

Student Loans in England: Financial Year 2017-18

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Introduction

This statistics publication provides statistics on loan outlays, repayments of loans and borrower activity for English domiciled students studying in Higher Education (HE) and Further Education (FE) in the United Kingdom (UK) and European Union (EU) students studying in England, and covers financial years up to 2017-18. Figures are provided for Income Contingent Repayment (ICR) Loans, which were introduced in 1998/99.

Key Points

- The amount lent in financial year 2017-18 to Higher Education borrowers was £15.0 billion, an increase of 11.9% when compared with 2016-17. A total of £222.3m was lent to Further Education borrowers. *Table 1 and Chart 1*
- The amount lent in financial year 2017-18 for Postgraduate Masters was £582.9 million. *Table 1 and Chart 1.*
- Net repayments posted to customer accounts within Higher Education amounted to £2.3 billion in the financial year 2017-18, an increase of 16.0% compared with 2016-17 (including £399.2 million in voluntary repayments). *Table 1.*
- The balance outstanding for Higher Education (including loans not yet due for repayment) at the end of the financial year 2017-18 was £104.6 billion, an increase of 17.0% when compared with 2016-17. *Table 1 and Chart 2.*
- With the entry of the Higher Education 2018 repayment cohort into repayment in April 2018, there were 3.8 million borrowers liable for repayment and still owing (an increase of 7.4% compared to April 2017). There were a further 1.2 million borrowers not yet liable for repayment bringing the total still owing to 5.0 million. *Table 3.*
- The average Loan Balance for the Higher Education 2018 repayment cohort on entry to repayment was £34,800. This is a £2,380 increase on the previous year average of £32,420. *Table 5A(iii) and Chart 5.*
- 880,400 (18.6%) of the Higher Education borrowers who had become liable to repay since ICR loans were introduced in 1998 have fully repaid their loan. *Tables 3A(i) and 3A(ii) and Chart 6.*

Contents [\(click for hyperlink\)](#)

Introduction	1
Key Points	1
Table of Contents	2
Definitions	3
Statistical Commentary - Higher Education	5
Chart 1a: Total amount lent in financial years (Higher Education)	5
Chart 1b: Total amount lent in financial years (Further Education)	5
Chart 2: Total balance of income contingent student loans	6
Chart 3: Average annual amount repaid by ICR Student Loan borrowers making repayments via HMRC	7
Chart 4a: Borrowers by repayment status (Higher Education)	8
Chart 4b: Borrowers by repayment status (Further Education)	8
Chart 5: Average Loan Balance on entry into repayment by repayment cohort	9
Chart 6: Cumulative number of borrowers who have fully repaid	10
Data Sources	11
Data Quality	11
Data Uses	11
Revisions	11
Changes Included in this Statistics Publication	11
Notes on Policy	12
Variable Interest Rates	13
Related Statistical Publications	13
Factors Affecting Time Series	14
Notes for Users	15
User Consultations	16
National Statistics	17
Table Guide	18
Tables	18

