Money: student finance explained

There are two main types of finance available to students: tuition fee and maintenance loans (which have to be repaid) and grants, scholarships, and bursaries (which don’t).

Tuition fee and maintenance loans

Tuition fee loans and maintenance loans are provided by the government through your student finance authority (Student Finance England, Wales, Northern Ireland or Student Awards Agency for Scotland).

The tuition fee loan covers the full cost of the tuition fees and is paid directly to the university. This means your son or daughter doesn’t have to pay tuition fees to the university before or during their undergraduate course. The current tuition fee loan is set at £9,000. The government has proposed changes to allow UK and EU tuition fees to rise in line with inflation. Subject to approval, this will take effect from 2017/18 and tuition will be £9,250.

Maintenance loans are intended to help with your child’s living costs, like accommodation, food and travel, whilst at university.

Grants, scholarships and bursaries

Living cost grants are also available through the government for extra support. Some of those currently on offer are the Disabled Students’ Allowance, Childcare Grant, and Adult Dependants’ Grant, though these are subject to change. Currently, these do not have to be repaid, unless your child leaves their course early.

Scholarships and bursaries are awarded by the university your child is studying at. These may be cash awards or extra financial support, such as discount on accommodation fees or a tuition fee waiver.

Our scholarships

We offer scholarships for academic success, plus sports and music excellence. We also offer income-related bursaries for particular groups of students.

Royal Holloway students get more

As we’re part of the University of London, our students are eligible for the higher rate of maintenance loan that comes with living in London.

More overleaf
Money: frequently asked questions

We’re sure you’ll have specific questions that relate to your own family circumstances. Here are a few that come up, but we’re here to help with anything else you want to know.

What if our financial situation changes?
If your household income drops by 15% or more whilst your son or daughter is still studying, you’ll need to complete a ‘Current Year Income’ Assessment Form and send it to your student finance authority. They’ll make a new loan assessment based on this.

We’re separated or divorced – whose income counts?
Your son or daughter will be assessed on the income of the parent/guardian they live with most of the time. If you remarry or have a cohabiting partner, then your joint income will then be assessed.

When do the loan repayments start and much are they?
Your son or daughter will start making repayments in the April after they finish their degree and if they are earning more than £21,000. They then repay 9% of their income over this amount. For example, if your child is earning £25,000 a year, their monthly repayment will be £30. This is usually done automatically through the UK tax system and will stop without your son or daughter having to do anything if their income changes.

Applying for the loan
1. Your son or daughter applies.
   The quickest way to apply is online at gov.uk/studentfinance. You can help by encouraging him or her to apply as soon as the application process opens in 2016 to make sure they have the money secure for the start of their course.

2. You provide evidence of your household income.
   After he or she has applied you will be sent an email asking you to confirm your income. You will be asked to provide evidence.

3. The application is processed.
   The student finance authority will assess your eligibility and entitlement then send your son or daughter a letter confirming the amount that will be paid and when.

4. Your child is paid.
   Your child should bring their Student Finance Entitlement Letter to university during enrolment. The university will then inform the student finance authority, and the funds will be paid.

But she hasn’t decided on her course yet.
Don’t wait to apply; use your son or daughter’s current preferred choice of course – this can be changed at a later date online.

More information
For information and interactive guides on student finance, see studentroom.co.uk/studentfinance
To apply through your student finance authority, see gov.uk/studentfinance

royalholloway.ac.uk/parents