

SLC SP01/2022

16 June 2022

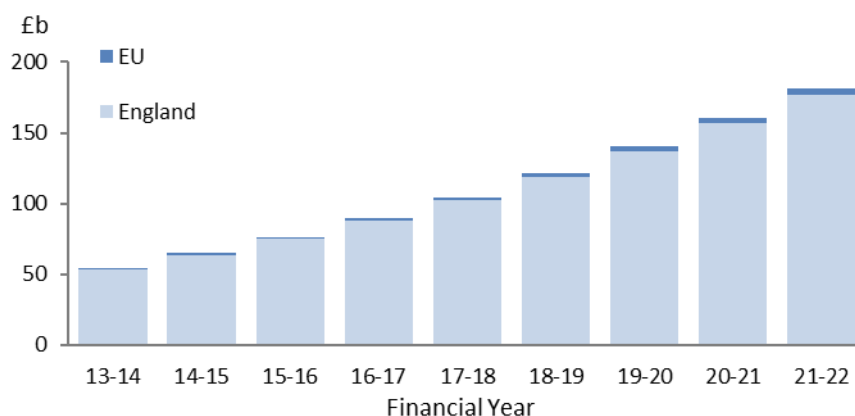
Coverage: England

Theme: Children, Education  
and Skills

## Student Loans in England Financial year 2021-22

### Income Contingent Student Loan balance Higher education Income Contingent Student Loan balance reaches £181.6 billion

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



The total loan balance reached £181.6 billion by the end of financial year 2021-22 which is a 13.1% increase (+ £21.0 billion) on the previous end-financial year figure of £160.6 billion. This is consistent with increases noted in previous financial years. *Table 1A*

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, 69.4% 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 borrowers' balance reached £4.6 billion by the end of financial year 2021-22. This is 13.7% higher (+ £0.6 billion) than the 2020-21 figure of £4.0 billion. Although the EU loan balance has increased, the rate of increase continues to slow (down from + 39.7% in 2014-15).

EU students starting or continuing a course in England in academic year 2021/22 remained eligible for financial support for the duration of their course. Tuition fee funding for new EU students will cease for academic year 2022/23.

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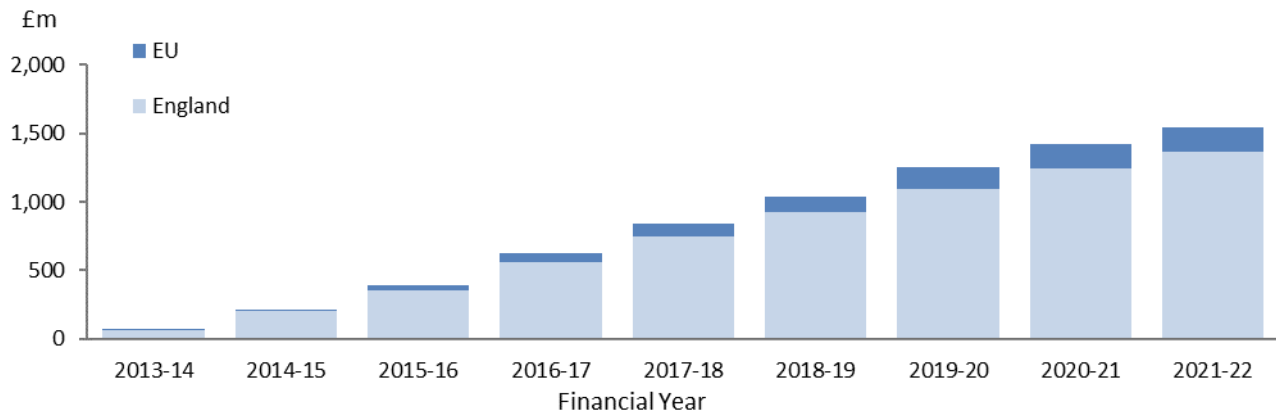
Louise Miller

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## Further education Income Contingent Student Loan balance reaches £1.5 billion

Figure 2: Total balance of Income Contingent Student Loans at the end of financial year 2013-14 to 2021-22: further education (£ million)



The loan balance for both England and EU further education borrowers reached £1.5 billion by the end of financial year 2021-22. This is an 8.7% increase (+ £124.2 million) on the previous end-financial year figure of £1.4 billion. *Table 1B*

Although the balance continues to grow, the rate of increase has slowed consistently since 2014-15 (down from + 199.6%).

