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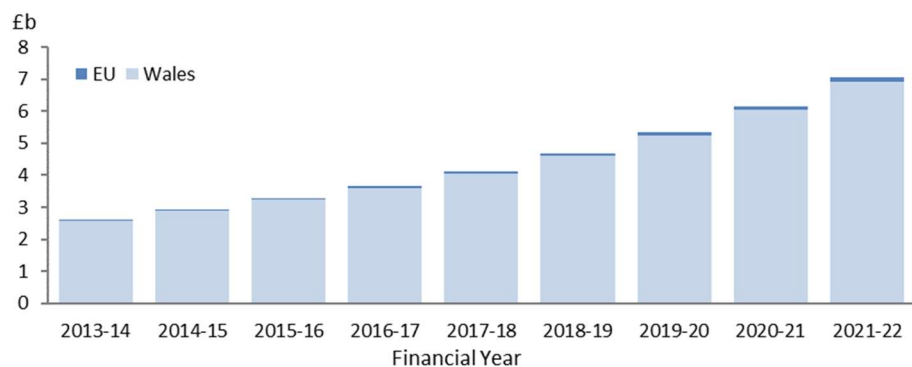
Student Loans in Wales

Financial year 2021-22

Income Contingent Student Loan balance

Income Contingent Student Loan balance reaches £7.1 billion for higher education borrowers

Figure 1: Total balance of Income Contingent Student Loans at the end of financial year 2013-14 to 2021-22 (£ billion)



The total loan balance reached £7.1 billion at the end of financial year 2021-22, which is a 14.4% increase (+ £0.9 billion) on the previous end-financial year figure of £6.2 billion. This is consistent with the average annual increases over the previous four financial years. *Table 1*

The loan balance grows year-on-year as new lending and interest added to existing balances outweighs repayments and write-offs.

Of the total balance, two-thirds (66.3%) 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).

The EU borrower's balance reached £134.5 million by the end of financial year 2021-22. This is 17.8% higher (+ £20.4 million) than the end 2020-21 figure of £114.2 million. Although the EU loan balance has increased, the % increase continues to slow (down from 32.3% in 2018-19).

EU students starting or continuing a course in Wales in academic year 2021/22 remain eligible for financial support for the duration of their course. However, tuition fee funding for new EU students will cease for academic year 2022/23.

Issued by:

The Student Loans Company
100 Bothwell Street
Glasgow
G2 7JD

Press Office:

✉: press_office@slc.co.uk

Public Enquiries:

✉: enterprise_data_analytics@slc.co.uk

Lead Official for Statistics:

Louise Miller

Online:

[SLC Statistics Home Page](#)

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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 2021-22.

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

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 additional 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 2021-22 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 2021-22 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.

Income Contingent Student Loan balance by repayment plan

In financial year 2021-22, 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 71.8% 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 2021-22 by repayment plan (£ billion)

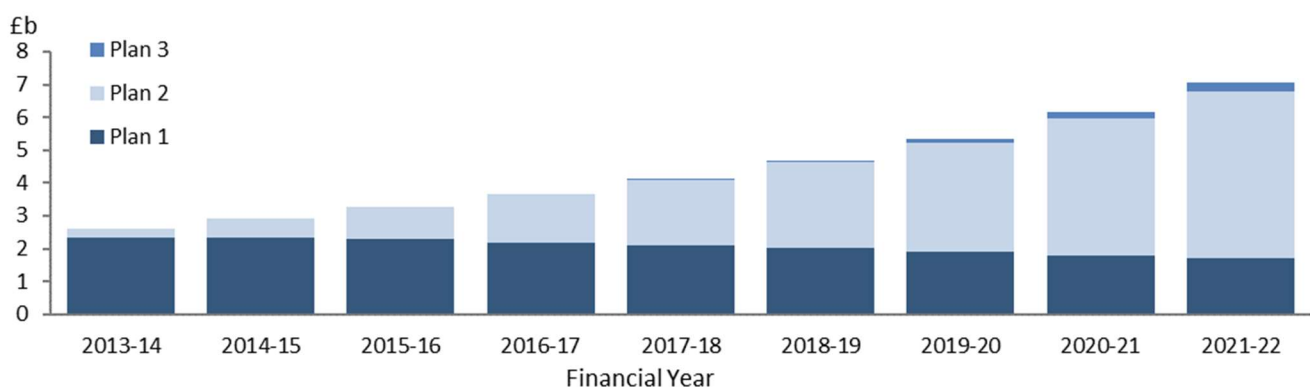


Figure 2 indicates the changing proportion of the loan balance in respect to repayment plans.

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 2021-22, this had reduced to just 24.1%. This is as a result of no Plan 1 loans being issued following the 2011/12 academic year. *Table 1*

Due to the discontinuation of Plan 1 loans, the % of the balance attributed to Plan 2 loans has increased from 10.2% in financial year 2013-14, to 71.8% by the end of financial year 2021-22.

Following their introduction in financial year 2017-18, Repayment Plan 3 (postgraduate) loans now make up 4.0% 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.

