

SLC SP02/2023

15 June 2023

Coverage: Wales

Theme: Children, Education
and Skills

Student Loans in Wales

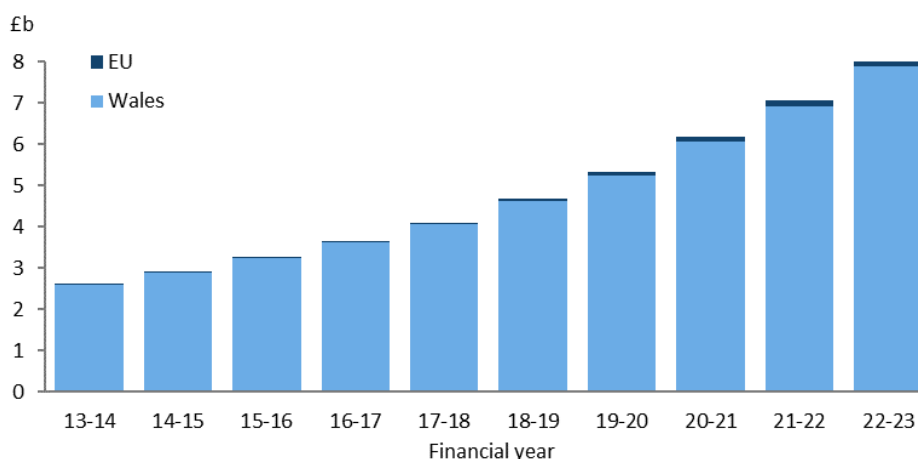
Financial year 2022-23

Income Contingent (ICR) Student Loan balance

Income Contingent student loan balance reaches £8.0 billion for higher education borrowers

Figure 1: Total balance of Income Contingent Student Loans at the end of financial year 2013-14 to 2022-23 (£ billion)

The legend follows the same order as the stacks in the bars.



Source: [Table 1](#)

[Download the data for Figure 1 \(ODS, 6KB\)](#)

Figure 1 shows that the total loan balance has increased year-on-year from £2.6 billion in 2013-14, to £8.0 billion in 2022-23. When comparing this to the 2021-22 year-end figure of £7.1 billion, this is an increase of 14.0% (+ £1.0 billion).

This increase is consistent with those noted in previous financial years. The loan balance grows year-on-year as new lending and interest added to existing balances outweighs repayments and write-offs.

The EU borrower's balance has also increased each year, from £18.2 million in 2013-14, reaching £149.7 million by the end of financial year 2022-23. This is 11.2% higher (+ £15.1 million) than the 2021-22 figure of £134.5 million.

Although the EU loan balance has increased, the rate of increase continues to slow (down from + 32.3% in 2018-19).

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Tuition fee funding for new EU students in Wales (without a [‘settled’ or ‘pre-settled status’](#)) ceased in academic year 2021/22. However, those continuing a course remain eligible for financial support for the duration of their course.

Of the total balance, 68.9% are amounts which are liable for repayment. This means that a borrower has passed their Statutory Repayment Due Date (SRDD). This is the point they would become liable to begin repaying a loan (normally the April after graduating or otherwise leaving their course, provided they are earning above the relevant income threshold).

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Introduction

This statistics publication presents figures and observations on student loan outlays, repayments and borrower activity for Wales domiciled Student Loans Company (SLC) customers. This covers students who are studying, or borrowers who have studied in higher education (HE) and further education (FE) in the United Kingdom (UK). Figures are also shown for European Union (EU) students studying in Wales.

Figures provided here are for Income Contingent Repayment (ICR) Loans administered by SLC, which were introduced in academic year 1998/99.

This publication covers financial years up to and including 2022-23.

Complete information on student finance arrangements in Wales are available at the Student Finance Wales [website](#).

Accessibility

[Public Sector Accessibility Regulations](#) mean that all public sector organisations have a legal duty to make their websites accessible for everyone, including those with disabilities. As part of SLC's ongoing commitment to improving accessibility of our websites and content, we've made changes to the way we publish our statistics.

The changes in this publication mainly affect the way we provide visual information. This includes:

- including descriptive information of the full time-series for each graph within the main body of the statistics publication.
- providing data used to form each graph in accessible / downloadable tables.
- changing the way we present charts and graphs to be more accessible, including changes to colour, labels and legends.

We create our statistics publications in a way that helps to ensure that the department's statistical outputs are accessible, while continuing to meet the statistical needs of our users.

What can you use these statistics for?

These statistics can be used as a reference to the value of the Student Loans Company (SLC) loan balance at the end of the financial year, student outlay within a financial year and information on borrower activity and repayment amounts.

The data used in this publication is sourced from Student Loans Company's 'Customer Ledger Account Servicing System' (CLASS). This system only holds information on borrowers who have received funding from SLC. This publication also only includes information on loan products and does not include information regarding grants and bursaries. Under normal circumstances grants and bursaries are not considered repayable.

Due to this, these statistics cannot be used to analyse trends or to draw conclusions regarding the full UK education funding landscape.

Things you need to know

More Frequent Data Sharing (MFDS)

From April 2019 the frequency in which repayments data is provided to SLC by HM Revenues and Customs (HMRC) increased. Before this SLC received customer repayment data, reported by employers, annually from HMRC after the end of the financial year. This increased to weekly. This meant for SLC customers being paid monthly through the Pay as You Earn (PAYE) system, SLC receives information of student loan deductions monthly.

This increase in frequency resulted in a change in time series for repayments and interest applied for the 2019-20 financial year. From the 2020-21 financial year, the time series normalised with a single years' worth of repayments data being included (just those processed by SLC within that financial year).

For more information on how this affected repayments and resulting interest calculations, please refer to our [Additional information](#) section and for further detail, please refer to [GOV.UK](#).

Self-Assessment data

Self-Assessment repayment data is supplied from HMRC to SLC via a different process to PAYE. As a result, this will still be provided annually after the end of the financial year (and not weekly as for PAYE customers). This will therefore still show in the financial year in which it was posted to the customer's account, as in previous years. For this reason, financial year 2022-23 will mostly comprise of Self-Assessment repayments data from the previous financial year. This will also be true of the interest calculations being applied for these borrowers.

In Table 1, in previous years we have had to mark the figures relating to Self-Assessment repayments as 'estimated' due to this being provided later than anticipated. From 2018-19 this has been provided as expected, allowing this to be included as final figures.

In Table 4A we therefore mark the latest financial year of repayment as 'provisional' as the 2022-23 Self-Assessment earnings information is received from HMRC after the 30 April effective date. The final figure is shown in the following years' publication.

Rounding, totals and averages

All borrower numbers and amounts have been rounded to the nearest 100 and £100,000, the nearest 1 decimal point on the data tables given. Average amounts are rounded to the nearest £10. Totals and averages are calculated from un-rounded numbers, these therefore may differ from adding up rounded components.

Effective dates

The effective dates used in this publication are as follows:

Table 1 and 2:	31 March
Table 3, 4 and 5:	30 April

Tables 3, 4 and 5 provide information which requires annual PAYE end of year data supplied by HMRC to SLC, even after the introduction of [MFDS](#). This is received after the financial year ends hence the later effective date.

Executive summary - Financial year 2022-23

For more detail, please click on the individual headline...