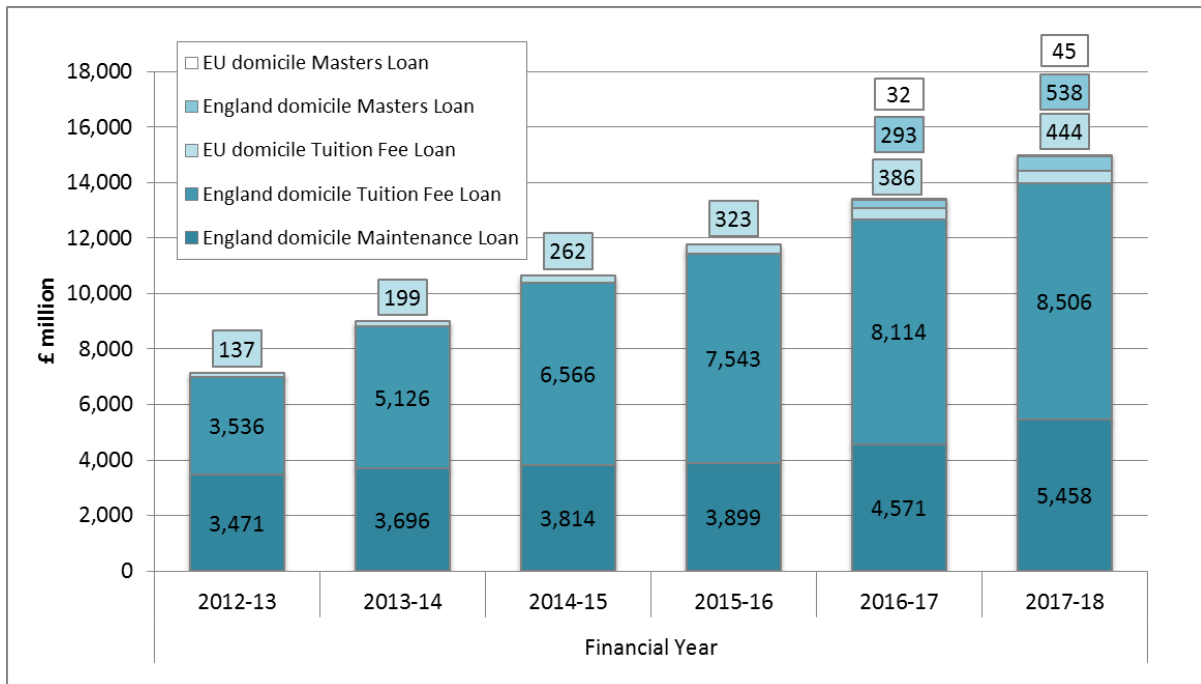
Definitions

Account paid in full	The borrower has repaid the account in full without it being cancelled or written off. This includes accounts with small balance write-offs and includes accounts closed under the Repayment of Teacher Loans (RTL) Scheme.
Advanced Learner Loan	A fee loan payable to Further Education (FE) providers on behalf of FE learners who meet the eligibility criteria and started a FE course on or after 1 August 2013.
Balance transfers	Transfers that can occur between different loans.
Cancelled loan	The borrower no longer has any liability to repay as provided for in the loans regulations. A borrower's liability shall be cancelled: <ul style="list-style-type: none"> • On the death of the borrower; • On reaching the age cancellation criteria for their loan (age 50, 60, 65 or after 25 years or 30 years depending on the type of loan and year taken out); or • If borrower is in receipt of a disability related benefit and permanently unfit for work.
Domicile	The habitual and normal residence of a student apart from temporary or occasional absences in the relevant period prior to commencement of study.
In arrears	Borrowers who have at least one loan on which repayments are overdue. Arrears also arise when a borrower moves overseas and fails to repay SLC according to their repayment schedule. Additionally any borrower who moves overseas and fails to provide the information required to agree the appropriate repayment schedule will also be placed in arrears.
Income Contingent Repayment (ICR) Loan	Introduced in 1998, repayment is 9.0% of income above the repayment threshold.
Income Threshold	The earnings level at which borrowers liable to repay will make repayments.
Liable to repay	The borrower has reached their Statutory Repayment Due Date (SRDD). See definition of SRDD.
Losses through phishing	Losses through phishing are write offs for loan payments re-directed by a fraudster that would otherwise have gone to a student. Phishing is a fraudulent attempt to obtain from customers information such as usernames, passwords and bank details by masquerading as a reliable entity in an electronic communication such as e-mail or instant messaging. If a student responds to the phishing email, payments that would otherwise go to that student may be redirected by the fraudster.
Maintenance Loan	Maintenance loans are loans to cover living costs.
New borrowers	Borrowers who had no loans at the beginning of the financial year and took out new loans during the financial year.
No live employment at Her Majesty's Revenue & Customs (HMRC)	Borrowers in the UK tax system where HMRC does not have a record of any current employment when the data cut is taken for the statistics, therefore their latest employment status is given as "to be determined"
Non UK EU borrower	A borrower who was originally domiciled in an EU country prior to entering higher education in England. Such borrowers are eligible from academic year 2006/07 and for Tuition Fee Loan only.
Overdue Debt	That part of the Loan Balance that is overdue for those borrowers who are in arrears.

Part-Time Loans	New part-time students starting courses from September 2012 onwards at publicly funded universities and colleges are subject to tuition fees of up to £6,750 per year. This group of students are entitled to apply for an up-front fee loan to meet the full costs of their tuition (or up to £4,500 towards their tuition for courses at privately funded universities and colleges).
Postgraduate Masters Loan	Postgraduate Masters loans are loans towards tuition and living costs.
Refunds of income contingent repayments	Where over-repayment is identified, a refund is provided to the customer by SLC.
Repayment Cohort	A borrower is placed in a single repayment cohort. In some circumstances the repayment cohort may change i.e. withdrawal from course of study. The repayment cohort is based on the year of the earliest Statutory Repayment Due Date (SRDD). See definition of SRDD below.
Repayment Plan	The ICR Loan scheme has been separated into different repayment arrangements called Repayment Plan 1, 2 and 3. They differ in the earnings threshold used to trigger repayment and the interest rate applied to outstanding balances. See notes on policy section.
Study Mode	The mode of study (full-time or part-time) when the borrower took out their loan.
Statutory Repayment Due Date (SRDD)	The point a borrower becomes liable to begin repaying a loan, normally the April after graduating or otherwise leaving their course. After the SRDD borrowers are required to make repayments if their income is above the threshold.
Tuition Fee Loan	Tuition Fee Loans are loans to cover all or part of the cost of tuition. They are paid directly to the Learning Provider.
Written off loan	The borrower remains liable to repay but recovery is deemed unlikely by the loan administrator or not possible by legal judgement. From April 2010, student loans are exempt from Individual Voluntary Arrangements (IVA).

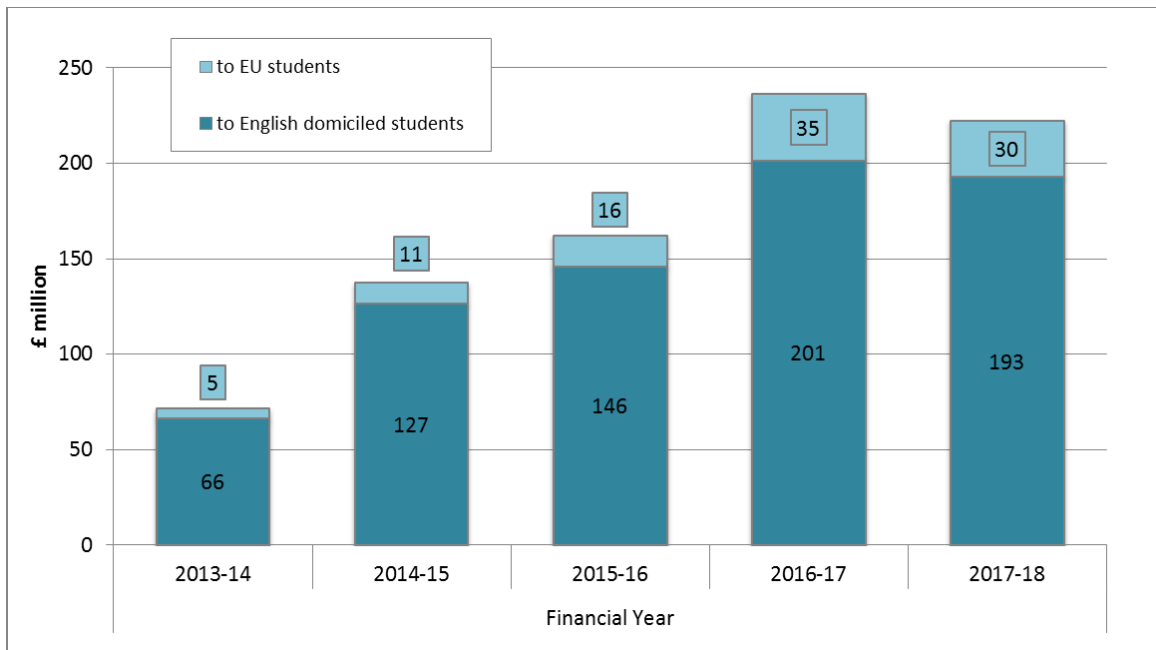
Statistical commentary

Chart 1a: Total amount lent in financial years 2012-13 to 2017-18 (Higher Education)