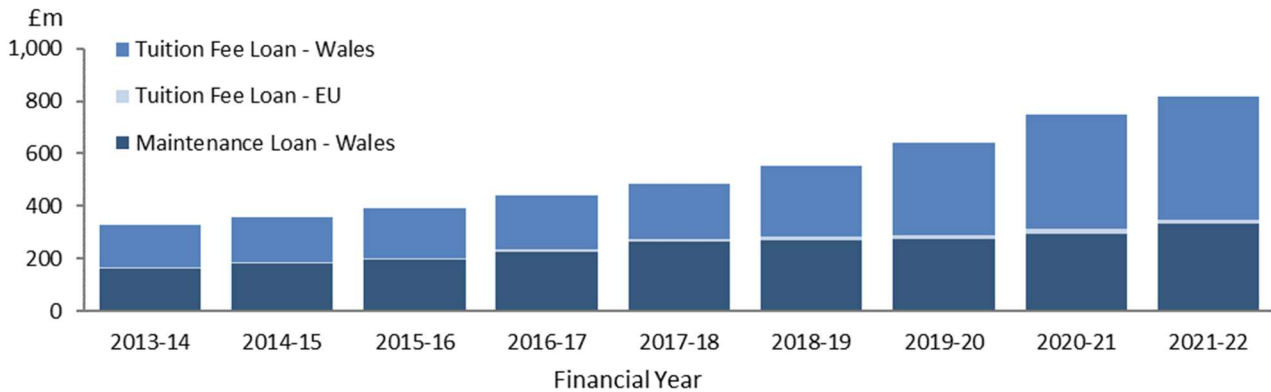
For more information on repayment plans, please refer to [Income Contingent Student Loan repayment plans & interest rates and calculations.](#)

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.

Amount paid out in loans to higher education borrowers increased by 8.9% to £891.2 million in financial year 2021-22

Figure 3: Total amount paid out in loans to higher education undergraduate borrowers in financial years 2013-14 to 2021-22 (£ million)

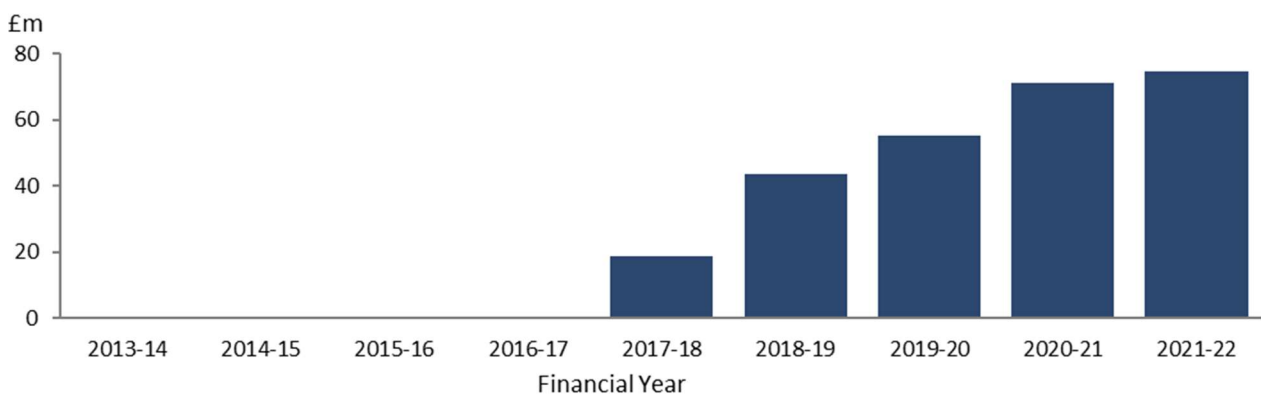


Of the £891.2 million paid out in the form of Income Contingent Loans, undergraduate borrowers received £816.6 million in financial year 2021-22. This was a £72.5 million increase (+ 8.9%) in comparison to the previous financial year. *Table 1*

A total of £484.3 million in Tuition Fee Loans were paid out on behalf of undergraduates in 2021-22, 7.1% more than the £452.0 million in 2020-21. This is a much lesser increase than noted in the two previous financial years, when a further 22.0% and 31.5% was paid out respectively. The 8.0% increase (+ £34.7 million) in Tuition Fee Loans paid on behalf of Wales-domiciled students was somewhat offset by the 12.9% decrease (- £2.5 million) in those paid on behalf of EU students. This is the first reported decrease in EU tuition fee funding, likely due to the change in EU student funding policy.

£332.3 million was paid out to undergraduate borrowers in the form of Maintenance Loans; a £36.7 million increase (+ 12.4%) on 2020-21, a higher rate than noted in the previous year, of + 8.3%.