- Income Contingent student loan balance reaches £8.0 billion for higher education borrowers
- Plan 2 borrowing equates to three-quarters of total Income Contingent Student Loan balance
- Small 1.4% increase in the amount paid to undergraduate borrowers in financial year 2022-23, at £828.1 million
- First recorded decrease in postgraduate borrowing reported in 2022-23
- Increases in Retail Price Index (RPI) in financial year 2022-23 resulted in a rise in higher education accrued interest, to £318.3 million
- Increases in Retail Price Index (RPI) in financial year 2022-23 causes rise in interest accrued to balances across all three plan types
- Average higher education borrower's loan balance on entry into repayment reaches £35,780
- Average EU borrower's loan balance on entry into repayment reaches £26,490
- 65.4% of all ICR borrowers who are liable to repay are in the UK tax system and 37.4% made a repayment in financial year 2022-23
- Considerable increase noted in higher education borrower repayments in financial year 2022-23, rising by 22.0% to £191.6 million
- 10.1% increase in total amount repaid by higher education borrowers via HMRC in financial year 2022-23
- 22.6% increase in total amount repaid by higher education borrowers via scheduled repayments directly to SLC, reaching £7.7 million
- 34.3% increase in total amount repaid by higher education borrowers via voluntary repayments directly to SLC, reaching £18.9 million
- 2.5% increase in the average amount repaid by ICR loan borrowers via HMRC to £820 in financial year 2021-22

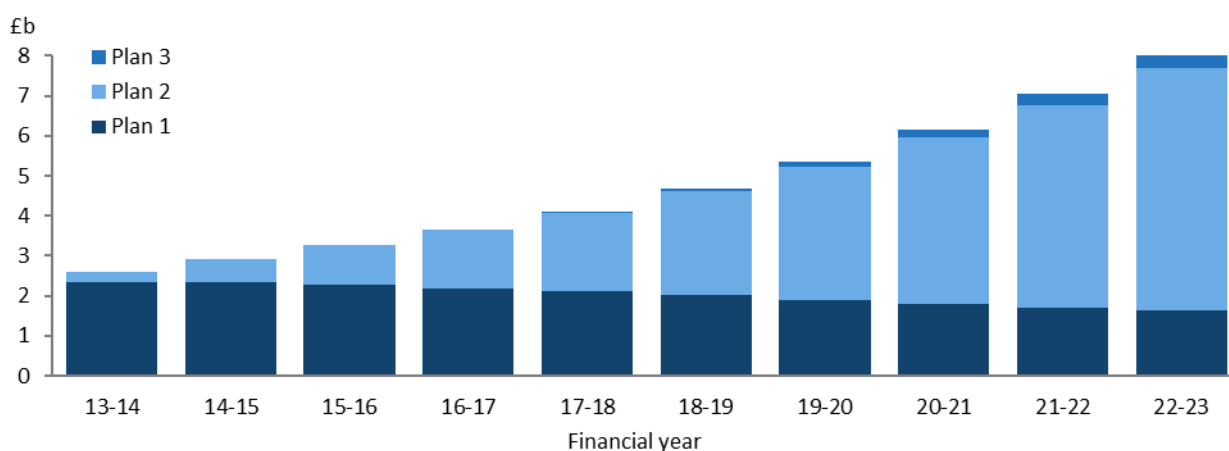
Income Contingent Student Loan balance by repayment plan

In financial year 2022-23, there were three repayment plans. Students who began their course prior to 1 September 2012 are on Repayment Plan 1, those who began their course on or after 1 September 2012 are on Repayment Plan 2 and students who have taken out postgraduate loans are on Repayment Plan 3. Borrowers can be 'multi-plan' should they have studied multiple courses.

Plan 2 borrowing equates to three-quarters of total Income Contingent Student Loan balance

Figure 2: Total balance of Income Contingent Student Loans at the end of financial year 2013-14 to 2022-23 by repayment plan (£ billion)

The legend follows the same order as the stacks in the bars.



Source: [Table 1](#)

[Download the data for Figure 2 \(ODS, 6KB\)](#)

Figure 2 indicates the changing proportion of the loan balance in respect to repayment plans.

At end financial year 2013-14, Repayment Plan 1 loans equated to 89.8% of the entire loan balance and by the end of financial year 2022-23, this had reduced to just 20.2%. This is as a result of no Plan 1 loans being issued following the 2011/12 academic year.

Due to the replacement of Plan 1 loans with Plan 2 for all new borrowers, from this point the % of the balance attributed to Plan 2 loans has increased each year from 10.2% in financial year 2013-14, to 75.3% by the end of financial year 2022-23.

Following their introduction in financial year 2017-18, Repayment Plan 3 (postgraduate) loans now make up 4.4% of the higher education loan balance. In 2017-18 this was purely Masters Loans and from 2018-19 onwards Doctoral Loans were also introduced into this repayment plan type.

For more information on repayment plans, please refer to the [Income Contingent Student Loan repayment plans & interest rates and calculations](#) section on GOV.UK.

Total amount paid out in loans to student borrowers

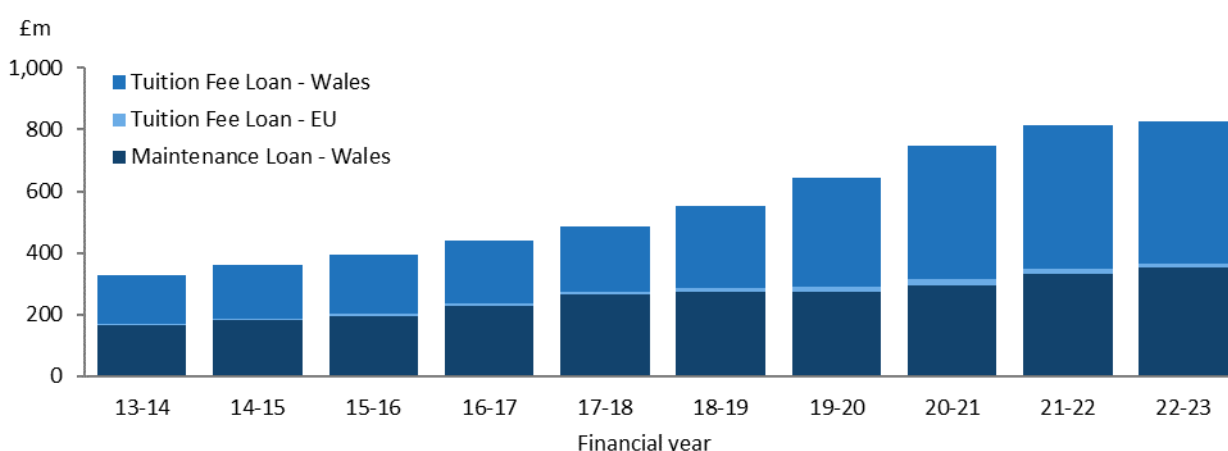
Loans discussed in this section include Tuition Fee Loans and Maintenance Loans for undergraduates, and Masters and Doctoral Loans for postgraduates.

The total amount paid out in loans to higher education borrowers reached £892.3 million in financial year 2022-23. This is relatively the same as issued in 2021-22 (+ 0.1%). This relative standstill follows year-on-year increases, most recently + 8.9% in 2021-22 and + 17.2% in 2020-21.

Small 1.4% increase in the amount paid to undergraduate borrowers in financial year 2022-23, at £828.1 million

Figure 3: Total amount paid out in loans to higher education undergraduate borrowers in financial years 2013-14 to 2022-23 (£ million)

The legend follows the same order as the stacks in the bars.



Source: [Table 1](#)

[Download the data for Figure 3 \(ODS, 6KB\)](#)

Figure 3 shows total amount paid out in the form of undergraduate ICR Loans has increased year-on year from £329.4 million in financial year 2013-14, to £828.1 million in 2022-23. When comparing to the previous financial year, there has been a small increase of 1.4% (+ £11.5 million), much lower than the + 9.2% increase seen in 2021-22 and the + 16.2% increase in 2020-21.

£160.4 million in Tuition Fee Loans was paid out on behalf of Wales-domiciled undergraduates in 2013-14, increasing to £463.3 million by 2022-23 (+ 188.8%). In the most recent year, a small decrease of 0.9% was observed, notably less than the 8.0% increase in 2021-22, and the 22.4% increase in 2020-21.