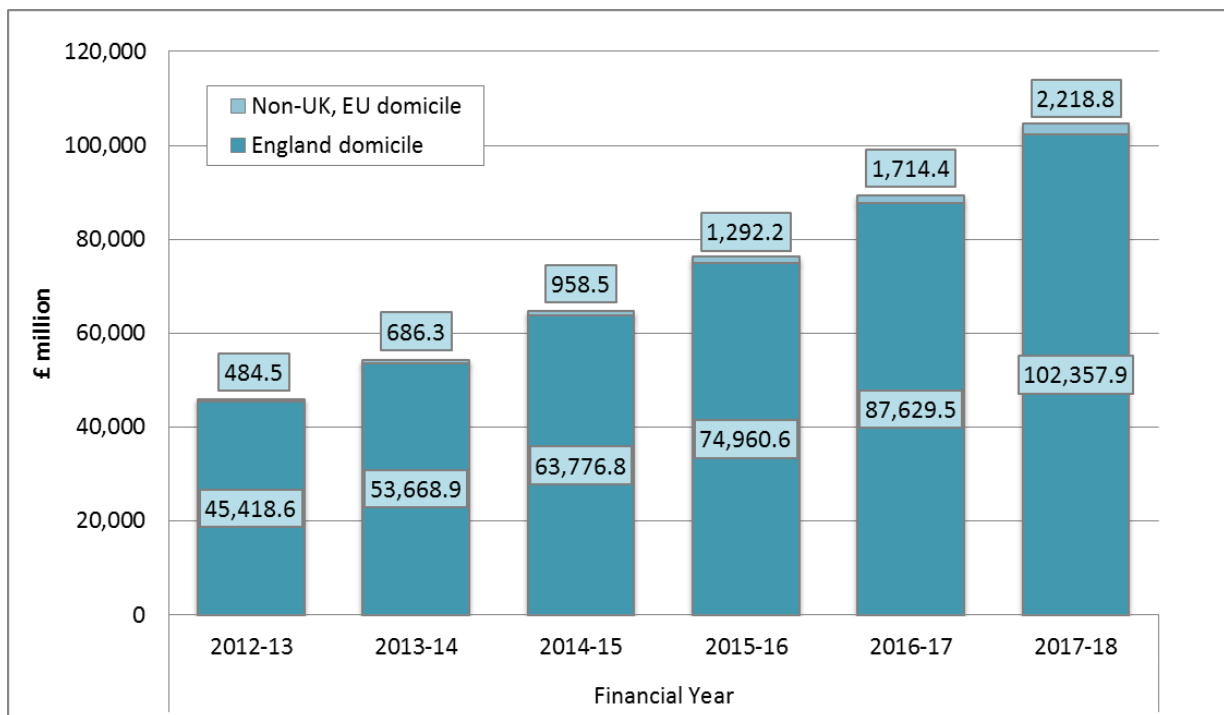
The total amount lent in financial year 2017-18 was £15.0 billion, which is an increase of 11.9% when compared with financial year 2016-17. The amount lent in financial year 2017-18 for Postgraduate Masters was £582.9 million. See *Table 1*.

Chart 1b: Total amount lent in financial years 2013-14 to 2017-18 (Further Education)



Within the Further Education sector, a total of £222.3m was lent in 2017-18, a decrease of 5.9% on the previous year.

Chart 2: Total balance of income contingent student loans at the end of financial years 2012-13 to 2017-18 (Higher Education)

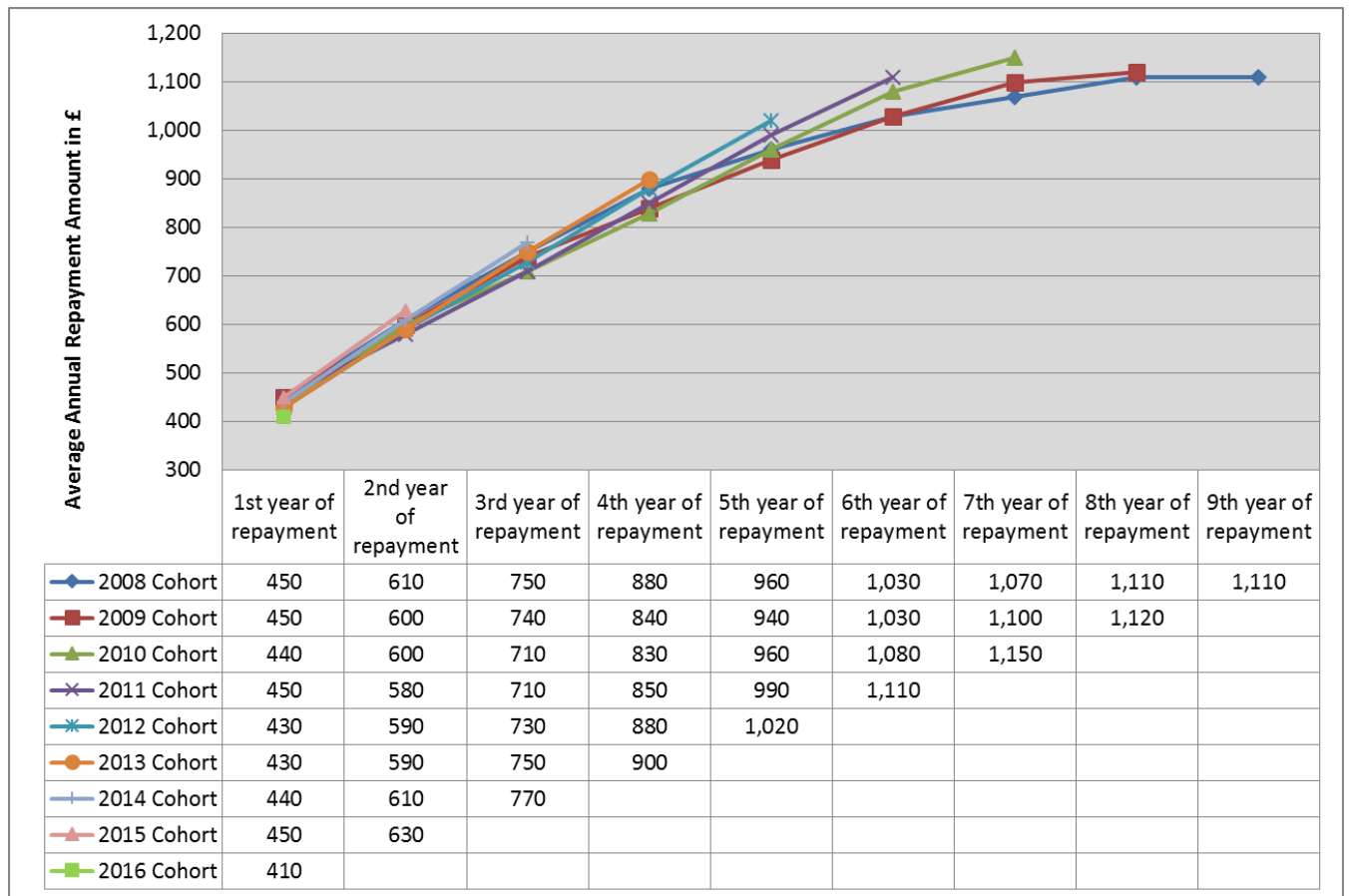


The total Loan Balance at the end of financial year 2017-18 is £104.6 billion, which is an increase of 17.0% when compared with 2016-17. See Table 1

The loan balance is increasing each year as new lending and the interest added to the existing balance outweighs the repayments and write-offs from borrowers' accounts.

