

Student Finance

Jargon Buster



University	Higher Education Institute where you work towards higher qualifications such as Degrees. University can improve your career prospects and lifetime earning potential (how much money you will earn over your working life). However, it is not free to go to university and choosing to go can be a big decision.
Tuition Fees	The 'entry fee' to go to university, currently £9250 a year. University courses usually last 3-4 years. Tuition fees are the same at every university in the UK and the cost covers all of the teaching you will receive.
Living Costs	The other costs associated with going to university. This can include the cost of your accommodation (rent), food, text-books and activities when you are not studying. This can vary a lot based on lots of factors such as if you move away or live at home during your studies.
Student Loan	Most students do not have thousands of pounds to pay for university upfront, that is why most students take out a student loan. Just like any loan, you borrow the money now and pay back at a later date. Student loans are split into two types. See Tution and Maintenance loans to see the two.
Student Loan Company	The company that manages student loans in the UK. This is a government owned, non-profit organisation, which is why student loans are different from a loan you might get from a bank.

<p>Household income</p>	<p>The amount of money your parents / carers earn. The maintenance loan is means tested against your household income to decide how much money you will receive each year. What this means is the higher your household income, the less loan you will receive and vice versa. You can get an idea of how much money you would receive by using a maintenance loan calculator such as the one here: Student finance calculator - GOV.UK (www.gov.uk).</p>
<p>Budgeting</p>	<p>A life skill. Budgeting is analysing how much money goes in to your bank account vs how much money you spend and adjusting your habits to make sure you don't run out of money. University is a great opportunity to learn how to budget as you can get support to help you learn.</p>
<p>Bursaries, Grants and Scholarships</p>	<p>These are like student loans with the main difference being that you do NOT need to pay them back at a later date. This is essentially free money to 'top up' your maintenance loan. You can get bursaries, grants or scholarships for many reasons such as doing well in your A-levels, coming from a lower household income or exceling at a sport or musical instrument. They can be anywhere from a few hundred pounds to £10,000+! More information can be found here: Student grants, bursaries and scholarships - Save the Student</p>
<p>Student Loan Repayments</p>	<p>Once you finish university and get a job you will start repaying your student loans. How much you ACTUALLY pay is based on how much you EARN per year. You only start paying once you earn over £25,000* a year. For every pound you earn over £25,000 a year, you would pay 9p to the Student loans company.</p> <p>Some examples:</p> <ul style="list-style-type: none"> • If you earned £25,000 a year you would pay NOTHING • If you earned £25,001 a year you would pay 9p a year • If you earned £26,000 a year you would pay £90 a year (£7.50 a month)
<p>Investment</p>	<p>an investment is a financial decision that costs money but may make you more money back. For example if you bought a t-shirt at a charity shop for £1 and then sold it online for £10 that would be a good investment.</p>

* Please note these figures are based on the planned changes to how Student Finance will be repaid from 2023 onwards. These figures could be subject to change. For the most up to date information visit <https://www.gov.uk/student-finance>