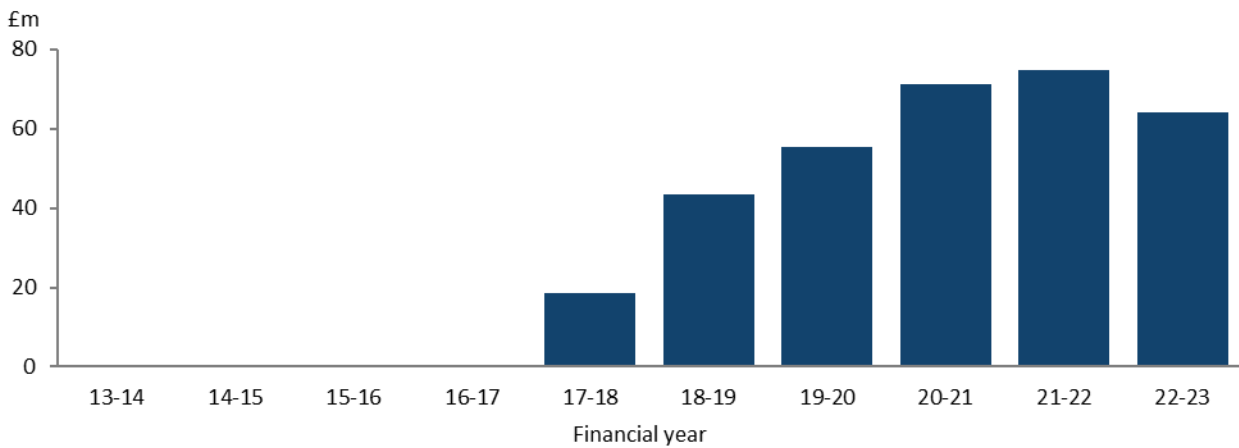
£5.4 million in Tuition Fee Loans was paid on behalf of EU-domiciled undergraduates in 2013-14, steadily increasing to £19.1 million in 2020-21. The first reduction was noted in 2021-22 (down by 12.9% to £16.6 million) likely due to the discontinuation of EU student funding to new students. In 2022-23 there was a further reduction, down to £10.9 million (- 34.6%).

£163.6 million was paid to undergraduate borrowers in the form of Maintenance Loans in financial year 2013-14, increasing each year, albeit by varying %'s, to reach £354.0 million in 2022-23. In the most recent year, a 6.5% increase is noted in comparison to 2021-22, lower than the 12.4% increase noted in the previous year.

First recorded decrease in postgraduate borrowing reported in 2022-23

Figure 4: Total amount paid out in loans to higher education postgraduate borrowers in financial years 2013-14 to 2022-23 (£ million)

The legend follows the same order as the stacks in the bars.



Source: [Table 1](#)

[Download the data for Figure 4 \(ODS, 6KB\)](#)

Figure 4 illustrates that postgraduate borrowing increased from £18.6 million in its introductory year of 2017-18, to reach £74.6 million in financial year 2021-22.

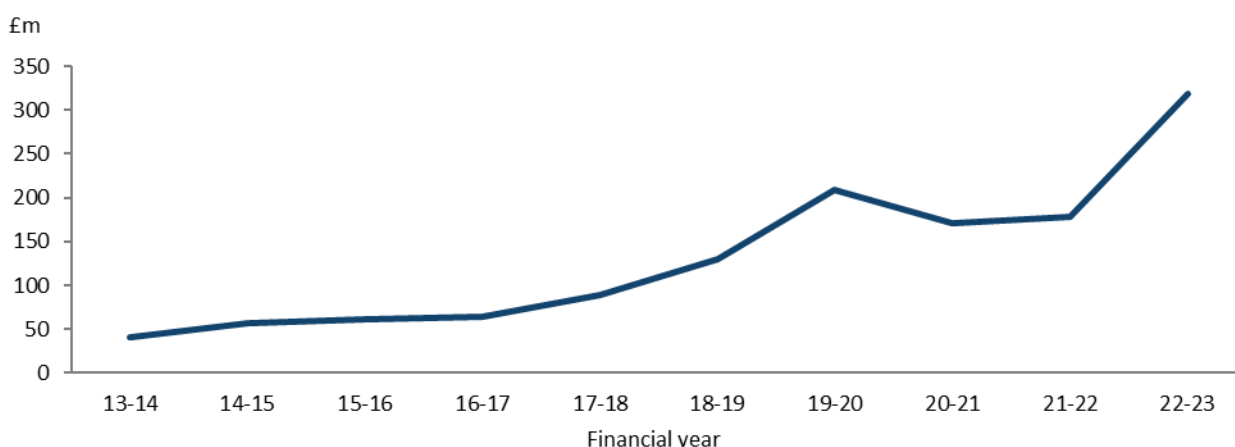
However, in the most recent financial year, a decrease of 14.1% is evident (- £10.5 million), the first on record.

Interest added to Income Contingent Loans

The interest charged on loans is dependent on the repayment plan type the loan falls under. In financial year 2022-23, there were three plans. Students who began their course prior to 1 September 2012 are on Repayment Plan 1, those who began their course on or after 1 September 2012 are on Repayment Plan 2 and students who have taken out postgraduate loans are on Repayment Plan 3. Borrowers can be 'multi-plan' should they have studied multiple courses.

Increases in Retail Price Index (RPI) in financial year 2022-23 resulted in a rise in higher education accrued interest, to £318.3 million.

Figure 5: Total amount of interest accrued on higher education loans in financial years 2013-14 to 2022-23 (£ million)



Source: [Table 1](#)

[Download the data for Figure 5 \(ODS, 6KB\)](#)

Figure 5 shows that interest accrued to higher education loans equated to £41.2 million in financial year 2013-14, increasing year-on-year to £129.5 million in 2018-19.

A sharp increase is evident in 2019-20 (+ 61.3% to £208.9 million) due to 'More Frequent Data Share' (the more readily available data provided to SLC by HMRC meant that effectively, almost two years' worth of customer PAYE repayments and resulting interest calculations (those processed by SLC in both financial year 2018-19 and 2019-20) were included in the 2019-20 financial year). The time series normalised in 2020-21. Further detail can be found in the [Additional information](#) section.

The interest accrued onto higher education loan accounts increased by just 3.9% (to £178.0 million) in 2021-22 despite a 15.5% increase in the relevant closing balances. This was owing to the lower interest rates charged for the majority of 2021-22 due to caps being placed on interest between July 2021 and February 2022.

Welsh Government monitors interest rates set by commercial banks using monthly data provided by the Bank of England. Should the commercial interest rate (or Prevailing Market Rate (PMR)) fall below the normal rate charged on these loans (varying between 'RPI and RPI + 3%', dependent on circumstance and income), Welsh Government will cap both Plan 2 and Plan 3 interest rates to help protect borrowers against a rise in inflation.

In financial year 2021-22, the maximum interest was capped (at varying rates, averaging 4.5%). By comparison, in September 2022, due to the further rise in RPI, the maximum interest rate was capped again (at varying rates, averaging 6.6%) for the remainder of the 2022-23 financial year. As a result accrued interest amounted to £318.3 million (+ 78.9% on the previous year).

This cap was the largest scale reduction of student loan interest rates on record. Without this cap, the significant rise in RPI would have meant student loan borrowers facing a circa. 12% interest rate.

It should be noted that, regardless of interest rates, the interest accrued will rise as the loan balance increases year after year.

Please note: A borrower’s rate of interest does not affect their monthly repayment amount.

Another contributing factor is the reducing % of the loan balance associated with Plan 1 loans, which have much lower interest rates compared to Plan 2 and 3.