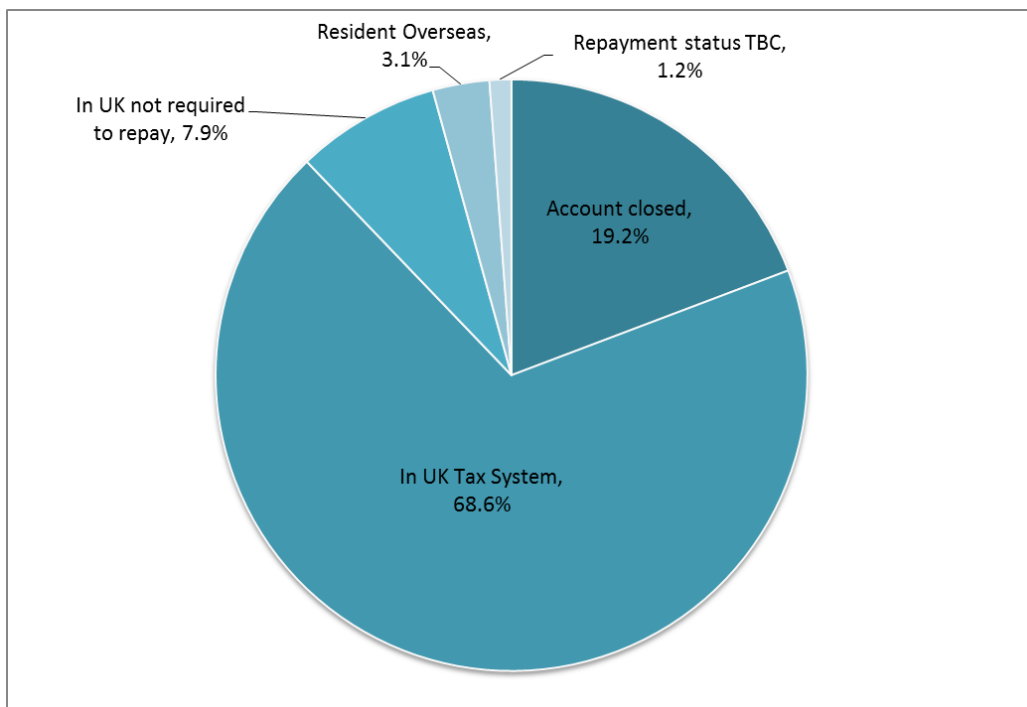
The Further Education balance reached £842.1m, a 33.7% increase of on 2016-17.

Chart 3: Average annual amount repaid by Higher Education ICR Student Loan borrowers making repayments via HMRC (Repayment cohorts 2008 to 2016)



See Table 4A (iii). The average amount repaid increases sharply in the early years of repayment, followed by a more gradual increase. The increasing repayments are caused by income growth in the years after leaving higher education.

Chart 4a: Borrowers by repayment status as at the beginning of the FY 2018-19 (Higher Education)



This chart covers all borrowers in all repayment cohorts as at 30 April 2018. 19.2% no longer retain any Loan Balance mainly due to full repayment and 68.6% are in the UK Tax system. Table 3A shows how the number and percentage of borrowers in each repayment status varies by cohort.

The chart below reflects the Further Education sector where 4.1% no longer retain any Loan Balance mainly due to full repayment and 70.5% are in the UK Tax system.

Chart 4b: Borrowers by repayment status as at the beginning of the FY 2018-19 (Further Education)

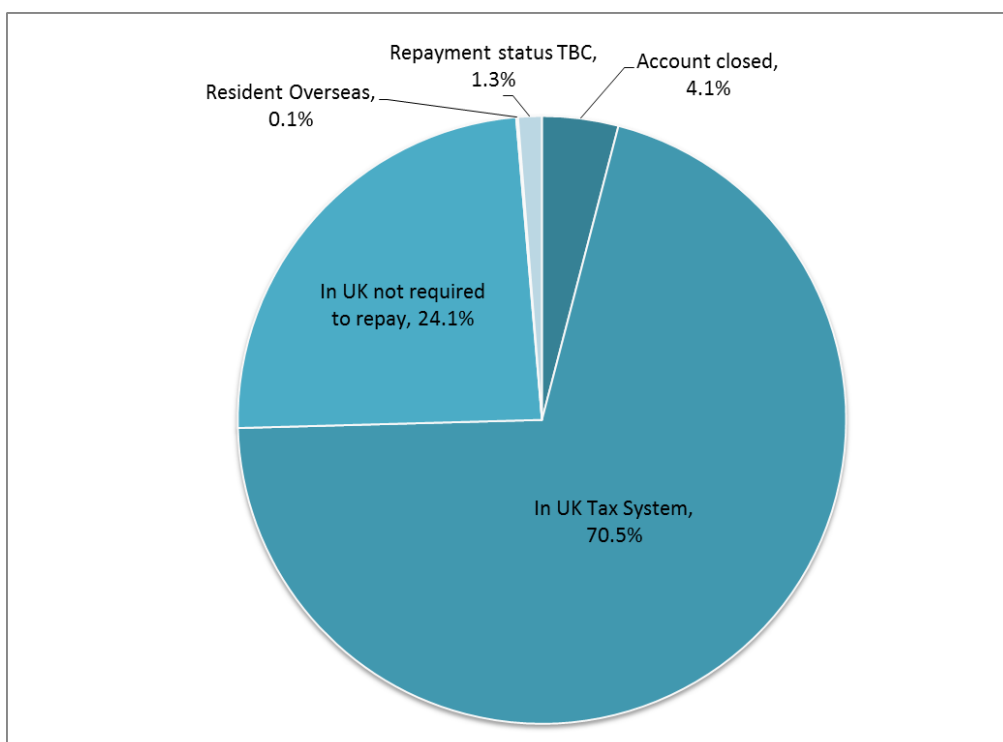


Chart 5: Average Loan Balance on entry into repayment by repayment cohort as at the beginning of the FY 2018-19 (Higher Education)

