

Undergraduate Student Loans repayment

Students funded through Student Finance England. Information obtained from www.thestudentroom.co.uk/student-finance/how-much-do-i-repay

How much do I repay?

The important thing to remember is that the amount you'll repay will be based on how much you earn each month not how much you borrow. **You'll repay 9% of your income above the repayment threshold – earn less and you won't repay.**

Once you leave your course, you'll only repay when your income is above the repayment threshold. The current UK threshold is £26,575 a year, £2,214 a month or £511 a week. (May 2020). The threshold normally changes each April and is linked to the inflation rate.

As an example if you earn £2,300 a month before tax, you will repay £7.74 a month. This is because £2,300 is £93 above the monthly threshold and 9% of £93 is £7.74.

The table gives some further examples of how much you can expect to repay:

Yearly income before tax £	Monthly income before tax £	Monthly repayment £
26,575	2,214	0
27,575	2,299	7.50
31,575	2,631	37.50
36,575	3,048	75.00
41,575	3,465	112.50

If your income changes the amount you repay will change too.

If you stop working or start to earn below the repayment threshold, you'll repay nothing at all until you earn over the threshold.

You'll make a repayment if you go over the weekly or monthly threshold at any point during the year, for example if you get a bonus or work overtime. You can request a refund at the end of the tax year if your total income was below the repayment threshold.

If you leave your course early.

You'll still have to repay your loan but the repayment process might be different.

For students funded by Student Finance England you can expect any unpaid balance to be written off 30 years after you cease studying.

Note that students funded by Northern Ireland, Scotland or Wales have slightly different repayment terms.