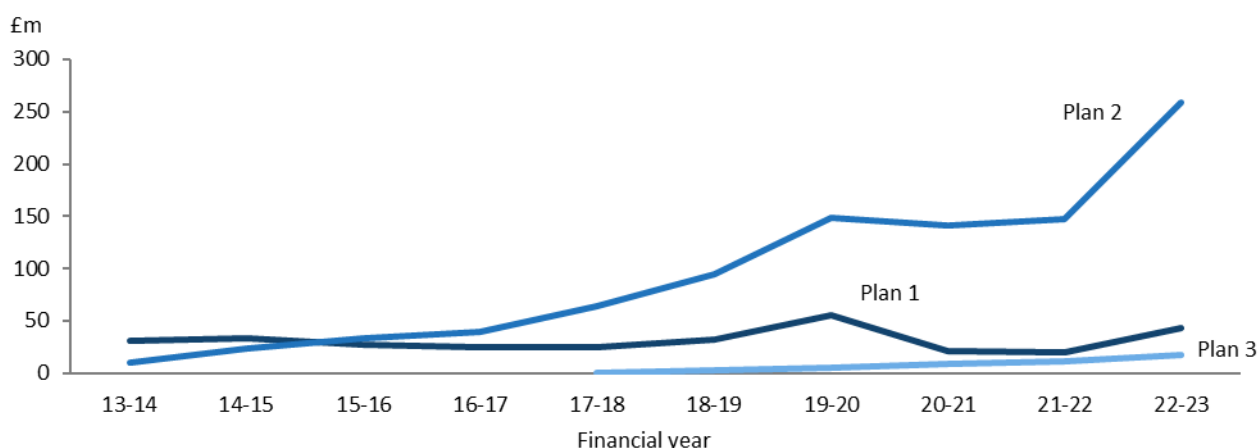
The accrued interest in 2022-23 equated to 4.5% of the previous financial year’s closing balance, of £7.1 billion. This is higher than in 2021-22, where the interest accrued equated to 2.9% of the closing balance in the previous financial year, of £6.2 billion.

For more information on interest rates and calculations, please refer to the [Income Contingent Student Loan repayment plans & interest rates and calculations](#) section on GOV.UK.

The graph below indicates the amount of interest added by financial year, split by the three repayment plan types:

Increases in Retail Price Index (RPI) in financial year 2022-23 causes rise in interest accrued to balances across all three plan types

Figure 6: Total amount of interest accrued on higher education loans in financial years 2013-14 to 2022-23 by repayment plan (£ million)



Source: [Table 1](#)

[Download the data for Figure 6 \(ODS, 6KB\)](#)

Figure 6 shows that £31.0 million was accrued to Plan 1 balances in 2013-14, increasing to peak in 2019-20 at £55.2 million (as a result of [MFDS](#)). Interest then reduced for the subsequent two years, down to £19.6 million in 2021-22. Financial year 2022-23 reported a significant 117.6% increase (+ £23.1 million) in

comparison to the previous year. This is as a result of the considerable increase in the RPI rate within financial year 2022-23 meaning maximum interest rates increased from 1.5% to 5.0% by March 2023.

£10.1 million of interest was accrued to Plan 2 balances in 2013-14, increasing year-on-year to also peak in 2019-20 at £148.7 million (as a result of [MFDS](#)). £258.4 million was accrued in financial year 2022-23. This is a considerable increase on the amount accrued in 2021-22 (+ 75.7% / £111.4 million) owing to the notable increases in RPI.

In the first year of Plan 3 (2017-18), £0.3 million was accrued to the balance. This has increased year on year to £17.2 million in 2022-23. In comparison to 2021-22, this is an increase of £5.9 million (+ 52.1%), also a result of the increases in RPI.

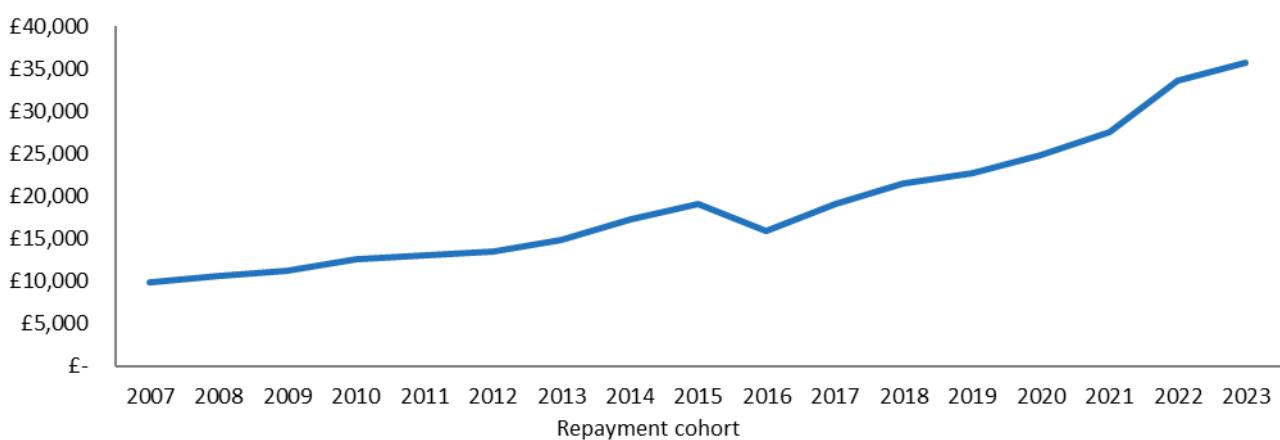
Plan 1 interest represented 2.5% of the previous year's closing balance in 2022-23, compared to 1.1% in 2021-22. Plan 2 interest represented 5.1% of the previous year's closing balance in 2022-23, compared to 3.5% in 2021-22. Plan 3 interest represented 6.1% in 2022-23 vs. 5.6% in 2021-22.

Average Income Contingent Loan balances

This section looks at the average loan balance for borrowers at the point where their liability to repay first began (usually the April following the completion, or withdrawal from their course, provided they are earning above the relevant income threshold). 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.

Average higher education borrower's loan balance on entry into repayment reaches £35,780

Figure 7: Average loan balance on entry into repayment by repayment cohort as at the beginning of the financial year 2023-24: Wales & EU



Source: [Table 5A \(iii\)](#)

[Download the data for Figure 7 \(ODS, 6KB\)](#)

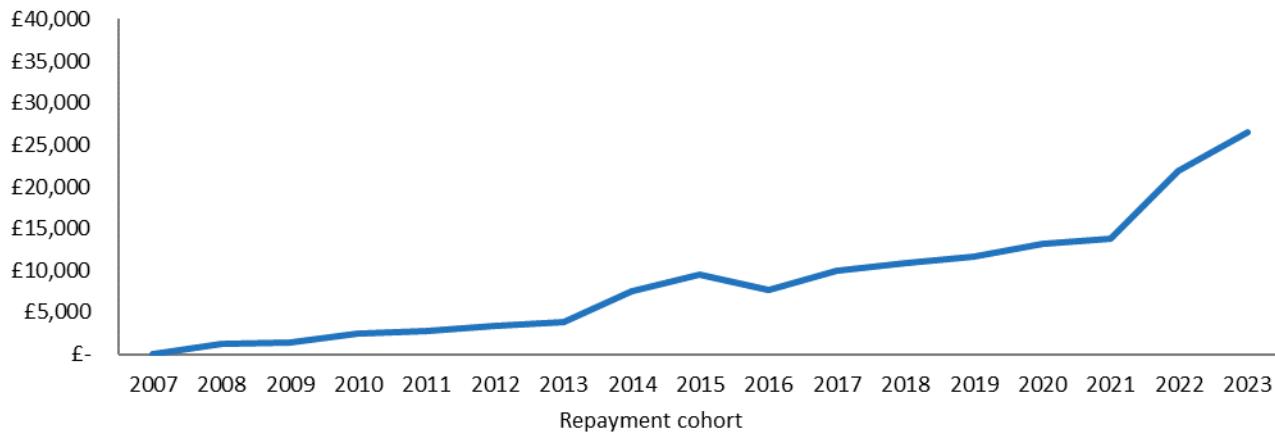
Figure 7 indicates that the average loan balance on entry to repayment increased year-on-year from £9,900 in 2007, to reach £35,780 in 2023. In comparison to 2022, there has been a 6.6% (+ £2,220) increase. This is a much lower increase than noted in the previous year, of + £6,040 (+ 21.9%).

The higher increase in 2022 can be predominantly attributed to the students who were eligible for Tuition Fee Grants (which were discontinued in academic year 2017/18 following the [Diamond Review](#)), concluding their studies. Prior to 2017/18, a Tuition Fee Grant of £4,954 was available to students along with a maximum Tuition Fee Loan of £4,296. For students beginning a full-time course in academic year 2018/19, grants were no longer issued and instead an increased Tuition Fee Loan of £9,250 was made available.