Figure 4: Total amount paid out in loans to higher education postgraduate borrowers in financial years 2013-14 to 2021-22 (£ million)



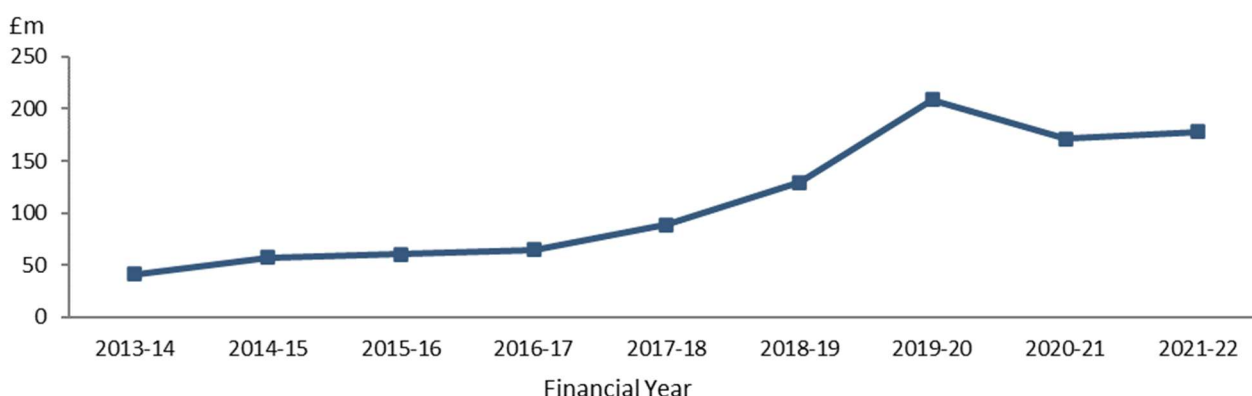
The amount paid out in the form of postgraduate loans was £74.6 million, which was a £3.6 million increase on financial year 2020-21 (+ 5.0%).

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 2021-22, 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.

£178.0 million interest accrued on higher education loans in financial year 2021-22

Figure 5: Total amount of interest accrued on higher education loans in financial years 2013-14 to 2021-22 (£ million)



Despite a 15.5% increase in the closing balance for financial year 2020-21, the interest added to higher education loan accounts increased by just 3.9% in 2021-22 (+ £6.6 million), to £178.0 million. This can be attributed to lower interest rates charged in part of financial year 2021-22. *Table 1*

The Welsh Government monitors interest rates set by commercial banks using monthly data provided by the Bank of England. From July 2021, as the average commercial interest rate (or Prevailing Market Rate (PMR)) fell below the normal rate charged on these loans (normally 'RPI (Retail Price Index) + 3%' dependent on circumstance and income). So to not disadvantage borrowers, a temporary cap was put onto both Plan 2 and Plan 3 interest rates.

The PMR rate remained at below RPI + 3% (at varying rates) from 1 July 2021 until 28 February 2022. Please refer to the [Additional information](#) section for further detail.

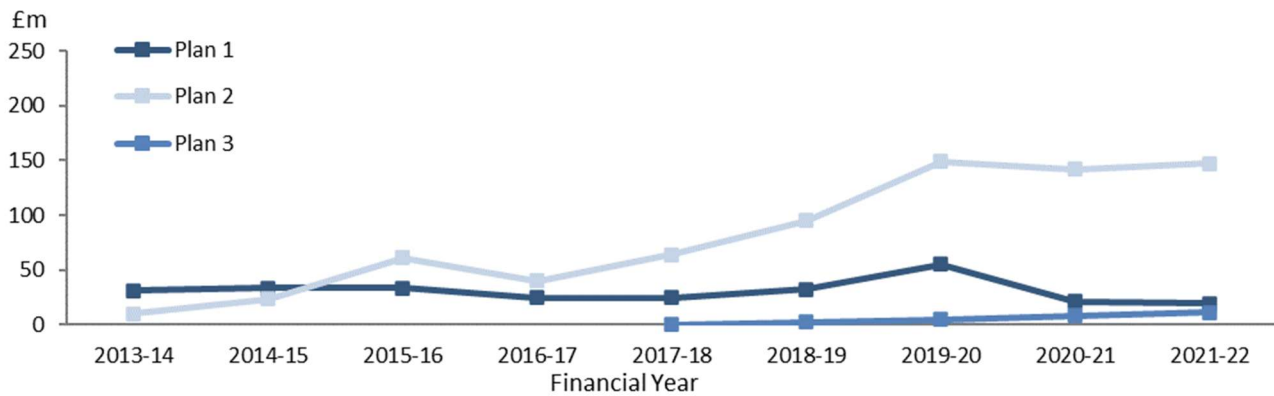
The value of the accrued interest in 2021-22 equated to 2.9% of the previous financial year's closing balance of £6.2 billion. This is a slightly lesser proportion than in the previous year, where the accrued interest equated to 3.2% of 2019-20's closing balance, of £5.3 billion.

The greater increase between 2018-19 and 2019-20 was predominantly due to 'More Frequent Data Share' - the more readily available data provided to SLC by HMRC. 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 financial year 2020-21, and since then only includes one financial year of interest calculations (just those processed by SLC in that financial year). Further detail can be found in the [Additional information](#) section.

Generally, for more information on interest rates and calculations, please refer to [Income Contingent Student Loan repayment plans & interest rates and calculations](#).

