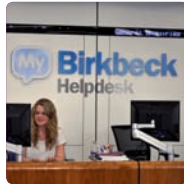


Financing your university course in 2012



Information for Certificate of Higher Education
and undergraduate students

You can afford to go to university

There will be no upfront costs for most undergraduate students at Birkbeck.

You will be able to access government student loans to cover the full cost of tuition fees.

University study is an opportunity to:

- invest in your future
- gain new opportunities and life choices
- change your life
- build your career alongside study and be better placed to get the job you want when you graduate.

Published January 2012.

Details of the government's fees and finance system for 2012 are still emerging. The information in this leaflet is based on the government website and the independent website, *MoneySavingExpert*.

We want to give our students as much information as possible about the costs of future study and have made every effort to ensure that the information we publish is correct, but it is subject to change. We will do our best to reflect these changes on our website www.bbk.ac.uk/fees

Financing your studies



University is free at the point of study

For most Birkbeck students there will be no upfront costs for your course as you will be able to access government student loans to cover the full cost of tuition fees

You can complete your studies before you start to repay, and you only repay when you are earning more than £21k

Even then, the monthly repayments will be manageable

2012 is a year of change for universities, when undergraduate fees across England will rise because of changes to government policy and funding.

Birkbeck has developed a distinctive fee and student financial support offering for 2012 that reflects our unique position as a global, top-150, research-intensive university and London's specialist evening university, educating a student body as diverse as the capital city's population.

From 2012, for the first time, getting a university education is accessible and affordable for everyone, whether you choose to study part-time or full-time. For most Birkbeck students there will be no upfront costs for your course as you will be able to access government student loans to cover the full cost of tuition fees.

You can complete your studies before you start to repay, and you only repay when you are earning more than £21,000. Even then, the monthly repayments will be manageable.

Student loans at a glance

- Student loans for eligible students mean that you have no upfront fees: you don't have to pay for your course yourself upfront if you are studying for a Certificate of Higher Education or undergraduate programme for the first time.
- You can get a student loan to cover the full cost of your tuition fees.
- Repayments depend on the size of your pay packet, not the size of your loan. The loan is effectively a 'pay as you earn' graduate tax.
- Repayments will be deducted automatically from your pay packet.
- Any outstanding loan will be written off after 30 years.

Repayments



All Birkbeck students can complete their studies before starting to repay loans

Student loan repayments are more like a 'pay roll deduction'

Your repayment is deducted from your earnings the same way as income tax

The amount you repay depends on what you earn
And not on how much your course cost

What you need to know about repaying your loan

- You can complete your studies before you start to repay.
- You only start to repay when you are earning over £21,000 a year.
- You repay 9% of your income above £21,000, so the amount you repay each month will depend on your earnings – *and will be the same per month no matter how much the course cost*. See the table below for examples of salaries and typical repayments.
- If your salary falls below £21,000, your repayments stop – for example if you take a career break, maternity leave or are unemployed. Repayments only start again when you earn over £21,000.
- Most people won't even have to think about making repayments. If you are working, your repayments will automatically be deducted from your pay, or through your tax return if you are self-employed.
- Any loan you have not repaid after 30 years is written off.

| Salary | Monthly repayment |
|--------|-------------------|
| £20k | £0 |
| £25k | £30 |
| £30k | £67.50 |
| £35k | £105 |
| £40k | £142.50 |

Timescales

- Part-time students will start to repay from the April four years after they start.
- Full-time students will start to repay from the April three years after they start.
- Students on courses shorter than three years will start to repay from the April after the course finishes (although as the system is new, the earliest anyone will begin to repay is spring 2016).
- All Birkbeck students can complete their studies before starting to repay loans.

Questions

Will the loan affect my ability to get a mortgage or other loan?

No. Student loans don't appear on your credit file.

Can I pay back my loan early?

Yes, but there may be extra charges. Exactly what these may be hasn't been decided yet, but once the details are available from the government, you will need to make sure that you're really saving money by paying back early.

Interest rates

- While studying, interest will be added at inflation rate plus an extra 3% a year.
- When you start to repay after graduation, interest is added at the inflation rate when you earn less than £21,000 and goes up to inflation plus 3% when you earn over £41,000.



Student loans are one of the very few areas where the price tag bears little resemblance to the real cost. This is because your repayments depend solely on how much you earn once you graduate.

Regardless of what you borrow, if you choose a career that isn't highly paid, you won't need to repay much at all – some won't pay a penny. Whereas, earn big bucks and you'll pay back more than you borrowed, but obviously will have more cash to pay it with. Some call it 'no win, no fee'.