Prior to the Diamond Review, Tuition Fee Loans made up just 45% of the total tuition fee package (55% attributed to grants). By academic year 2022/23, this had increased to 99%.

Average EU borrower's loan balance on entry into repayment reaches £26,490

Figure 8: Average loan balance on entry into repayment by repayment cohort as at the beginning of the financial year 2023-24: EU only



Source: [Table 5B \(iii\)](#)

[Download the data for Figure 8 \(ODS, 6KB\)](#)

Figure 8 shows that for EU borrowers, the average balance has increased from £1,180 in 2008 to reach £26,490 by 2023. When comparing this to the 2022 cohort, this is an 21.0% increase (from £21,900). This follows another, more significant increase in the previous year (of + 59.3%) attributed to both the aforementioned discontinuation of Tuition Fee Grants and the notable increase in EU postgraduate loan take-up in academic year 2020/21.

EU borrowers have consistently had a lower average balance - this is predominately due to non-Wales domiciled students not being eligible for maintenance funding.

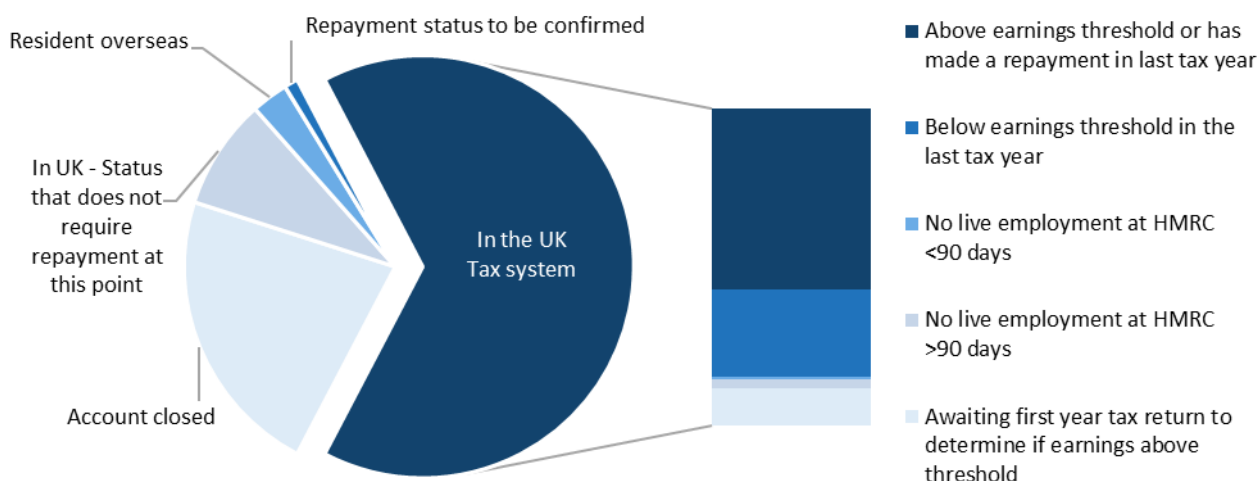
From academic year 2021/22, new EU students in Wales (without a '[settled](#)' or '[pre-settled status](#)') were no longer eligible for tuition fee funding. However, those continuing a course in 2022/23 remain eligible for tuition fee support for the duration of their course.

Income Contingent Loan borrower repayment status

Borrowers are categorised by their repayment status as at the end of the financial year. This status may change throughout the year depending on their circumstances. Until their loan balance is fully repaid or cancelled, they can move into and out of any of the other statuses.

65.4% of all ICR borrowers who are liable to repay are in the UK tax system and 37.4% made a repayment in financial year 2022-23

Figure 9: ICR student loan borrowers by repayment status as at the beginning of FY 2023-24



Source: [Table 3A \(i\) and \(ii\)](#)

[Download the data for Figure 9 \(ODS, 6KB\)](#)

Figure 9 includes all ICR loan borrowers in all repayment cohorts who have become liable to repay as at 30 April 2023.

Included in these figures, is the 2023 repayment cohort. This cohort has been in repayment for less than one month from the effective date of these statistics, therefore the profile of this repayment cohort is very different to that of earlier repayment cohorts.

The number of borrowers (who are liable to repay and) who were in live employment and made a repayment in financial year 2022-23 was 144,900, an increase in comparison to the end-April position in 2022, of 128,800. As a % of all those liable to repay, this has increased from 35.3% in 2022, to 37.4%.

The number of borrowers in the UK tax system, yet not required to make a repayment reduced to 69,200 in April 2023, compared to 71,800 in the previous year. As a % of all those liable to repay, there was a reduction from 19.7% to 17.9%.

The number of borrowers liable to repay showing no live employment for less than 90 days increased from 2,300 to 3,000 by 30 April 2023. However, as a % of all those liable to repay, this remained relatively constant at 0.8% (vs. 0.6% in 2022). Those showing no live employment for over 90 days was 6,500, slightly higher than the 6,400 noted in April 2022. As a % of all those liable to repay, this represents 1.7%, vs. 1.8% in April 2022.

At end-April 2023, of those overseas and above earnings thresholds for that country, 2,600 made

repayments and 2,800 were defaulted in arrears (both 0.7% of all those liable to repay). In April 2022, the number of those repaying was the same as those in arrears (both 2,500 / 0.7%).

22.3% of those who are liable to repay at end-April 2023 no longer retained any loan balance, mainly due to full repayment (slightly higher than the 21.5% in 2022).

At end-April 2023, of the 387,500 borrowers, 301,200 were still owing (up 6.3% and 5.2% respectively on 2022).

For 30 April 2022 figures, please refer to Table 3A (i) and (ii) in our previous year's [publication](#).

Income Contingent Loan repayments

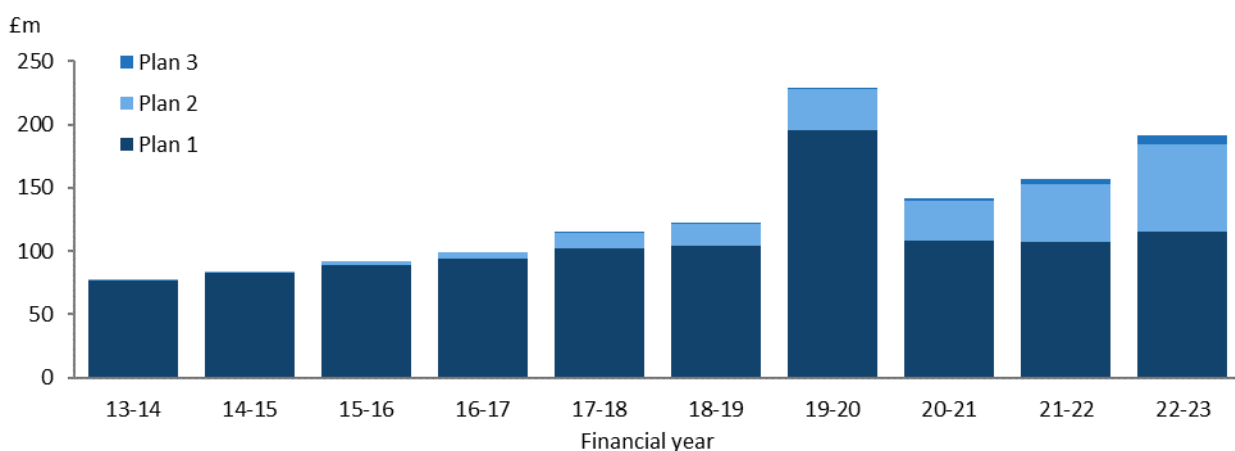
Borrowers normally become liable to make repayments from the April following the completion of, or withdrawal from their course, provided they are earning above the relevant income threshold.