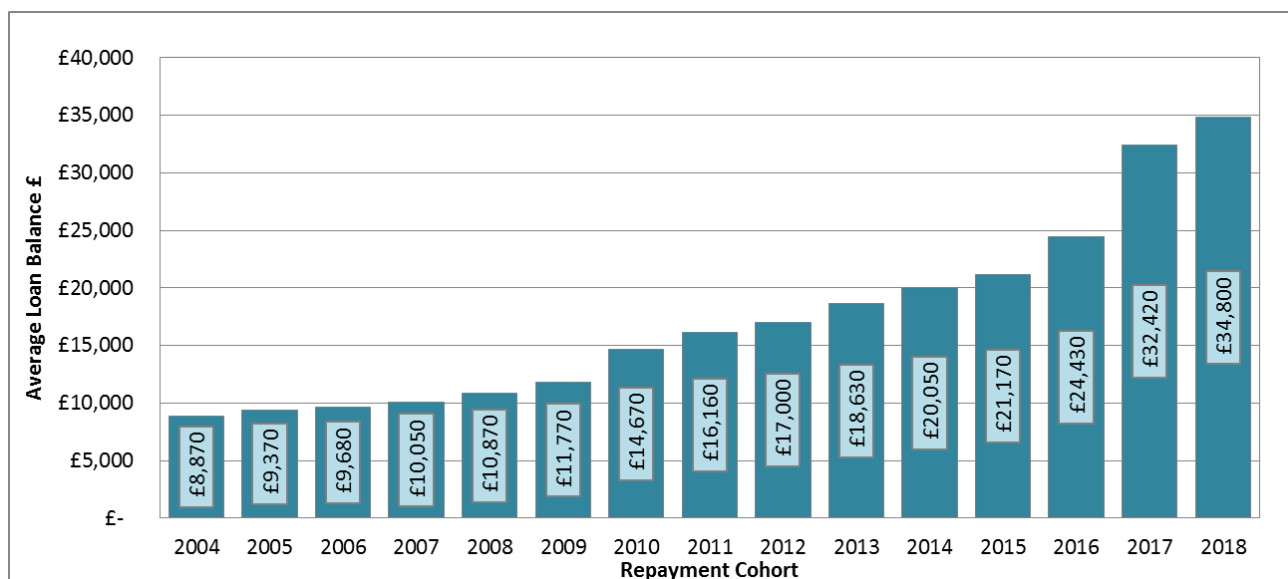
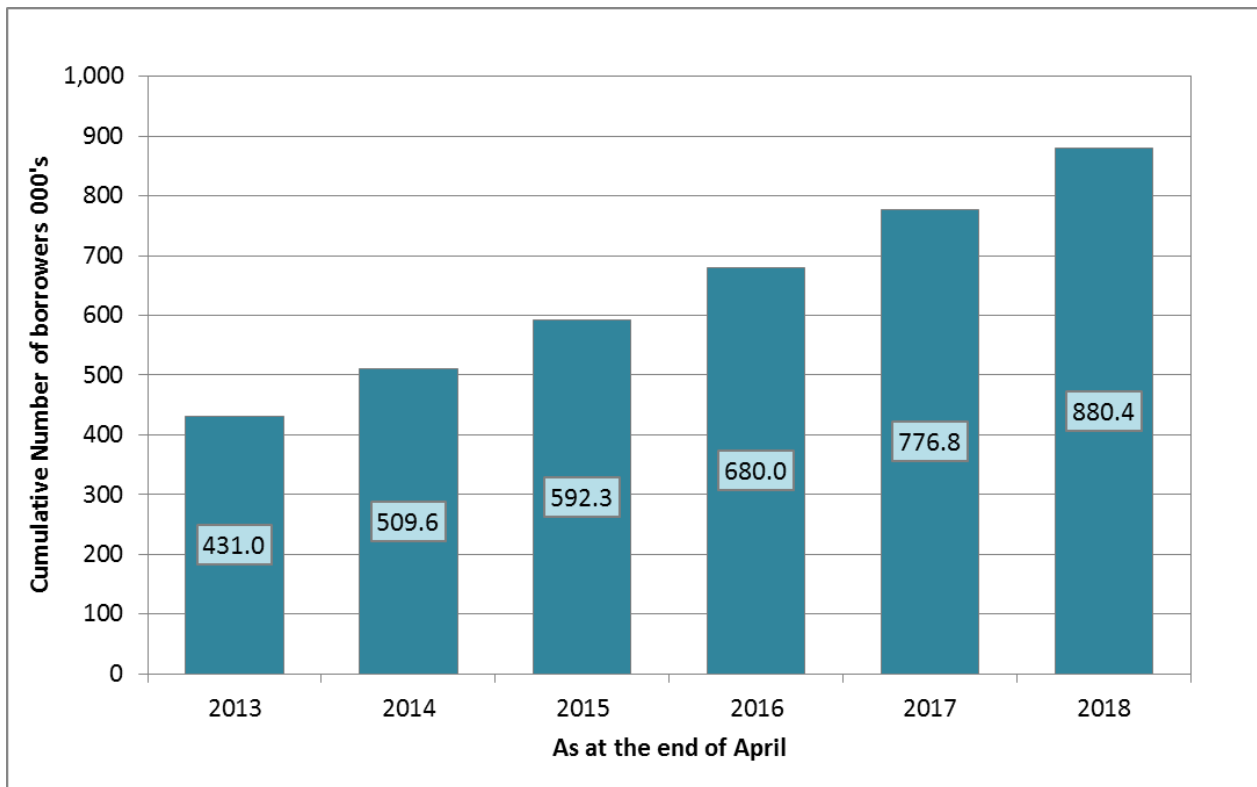


Chart 5 shows the average Loan Balance for borrowers at the point where their liability to repay first began. The average Loan Balance reflects the amount paid to borrowers, plus interest added whilst they were studying, minus any voluntary repayments made by borrowers prior to them becoming liable to repay.

The average Loan Balance for the 2018 repayment cohort on entry to repayment was £34,800. Full time students completing three or four year courses since entry in 2012/13 are included in this average but the average balance is diluted by other borrower types in the same repayment cohort (e.g. borrowers who entered prior to 2012/13 and Part-time Tuition Fee Loan borrowers). See Table 5(iii).

For the 2018 repayment cohort the average balance for a Further Education borrower on entry into repayment was £2,890. This is a 13.3% increase on the £2,550 average balance for a borrower in the 2016 repayment cohort.

Chart 6: Cumulative number of borrowers who have fully repaid (Higher Education)



As at 30 April 2018 there are 880,400 borrowers who have entered repayment since ICR loans were introduced in 1998 and have fully repaid. *See Table 3A(i).*

Please note, the figures at the end of previous financial years are taken from the equivalent table in the previous year's publications.

