



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE



UK/EU Undergraduate Financial Support for 2012

This booklet is correct at the time of going to print in August 2011. While we aim to provide the most accurate information we can, some aspects of university funding are still under discussion in Parliament. We therefore recommend that you check the LSE website lse.ac.uk/financialSupport and the directgov website at www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/StudentFinance/DG_194804 for the most up-to-date information.



LSE tuition fees

Undergraduate tuition fees for UK and EU students

LSE will charge **£8,500** a year for all its undergraduate degree programmes starting in 2012.

New UK and EU undergraduate students starting in 2012 will be charged this fee. Continuing UK and EU students will remain on the old system of fees and financial support.

Payment of fees

UK and EU students will not have to pay the tuition fee up front. The UK government will provide students with a tuition fee loan to cover the full cost of the fee for the duration of the undergraduate programme. You do not have to start repaying the loan until you have graduated from your course and you are earning over £21,000 per year (see page 5).

The tuition fee loan is administered by the Student Loans Company (SLC), the company which also handles maintenance grants and loans for students. You will apply for the tuition fee loan at the same time that you apply for your grant and maintenance loan, which is usually in the spring before you start at university.

Once the tuition fee loan is arranged, it is paid by the SLC directly to LSE after you have

registered. The tuition fee loan is not paid to the student.

Students can apply for a loan for £8,500 or for any amount below £8,500 (if you or your family want to pay some of the fee up front).

Interest charged on the tuition fee loan and the repayment terms are the same as those applied to the maintenance loan (see page 5).

More information about tuition fee loans can be found on the following websites:

Directgov www.direct.gov.uk/en/EducationAndLearning/universityAndHigherEducation/StudentFinance

www.direct.gov.uk/yourFuture

Moneysavingexpert.com
www.moneysavingexpert.com/family/student-loans-tuition-fees-changes

Department for Business, Innovation and Skills www.bis.gov.uk/policies/higher-education/students/student-finance

Students from Scotland, Wales and Northern Ireland

Tuition fee loan arrangements are different for students from Wales, Scotland and Northern Ireland.

Welsh students will be charged £8,500 but will receive a grant from the Welsh Assembly to keep their payment to £3,465 in 2012.

Arrangements for students domiciled in Scotland and Northern Ireland have yet to be confirmed at the time of going to print.

Scottish, Welsh and Northern Irish students, including those who study in England, receive their financial support from their 'home' devolved administration. It is a matter for the devolved administrations to decide how they wish to support their students.

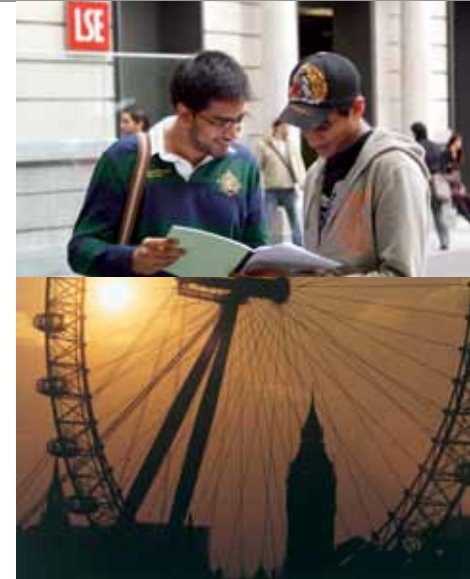
Non-UK EU students are generally eligible to take out a tuition fee loan.

Students should check out the relevant website below for the latest information on fees and financial support from their administration:

Northern Ireland
www.studentfinanceni.co.uk

Scotland www.saas.gov.uk

Wales
www.studentfinancewales.co.uk





LSE financial support

LSE Bursary

Students from England who are eligible for a full or partial grant are also eligible for an LSE Bursary. The maximum Bursary available is **£3,500** per year for those students with the lowest residual incomes. The Bursary value tapers to £500 for those students on a partial grant.

LSE Bursaries

Students' household income	Grant status	LSE award per annum
£0 – £18,000	Full grant	£3,500
£18,001 – £25,000	Full grant	£3,000
£25,001 – £30,000	Partial grant	£2,500
£30,001 – £35,000	Partial grant	£1,500
£35,001 – £40,000	Partial grant	£750
£40,001 – £42,600	Partial grant	£500

You can use this Bursary to help with your living costs, to help pay your accommodation or even to help with your tuition fees. It is up to you how you choose to use your Bursary.

Arrangements for Welsh, Scottish, Northern Irish and EU students will be finalised once local administrations' arrangements have been agreed. Please check the Financial Support Office website at lse.ac.uk/financialsupport for the latest information.