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

Figure 6: Total amount of interest accrued on higher education loans in financial years 2013-14 to 2021-22 by repayment plan (£ million)



£19.6 million was accrued on Plan 1 balances in financial year 2021-22. This is a decrease of £1.4 million (- 6.8%) on 2020-21. Plan 1 interest will continue to decrease as these loans are repaid and no new loans are issued. *Table 1*

As a % of the previous year’s closing balance, Plan 1 interest represented 1.1% in both 2020-21 and 2021-22.

£147.0 million was accrued on Plan 2 loan balances in the same period. This is an additional £5.2 million (+ 3.7%) in comparison to financial year 2020-21.

As a % of 2020-21’s closing balance, Plan 2 interest represented 3.5% in 2021-22, compared to 4.3% in the previous year.

£11.3 million was accrued on Plan 3 loans balances. This is an increase of £2.8 million (+ 33.2%) on 2020-21. This is due to the 62.7% increase in the opening loan balance for 2021-22 (from £123.9 million to £201.6 million).

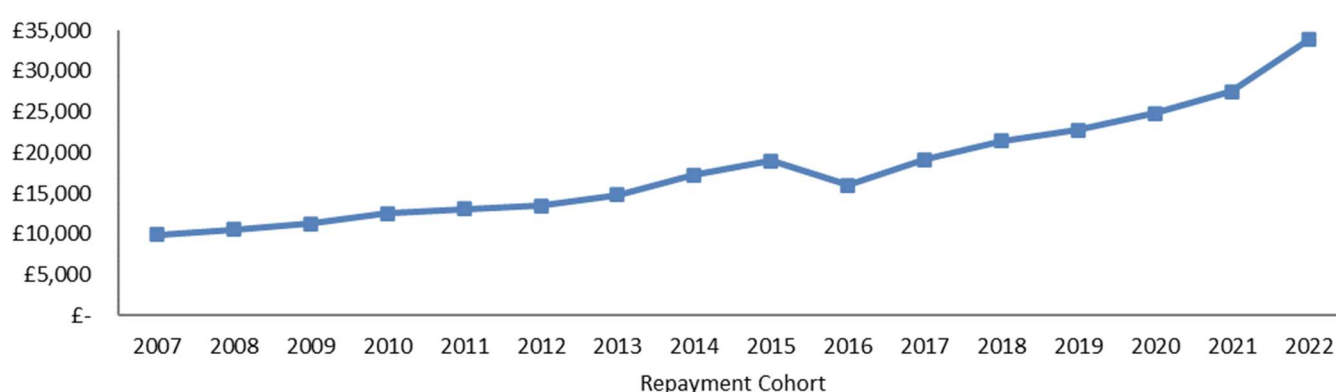
As a % of 2020-21’s closing balance, Plan 3 interest represented 5.6% in 2021-22, compared to 6.8% in the previous year.

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.

Considerable increase in the average higher education borrower's loan balance on entry into repayment as last remaining eligible Tuition Fee Grant students conclude their studies

Figure 7: Average loan balance on entry into repayment by repayment cohort as at the beginning of the financial year 2022-23: Wales & EU



The average loan balance for the 2022 repayment cohort increased by 23.1% (+ £6,350) to £33,830 in comparison to the previous repayment cohort (2021). *Table 5A*

This 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 2020/21, this had increased to 95%. For more information on the effect of the Diamond Review on tuition fee support, please refer to Table 4D in our most recent student support **publication**.

For EU borrowers, the average balance for the 2022 repayment cohort on entry into repayment increased from £13,780 to £22,290 (+ 61.8%). This is a significantly higher increase than noted in the previous year (of 4.6%), 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. *Table 5B*

For details on levels of EU student loans paid in academic year 2020/21, and in earlier years please refer to Table 2 in the same Student Support **publication**.

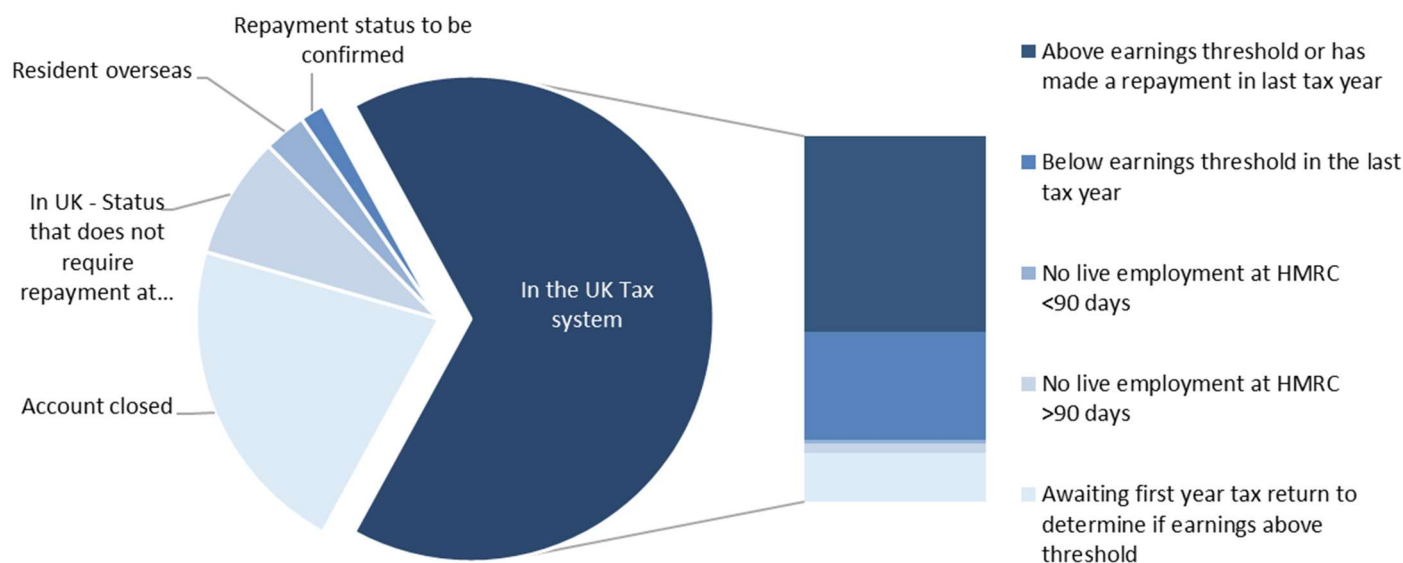
EU students starting or continuing a course in Wales in academic year 2021/22 remained eligible for financial support for the duration of their course. However, new students in 2022/23 will be ineligible.