Data sources

1. This publication uses data from a single source: administrative data from the SLC Customer Ledger Account Servicing System (CLASS). For details of the administrative sources see the published Statement of administrative sources published on the SLC website using the following link: http://www.slc.co.uk/media/5450/slc_statistics_statement_of_administrative_sources.pdf

Data quality

2. SLC has published the Quality Guidelines that it follows. As per those guidelines a Quality Plan is produced for each publication. The Quality Plan stipulates two stages of Quality Assurance. Data is extracted from the administrative systems then reviewed using a standard Quality Assurance checklist. The statistical tables created using that data are quality assured using the Statistical Quality guidelines. Further details can be found by following the link below: http://www.slc.co.uk/media/5403/slc_statistics_quality_guidelines.pdf

Data uses

3. SLC has published a Uses Made document for Official statistics. Further details can be found by following the link: http://www.slc.co.uk/media/5454/slc_official_statistics_use_made.pdf

Revisions

4. Revisions within the data are denoted with an [r]. Some of these revisions may be carried over from the previous year's publication and are, therefore, not revisions to this year's publication. Further details can be found by following the link: http://www.slc.co.uk/media/5449/slc_statistics_revisions_policy.pdf

Changes included in this Statistics Publication

5. Changes have been made to the Table 4 section of this 2017-18 publication. Table 4C now contains data relating to English domiciled borrowers who are making scheduled repayments directly to SLC. Table 4D represents EU borrowers who are making scheduled repayments to SLC. Table 4E focuses on English-domiciled borrowers making voluntary repayments to SLC and Table 4F, on EU-domiciled making voluntary repayments to SLC.
6. Tables have been added throughout the publication to represent Further Education borrowers. These are presented in the same format as the current Higher Education borrower tables. These include Tables 3A (iv) (v) (vi), Tables 4A (iv) (v) (vi), Tables 4C (iv) (v) (vi), Tables 4E (iv) (v) (vi), Tables 5A (iv) (v) (vi).

Notes on policy

7. Complete information on the student finance arrangements in England can be found at:
<https://www.practitioners.slc.co.uk/policy/>
8. Further information on the repayment terms of loan borrowers can be found at:
http://www.studentloanrepayment.co.uk/portal/page?_pageid=93,6678408&_dad=portal&_schema=PORTAL

Eligibility for Loans

9. . ICR student loans have been available since the academic year 1998/99.
 - i. From 1998/99, maintenance (living cost) loans have been available to eligible new English domiciled students on full-time undergraduate funded courses.
 - ii. From 2006/07, tuition fee loans have been available to eligible new English and EU domiciled students on full-time undergraduate funded courses.
 - iii. From 2012/13, tuition fee loans have been available to eligible new English and EU domiciled students on part-time undergraduate funded courses.
 - iv. From 2013/14, advanced learner loans have been available to eligible new UK and EU domiciled learners on eligible Further Education courses.
 - v. From 2016/17, postgraduate master's loans have been available to eligible new English and EU domiciled students on master's courses.

Repayment of Income Contingent Loans

10. Full-time Higher Education borrowers become liable to repay their loans the April after they leave their course. In this publication, borrowers are grouped into repayment cohorts based on the year in which they first became liable to repay.
11. Borrowers in the UK predominantly repay their loans through the UK tax system. Repayments through the tax system (either PAYE or Self-Assessment) begin once the borrower becomes liable to repay and is earning over the relevant repayment threshold
12. Borrowers who move overseas must inform SLC of their total income and if that is above the relevant repayment threshold for the country they live in, they then make monthly repayments directly to SLC. Arrears can accrue on these accounts where a borrower fails to make the required repayments, or fails to provide the required information to the SLC.
13. SLC also collects monies directly from borrowers when they make a voluntary repayment or switch to direct debit repayments (because they are nearing the end of repayment).
14. The data held by SLC at 30 April 2018 for repayments via HMRC, and the resultant status information, interest applied and outstanding balance, represent mostly the effect of repayments in tax year 2016-17. Backdated information can be received from HMRC, effecting multiple tax years.

15. Tables 4 and 5 of this publication present the data by tax year in order to represent a time series from the point of view of the borrowers.

Repayment Plan 1

16. Students who began their course prior to 1 September 2012 are on Repayment Plan 1. Repayments for Repayment Plan 1 loans are at the rate of 9% of income above the income threshold:
17. The income threshold was £10,000 up until tax year 2005-06, then £15,000 up until tax year 2012-13. It has since increased year-on-year and in tax year 2017-18 it was £17,775. The interest rate applied to Repayment Plan 1 loans is the lower of the inflation rate (measured by the Retail Price Index - RPI) or the UK base rate plus 1%.

Period Applicable	6th April '00 to 5th April '05	6th April '05 to 5th April '12	6th April '12 to 5th April '13	6th April '13 to 5th April '14	6th April '14 to 5th April '15	6th April '15 to 5th April '16	6th April '16 to 5th April '17	6th April '17 to 5th April '18
Annual Repayment Threshold	£ 10,000	£ 15,000	£ 15,795	£ 16,365	£ 16,910	£ 17,335	£ 17,495	£ 17,775

Repayment Plan 2

18. Students who began their course on or after 1 September 2012 are on Repayment Plan 2, and their repayment threshold in tax year 17/18 was £21,000. They will make repayments at 9% of their income above the threshold.
19. Borrowers normally become liable to make repayments from the April after they leave their course, however borrowers with Repayment Plan 2 loans did not first become liable to repay until April 2016 as repayments could not be taken through the tax system.
20. The Repayment Plan 2 interest rate whilst studying is RPI+3% and remains so up until the borrower becomes liable to repay. The interest rate then varies depending on the borrower's income. In tax year 17/18, those earning £21,000 or less were charged at the rate of inflation (RPI), interest rates for those earning between £21,000 and £41,000 were on a sliding scale from RPI to RPI+3%; and those earning £41,000 or more accrued interest at RPI+3%.

Period Applicable	1 September 2014 to 31 August 2015	1 September 2015 to 31 August 2016	1 September 2016 to 31 August 2017	1 September 2017 to 31 August 2018
RPI (@March)	2.5%	0.9%	1.6%	3.1%
Maximum Interest Rate (Plan 2)	5.5%	3.9%	4.6%	6.1%

Repayment Plan 3

21. Students who have taken out a postgraduate master's loan are on Repayment Plan 3. The income threshold is set at £21,000, with borrowers repaying 6% of earnings above this threshold.
22. Borrowers normally become liable to make repayments from the April after they leave their course, however borrowers with Repayment Plan 3 will first become liable to repay from April 2019 as repayments cannot yet be taken through the tax system.
23. The Repayment Plan 3 interest rate is the inflation rate (RPI) +3% throughout the term of the loan. Where borrowers also have an outstanding Plan 1 or Plan 2 loan, repayment of the two loans will be made concurrently, totalling 15% of earnings above the threshold (9% for the Plan 1 or Plan 2 loan, plus 6% for the Plan 3 loan).

