



making physics matter

Undergraduate Guide to University Finance

2016/17

Part I

Lorraine Lye

March 2016

Based on earlier work by:

Craig Warren, Daniel Wustenberg & Sarah Boucher

1. Who is responsible for the different types of university funding?	3
1.1 Loans and Grants	3
1.2 Scholarships & Bursaries	3
2. Student Loan Company Loans and Grants.....	4
2.1 Tuition Fee Loan	4
2.2 Maintenance Loan	4
2.2.1 Household Income.....	5
2.3 Maintenance Support for Students Entitled to Certain Benefits.....	5
2.4 Student Time Line for Application Process	6
3. University Bursaries.....	6
3.1 Means-Tested Bursaries offered by Universities	6
3.3 University and college hardship funds.....	7
3.4 Child Care Grants.....	8
3.5 Disabled Students’ Allowance	8
4. University Academic Scholarships	8
4.1 Academic Entry Scholarships.....	9
4.2 Academic Excellence Scholarships.....	9
4.3 BP STEM Scholarships.....	9
5. Repaying Student Debts	10
5.1 Other financial advice.....	10

Please note:

The information provided in this guide applies to English students who begin their university studies in 2016. The data has been compiled with a focus on physics students, but much of the information will also apply to students of other disciplines.

Because “scholarship” and “bursary” are sometimes used interchangeably within the university funding sector, we have used the following definitions throughout this document:

Bursary: Means-tested or otherwise non-academic based award

Scholarship: Academic or merit-based award

This pdf is part one of the guide and is supplemented by a spread sheet¹ that compares the scholarships and bursaries available from 53 UK universities that offer physics as a stand-alone degree course.

¹ <http://www.ogdentrust.com/schools-partnerships/ogden-guide-to-university-finances>

1. Who is responsible for the different types of university funding?

Source: Gov.uk - Student Finance England Student Finance England² and Student Loans Company³.

1.1 Loans and Grants

Student loans and grants in the UK are primarily provided by the government through the Student Loans Company (SLC), a non-departmental public body. The SLC is responsible for Student Finance England (SFE) and is a delivery partner of Student Finance Wales and Student Finance NI. The Student Awards Agency for Scotland assesses applications in Scotland.

If you begin your university course during 2016 the loans available are for maintenance (living costs) and tuition fees. There are also non-repayable bursaries available from the government and universities to help offset some of this debt for disadvantaged students. They are primarily based upon the annual household income, although other factors can affect eligibility.

The Student Loan Company processes applications for:

- Student loan
- Maintenance loan

1.2 Scholarships & Bursaries

The most common forms of funding from universities are means-tested bursaries and academic scholarships. Although the funding for these awards may derive from outside sources, the universities are responsible for them.

Universities are responsible for processing:

- Means-tested bursaries
- Academic scholarships
- Hardship funds
- Other scholarships

² <https://www.gov.uk/contact-student-finance-england>

³ <http://www.slc.co.uk/>

2. Student Loan Company Loans and Grants

2.1 Tuition Fee Loan

The majority of students apply to the SLC for a repayable loan to cover university course fees. Each university dictates the fee amount, up to £9,000 per year, and it is paid directly to the university.

The loan amount for each year can be reduced if you receive a scholarship or bursary from the university that includes a full or partial fee waiver. If the loan amount is changed, unless otherwise stated, the university will automatically communicate with the SLC.

Universities gather their income data for means-tested bursaries (Section 3) from the SLC application. *When you make your application for student finance you must opt for means assessment and give consent for information to be shared with the university in order to receive means-tested support.*

2.2 Maintenance Loan

The maintenance loan helps you cover your living costs, for example, food, travel and accommodation. Like the Student Loan, it is repayable once you have left university. The amount of maintenance loan you receive per year depends on several factors:

- When you begin your course
- University location
- Whether you are a full-time or part-time student
- Where you will be living when studying
- Household income

The maximum loan available in each case is:

- £8,200 if you live away from home and study at a university or college outside London
- £10,702 if you live away from home and study at a university or college in London
- £6,904 if you live at home
- £9,391 if you spend a year of a UK course studying overseas

Use the student finance calculator⁴ to calculate the exact maintenance loan available.