Martin Lewis, Money Saving Expert and Head of the Independent Taskforce on Student Finance Information

Who is eligible, and when to apply

Who is eligible and what the loan covers

• Undergraduate and Certificate of Higher Education students:

- who don't already have an undergraduate qualification (BA, BSc, LLB, Foundation Degree, Certificate of Higher Education) or equivalent level qualification and
- who are studying at least 25% of a full-time course or modules worth 30 credit points a year.

• **Loans are not 'means tested'**, and, if you are eligible, you will get the full amount you need to cover your tuition fees.

• **The loan will cover your annual tuition fees.** It does not cover other study costs such as living expenses, books or travel.

Note that student loans are paid directly to the university, and not the student.

Maintenance loans and grants for full-time students

- Full-time students can apply for a maintenance loan and grant to help with living costs as well as loans to pay their fees. The maintenance loans are available to all students; the grants are means-tested.
- They will be paid into your bank account at the start of each term. See the government website for further information: <http://studentfinance-yourfuture.direct.gov.uk/>

- After university, your maintenance loan and tuition fee loan will be added together and you will repay the one loan on the same terms (see 'Repayments', page 4).

When to apply

- If you are eligible for a student loan, you will get it, but you should put in your course application as soon as possible to secure your place. However, you don't have to wait until you've got a confirmed place at university to apply for a student loan.
- Student loans are managed by the Student Loans Company (SLC).
- Applications are made to the Student Loans Company through Student Finance England (www.direct.gov.uk/studentfinance):
 - Part-time undergraduate students are expected to be able to start applying for their loans from July 2012 (paper application)
 - Full-time undergraduate students can normally start applying for their loans from January 2012 (online application).

Need help applying?

Our student centre team can help you with your student loan application and provide general advice on applying to study at Birkbeck. See back cover for contact details.

Not eligible for a student loan or don't want to take out a student loan?

Birkbeck has developed a generous interest-free payment scheme to ease the burden for students not eligible for loans, or who do not wish to take out a student loan.

Under the scheme, most new students enrolling for an undergraduate or Certificate of Higher Education programme will be able to pay their fees in 9–14 instalments at no extra cost. (Note that the number of instalments will vary according to when you enrol and the length of your course). Further details can be found at: www.bbk.ac.uk/mybirkbeck/finance

You don't need to have your loan approved before you apply for your course. If you are eligible for a student loan, you will get it

Put in your course application as soon as possible to secure your place

Birkbeck financial support

Birkbeck has a generous financial package for students in need

This complements the new student loan scheme and includes:

- reduced tuition fees, resulting in a smaller tuition fee loan and a shorter repayment period
- non-repayable cash bursaries paid directly to you to support the other costs of study (such as books, childcare, travel).

Birkbeck financial support is non-repayable; you never have to pay it back.

Who is eligible

Undergraduate and Certificate of Higher Education students who are:

- studying between 30 and 120 credit points a year
- earning less than £25,000 a year.

What you can get

| Household income | Reduced fees | Cash bursaries |
|------------------|-------------------|-------------------|
| Less than £20k | Yes – up to £3000 | Yes – up to £1000 |
| £20k–£25k | No | Yes – up to £1000 |
| £25k + | No | No |

These amounts will vary depending on your intensity of study and, if you study part-time, they will be pro-rata of full-time. Note that eligibility will be reassessed annually.



Birkbeck helped me with financial support which meant I could do the course and achieve my goal. It was all quite straight forward and I had great advice. I am so grateful to Birkbeck for boosting my career.



Catherine Kouguem

Birkbeck financial support is non-repayable; you never have to pay it back.

Talk to us

There are a number of ways to find out more about fees and finance:

- **Preparing for University: Finance and Study Workshops**

run every month – see www.bbk.ac.uk/events for details

- **Student finance presentations**

run at every Open Evening, where you can attend a presentation or talk to our student financial support staff – visit www.bbk.ac.uk/openeve to book your place

- **Our student centre team**

can be contacted for advice on fees and finance:

Where: My Birkbeck Student Centre, Torrington Square,
London WC1E 7HX

When: Monday–Friday, afternoons and evenings;
and Saturday afternoons

Contact: 020 7631 6316 or send us a message
at www.bbk.ac.uk/ask

Check www.bbk.ac.uk/mybirkbeck for up-to-date information
on opening times

More information

- Government finance website:
<http://studentfinance-yourfuture.direct.gov.uk>
- MoneySavingExpert:
www.moneysavingexpert.com/students

For the most up-to-date information, please check
www.bbk.ac.uk/fees



**Birkbeck is a world-class research and teaching institution,
a vibrant centre of academic excellence and London's only
specialist provider of evening higher education.**

Malet Street, Bloomsbury

London WC1E 7HX

Tel 020 7631 6316

Send us a message at www.bbk.ac.uk/ask

www.bbk.ac.uk