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.

65.9% of all ICR borrowers who are liable to repay are in the UK tax system and 35.3% made a repayment in financial year 2021-22

Figure 8: ICR student loan borrowers by repayment status as at the beginning of FY 2022-23



The above chart includes all ICR loan borrowers in all repayment cohorts who have become liable to repay as at 30 April 2022. *Table 3A (i) and (ii)*

Included in these figures, is the 2022 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 2021-22 was 128,800, an increase in comparison to the end-April position in 2021, of 121,500. As a % of all those liable to repay, this has remained relatively constant at 35.3% (vs. 35.7% in 2021).

The number of borrowers in the UK tax system, yet not required to make a repayment reached 71,800 in April 2022, compared to 65,500 in the previous year. As a % of all those liable to repay, there was minimal change (19.7% vs. 19.2% in 2021).

The number of borrowers liable to repay showing no live employment for less than 90 days increased from 1,700 to 2,300 by 30 April 2022. However, as a % of all those liable to repay, this remained relatively constant at 0.6% (vs. 0.5% in 2021). Those showing no live employment for over 90 days was 6,400, lower than the 7,100 noted in April 2021. As a % of all those liable to repay, this represents 1.8%, vs. 2.1% in April 2021.

At end-April 2022, of those overseas and above earnings thresholds for that country, 2,500 made repayments and the same number were defaulted in arrears (both 0.7% of all those liable to repay). In April 2021, the number of those repaying was slightly lower than those in arrears (2,200 vs. 2,400 / 0.6% vs. 0.7%).

21.5% of those who are liable to repay at end-April 2022 no longer retained any loan balance, mainly due to full repayment (slightly higher than the 20.8% in 2021).

At end-April 2022, of the 364,500 borrowers, 286,200 were still owing (up 7.0% and 6.1% respectively on 2021).

For 30 April 2021 figures, please refer to Table 3A (i) and (i) in our previous year's **publication**.

'Future cohorts' shown in Table 3 are borrowers whose SRDD (Statutory Repayment Due Date) has not been reached and are currently not liable to repay and includes borrowers who are still studying.

The numbers in a repayment cohort can change. Students begin in a cohort based on the length of their course. If they drop out of their course of study, the date from which they are expected to start repaying (SRDD) is brought forward to the April following the date they withdrew from their course.

As a result of MFDS, the number of borrowers within the tax system is now identified earlier as Student Loans Company are no longer reliant on an annual, end-of-year HMRC file of data to allocate their status.

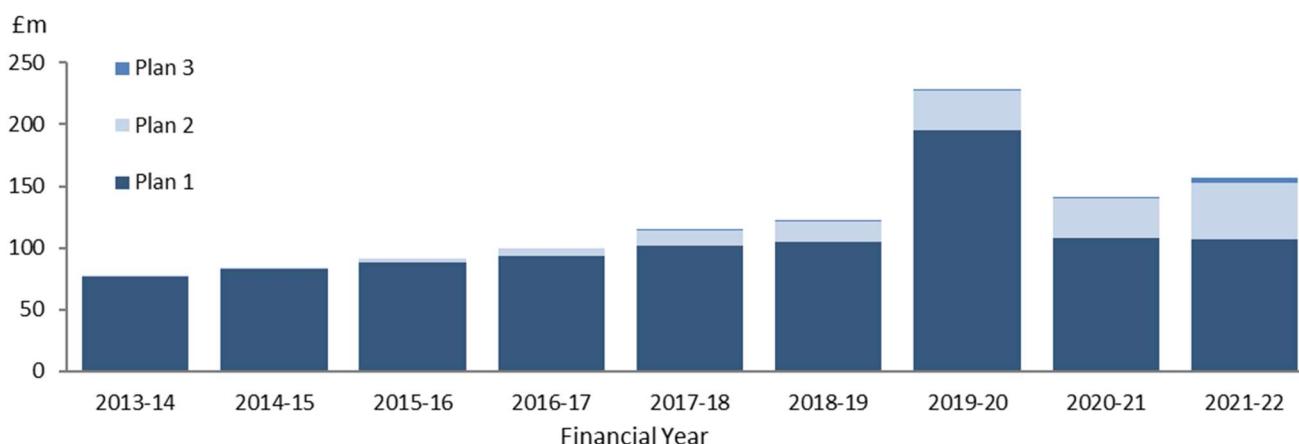
Income Contingent Loan repayments

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.

