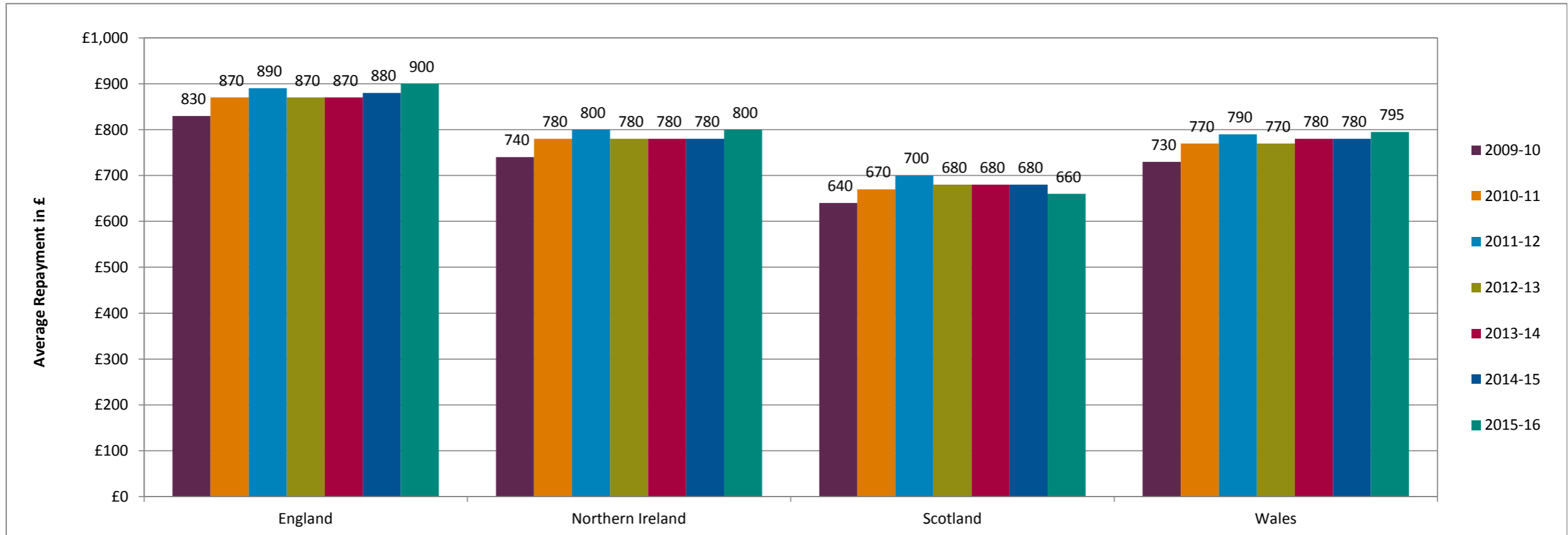


Student Loans - Average Repayment per year via HMRC

By Government Administration that funded the loan

Source: Student Loans Company



The increase in the average repayment amount is caused by income growth in the years after leaving HE. In the tax years from 2005-06 up to and including 2011-12 the income threshold was pegged at £15,000. Hence, it reduced in real terms so any increase in earnings in real terms would lead to increased repayments. In tax year 2012-13 the income threshold was increased to £15,795 leading to a drop in the average repayment amount. It was increased again in 2013-14 to £16,365. For later years there will be downward pressure on the average as borrowers start to fully repay or move to Direct Debit in order to complete repayment without over-repaying. At the point they fully repay or move to Direct Debit they are more likely to be repaying at a level above the average of those left in the cohort at that point. Figures taken from Table 4 of the individual publications.