⁴ <https://www.gov.uk/student-finance-calculator>

2.2.1 Household Income

Your household income is equal to your personal income plus your parents' income.

If you're an independent student, i.e. aged over 25, your parents' income will not be taken into account. Please see the Student Loans Company⁵ for further information on independent students.

With regards to your income, taxable earnings are generally not taken into account and income from any earnings during an academic year of your course does not need to be declared.

Depending on their income, your parents may have to contribute to your living costs. Several factors can affect the contribution, for example, divorce; if you choose not to provide details of your parents' income you may still get the full tuition fee loan but the maximum of 65% of the maintenance loan.

2.3 Maintenance Support for Students Entitled to Certain Benefits

The Special Support Grant will be replaced by Maintenance Loans for 2016/17.

You could be eligible for the maximum maintenance support package if you (the student): (link)

- are a lone (single) parent
- have a partner who is also a student and one or both of you are responsible for a child or young person under 20 who is in full-time education below higher education level
- have a disability and qualify for the Disability Premium or Severe Disability Premium
- are deaf and qualify for Disabled Students' Allowances
- have been treated as incapable of work for at least 28 weeks
- have a disability and qualify for income-related Employment and Support Allowance
- are from outside the UK and are entitled to an Income Support Urgent Cases Payment because you are temporarily without any money for up to six weeks
- are waiting to go back to a course having taken agreed time out from that course due to an illness or caring responsibility that has now ended
- are aged 60 or older

The maximum loan available in each case is available below.

- £9,347 if you live away from home and study at a university or college outside London
- £11,671 if you live away from home and study at a university or college in London
- £8,144 if you live at home
- £10,453 if you spend a year of a UK course studying overseas

Please use the student finance calculator⁶ to calculate exactly how much you will get.

⁵ <http://www.slc.co.uk/>

⁶ <https://www.gov.uk/student-finance-calculator>

2.4 Student Time Line for Application Process

Source data can be found at: UCAS⁷

September	Apply for your university course; this is the time to begin thinking about your university finance.
October	Oxbridge deadline = 15th October
January	Other university deadline = 15th January
Spring	Offers from universities should be received
May - July	Deadlines for all acceptances are within this period
May 31st	Deadline for student finance applications for the Student Loan Company
August	Exam results, clearing begins and closes on 31st August.

3. University Bursaries

The Ogden Trust has collated a spreadsheet that displays the bursaries from 53 top universities that offer physics to enable you to compare the various offerings:

Overview of University Fees, Loans, Grants, Bursaries and Scholarships (2016/17)⁸

Due to the nature of scholarships and bursaries the data changes rapidly, so please ensure you double check the information directly with the universities. To allow the spreadsheet to be used to compare the offerings between universities some application criteria have been removed. In some cases university colleges offer exclusive scholarships and bursaries which have not been included on the spreadsheet.

3.1 Means-Tested Bursaries offered by Universities

Source: Higher Education Funding Council for England (HEFCE)

A number of universities offer means-tested bursaries, which are processed directly by the universities themselves. These bursaries are commonly split between fee waivers and maintenance (accommodation, cash or discounts on university services) payments. Effectively, this division between fee waivers and maintenance offers you the choice between having assistance whilst at university or a reduction on your student loan.

In many cases, you are assessed using the information provided to the Student Loan Company, *which means you must opt for means assessment and give consent for the information to be shared when completing your student loan application form.* Some universities ask prospective students to complete a separate application; ensure you check directly with your prospective university when applying.

There are an enormous variety of means-tested bursaries offered by UK universities. You may receive substantially different amounts and types of funding depending on which university you apply to. The spreadsheet referenced at the beginning of section 3 has been compiled to assist students with any comparison work they wish to carry out, but you should always confirm the data directly with the universities.