English students do not have to apply separately for the LSE Bursary. We will use the financial information you provide to the SLC when applying for your grants and loans to determine your eligibility for and the value of your

Bursary, provided you opt to be means-tested (See Applying for grants and loans on page 4).

You will be notified during the summer before the start of your degree programme of your Bursary award. The Bursary will then be paid into your bank account in three termly instalments. The first instalment will be paid in the October of the first term once you have registered.

Eligibility for the LSE Bursary is assessed annually (in line with annual assessments for maintenance grants and loans).

There is no limit to the number of LSE Bursaries available. All English students who are eligible for an LSE Bursary will receive one.

The LSE bursary does not have to be repaid.

The National Scholarship Programme (NSP)

The Government has ring-fenced £50 million in 2012 to award as scholarships to the poorest students. This £50 million fund has been allocated across universities in England.

Each university will match-fund the government allocation (thus doubling the money available) and is responsible for making the awards to its new undergraduate students.

The LSE NSP Award

English students starting at LSE in 2012 with a household residual income of between £0 and £3,000 will receive the LSE NSP Award. The LSE NSP Award is worth **£6,000** across three years of study and will be paid as follows:

£3,000 in the first year

£1,500 in the second year

£1,500 in the third year

In your first year, eligible students will be given £1,000 as a cash bursary. The remaining £2,000 will be awarded as either a discount on your accommodation or as a discount on your tuition fee.

In the second and third years, students will be allowed to take the award as a tuition fee discount. Details of the NSP scheme are still being discussed in Parliament. Therefore, it is possible that payment arrangements for the LSE NSP Awards may change before 2012. You are advised to check the LSE website regularly for the most up-to-date information on the LSE NSP Award.

It is expected that the NSP funding allocations will change in 2013 and 14. It is therefore likely that our eligibility criteria will change for students starting at LSE in these years.

The LSE NSP Award does not have to be repaid.

Scholarships

In addition to the LSE Bursary and LSE NSP Award, the School also makes available a range of scholarships for its new undergraduates from the UK, EU and overseas. These scholarships are donated by external organisations or alumni of the School, such as Stelios Haji-loannou.

Eligibility is often limited by, for example, nationality or programme of study. However, all scholarships are awarded on the basis of financial need.

In 2011 the following scholarships were available for students from the UK and EU.

List of scholarships and eligibility

Name	Value	Eligibility
Kathleen Crabb Scholarship	2 at £5,000 per year each	Home UK/EU student
London Business Forum Scholarship	£5,000	Female Home UK student in Economic History, Economics, Government, Management or Social Policy
PricewaterhouseCoopers Lord Benson Award Scheme	£5,000 per year	Home UK applicant to any undergraduate programme from the London area
Stelios Scholarships	10 at £5,700 per year each	Home UK/EU applicants to business related disciplines
Westminster Advisers Scholarship	£10,000 per year	Home UK/EU student
Louise Karbownicki Undergraduate Scholarships	£7,500 per year	Polish applicant to any undergraduate programme
Stonex Undergraduate Scholarship for Eastern EU Students	2 at £5,000 per year each	Home EU students from Czech Republic, Estonia, Hungary, Lithuania, Poland or Slovakia

It is too early to say which of these awards will be available in 2012 but you should check the Financial Support Office website in autumn 2011 to see what is available for students starting in 2012. The deadline for scholarship applications is April 2012.



UK Government financial support

Maintenance grant

Students from England with household incomes of up to £25,000 a year will be entitled to a maintenance grant (to help with living costs) of **£3,250**.

Students from households with an income between £25,001 and £42,600 will be entitled to a partial grant of between **£3,250** and **£50**.

The living cost grant is paid into your bank account at the beginning of each term once you have registered on your course.

The maintenance grant does not have to be repaid.

Maintenance loan

All eligible English students will be able to take out a maintenance loan to help with living costs. The maximum loan available for students studying in



London (ie, at LSE) and living away from home is **£7,675**. If you study outside London or if you live at home while you study, the maximum loan value is lower.

There are two elements to the maintenance loan: a guaranteed loan and an income assessed loan.

Guaranteed loan: Up to 65 per cent of the maintenance loan will be available to everyone in 2012 regardless of their parental income.

The Income Assessed loan: 35 per cent of the amount you can borrow is means-tested (ie, it depends on your or your parents' household income).

The maintenance loan does have to be repaid.