Repayments are either made via HMRC (either PAYE or Self-Assessment) or directly to Student Loans Company on a scheduled or voluntary basis. Repayment terms including thresholds and interest rates differ depending on the repayment plan type the loan falls under.

Considerable increase noted in higher education borrower repayments in financial year 2022-23, rising by 22.0% to £191.6 million

Figure 10: Total amount repaid by higher education borrowers in financial years 2013-14 to 2022-23 by repayment plan type (£ million)

The legend follows the same order as the stacks in the bars.



Source: [Table 1](#)

[Download the data for Figure 10 \(ODS, 6KB\)](#)

Figure 10 demonstrates that in financial year 2013-14, repayments totalled £77.2 million. This steadily increased year-on-year to reach £122.1 million in 2018-19.

In 2019-20 a considerable increase of 87.4% (to £228.7 million) was reported. This was predominantly due to more readily available data provided by HMRC ([MFDS](#)). This meant that effectively, almost two years' worth of customer PAYE repayments and resulting interest calculations (those processed by SLC in both FY 2018-19 and 2019-20) were included in the 2019-20 financial year. The time series normalised in 2020-21. Further detail on MFDS can be found in the [Additional information](#) section.

The total amount repaid in financial year 2022-23 reached £191.6 million. This is considerably higher than the increase noted in the previous year, 22.0% (+ £34.6 million) vs. + 10.9% (+ £15.5 million) in 2021-22.

This increase could be attributed to several factors including:

- Minimal change to repayment thresholds: The Plan 1 threshold increased by just 1.5% (compared to + 2.6% in 2021-22), whereas Plan 2 and Plan 3 thresholds remained unchanged to the previous year.
- The increased rate of inflation in financial year 2022-23 may have positively affected borrower salaries, resulting in increased PAYE / scheduled monthly payments and/or additional voluntary repayments.

- Resulting effects of the COVID-19 pandemic: Borrowers returning to full-time work, new employment with increased salaries.
- The growing loan balance which is liable for repayment. In the absence of any other factors, this would result in an increase in repayments year-over-year.

Up until financial year 2017-18, over 90% of all higher education repayments related to Plan 1 loans. Each year, the share of Plan 1 loans has decreased as Plan 2 loans have replaced Plan 1 loans; falling to 60% by financial year 2022-23. Plan 3 loans equated to just 4% of all repayments made in 2022-23.

Plan 1 (loans prior to Sep-12) repayments increased by 7.7% compared to 2021-22 This follows a small (- 0.9%) decrease in the previous year. As a % of 2021-22's closing balance, there has been a small increase in comparison to the previous year (6.8% vs. 6.0% respectively).

Plan 2 (post Sep-12) repayments increased by 49.6% in 2022-23 following a 46.1% increase in the previous year. As a % of the previous financial year's closing balance, this remained reasonably constant (1.4% vs. 1.1% respectively).

Postgraduate (Plan 3) repayments increased by a significant 93.5% in 2022-23, compared to an even more substantial increase of 116.0% in 2021-22. These high increases can be attributed to an increasing amount of borrowing becoming liable for repayment (+ 76.6% in 2021-22 and + 61.7% in 2022-23). As a % of the relevant closing balances, this has increased from 1.9% to 2.6%.

83.8% of repayments were received via HMRC and the remaining 16.2% were made directly to SLC (this split does not take into account refunds made). As at 30 April 2023, repayments made via HMRC were a significant 20.6% higher than in the previous year, at £162.0 million. Repayments made directly to SLC were 26.1% higher than in 2021-22, at £31.2 million.

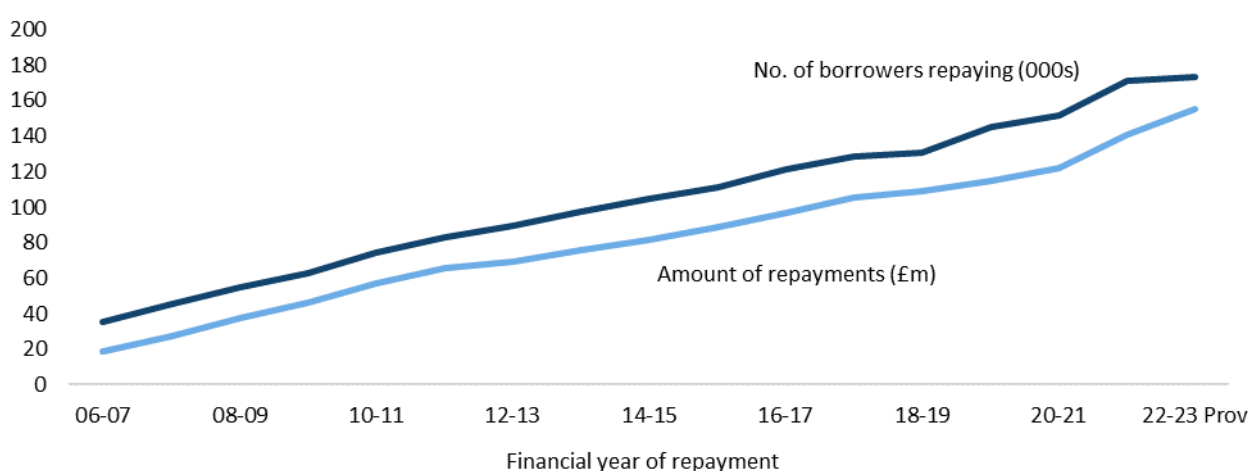
For more information on repayment plans and thresholds, please refer to the [Income Contingent Student Loan repayment plans, interest rates and calculations](#) section on GOV.UK.

Income Contingent Loan repayments by repayment method

Repayments can be made via three methods, via HMRC (for UK taxpayers who are paid via PAYE or self-employed submitting Self-Assessment), along with scheduled and voluntary repayments which are made directly to SLC (outside of the HMRC deduction system). Scheduled repayments are made by borrowers nearing the end of their repayment term or from those overseas. Borrowers can opt to move onto a direct debit scheme paid directly to SLC to avoid overpayment via PAYE deductions. Voluntary repayments are additional repayments which a borrower can choose to make at any time and can be paid alongside scheduled repayments and those via HMRC.

10.1% increase in total amount repaid by higher education borrowers via HMRC in financial year 2022-23

Figure 11: Number of ICR student loan borrowers who made a scheduled repayment via HMRC & total amount repaid by financial year of repayment 2006-07 to 2022-23



Source: [Table 4A \(i\)\(ii\)](#)

[Download the data for Figure 11 \(ODS, 6KB\)](#)

Figure 11 demonstrates that the number of higher education borrowers making repayments via HMRC has increased year-on-year, from 35,700 in financial year 2006-07, to 171,100 in 2021-22. The total amount of repayments has also steadily increased, from £18.5 million to £141.1 million.

As at end-April 2023, the provisional number of higher education borrowers who made a repayment via HMRC in financial year 2022-23 was 173,400. This is slightly higher than the final figure for financial year 2021-22 (+ 1.4% / + 2,300). The provisional amount repaid was £155.5 million. This is a more significant 10.1% higher (+ £14.3 million) in comparison to the final figure for the previous financial year.

The most recent financial year's figures are marked as 'provisional' due to the 2022-23 Self-Assessment earnings information being received from HMRC after Table 4A's 30 April 2023 effective date.

The movement between the provisional and final figures for financial year 2021-22 was an additional + 10.4% in regard to the number of borrowers making a repayment (from 154,900), and + 8.9% in the amount repaid (from £129.6 million).