⁷ <https://www.ucas.com/ucas/undergraduate/apply-and-track/key-dates>

⁸ <http://www.ogdentrust.com/schools-partnerships/ogden-guide-to-university-finances>

Example: University of Birmingham (source)

Income Band	Year 1 Fee Waiver	Year 2 Fee Waiver	Year 3 Fee Waiver	Year 1 Maintenance Bursary	Year 2 Maintenance Bursary	Year 3 Maintenance Bursary	Total
£0 - £25,000	£0	£0	£0	£2,000	£2,000	£2,000	£6,000
£0 - £25,000	£2,000	£2,000	£2,000	£0	£0	£0	£6,000
£25,000 - £36,000-	£0	£0	£0	£1,000	£1,000	£1,000	£3,000
£25,001-£36,000	£1,000	£1,000	£1,000	£0	£0	£0	£3,000

Students whose household income is under £36,000 are eligible for the University of Birmingham's Chamberlain Award. The table above displays how means-tested bursary payments can be either fee waivers or maintenance payments. Eligible students continue to receive the award each year subject to annual reassessment of their entitlement.

Please note that the National Scholarship Programme, set up to help students from low-income households will cease in 2015/16.

3.2 Location-Based Bursaries

Some universities offer bursaries based upon location, for example:

- Local communities
- Communities with low numbers of university scholars
- Partnership schools

You should check directly with your prospective university to determine if you qualify.

3.3 University and college hardship funds

If you are in financial hardship and need extra support, you can apply directly to the university who will look at your individual circumstances. You may be able to get help with:

- Course or living costs that are not already covered by other forms of financial help - these could be everyday living costs, childcare costs etc.
- Emergency payments to cover unexpected financial crises or exceptional costs - such as repairs to essential household equipment.
- If you are thinking of giving up your course because of financial problems and require extra support to keep you studying.

For further information on eligibility criteria, please visit: Hardship funds⁹

Please note that the Access to Learning Fund is no longer available.

⁹ <https://www.gov.uk/extra-money-pay-university/university-and-college-hardship-funds>

3.4 Child Care Grants

Childcare Grant ([link¹⁰](#))

Provides up to 85% of childcare costs to a maximum of £155.24 a week for one child or £266.15 for two or more children. Any money received does not need to be repaid.

Parents' Learning Allowance ([link¹¹](#))

This allowance helps towards your course costs including books, materials and travel. You do not need to be paying for childcare to qualify for between £50 and £1,573 depending on household income.

Tax Credits ([link¹²](#))

If you have dependent children, you can claim Child Tax Credit from HM Revenue & Customs (HMRC). Any student loans and grants you get to meet the costs of tuition fees, childcare and other course-related costs are disregarded when HMRC derives your entitlement to child tax credits.

If you're in low paid work you can also apply for Working Tax Credits to help with living costs and childcare costs associated with your work.

Please note that you cannot receive both the Childcare Grant and the WTC childcare elements. It is usually better to receive the Childcare Grant as it would cover a greater proportion of your costs.

3.5 Disabled Students' Allowance

Source Gov.uk website ([link¹³](#))

Disabled Students' Allowances (DSA) are grants to help meet the extra course costs you may face because of a disability.

As a higher education student living in England, you can apply for a Disabled Students' Allowance if you have a disability, including a:

- long-term health condition
- mental health condition
- specific learning difficulty, eg dyslexia

You must meet the definition of disability under the Equality Act 2010. The support you get depends on your individual needs and not on income. Up to £1,741 per year is available and does not need to be paid back.

