STUDENT FINANCE UPDATE

LATEST NEWS AND KEY MESSAGES
Current drivers of frequently asked questions and SFE key messages:

- Student funding rates, updated AY 21/22 Memorandum and supporting Guidance Chapters available from [www.practitioners.slc.co.uk/policy](http://www.practitioners.slc.co.uk/policy)

- Changes to new EU/EEA student funding eligibility for AY 21/22

- From AY 2021/22 new EU, EEA or Swiss national students need to be protected under the Withdrawal Agreement and hold an EUSS status

- Changes to 3-year UK residency rule for eligible protected Home Office residency statuses such as Humanitarian Protection

- Simplification and alignment of Disabled Students’ Allowances payment
The DfE have now published information on the eligibility requirements for Student Finance England support from academic year 2021/22:

This guidance gives an overview of the various post-Brexit eligibility policies including:

- EUSS Settled and Pre-Settled Status
- UK nationals living in the EEA, Switzerland and EU Overseas Territories
- Children of Swiss and Turkish Workers
- UK nationals resident in other British Overseas Territories and UK/EU residents in Gibraltar

[Website Link]

The DfE have now published information on the eligibility requirements for Student Finance England support from academic year 2021/22:

- DfE have also created an online FAQ page, providing further detail and responses to post-Brexit student finance related questions

- [https://dfemedia.blog.gov.uk/access-to-student-finance-from-academic-year-2021-22-faqs](https://dfemedia.blog.gov.uk/access-to-student-finance-from-academic-year-2021-22-faqs)
A single DSA of up to £25,000 is being introduced for new and continuing full-time and part-time undergraduate students in AY 2021/22:

- This will replace the four DSA sub-allowances available for full-time and part-time undergraduate students in AY 2020/21

### Previous Allowance Categories

<table>
<thead>
<tr>
<th>Previous Allowance Categories</th>
<th>Part-Time Max 20/21</th>
<th>Full-Time Max 20/21</th>
<th>New Single DSA Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Medical Helper</td>
<td>£17,443</td>
<td>£23,258</td>
<td>£25,000</td>
</tr>
<tr>
<td>Specialist Equipment</td>
<td>£5,849</td>
<td>£5,849</td>
<td></td>
</tr>
<tr>
<td>General Allowance</td>
<td>£1,465</td>
<td>£1,954</td>
<td></td>
</tr>
<tr>
<td>Travel Allowance</td>
<td>Reasonable Spending</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Further DSA support above the regulated maximum to pay for additional disability related travel costs.
Current drivers of frequently asked questions and SFE key messages:

- **AY 21/22 full-time SFE and SFW ‘deadline’ dates have now passed, so applications need to be submitted as soon as possible!**

- Applications should be submitted even if the student is unsure of their final university or college destination

- New guidance and information on evidence made available online

- If household income levels have significantly decreased, then students can use the Current Year Income (CYI) re-assessment process

- The application services for part-time undergraduate, postgraduate and Advanced Learner Loans are scheduled to open **June 28th**
It is essential we provide students with all the information they need to apply (and get paid) on-time prior to starting their course in AY 2021/22:

SFE: studentfinance.campaign.gov.uk
SFW: studentfinancewales.co.uk/discover-student-finance
We understand that providing the right evidence in the right way at the right time can seem confusing for many students and their parents or partners:

- To address this we have added new guidance and a short film explaining the digital evidence upload process to our pages on GOV.UK

www.gov.uk/guidance/guidance-for-students-parents-and-partners-providing-evidence-to-support-a-student-finance-application
All the essential information on the CYI process can be found in our online guide: https://media.slc.co.uk/sfe/currentyearincome/
Current drivers of frequently asked questions and SFE key messages:

- New student loan repayment threshold changes announced implemented from April 2021 to April 2022
- Temporary cap placed on Plan 2 and Plan 3 loan maximum interest rates in line with the Prevailing Market Rate for comparable personal loans
- Introduction of new Plan 4 regulations and higher (£25,000) threshold for Scottish student loan repayments
- Enhancements made to the repayment portal and repayment information available to students
From April 2021 ICR Plan 1 and Plan 2 loan thresholds will rise inline with ‘average earnings increases’ while Plan 3 thresholds remain static:

- April 2021 will also see a new Plan 4 loan type introduced for Scottish (SAAS) students

<table>
<thead>
<tr>
<th>Income Thresholds From April 2021</th>
<th>ICR Plan 1</th>
<th>ICR Plan 2</th>
<th>ICR Plan 3</th>
<th>ICR Plan 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yearly</td>
<td>£19,895</td>
<td>£27,295</td>
<td>£21,000</td>
<td>£25,000</td>
</tr>
<tr>
<td>Monthly</td>
<td>£1,657</td>
<td>£2,274</td>
<td>£1,750</td>
<td>£2,083</td>
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<tr>
<td>Weekly</td>
<td>£382</td>
<td>£524</td>
<td>£404</td>
<td>£480</td>
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</tbody>
</table>
**STUDENT LOAN REPAYMENT**

**PLAN 2 REPAYMENT THRESHOLD COMPARISON**

Estimated monthly repayment comparison of ICR Plan 2 loan thresholds:

<table>
<thead>
<tr>
<th>Annual Gross Income</th>
<th>Approx Monthly @ £26,575</th>
<th>Approx Monthly @ £27,295</th>
</tr>
</thead>
<tbody>
<tr>
<td>£25,000</td>
<td>£0</td>
<td>£0</td>
</tr>
<tr>
<td>£30,000</td>
<td>£25</td>
<td>£20</td>
</tr>
<tr>
<td>£35,000</td>
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<td>£100</td>
<td>£95</td>
</tr>
<tr>
<td>£45,000</td>
<td>£138</td>
<td>£132</td>
</tr>
<tr>
<td>£50,000</td>
<td>£175</td>
<td>£170</td>
</tr>
</tbody>
</table>
Temporary interest rate levels between 1\textsuperscript{st} July and 30\textsuperscript{th} September 2021:

- The maximum Plan 2 loan interest rate and the Plan 3 loan interest rate will be \textbf{5.3\%} between 1\textsuperscript{st} July and 31\textsuperscript{st} August

- This is the 0.3\% reduction applied to the previous rate of \textbf{5.6\%}

- The maximum Plan 2 loan interest rate and the Plan 3 loan interest rate will be \textbf{4.2\%} between 1\textsuperscript{st} September and 30\textsuperscript{th} September

- This is the 0.3\% reduction applied to the interest rate anticipated to be applied in September of \textbf{4.5\%}, based on the March 2021 RPI rate

The maximum Plan 2 loan interest rate and the Plan 3 loan interest rate is expected to revert back to \textbf{RPI +3\%} from 1\textsuperscript{st} October 2021
Online portal screens will display overall loan balance, all active Plan types, repayment/interest summary and self service account management options:
SLC’s repayment social media channels contain the latest news, updates, resources and information regarding student loan repayments:

www.facebook.com/SLCRepayment

www.twitter.com/SLC_Repayment
STUDENT FINANCE UPDATE

SFE RESOURCES
The practitioners site is our one stop, go-to location for SFE policy guidance documents, product specific information and our latest resources:

Welcome to Student Finance England for practitioners

Up-to-date information and supporting materials for all our student finance products and services.

This site is intended for those working in the education sector and provides guidance on the financial help available to students, based in England, who are considering entering further, undergraduate or postgraduate education.
SFE STUDENT RESOURCES

SFE INFORMATION ONLINE

www.thestudentroom.co.uk/studentfinance
www.facebook.com/SFEngland
www.twitter.com/SF_England
www.ucas.com/sfe
www.youtube.com/SFEFILM
Our ‘How You’re Assessed And Paid’ and ‘Terms And Conditions’ guidance should be essential reading for any student entering higher education:
To discuss potential staff update sessions, event support, student finance policy matters or just to register for our updates, please get in touch:

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