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Navigating Student Finance

HELOA New Practitioner Conference –

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Wrexham University

About me

- Currently working as Student Recruitment Manager at Wrexham University, in North East Wales. Responsibility for School / College Liaison, Events (Open Day, App Day), Widening Participation & Postgraduate Recruitment
- Previously at Liverpool John Moores University as an Account Manager
- Formerly of Wrexham University as a Student Recruitment Assistant
- After University delivered 'Student Finance Tour' 2016 across the West Midlands and South West
- Journey began as a Student Ambassador at Leeds Beckett University
- Held roles throughout my time in Higher Education; currently joint chair Wales HELOA group (overseeing VC Membership & Comms) , formerly VC Training and Partnerships for North West and Northern Ireland

What are our aims for today?

- You need to be up to date with Student Finance across all remits of Student Recruitment / Marketing / WP – today we will hopefully get you ready for this!
- What the figures are, and what you need to know
- View of England / Wales
- How to present / deal with enquiries
- Breakout session – not terrible I promise!
- The long and winding road – what's coming (potentially)
- It's not all doom and gloom

Overview – Tuition Fees

- UK students pay £9,250 per year in tuition fees
- EU and International students pay a different fee rate and this can depend on the programme and university
- These are paid directly to the University on behalf of the student
- Tuition fees cover the cost of teaching & services at university (you!)
- Part-time courses may differ in price
- These are NOT means tested but eligibility criteria applies

Overview – Maintenance Fees

- Can be used to cover the cost of your accommodation and other expenses at university such as food, books and transport
- The loan amount is paid into the student bank account in three instalments during the academic year
- Means tested: the amount you receive will depend on your current household income and where you'll be studying and living as a student. Everyone will receive a minimum amount.
- Apply yearly and household income is assessed if it changes
- The figure available can and most likely will change yearly, and depending on which devolved nation you are in will depend on level of loan / grant
- I describe this as a balancing scale – the more you earn the less you

The Facts – Maintenance Loan England

- Universities can charge up to £9,250 per year of study (Tuition Fee Loan)
- Maintenance Loans exist to support students with living costs
- Tuition fees loans are **NOT** means tested
- Maintenance loans **ARE** means tested
- Means tested based on household income
 - you will get lots of Q's on this!
- Eligibility checks required (prior learning, UK National, Irish Citizen, Settled Status, Refugee)

	2022 to 2023 academic year	2023 to 2024 academic year
Living with your parents	Up to £8,171	Up to £8,400
Living away from your parents, outside London	Up to £9,706	Up to £9,978
Living away from your parents, in London	Up to £12,667	Up to £13,022
You spend a year of a UK course studying abroad	Up to £11,116	Up to £11,427
If you're 60 or over on the first day of the first academic year of your course	Up to £4,106	Up to £4,221

Bursaries and Scholarships

- Students don't usually have to repay the money from bursaries or scholarships
- Students must meet specific criteria for different bursaries or scholarships. Some are automatically given; some you will need to apply for. For example – 1st generation student.
- Advise to research bursaries and scholarships available at every university they apply to.
- Further guidance can be found at dedicated webpages or Open Days.



Applying

- Head to Student Finance for the nation students are currently based – not where they are going.
- Apply early (around Feb) to ensure the first instalment is in time for starting university (in Sept/Oct)
- Students do not need a confirmed university place to apply; they should apply with either your firm or insurance choice - they can change these details later
- Parents / Guardians may be contacted to provide information about their income
- Example: In the North West over 50% of students apply for Student Funding after the deadline of May 31st. This means that students are at risk of not receiving their loans on time!
- Example: One institution in Wales (not mine!) has over 50% of it's SFW requests from the end of July – October. This can add pressure to internal funding teams through queries and asks for help.

Extra Help

- Students can apply for extra help if they meet the following:
 - Students on a low income/Universal Credit and/or experiencing financial hardship
 - Disability (including learning difficulties such as dyslexia) can apply for Disabled Students' Allowance
- Students with children or dependent adults can apply for extra support, such as:
 - Childcare Grant
 - Parents' Learning Allowance
 - Adult Dependents' Grant
- Medical, social work and teacher training students can also apply for support
- For more specific questions around this, I always refer students to our funding / finance team in house to give a more accurate overview of funding available. For the most part – you just need to know that these exist.