Variable Interest Rates

24. A Variable Interest Rate (VIR) is an interest rate dependent upon the borrower's earnings once they become liable to repay. It was a system introduced for loans taken out by England and Wales-funded entrants from 2012/13 onwards. The loans are known as Repayment Plan 2 loans. The interest rates are based on the UK Retail Price Index (RPI) plus (VIR) and are added to the amount owed from the day of first payment until the loan is repaid in full. The RPI part of the interest rate is updated once a year in September, using the RPI from March of that year. Until the Statutory Repayment Due Date (SRDD) is reached the VIR part of the interest is 3%. The earliest SRDD for Plan 2 loans was April 2016 so the first tax year where the interest actually started varying was 2016-17.

25. Once the SRDD is reached the interest rate is dependent on the borrower's earnings. Borrowers who do not respond to requests for information or evidence become 'Non-compliant' and incur the highest interest rates of RPI + 3% irrespective of income, until all required information is received. The table below indicates the variable part of the interest in force at the end of tax-year 2016-17:

Year Ending	Variable Part of Interest Rate Incurred					Of those incurring 3%	
	0%	0.01-0.99%	1.00-1.99%	2.00-2.99%	3%	Compliant	Non-Compliant
2016-17	77.8%	13.5%	4.9%	1.2%	2.6%	24.0%	76.0%

26. The majority of Plan 2 borrowers in tax year 2016-17 earned less than the Plan 2 earnings threshold of £21,000 per year and so incurred an interest rate of RPI + 0%. The majority of borrowers charged the highest percentage of VIR were borrowers who were non-compliant at the end of the year.

Repayment Plan 3

27. Students who have taken out a postgraduate master's loan are on Repayment Plan 3. The Repayment Plan 3 interest rate is the inflation rate (RPI) +3.1% throughout the term of the loan. The repayment threshold is set at £21,000, with borrowers repaying 6.0% of earnings above this threshold. Where borrowers also have an outstanding Plan 1 or Plan 2 loan, repayment of the two loans will be made concurrently, totalling 15.0% of earnings above the threshold (9.0% for the Plan 1 or Plan 2 loan, plus 6.0% for the Plan 3 loan).

28. Repayment of Plan 3 loans via the tax system is scheduled to commence in April 2019 for students who have left their course before this date and whose earnings exceed the repayment threshold. Thereafter, borrowers will normally be liable to commence repayments from the April after they leave their course.

Related statistical publications

29. SLC also produces the Official Statistics: 'Student Support for Higher Education in England'. This publication provides statistics on English domiciled and EU domiciled applicants studying in England, which have been approved for student support by academic year of application. The latest publication can be found at:

<http://www.slc.co.uk/official-statistics/financial-support-awarded/england-higher-education.aspx>

30. Statistics on 24+ Advanced Learning Loans paid to FE learners (since renamed to Advanced Learner Loans) covering the period August 2017 to January 2018 were published in SLC OSP02/2018 on 29 March 2018. These can be found at: <http://www.slc.co.uk/media/9816/slcosp022018.pdf>
31. For information on student support arrangements in place for England domiciled HE students and non UK European Union students who study in England, visit: <https://www.gov.uk/browse/education/student-finance>

Factors affecting time series

32. The number of HE borrowers becoming liable to repay for the first time in April 2016 (the 2016 repayment cohort) was uncharacteristically large at 473,000, an increase of 71.0% compared with April 2015. This increase was explained by many post-2012 entrants to HE, who would ordinarily have entered repayment earlier (with loans for fewer years of study), entering repayment later than is normally the case in April 2016. The 2017 repayment cohort is more reflective of the full- and part-time Repayment Plan 2 loans (paid out under the post-2012 fee regime).
33. The 2016 repayment cohort is atypical within the time series. Borrowers who withdrew from their courses in 2012/13 or 2013/14 would normally have been placed in the 2014 and 2015 cohorts respectively but repayment was deferred because the Plan 2 repayment regime did not begin until April 2016. Hence, the 2016 cohort includes three years' worth of year 1 withdrawals rather than just one year's worth. The 2014 and 2015 cohorts are also atypical because they will not contain the usual number of withdrawal students. Hence, the typical cohorts are 2013 and 2017 with the three intervening cohorts of 2014, 2015 and 2016 being atypical. The impact would be as follows compared to typical years:
 - i. Higher average balance per person in 2014 and 2015 and lower average balance per person in 2016 (Table 5).
 - ii. Higher likelihood of being in a repaying category in 2014 and 2015 and lower likelihood of being in a repaying category in 2016 (Table 3).
 - iii. Higher average repayment amount per person (Table 4) in 2014 and 2015 and lower average repayment per person in 2016.
34. Note however, that there are additional factors in 2016 to the above impacts caused by the nature of Plan 2 accounts. 77% of the 2016 cohort borrowers have Plan 2 full-time accounts. The factors are:
 - i. The average balance for Plan 2 full time borrowers will be higher due to the higher Tuition Fee loan borrowing
 - ii. The average balance for Plan 2 borrowers will be lowered by the inclusion of part time borrowers with lower borrowing than full time students
 - iii. The average repayment amount for Plan 2 borrowers will be lower due to the higher repayment threshold
35. Additional repayment status verification processes which include checks with DWP for borrowers on benefits have lead to a modified profile across certain repayment categories as shown in Table 3. Borrowers now move more quickly from the "No live employment" categories into the category called "Status that does not require repayment at this point". The effect is more prominent for the new cohorts than for the old ones because the old cases only need to enter the new processes when they move out of live employment.
36. The first two repayment cohorts (2000 and 2001) are atypical because they will comprise borrowers on one year courses (such as Higher National Certificate (HNC) and postgraduate Initial Teacher Training) or they will be students who dropped out before completing three years of study. The first repayment cohort containing graduates from three year courses is the 2002 cohort.

37. From April 2005 the income contingent repayment threshold changed from £10,000 to £15,000. Those borrowers prior to April 2005, who were earning more than £10,000 and less than £15,000, would cease repaying until their income reached the new threshold. The threshold remained at £15,000 until April 2012 when it increased to £15,795 and it has been increased every year since in line with inflation.
38. From 2009, SLC have been taking action against those borrowers who moved overseas and did not provide SLC with adequate information to allow the processing of repayments. One of the measures is to place borrowers in arrears so that legal action may be brought against them. This necessary change in the process led to an increase in the number of borrowers residing overseas and in arrears. It should be noted that the figure will also include UK borrowers who have moved overseas after completing their studies.
39. The 2010 cohort of EU borrowers is the first significant group of EU borrowers who have come into repayment, comprising mainly of 2006/07 entrants on three year courses. The 2011 and 2012 cohorts include some 2006/07 entrants on longer courses, as well as those who started their 3 year degree courses in 2007/08 and 2008/09 respectively. Academic Year 2006/07 was the first year that non-UK EU domiciled students could be awarded tuition fee student loans, therefore EU borrowers in repayment cohorts prior to 2010 will mostly comprise of those borrowers on one or two year courses or those who have dropped out of their course.