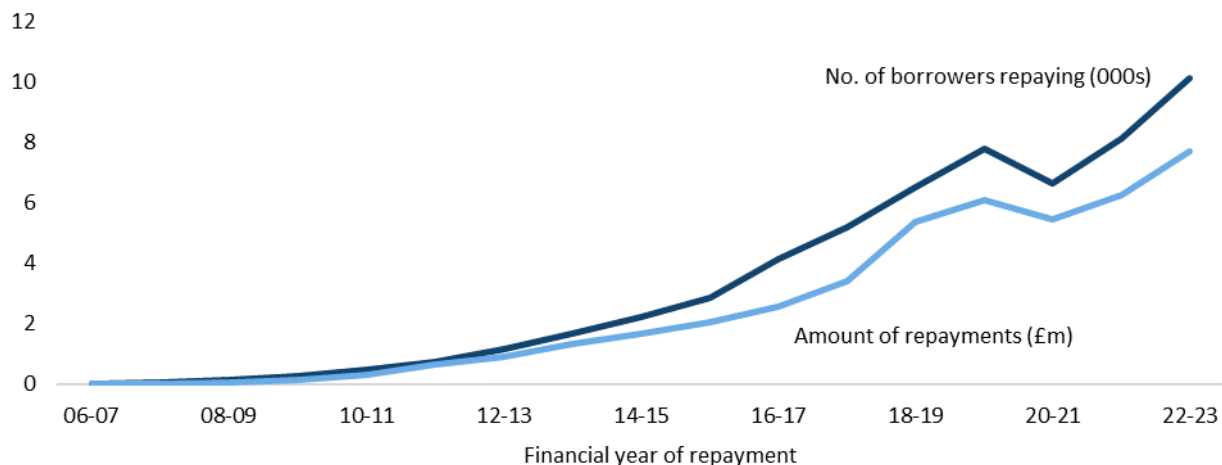
The provisional position for financial year 2021-22 can be found in the previous year's [publication](#). 2022-23's figure will be finalised in our 2024 publication.

Scheduled repayments made directly to SLC

Direct ('scheduled') payments are repayments which have been made directly to SLC from borrowers who reside overseas, who are **liable to repay**, and are doing so via a repayment schedule. Both UK and non-UK EU domiciled borrowers may make scheduled overseas repayments.

22.6% increase in total amount repaid by higher education borrowers via scheduled repayments directly to SLC, reaching £7.7 million

Figure 12: Number of higher education ICR loan borrowers who made a scheduled repayment directly to SLC & total amount repaid by financial year of repayment 2006-07 to 2022-23



Source: [Table 4C \(i\)\(ii\)](#)

[Download the data for Figure 12 \(ODS, 6KB\)](#)

Figure 12 shows that the number of higher education borrowers making scheduled repayments directly to SLC increased overall since 2006-07 from just 20 to 10,100. Increases were reported each year, with the exception of financial year 2020-21, where numbers reduced by 1,200 (- 15.0%).

The total amount of scheduled repayments made directly to SLC followed the same trend, increasing overall from £5,000 in 2006-07, to £7.7 million in 2022-23. A decrease of £0.6 million (- 10.5%) was reported in 2020-21.

When comparing 2022-23 to the previous year, there has been a 24.1% increase in the number of borrowers making scheduled repayments directly to SLC (+ 2,000) and a 22.6% increase in the amount paid (+ £1.4 million).

These increases are more significant than last year (of + 22.8% and + 15.6% respectively).

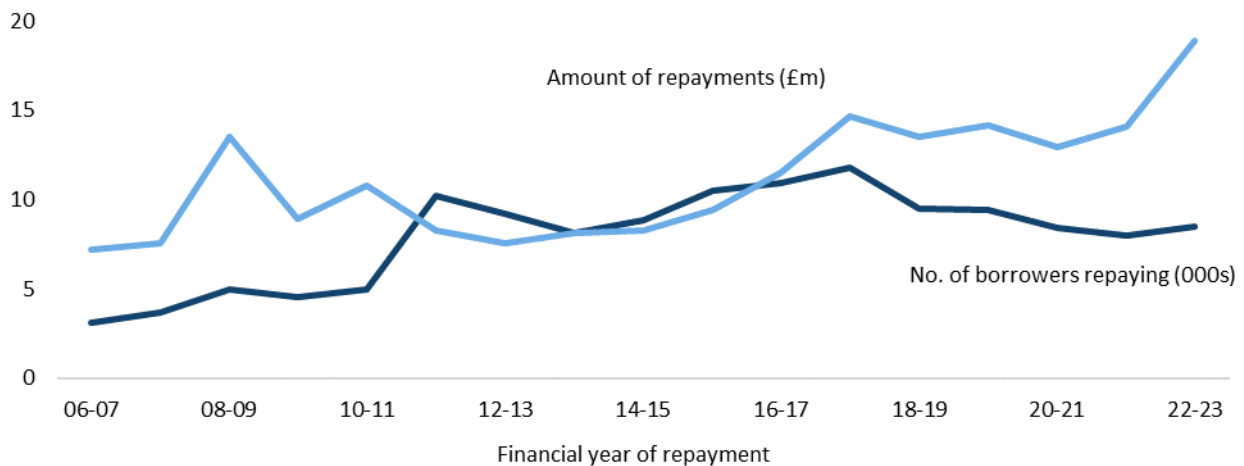
This could be partially attributed to an increase in take-up for the 'direct debit scheme'. SLC writes to every customer when they are within 12 months from repaying their balance inviting them to switch to direct debit payments to avoid over-repaying. By March 2023 the sign-up for this scheme had reached 33% of those invited to participate, a three-year high.

Voluntary Repayments made directly to SLC

Voluntary repayments are repayments which have been made directly to SLC from borrowers who are **not yet liable to repay**. Borrowers who are making repayments via HMRC can also make additional voluntary repayments.

34.3% increase in total amount repaid by higher education borrowers via voluntary repayments directly to SLC, reaching £18.9 million

Figure 13: Number of higher education ICR loan borrowers who made a voluntary repayment directly to SLC & total amount repaid by financial year of repayment 2006-07 to 2022-23



Source: [Table 4E \(i\)\(ii\)](#)

[Download the data for Figure 13 \(ODS, 6KB\)](#)

Figure 13 demonstrates that trends in voluntary repayments made directly to SLC are significantly more volatile than HMRC and scheduled repayments. Therefore, variances to the previous year are not necessarily evidence of a trend.

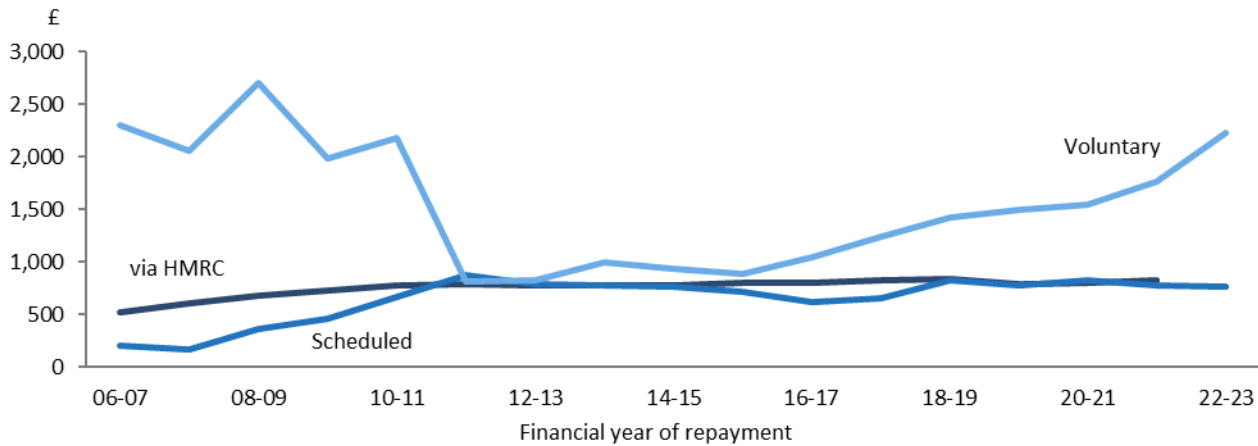
Overall, the amount of voluntary repayments made directly to SLC by higher education borrowers has increased from £7.2 million to £18.9 million between 2006-07 and 2022-23, yet has fluctuated significantly throughout this time-period. The number of borrowers making voluntary repayments has increased from 3,100 to 8,500 in 2022-23, also fluctuating, but to a lesser extent than the amount repaid.