FAQ's

Useful resources:

<https://www.gov.uk/government/publications/alternative-student-finance/alternative-student-finance>

<https://www.sfengland.slc.co.uk/estrangement/>

Q) My Dad has recently lost his job, will this impact my student finance?

If your maintenance loan entitlement is due to change due to a parent or guardian losing their job, you can be re-evaluated for SF between each year. Support is available through hardship funds if funding is a significant issue on the course.

Q) I am Muslim and cannot take out a loan with interest – what should I do?

SF has set up an alternative student finance in conjunction with Sharia Law. The same support is available to students. Repayments will be made to a Takaful Fund.

Q) I am living away from my parents, what support is available for me?

If you are estranged from your parents, you will need to complete an estrangement form. Usually this means no contact with a parental figure for 12 months prior to application.

Regional difference – please be aware!!

- Each of the support for Maintenance Loan / grants across the devolved nations will be different
- In Wales, students receive a grant to support them with maintenance, with a sliding scale based off household income(as a maximum), have a larger loan and are Plan 2 repayment.
- In Northern Ireland, students receive a much smaller amount of maintenance loan (as a maximum) and have Plan 1 repayment.
- In Scotland it is much different! If you live in Scotland and choose to study full-time at a Scottish university or college, you will not have to pay tuition fees. However, you will need to apply to SAAS to have your tuition fees paid for you, as this is not automatic.
- In Wales, a large number of NHS courses have full tuition fee bursaries providing that students stay in Wales for two years post study.

Keep Repayment clear and concise for students

- What plan is the student on?
- There's a high chance we could have all repayment plans in the room today!
- All students from England starting a course from September 2023 will be on Plan 5.
- Plan 5 is relatively new and quite controversial – students now have extended repayment years (previously 30 on Plan 2) at 40 years term for the 'product'
- The monthly threshold has reduced to £25,000 from those on Plan 2 (before 1st September 2023, but after 1st September 2012) from £27,295. Students pay more sooner!
- This will be different in Wales (Plan 2), Scotland (Plan 4) or NI (Plan 1)
- When in doubt, get the student finance calculator out!

Repayment – the figures

Plan type	Yearly threshold	Monthly threshold	Weekly threshold
Plan 1	£22,015	£1,834	£423
Plan 2	£27,295	£2,274	£524
Plan 4	£27,660	£2,305	£532
Plan 5	£25,000	£2,083	£480
Postgraduate Loan	£21,000	£1,750	£403

You'll repay either:

- 9% of your income over the threshold if you're on Plan 1, 2, 4 or 5

The more you earn, the more you pay back. Martin Lewis has often described this as the student tax – paid via monthly contributions on your payslip

Repayment – How does this look?

Plan 2 monthly repayments



From April 2019, you'll make repayments if your income is over £25,725 a year, £2,143 a month or £494 a week.

Yearly income before tax	Monthly income before tax	Approximate monthly repayment
£25,725	£2,143	£0
£27,000	£2,250	£9
£29,500	£2,458	£28
£31,000	£2,583	£39
£33,000	£2,750	£54
£37,000	£3,083	£84
£42,000	£3,500	£122
£45,000	£3,750	£144

Repayment – How does this look?

