are lower and the maximum rate payable is higher. **Support Funds** are the equivalent of Access to Learning Funds in England.

**Scotland**: Financial arrangements for students in Scotland are very different from the rest of the UK. Scottish students studying in Scotland do not pay tuition fees and can apply for a loan and a bursary to help with living costs. Students from other parts of the UK studying for a degree in Scotland pay tuition fees of £1,820 a year, or £2,895 if they are studying medicine (based on 2010/11 figures). Support for living costs is through a student loan. Supplementary grants are available to help students with particular needs. **Discretionary Funds** offer support to students experiencing financial hardship.

Further Information

The resources listed below may be available at schools, colleges and Connexions/careers services. Make sure you consult the most up-to-date editions of publications as financial arrangements change on an annual basis.

For information on the financial support available for students in HE, contact the relevant student finance organisation:

- Students from **England** should contact Student Finance England on: 0845 300 50 90, or see: www.direct.gov.uk/studentfinance
- Students from **Wales**, tel: 0845 602 8845, or see: www.studentfinancewales.co.uk
- Students from **Northern Ireland**, tel: 0845 600 0662, or see: www.studentfinanceni.co.uk
- Students from **Scotland**, tel: 0845 111 1711, or see: www.saas.gov.uk

Publications, including guides to financial support, for students with disabilities, and for students with dependants, can be downloaded from the Directgov website listed above, or by calling 0800 731 9133; textphone: 0800 328 8988.

**Skill: National Bureau for Students with Disabilities** –tel: 0800 328 5050 (information service - voice) or 18001 0800 328 5050 (information service - textphone). Can provide advice and information about HE for students with disabilities. Publishes the annual guide **Into Higher Education** –£15.00 or £2.50 for people with disabilities. Lots of other information, including the booklet, **Funding Higher Education for Disabled Students**, can be ordered or downloaded from: www.skill.org.uk

Other useful websites on student finance include:

- www.brightsideuniaid.org
- www.scholarship-search.org.uk

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Other leaflets that may be of interest

Funding your further education - an overview - Leaflet 2.32
Choosing your higher education - Leaflet 2.21
Higher education and training outside Europe - Leaflet 2.27
Apprenticeships and work-based learning - Leaflet 11.16
Sponsorship, scholarships and charitable trusts - Leaflet 2.31
Applying for higher education courses - Leaflet 2.23
Managing your money as a student - Leaflet 7.02
Higher education and training in Europe - Leaflet 2.26