Of the total balance, 83.4% is amounts which are liable to repay meaning that the borrower has passed their SRDD. A more significant % than higher education balance due to the continued reduction in new loans issued.

EU further education borrower's balance reached £184.3 million by the end of financial year 2021-22. This is a 3.9% increase (+ £6.9 million) on the previous end-financial year figure of £177.4 million. With a similar trend to higher education, although the EU loan balance continues to increase, the rate of increase has slowed each year (down from + 219.8% in 2014-15).

In line with higher education support, EU students starting or continuing a further education course in England in academic year 2021/22 remained eligible for financial support for the duration of their course. However, this will also cease for new EU students for academic year 2022/23.

The end financial year balance is net of £40.1 million in written-off loans. The vast majority of which (£39.1 million) is attributed to the '**Access to HE' policy**. Student Finance England will 'write off' any outstanding further education loan (referred to as Advanced Learner Loans) balance owed for an eligible 'Access to HE' course once the borrower has completed a higher education course.

Comparing to the previous financial year, the amount written-off in relation to 'Access to HE' is a significant 78.1% higher (+ £17.1 million). This increase is predominantly due to the review and processing of a back-log of borrower accounts who would not have received an automatic write off e.g. self-funded students.

For more information on write-off policies, please refer to [GOV.UK](https://www.gov.uk).

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## Introduction

This statistics publication presents figures and observations on student loan outlays, repayments and borrower activity for England 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 England.

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 England is available at the Student Finance England [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 has 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 1A* and *1B*, 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* and *4B* 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 to over three-quarters of total Income Contingent Student Loan balance in financial year 2021-22

Figure 3: Total balance of Income Contingent Student Loans at the end of financial year 2013-14 to 2021-22: higher education by repayment plan type (£ billion)

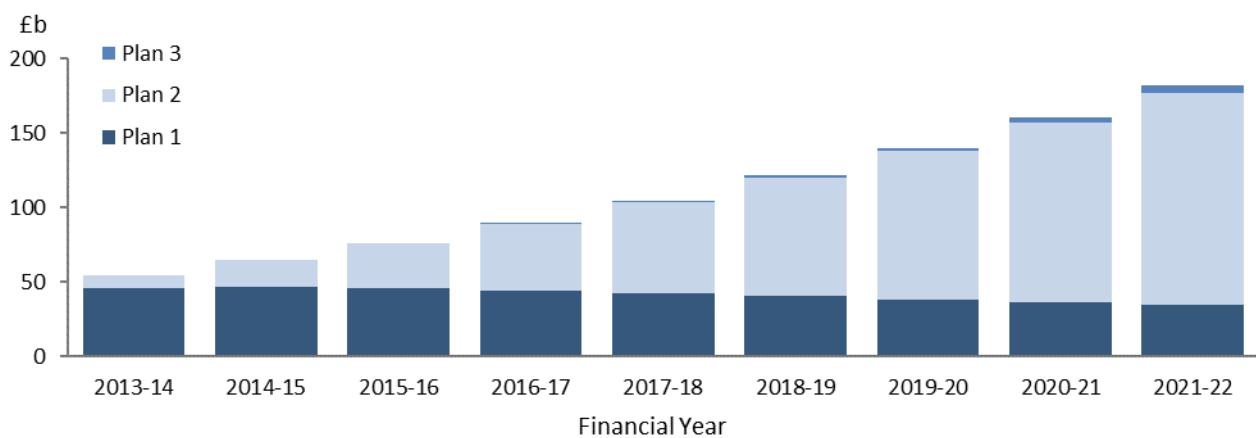


Figure 3 indicates the changing proportion of the loan balance in respect to repayment plan. At end financial year 2013-14, Plan 1 loans equated to 84.6% of the entire higher education loan balance and by end financial year 2021-22 this reduced to just 19.0%. This is as a result of no new Plan 1 loans being issued following the 2011/12 academic year. *Table 1A*

Due to the replacement of Plan 1 with Plan 2 loans, the % of the balance attributed to Plan 2 loans has increased from 15.4% in financial year 2013-14, to 78.6% by the end of financial year 2021-22.

Following their introduction in 2016-17, Plan 3 (postgraduate) loans now make up 2.4% of the total higher education loan balance. For the first two financial years, this included purely Masters loans and from 2018-19, then included Doctoral loans.