Higher education borrowers repaid £157.0 million in financial year 2021-22

Figure 9: Total amount repaid by higher education borrowers in financial years 2013-14 to 2021-22 by repayment plan type (£ million)



The total amount repaid in respect of higher education income contingent loans reached £157.0 million in financial year 2021-22. This is a 10.9% increase on the amount repaid in 2020-21 (+ £15.5 million). *Table 1*

Plan 1 (loans prior to Sep-12) repayments decreased by £1.0 million (- 0.9%) to £107.3 million between 2020-21 and 2021-22. However, as a % of the closing balance for the previous financial year this is consistent with 2020-21 (5.7% vs. 6.0% respectively).

Plan 2 (post Sep-12) repayments increased by £14.4 million (+ 46.1%) to £45.8 million. As a % of the closing balance for the previous financial year this has also remained relatively constant (at 1.1% vs. 0.9% in the previous year).

Plan 3 (postgraduate) repayments have increased by 116.0% to £3.9 million in comparison to 2020-21. As a % of the closing balance for the previous financial year this has increased ever so slightly (at 1.9% vs. 1.5% in the previous year).

84.4% of higher education repayments were received via HMRC and 15.6% were made directly to SLC (split does not consider refunds made).

The greater increase between 2018-19 and 2019-20 was predominantly due to 'More Frequent Data Share' - the more readily available data provided to SLC by HMRC. 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 financial year 2020-21, and since then only includes one financial year of interest calculations (just those processed by SLC in that financial year). Further detail can be found in the **Additional information** section.

For more information on please refer to **Income Contingent Student Loan repayment plans & interest rates and calculations.**

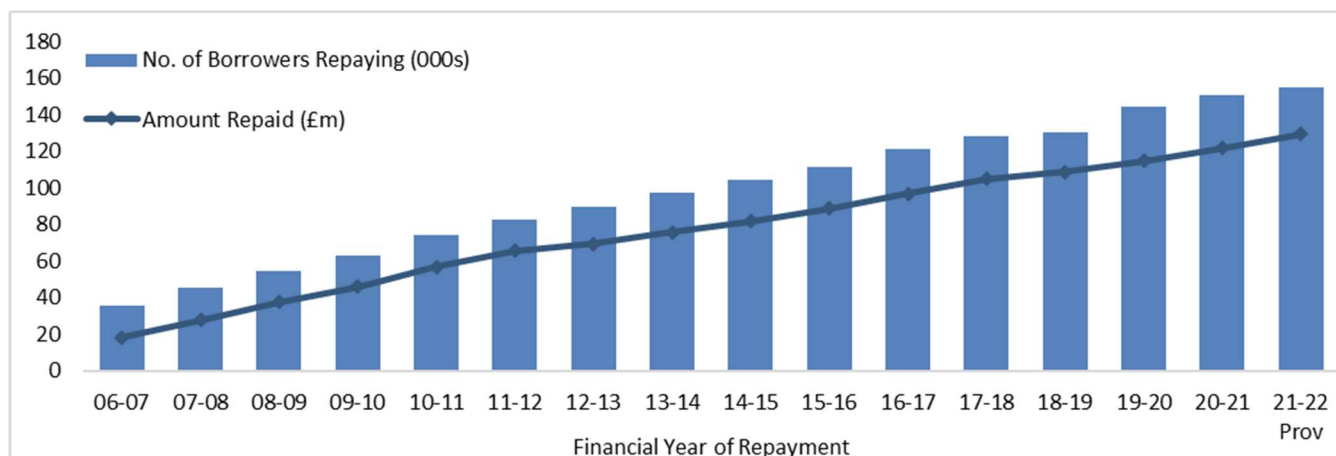
Income Contingent Loan repayments by repayment method

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.

6.4% increase in total amount repaid by higher education borrowers via HMRC in financial year 2021-22

Table 4A in our accompanying excel tables shows provisional figures for financial year 2021-22 for both the number of borrowers who made a repayment via HMRC and the amount repaid. This is marked as 'provisional' due to the 2021-22 Self-Assessment earnings information being received from HMRC after the Table 4A's 30 April 2022 effective date.