Notes for users

Repayments via Self-Assessment (Table 1)

40. It has been necessary to estimate some of the repayments made via self-assessment in the financial years 2015-16 and 2016-17 in order to maintain a comparable time series with earlier years. This is due to some information not being received until after the usual capture date for table 1. The estimates are based on actual data for self-assessment repayments posted in the first weeks of the next financial year. Where figures have been impacted they are clearly marked with an 'e' for estimate.

Repayment Status (Table 3)

41. Some of the repayment status categories in Table 3 are the result of information received from HMRC. This information is received on a monthly basis, giving the up to date employment status of borrowers. Borrowers are grouped as follows:
- i. If HMRC cannot identify the borrower in their records from the information provided by SLC the borrower will be in the category of "Not Currently Repaying - Further Information Being Sought".
 - ii. If HMRC identifies a status such as on Incapacity Benefit then they will be placed in the category of "does not require repayment at this point". However the vast majority in that category are placed there by subsequent SLC processing (checks with DWP to find that the borrower is on Benefits or direct contact with the borrower to establish their status). Many of the borrowers in this category have been found to have returned to study.
 - iii. If they are in their first year of liability and it shows they are in employment then they will be in the category of "Awaiting first tax year return to determine if earnings above threshold".

- iv. If HMRC have found the borrower but there is no employment record at the end of the latest month they are in the category of “In UK tax system – No Live Employment at HMRC”.
 - v. Once the borrower has been in the tax system for one tax year HMRC will be able to pass on returns from the borrower’s employer(s) to show if the borrower is above or below the earnings threshold for repayment. HMRC notify SLC of repayments deducted by employers during a year once employers provide those details to HMRC on their annual returns after the end of the tax year. So it is only when that happens, that SLC will know if a borrower has been above or below the earnings threshold. The borrower will then be shown in the appropriate category.
 - vi. However, if the borrower has ceased to have an employment record they will revert to being in “In UK tax system – No Live Employment at HMRC
42. The profile of EU borrowers is different to that of UK National borrowers for a number of reasons: firstly only those who have worked in the UK will have a National Insurance Number; secondly they are more likely to go overseas after HE than UK national borrowers. Although the profiles are different it should be noted that the majority of borrowers who are known to be resident overseas are UK nationals.
43. The 2010 repayment cohort contains the first significant group of EU Tuition Fee Loan borrowers. The group will predominantly comprise of the 2006/07 entrants who have completed three year courses. EU borrowers in earlier repayment cohorts will mostly comprise of those borrowers on one or two year courses or those who left their courses early.

Repayments via direct repayment channel to SLC (Table 4C/D/E)

44. The average repayment made directly to SLC by borrowers (Table 4D) is significantly higher than repayments made via HMRC (Table 4B). This is because some borrowers have chosen to make direct repayments to repay their balance in full or make large lump sum repayments to reduce the balance. Direct repayments to SLC include voluntary repayments (Table 4E) which can be made by borrowers who are not yet due to repay, and additional voluntary repayments from borrowers who are also making repayments via HMRC. Direct repayments also include repayments from borrowers who are living overseas, who are liable to repay, and are doing so via a repayment schedule (Table 4C).

Direct repayments from borrowers before they become liable to repay (typically voluntary repayments) have been much larger for the 2016, 2017 and 2018 repayment cohorts, than for previous cohorts. Repayment cohorts prior to 2016 were predominantly borrowers with Repayment Plan 1 loans, whereas repayment cohorts 2016, 2017 and 2018 are predominantly made up of Repayment Plan 2 borrowers (who have larger loan balances and are charged a higher interest rate whilst studying). Details of repayment thresholds for each country of residence can be found at: <http://www.studentloanrepayment.co.uk>

Loan Balances (Table 5)

45. The average loan balance for each repayment cohort at the point they become liable to repay has always been higher than for the preceding cohort. The 2017 cohort continues that trend but the increase is lower than might be expected given that 2016 was the first repayment cohort affected by the higher fees of up to £9,000 per year - see ‘Factors Affecting Time Series’. Thereafter, for each cohort the average balance tends to go up before coming back down. Interest added to the balance in the early years of repayment has tended to outweigh the repayments made and many of the

borrowers have gone on to take out further loans after their initial loans became liable for repayment. Table 5 excludes those who have fully repaid their loans; therefore figures on average amount owed cover those who have a remaining balance only.

Rounding (all tables)

46. All borrower numbers and amounts have been presented rounded to the nearest 100 and £100,000 unless specified otherwise. All totals and averages are calculated from un-rounded numbers. Where numbers equal zero or rounded figures result in zero, this is presented as null or negligible “ - ” on the tables.

User Consultations

47. Consultation exercises are conducted by SLC on the Official Statistics it produces in order to understand who uses the publications, for what purpose, and to find out how they can be made more useful in terms of content, methodology, timeliness and presentation. As part of the consultation process SLC runs surveys. See the User Consultation Survey section of the SLC website at: <http://www.slc.co.uk/statistics/statistics-user-consultation.aspx>

National Statistics

48. This is a National Statistics publication. National Statistics are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure they meet customer needs. They are produced free from any political interference.

Table guide

- Table 1:** The amounts paid out in Income Contingent Loans and repayments applied to individual loan accounts during financial years 2012-13 to 2017-18 broken down by repayment plan and study mode.
- Table 2:** Detailed breakdown of figures for Income Contingent Loan borrower repayment activity for 2016-17 and comparisons to figures for financial years 2012-13 and 2017-18.
- Table 3:** ICR Student Loans borrowers liable to repay by repayment cohort and repayment status as at 30 April 2018.
- Table 4:** ICR Student Loans borrowers making repayments via HMRC by repayment cohort and tax year as at 30 April 2018. Table 4C,D, E & F details repayments made directly to SLC.
- Table 5:** ICR Student Loans borrowers with a Loan Balance by repayment cohort and tax year as at 30 April 2018.

Tables

The tables are available at:

<http://www.slc.co.uk/official-statistics/student-loans-debt-and-repayment/england.aspx>