



# Myths and facts about student finance for parents

What your child can get 

How student finance works 

Repayment 



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## Myth



**My child can't afford to go to university, it's too expensive**



Most students won't have to pay tuition fees up front to go to university or college as there's financial help available from Student Finance England (SFE). All eligible students, no matter what their household income is, can apply for:

- a Tuition Fee Loan to cover the full cost of fees; and
- a Maintenance Loan to help with their living costs.

A basic rate of Maintenance Loan doesn't depend on household income but they can apply for more that does.

Many students won't have to pay back the full amount they borrow, meaning university or college could cost them a lot less than the tuition fee on paper suggests. The actual cost of going is determined largely by income after graduation, rather than the cost of the fees.

A student's university or college may also offer bursaries, scholarships or other kinds of financial help – so it's always worth checking with them too.

**All colleges and universities are charging £9,000**



Many universities and colleges charge less than the maximum tuition fee of £9,000 – we advise students to check their individual websites for specific course fee information.

Even if they charge the full £9,000, students could still qualify for fee waivers, reductions or other benefits. They should contact the university or college for further information.

**The loan repayments will be a huge burden and will hold my child back**



Repayments don't start until your child's income is over £21,000 a year. Once your child enters repayment, the amount they repay is based on their income, not what they borrowed. They'll repay 9% of their income over the £21,000 threshold.

The amount they repay each month will only increase as their earnings increase – similar to tax – and repayments will normally be collected automatically by their employer along with their tax and National Insurance.

Loans are written off after 30 years.

## Fact



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**If my child can't afford to repay the loan then I'll have to foot the bill**

**If I have high earnings my child won't get any student finance**

**My child is 21 years old and has left home so I won't need to give my income details**

**If my child moves abroad they won't have to repay their student loan**

## Fact



▶ Student loans are the sole responsibility of the student who takes them out. Liability for the loans cannot be transferred to their parents or anyone else.

▶ Not all student finance depends on household income, they can still apply for:

- a Tuition Fee Loan to cover the full cost of their fees; and
- a Maintenance Loan to help with their living costs.

The amount of Maintenance Loan they can get will depend on your household income and where they're studying, but all eligible students are entitled to some funding.

▶ To be classed as independent from their parents, students have to fall into one of these categories:

- aged 25 or over;
- have supported themselves financially for at least three years before the first day of their course;
- are, or have been, married or in a civil partnership;
- have the care, of a person under 18 years of age, regardless of their relationship to the child;
- is permanently estranged from their parents; or
- has been in the care of their local authority.

We'll ask for evidence to confirm they are independent.

▶ When your child takes out a student loan they agree to make any repayments due.

If they move abroad they must tell the Student Loans Company so we can make arrangements for them to continue paying off their loan.

For more information on repayment visit [www.studentloanrepayment.co.uk](http://www.studentloanrepayment.co.uk)