Figure 10: Number of ICR student loan borrowers who made a scheduled repayment via HMRC & total amount repaid by financial year of repayment 2006-07 to 2021-22



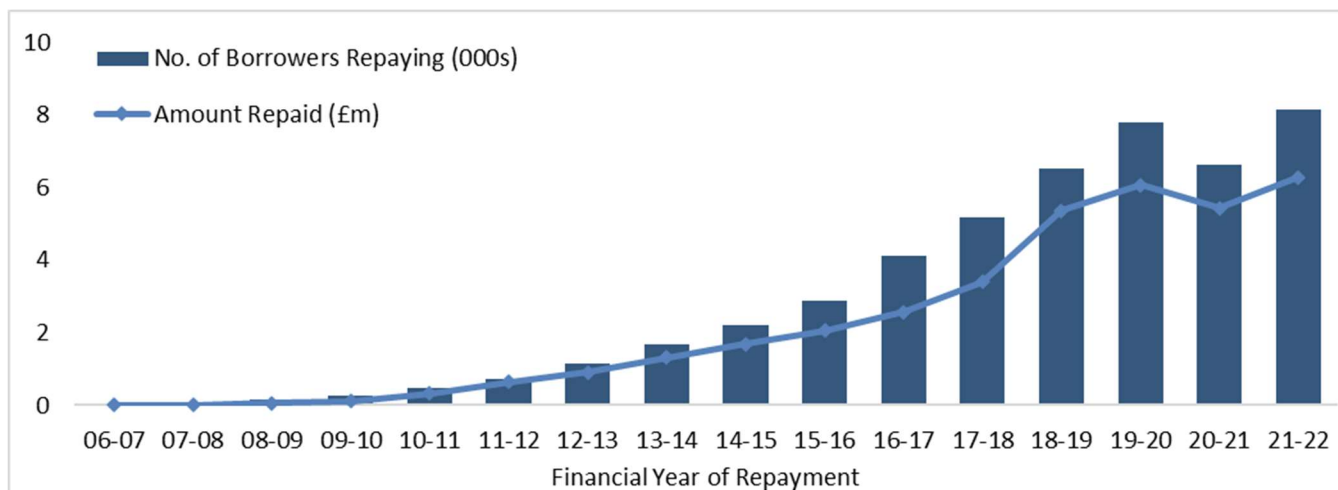
As at end-April 2022, the provisional number of borrowers who made a repayment via HMRC in financial year 2021-22 was 154,900. This is 2.8% higher (+ 4,200) than the final figure for financial year 2020-21 of 150,800. Table 4A

The provisional amount repaid via this method was £129.6 million. This is 6.4% higher (+ £7.8 million) in comparison to the final figure for 2020-21 of £121.8 million.

The movement between provisional and final figures for financial year 2020-21 was an additional 10.3% in regard to the number of borrowers who made a repayment via HMRC (from 136,700) and an additional 8.5% in the amount repaid (from £112.2 million).

The provisional position for financial year 2020-21 can be found in the previous year's [publication](#).

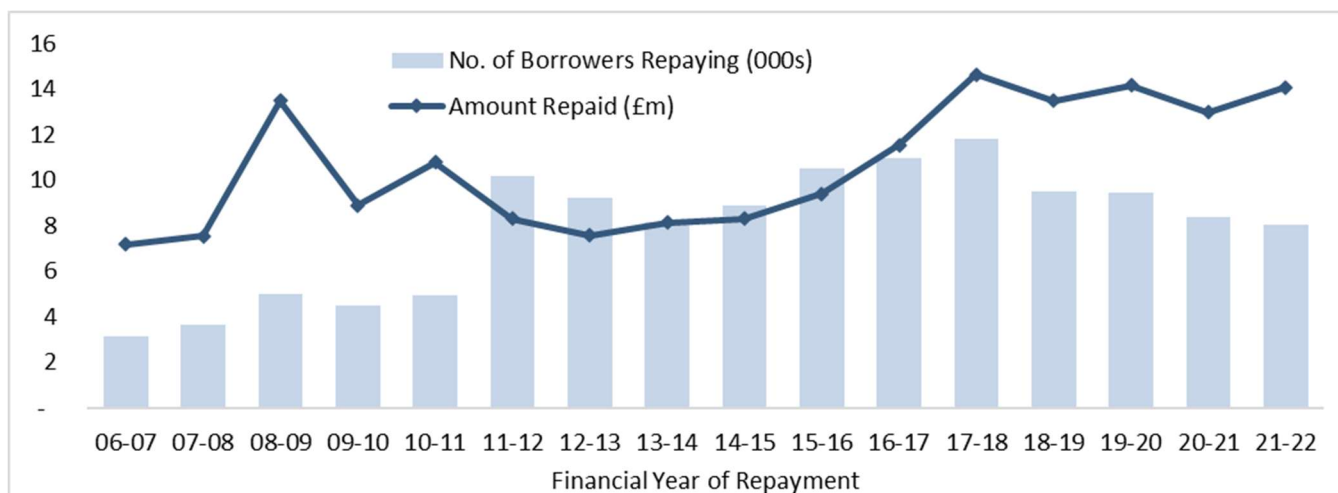
Figure 11: Number of ICR student loan borrowers who made a scheduled repayment to SLC & total amount repaid by financial year of repayment 2006-07 to 2021-22



The number of borrowers making scheduled repayments directly to SLC increased by 1,500 (+ 22.9%) to 8,100 in financial year 2021-22 and the amount repaid increased by £0.8 million (+ 15.6%) to £6.3 million. *Table 4C*

This contrasts with the 15.0% decrease in borrowers making scheduled repayments noted in the previous financial year (- 1,200) and the 10.5% reduction (- £0.6 million) in the amount repaid. However, these are in line with the increases noted in the financial year 2019-20 (of 19.4% and 13.0% respectively).