The more you earn, the more you pay back. Martin Lewis has often described this as the student tax – paid via monthly contributions on your payslip

Young Ones	
Pay Period	Oct
Pay Date	31-Oct
Pay Type	Monthly
Payment Method	BACS
Tax Code	BR
NI Table Letter	A
Payments	
Basic Pay	2,690.00
Total Payments	2,690.00
Deductions	
Income Tax	538.00
National Insurance	217.56
Student Loan Repayment	37.00
Total Deductions	792.56
Year to Date	
Taxable Gross Pay	2,690.00
Income Tax	538.00
Employee NIC	217.56
Employer NIC	290.77

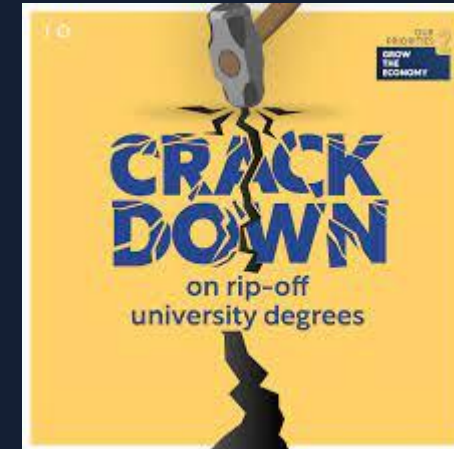
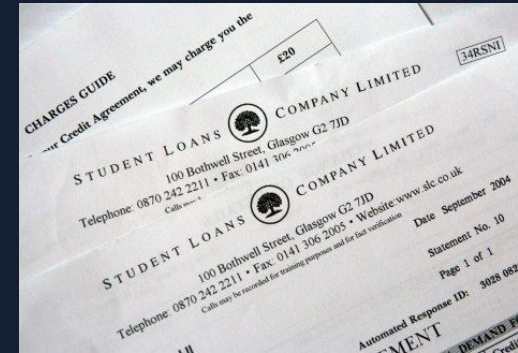
- If your wage drops below the repayment amount, the SF payments would stop.
- After 40 years (Plan 5) they will cease
- If you take a break, or maternity, payments will stop if below the threshold
- Doesn't effect your credit score!
- 7.3% interest if you're on Plan 5 – based off retail price index but capped at 7.3% currently.

Recognising the challenges / opportunities ahead

- Universities are often challenged over their tuition fees in the public, press and government
- With the rise of inflation – UK home students are costing institutions more and more, think of a price of a 'Freddo' – no rise in funding since 2012 for Universities
- But; Universities still offer the same service to students (teaching, support, opportunities)
- There's a lot of financial support out there – you can help students with this
- Repayment isn't a dirty word – it's as good as it can plausibly be

Culture Wars – Why are we here?

- Student Finance is an absolute 'buzz' word for those working within Government, Higher Education and across our Schools / Colleges.
- Since 2012 there have been significant changes to Student Finance across the four devolved nations (Scotland, NI, England and Wales).
With continual minor changes yearly.
- Value for money – Rip off degrees
- Big changes in February of this year – length of repayment lengthened
- Public perception is that it's expensive, and a waste of money



What does the future hold?

- Unfortunately, likely more change!
- Dependent on Election result next year (2024)
- Both the government and contenders have been quiet on tuition fees / support at party conferences
- More kickback from parents / guardians / carers at events – sometimes you're just the face who takes the blame.



Recommendations

- Get to know your Student Finance Contact / Internal Student Funding Teams
- Keep abreast of changes via Student Finance website for your area
- If you don't know – keep quiet and refer!
- Anything more complicated, contact Student Finance. It's easy to get caught in a web of complexities
- Consider all students you meet – not everyone will have parents or will be eligible
- Stay up to date with the political ramifications via services such as WonkHE

Breakout Activity

On your tables / in small groups I want you to think about how you can get Student Finance information across to students in an engaging, interactive session.

The session will last 1 hour and you can use resources which can fit in the back of a rental car.

Create a session plan – using interactive elements, writing down what you intend to do on sheets in front of you using a structure which can be delivered in classrooms.

If you think the session sounds more exciting than the current way you deliver workshops, suggest to your team on return!

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This session can include the themes of;

- Planning and Budgeting at University
- Key facts / data on your devolved Student Finance organisation
- One university created a budgeting session using Monopoly money!

Resources

<https://www.practitioners.slc.co.uk/supporting-materials/>

<https://studentfinance.campaign.gov.uk/>

<https://www.studentfinancewales.co.uk/>

<https://www.studentfinancenl.co.uk/>

<https://www.saas.gov.uk/>

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