

Postgraduate Loan

Postgraduate Loan - frequently asked questions

Who can get a Postgraduate Loan? 

How will students repay their Postgraduate Loan? 

When will more information be available? 

2017/18



Postgraduate Loan - frequently asked questions



Question

**Who can get a
Postgraduate Loan?**



Students can apply for a Postgraduate Loan if they:

- are studying a full taught or research Master's course,
- are under 60 years old at the start of the first academic year of their course, and
- normally live in England, and have not moved there just to study.

If they're studying full time the course can last for one or two years. If they're studying part time they can study for two years (for the equivalent one year full-time course), up to four years (for the equivalent two year full-time course) or up to three years where there is no equivalent full-time course.

EU students, who don't normally live in England, will also be able to get a Postgraduate Loan for a Master's course at a university or college in England.

What can students get?



Depending on when they started their course, students can apply for a loan of up to £10,280 as a contribution towards their course and living costs. The Postgraduate Loan has to be paid back.

If they have a disability, including a long-term health condition, mental-health condition or specific learning difficulty, such as dyslexia or dyspraxia, they might be able to get Disabled Students' Allowances (DSAs). DSAs don't have to be paid back. Postgraduate students can apply for DSAs even if they aren't eligible for a Postgraduate Loan.

**Do students need to
apply each year?**



No. They only have to apply for a Postgraduate Loan once. Students can apply up to nine months after the start date of the final academic year of their course.

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Question

How are students paid?

When can they apply?

Will interest be charged
on a Postgraduate Loan?

Answer

The loan will be paid into the student's bank account in three instalments during the academic year.

Students can apply for a loan of up to £10,280 for their whole course. Their payments will be made in three instalments throughout the academic year. How much they get in each academic year will depend on when they started their course, and how long they are studying for.

For example, if they're new students starting in 2017/18 and their course lasts two years they'll get up to £5,140 in their first year and the rest in their second year.

Students can apply for a Postgraduate Loan from June 2017. They'll only have to apply once, even if their course is longer than one year.

Application launch dates will be available on SFE's student finance zone on The Student Room - www.thestudentroom.co.uk/studentfinance - and our social media channels nearer the time. Tell your students to bookmark our sites and check back often.

Interest is charged from the day the first payment is made to the student until the loan is repaid in full or cancelled. Interest will be charged at the Retail Price Index (RPI) plus 3%.

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Question

**How will students repay
their Postgraduate Loan?**

Answer

Repayments will be based on their income, not what they borrowed.

They'll be due to start making repayments the April after they finish or leave their course.

However, no repayments towards Postgraduate Loans will be taken before April 2019 and only when their income is over the current UK threshold of £404 a week, £1,750 a month or £21,000 a year.

They'll repay 6% of their income over the threshold.

For example, if they're paid monthly and earn £2,500 before tax they'll repay 6% of the difference between what they earn and the threshold (£1,750):

$$£2,500 - £1,750 = £750$$

$$6\% \text{ of } £750 = £45$$

So their Postgraduate Loan repayment would be £45 that month.

Student loan repayments will be taken even if the student's income isn't over £21,000 in a year but exceeds the weekly or monthly threshold at any time, for example if they work overtime or get a bonus.

Any loan remaining 30 years after they're due to start making repayments will be cancelled.

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Question

What about any loans they already have for their undergraduate course?



Answer

If the student has any other loans from the Student Loans Company for their undergraduate course they will also repay these loans at the same time.

Students who started their undergraduate course on or after 1 September 2012

These students will repay 9% of their income over £21,000 towards the student loans they borrowed for their undergraduate course and 6% of their income over £21,000 towards their Postgraduate Loan. This means they will repay 15% of their income over the threshold in total.

Income each year (before tax)	Monthly salary	Undergraduate loan repayment	Postgraduate Loan repayment
£21,000	£1,750	£0	£0
£22,000	£1,833	£7	£4
£23,500	£1,958	£18	£12
£25,000	£2,083	£29	£19
£27,000	£2,250	£45	£30
£30,000	£2,500	£67	£45

Postgraduate Loans - Frequently asked questions

Students who started their undergraduate course before 1 September 2012

If they borrowed a loan for an undergraduate course that started after 1 September 1998 but before 1 September 2012, they will repay 9% of their income over £17,495 towards the student loans they borrowed for their undergraduate course and 6% of their income over £21,000 towards their Postgraduate Loan. This means they will repay 15% of their income over the threshold in total.

Income each year (before tax)	Monthly salary	Undergraduate loan repayment	Postgraduate Loan repayment
£17,495	£1,457	£0	£0
£21,000	£1,750	£26	£0
£22,000	£1,833	£33	£4
£25,000	£2,083	£56	£20
£27,000	£2,250	£71	£30
£30,000	£2,500	£93	£45

If they have an outstanding student loan for a course that started before 1 August 1998, they will continue to repay or defer these loans.

All Postgraduate Loan information is subject to Parliamentary approval.

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