Figure 12: Number of ICR student loan borrowers who made a voluntary repayment to SLC & total amount repaid by financial year of repayment 2006-07 to 2021-22



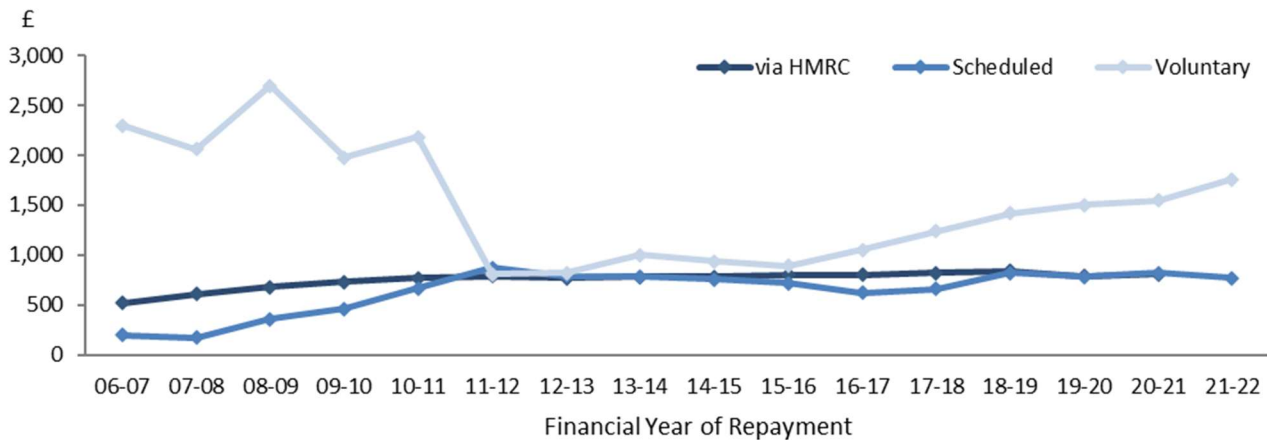
As shown in Figure 12, voluntary repayments made directly to SLC are significantly more volatile than scheduled and HMRC repayments. Therefore, variances to the previous year are not necessarily evidence of a trend. *Table 4E*

The number of borrowers making voluntary repayments reduced by 400 (- 4.4%) in financial 2021-22, to 8,000. Although by a lesser % than in the previous year, this is the fourth consecutive year that has noted a reduction in comparison to prior year (the most significant was in 2018-19 with a decrease of 19.5%). However, the amount repaid in voluntary repayments increased by 8.5% to £14.1 million in comparison to the previous year (directly in contrast to the previous year, when an 8.3% decrease was noted).

Average amount repaid by repayment method

2.5% increase in the average amount repaid by ICR loan borrowers via HMRC to £810 in financial year 2020-21

Figure 13: Average annual amount repaid by ICR student loan borrowers by repayment method £



The above graph indicates the average amount repaid by repayment method.

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).

The reduction in the average voluntary repayment amount in financial year 2010-11 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.

Repayments made via HMRC for the 2021-22 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 2023 publication.

The average repayment via HMRC was £810 in financial year 2020-21, £20 higher (+ 2.5%) than in 2019-20. This is in direct contrast to the £50 decrease noted in the previous year. Over the last decade, the average HMRC repayment has increased by just £20. *Table 4A (iii)*

Financial year 2021-22's average scheduled repayment decreased by £50 (- 6.1%) to £770 in comparison to 2020-21. This is in contrast to the £40 increase noted in the previous year. However, this is in line with the decrease of £40 noted in 2019-20. *Table 4C (iii)*

The average voluntary repayment increased by £210 (+ 13.5%) to £1,760. This is the sixth year of increase and is considerably higher than the £50 increase noted last year. Trends in voluntary repayments made directly to SLC are significantly more volatile than scheduled and HMRC repayments. *Table 4E (iii)*

For more information on the repayment of Income Contingent loans, please refer to our [Income Contingent Student Loan repayment plans & interest rates and calculations](#) page.

Additional information

Income Contingent Student Loan repayment plans & interest rates and calculations

Please refer to our [Income Contingent Student Loan repayment plans & interest rates and calculations](#) page for further detail on repayments plans and their corresponding interest rates.

Prevailing Market Rate (PMR) cap by month:

Month	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
PMR Cap	5.3%	5.3%	4.2%	4.1%	4.1%	4.1%	4.4%	4.4%

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 release** of this series was published on the 25 November 2021 covering academic year 2020/21.

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 September 2021 covering academic session 2020/21.

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 **[Income Contingent Student Loan repayment plans & interest rates and calculations.](#)**

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.