

Lesson 4: Finances

INFORMATION GALLERY

These sources should be stuck up on the walls of the classroom to create an 'information gallery'

Note: You can find all the answers to the true or false quiz here, but not every source will relate to a question in the true or false quiz.

SOURCE A

If you fall behind on your loan payments then debt collectors will repossess your house and belongings.

False. Repayments on student loans do not start until your salary is more than £21,000 per annum. The money is taken straight from your salary (just like tax) and even if you never earn enough to pay back the loan your debt is cancelled after 50 years.

SOURCE B

Science degrees cost more than arts degrees.

False. In most cases universities charge the same fees for all subjects.

SOURCE C

Student loans are not available to those with household incomes greater than £64,000 per annum.

False. Everyone is able to apply for a tuition fees loan and a maintenance loan. You may also be able to apply for a maintenance grant which will you will not be required to pay back.

Check www.studentfinance.direct.gov.uk for more information.

SOURCE D

Graduates earn an average wage premium of £100,000 over their career.

True. According to the Browne Report in 2010, graduates should expect to earn £100,000 more over their working life than those without a degree, even taking student loan repayments into account.

SOURCE E

Every university awards the same amount in bursaries.

False. There are no blanket rules as to how universities award bursaries and every university will organise them in a different way. To get the full information on bursary programmes you will need to look at each university's website individually.

SOURCE F

Those from a low income household will not be able to go to university.

False. Maintenance grants are available through the student finance application process and these are means tested (meaning that the lower your household income the more money you are given). Although it varies greatly, most universities also offer financial support to students. For example, there are 'hardship funds' available to students regardless of their family income.

SOURCE G

Everyone can apply for a maintenance grant.

False. Eligibility for maintenance grants depends on household income and above a threshold of £42,600 you will not be eligible. If your household income is below £25,000 then you will be eligible for full maintenance grant and if it is between £25,000-£42,600 then you will be eligible for partial maintenance grant.

SOURCE H

It is hard for people from low income households to get a place at university because universities do not want to give away much money in bursaries.

False. There are a series of measures in place to ensure that nobody is excluded from studying at university on financial grounds. As well as government sponsored student loans and maintenance grants, universities are spending more money than ever on bursaries and scholarships.

SOURCE I

All undergraduate degrees cost £9,000 per annum.

False. Some universities have chosen to charge the maximum tuition fee of £9,000 per annum in every subject. However, many universities offer some courses that are below the top rate of fees and at some even the most expensive courses cost less than £9,000 per annum.

SOURCE J

Those with a household income of less than £42,600 per annum are entitled to a maintenance grant which they will never need to pay back.

True. If your household income is below £42,600 per annum then you are entitled to a maintenance grant which you will never need to pay back. The exact amount ranges from £523-£3,250 per annum depending on your exact household income.

SOURCE K

Oxford and Cambridge are more expensive than other universities.

False. Oxford and Cambridge do charge £9,000 per annum across the board but so do many other universities. The collegiate system means that Oxford and Cambridge are able to offer excellent financial support to students.

SOURCE L

Course fees must be paid upfront before you can start a degree.

False. You do not have to pay anything upfront for an undergraduate degree. The government pays your course fees to the university and you pay them back over time through your student loan repayments.