4. University Academic Scholarships

The Ogden Trust has collated a spread sheet that displays the academic scholarships from 53 British universities that offer Physics and/or Astronomy to enable you to compare the various offerings:

Overview of University Fees, Loans, Grants, Bursaries and Scholarships (2016/17)¹⁴

¹⁰ <https://www.gov.uk/childcare-grant/overview>

¹¹ <https://www.gov.uk/parents-learning-allowance/overview>

¹² <http://www.hope.ac.uk/lifeathope/studentsupport/welfareandbenefits/childandworkingtaxcredit/>

¹³ <https://www.gov.uk/disabled-students-allowances-dsas/overview>

Due to the nature of scholarships and bursaries the data changes rapidly, so ***please ensure you double check the information directly with the universities***. To allow the spreadsheet to be used to compare the offerings between universities some application criteria have been removed. In some cases university colleges offer exclusive scholarships and bursaries, this has not been included on the spreadsheet.

4.1 Academic Entry Scholarships

Many universities offer academic entry scholarships based upon one of the following criteria:

- Meeting a specific grade target
- Exceeding UCAS offer grades
- An entry exam
- For the top X number of students

In some cases, the awards are one-off payments, in others the awards may be an annual payment but may be subject to academic progress. Please note that unless an academic entry scholarship includes a reduced university tuition fee, it will have no impact on the amount of student loan or maintenance loan/grant you will receive.

Example: Lancaster University (source¹⁵)

Lancaster University offers students £2,000 in their first year if they achieve at least A*A*A at A-levels. Lancaster also offers an additional £1,000 per year to students who achieve A*AA and have a household income under £42,600. The application process is automatic; however, students must place Lancaster as their first choice.

4.2 Academic Excellence Scholarships

Some universities and physics departments offer academic excellence scholarships at the end of each year to top performing students. For many universities, the prestige of receiving the award is the primary benefit; however, some of the awards are substantial in value and should be taken into consideration.

4.3 BP STEM Scholarships

Source: BP Website (link¹⁶)

In November 2012, BP launched a new scholarship programme for talented STEM students. The scheme, which will support the costs of living for students, provides 90 scholarships a year worth £5,000 per annum.

To be selected as a BP STEM Scholar, you must complete an online application form, short online numerical and verbal tests and a face-to-face interview with BP. Students will be expected to remain in good academic standing in order to continue to receive the award each year.

The following universities offer the BP scholarship:

¹⁴ <http://www.ogdentrust.com/schools-partnerships/ogden-guide-to-university-finances>

¹⁵ <http://www.lancaster.ac.uk/study/undergraduate/fees-and-funding/scholarships-and-bursaries/>

¹⁶ <http://on.bp.com/1UBv9az>

- Bath
- Birmingham
- Cambridge
- Durham
- Imperial College
- Manchester
- Nottingham
- Oxford
- Strathclyde

As a BP STEM Scholar, you will have the opportunity to take part in a range of activities, including a two- to three-day interactive event designed to help students understand more about the oil and gas industry, and opportunities to shadow a BP intern for up to three days during the summer. You will also have early access to apply for the BP Internship Programme and Graduate Programme.

Please note, if you are successful in being selected as a BP STEM Scholar, this will not affect your entitlement to any bursaries or fee reductions you may be in receipt of.

5. Repaying Student Debts

Source: Money Saving Expert (source¹⁷)

The increase of tuition fees since 2012 does not necessarily mean an increase in the total amount that will be repaid as a new student finance system has also been implemented.

The interest charged on student loans has increased under the new rules. Depending on how much you earn, the interest charged on the loan could be up to: Rate of Inflation (RPI) + 3%. However, the threshold at which you begin paying back the loan has also increased. You will only pay 9% of what you earn above £21,000 and, after 30 years, if the debt is not fully repaid it is wiped.

To calculate an estimate of what you will repay, you can use the Student Finance Calculator¹⁸.

It should be noted that student loans do not go on credit reports.

5.1 Other financial advice

Households with lower incomes may be offered the choice between a fee waiver and a university bursary. Unless you are confident that your salary after university will be high and you are therefore likely to repay your full student debt, you should opt for the bursary. The bursary can also help you avoid taking out other sources of student finance that may have higher interest rates.

¹⁷ <http://www.moneysavingexpert.com/students/student-loans-tuition-fees-changes>

¹⁸ <http://www.moneysavingexpert.com/students/student-finance-calculator>