When comparing 2022-23 to the previous year, there has been a 5.8% increase in the number of higher education borrowers making voluntary repayments directly to SLC (+ 500) and a significant 34.3% increase in the amount paid (+ £4.8 million).

Average amount repaid by repayment method

2.5% increase in the average amount repaid by ICR loan borrowers via HMRC to £820 in financial year 2021-22

Figure 14: Average annual amount repaid by ICR student loan borrowers by repayment method and financial year of repayment 2006-07 to 2022-23 £



Source: [Table 4A \(iii\), 4C \(iii\) and 4E \(iii\)](#)
[Download the data for Figure 14 \(ODS, 6KB\)](#)

Figure 14 indicates the average amount repaid by repayment method.

The average repayment via HMRC has increased overall from £520 in 2006-07 to reach £820 in 2021-22. When comparing to 2020-21, this is a £20 increase (+ 2.5%). Repayments made via HMRC for the 2022-23 financial year are not included in the average as this is considered 'provisional' until all Self-Assessment data is included. This amount will be finalised in the 2024 publication.

The average scheduled repayment made directly to SLC was just £200 in financial year 2006-07. This has fluctuated throughout the years, yet by 2022-23 had reached £760. In comparison to 2021-22, this was a £10 decrease.

Trends in voluntary repayments made directly to SLC are significantly more volatile than scheduled and HMRC repayments. The average voluntary repayment has fluctuated between £810 (in financial year 2011-12) and £2,700 (in 2008-09). In 2022-23, the average was £2,230 (+ £470 higher than in 2021-22).

The significant reduction in the average voluntary repayment amount in financial year 2011-12 reflects the introduction of the Partial Cancellation Scheme whereby borrowers may be eligible to have up to £1,500 of their first Maintenance Loan written off by the Welsh Government after they make their first repayment.

For both HMRC and scheduled repayments, this average includes only those borrowers who have become liable to repay (usually the April following the completion, or withdrawal from their course, provided they are earning above the relevant income threshold). For voluntary repayments, this includes all ICR borrowers who made a repayment (including those who are not yet liable to repay).

Additional information

Office for National Statistics decision on student loans

In December 2018 the Office for National Statistics (ONS) reached a decision to partition UK student loans into lending (government assets) and expenditure (government spending) on the Government accounts. Up until this point they had been classed entirely as lending. This decision was implemented in September 2019.

This decision was based on the fact that repayments associated with ICR loans, are conditional on a borrower's future income, and under certain conditions the loan obligation itself may be cancelled. These cancellation conditions are reported on Table 1 and 2 of this publication.

It has been calculated that the treatment of student loans in this manner will better reflect the government's financial position. Government revenue will no longer include interest accrued that will never be paid due to the conditional nature of ICR repayments. Government expenditure related to the cancellation of student loans is also accounted for in the periods that loans are issued, rather than decades afterwards. The ONS decision on student loans has no effect on the figures produced within this publication. Further information on the ONS decision and the methodology used to partition student loans can be found on the [ONS website](#).

Data sources

This publication uses data from SLC's administrative systems. For details of the administrative data sources used in our publications refer to our [Statement of Administrative Sources](#).

Data quality

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. Refer to our [Quality Guidelines](#) for further information.

Revisions and estimates

Revisions within the data are denoted with an [r]. Further details can be found on our [revisions policy](#). In previous years we have had to mark the figures relating to self-assessment repayment as estimated [e] due to this being provided later than anticipated. From 2018-19 this has been provided as expected, allowing this to be included as final figures.

Related statistics publications

SLC publish statistics on the repayment of Student loans for higher education for England, Northern Ireland and Scotland as part of the same series this publication belongs to. These are published at the same time as part of the series [Student loans for higher and further education](#). SLC also publish statistics on higher education funding in the series [Student support for higher education](#). The latest releases of this series were published on the 24 November 2022 covering academic year 2021/22.

The Student Awards Agency for Scotland (SAAS) publish details of higher education funding in Scotland in

their publication Higher education student support in Scotland. The [latest release](#) of this series was published in August 2022 covering academic session 2021/22.

The Welsh Government also publish statistics on student finance. These are held on a designated [website](#).

The MFDS Effect on repayments data in financial year 2019-20

Repayments of Income Contingent Loans are shown in this publication in the financial year they are posted to customer accounts. As SLC were previously notified of repayments by HMRC usually within one year of the financial year ending, the repayments shown in a given financial year (prior to FY 2019-20) were mainly for the year before. The same was also true for the associated interest calculations being applied to these customer accounts.

In the first financial year of receiving this information at a greater frequency (FY 2019-20) more repayments data was evident than in previous financial years. Almost two years' worth of customer PAYE repayments and interest calculations (those processed by SLC in both FY 2018-19 and 2019-20) were included.

HMRC still provide SLC with annual information within one year of the financial year ending, which is reviewed and applied to customer accounts like before. This end of year file will be the end of financial year position for the borrower. This could result in minor adjustments to customer balances. These adjustments will be included in the following year's reporting data.

It should be noted that this did not adversely affect the borrower's balance – this effectively brought a more up-to-date representation of loan balances at that point in time.

The figures / trends in this publication which have been affected by MFDS are clearly marked throughout this publication but for additional information in regard to MFDS please refer to [GOV.UK](#).

The MFDS effect on interest rate calculations in financial year 2019-20

The interest applied to accounts, like repayments, is reported within this publication in the financial year it was posted to the customer's account, and not necessarily the year the interest was accrued. For PAYE repayers this is dependent on when repayment information is received from HMRC and thus affected by the introduction of MFDS in the 2019-20 financial year (explained above).

Pre MFDS, PAYE repayment information was received by SLC annually from HMRC for each borrower, usually after the end of the financial year. At this point the account was re-calculated using the repayment information supplied and interest backdated and applied. This would be reported within this publication in the following financial year data.

With the introduction of MFDS and repayments information more readily available, interest is also calculated and applied to the accounts more readily. **This resulted in a change in time series for financial year 2019-20 for interest applied**, as almost two years' worth of customer PAYE repayments and interest calculations was included (those processed by SLC in both FY 2018-19 and 2019-20).

From the 2020-21 financial year, the time series normalised with a single years' worth of repayments information and resulting interest calculations being included (just those processed by SLC within that financial year).

From financial year 2019-20 onwards Plan 2 customers interest is calculated at RPI rate only, for repayments information received within the same financial year for which it applies. The variable interest rate (VIR) portion (0-3%) of the interest rate is applied to the accounts once the year end repayment amount is known from the end of year file. This is supplied by HMRC annually usually after the end of financial year. This means the VIR portion of the interest calculation will be in the following reporting financial year within this publication. For further information on VIR, please refer to the [Income Contingent Student Loan repayment plans & interest rates and calculations](#) section on GOV.UK.

Notes on policy

The statistics on student loans in this release were compiled by the Student Loans Company (SLC). They include public sector loans only, which are repaid on an Income Contingent basis. Responsibility for the Income Contingent Loan balance was transferred to the Welsh Government in 2006.

National Statistics

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.

This publication series was awarded National Statistics status in October 2011 following a full assessment against the Code of Practice, which can be found on the Statistics Authority [website](#). Tables 3, 4 and 5 were awarded National Statistics status in April 2014 having initially been assessed as a separate publication, which can also be found on the [website](#). These tables were subsequently merged into this publication.

Since the assessments by the Office for Statistics Regulation we have continued to comply with the Code of Practice for Statistics, and have made several improvements including the following:

- **Postgraduate loans** - An additional breakdown for Plan 3 postgraduate loans has been added, as loan payments have been made to borrowers in this education sector from September 2016.
- **Direct repayments** – From 2017 onwards we have included tables to show borrower numbers for borrowers repaying directly to SLC. In 2018 we disaggregated these tables further to show borrower numbers for those making scheduled and voluntary payments.

Definitions

For definitions of terms used in our publication, please refer to our [Definitions](#) page.