Applying for grants and loans

You should apply for all of your grants and loans (maintenance and tuition fee) in the spring before you start university. The Student Loans Company (SLC) usually announces a date in March when applications open and a deadline in May by which you should submit your application. You should check out the directgov and SLC websites for further details.

You and your family will need to complete a PN1 form which asks for a range of financial information about you and the household in which you live. It is this financial information which the SLC uses to assess your

eligibility for a grant and part of the maintenance loan. The information submitted on the application form allows the SLC to calculate the 'household residual income' (see section below). You can also allow your chosen university to access this financial information so that they can assess your eligibility for their own bursaries and scholarships. In the case of LSE, this means that you will not have to apply separately for our package of financial support (see LSE financial support section on page 2).

Household residual income

This is effectively the household income BEFORE tax and AFTER any pension contributions or allowances for dependant children.

For all those dependent students (ie, not independent) then the income assessment is based on your combined parents' income – though if you have substantial savings/investments of your own generating income they will be taken into account.

If your parents are divorced or separated then the SLC will assess the income of the parent you live with most of the time. If that parent remarries or has a cohabiting partner, their joint income will then be assessed.

Financial Support by Household Income*

Household income	Non-repayable grant	Living cost loan (max London rate £7,675)	Total
£25,000 or less	£3,250	£6,050	£9,300
£30,000	£2,341	£6,505	£8,846
£35,000	£1,432	£6,959	£8,391
£40,000	£523	£7,414	£7,937
£45,000	£0	£7,463	£7,463
£50,000	£0	£6,963	£6,963
£55,000	£0	£6,463	£6,463
£60,000	£0	£5,963	£5,963
£65,000	£0	£5,463	£5,463
over £70,000	£0	£4,988	£4,988

*Data supplied by BIS

Repayment of loans and rates of inflation

If you take out a tuition fee loan and a maintenance loan they are bundled together to make one combined loan. Interest starts to accrue on the loan from the day you receive the money.

You only start to repay your student loan once you are earning over £21,000 per year. You only repay 9 per cent of everything you earn annually above £21,000.

Rates of interest vary throughout the life of the loan.

While studying: The loan accrues interest at the rate of inflation (as measured by the Retail Price Index) plus 3 per cent. This continues until the first April after graduation after which a progressive taper is applied.

Graduates earning less than £21,000: The loan accrues interest at the rate of RPI inflation.

Graduates earning between £21,000 and £41,000: The interest rate will gradually rise from RPI to RPI plus 3 per cent the more you earn (the interest rises 0.00015 per cent for every extra pound you earn or, put another way, if you earn £1,000 more you accrue 0.15 per cent extra interest). These thresholds will rise with average earnings from 2017.

Graduates earning over £41,000: The loan accrues interest at the rate of RPI inflation plus 3 per cent.

The table below shows some salaries and typical repayments.

The loan is repaid through the income tax system if you work in the UK. Student loans do not go on credit files.

The student loan is written off after 30 years.

It is likely that graduates will be allowed to repay their loan early if they wish to do so, but it is possible that a penalty will be applied for early repayment. This is still being debated by Parliament at the time of going to print.

Sample repayments*

Salary	Amount of salary from which 9 per cent will be deducted	Monthly repayment
£25,000	£4,000	£30
£30,000	£9,000	£67.50
£35,000	£14,000	£105
£40,000	£19,000	£142.50
£45,000	£24,000	£180
£50,000	£29,000	£217.50
£55,000	£34,000	£255
£60,000	£39,000	£292.50

*Data supplied by BIS



Further information

The following websites provide more information for prospective university students:

Moneysavingexpert.com

www.moneysavingexpert.com/family/student-loans-tuition-fees-changes

LSE alumnus Martin Lewis has also published a number of YouTube videos about student funding and money matters.

Directgov

www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/StudentFinance/DG_194804

www.direct.gov.uk/yourfuture

Department for Business, Innovation and Skills

www.bis.gov.uk/policies/higher-education/students/student-finance

LSE Financial Support Office

lse.ac.uk/financialSupport

Students from Northern Ireland

www.studentfinancenir.co.uk

Students from Scotland

www.saas.gov.uk

Students from Wales

www.studentfinancewales.co.uk

Find out more about LSE

For an undergraduate prospectus go to lse.ac.uk/requestProspectus

Email a current LSE student or an LSE alum at lse.ac.uk/meetLSE

Come to one of our undergraduate open days on 21 March and 27 June 2012. To find out more and to book your place go to lse.ac.uk/meetLSE

For information on all our undergraduate programmes and how to apply to LSE go to lse.ac.uk/undergraduate

lse.ac.uk