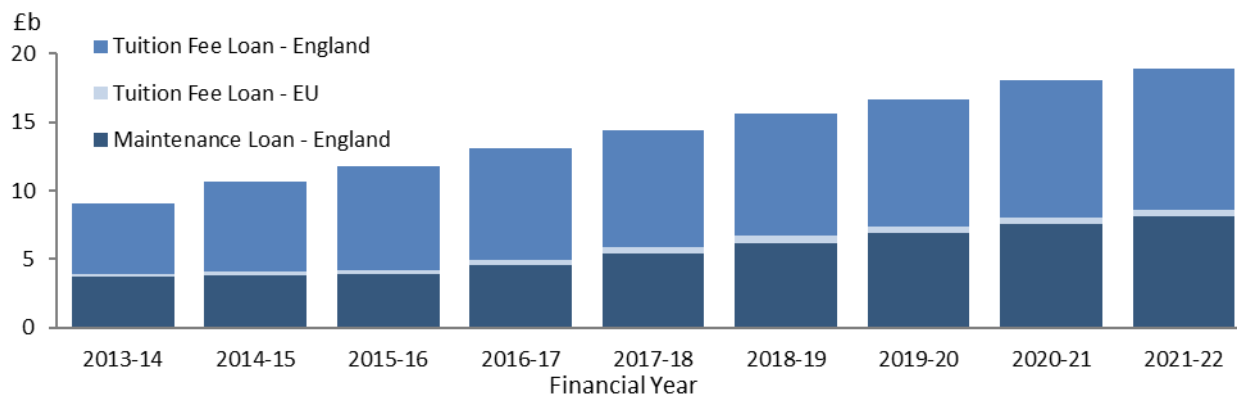
For more information on repayment plans types, please refer to our [Income Contingent Student Loan repayment plans & interest rates and calculations](#) page.

## 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 and Advanced Learner Loans for further education students.

### Total amount paid out in higher education loans increased by 5.0% to £19.8 billion in financial year 2021-22

Figure 4: Total amount paid in undergraduate loans in financial years 2013-14 to 2021-22 (£ billion)



Of the £19.8 billion paid out in the form of Income Contingent Loans in financial year 2021-22, undergraduate borrowers received £18.9 billion (95.4% of all loans paid). This was a £0.9 billion increase (+ 5.0%) in comparison to the previous financial year. *Table 1A*

The amount lent to undergraduates in the form of Tuition Fee Loans and Maintenance Loans has more than doubled since financial year 2013-14, from £9.0 billion (+ 109.6%).

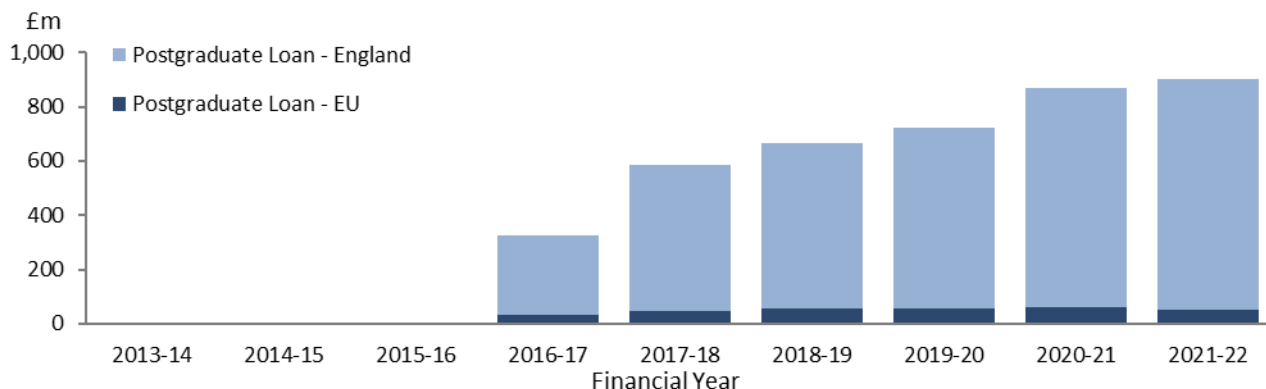
A total of £10.7 billion in Tuition Fee Loans was paid out on behalf of undergraduates in financial year 2021-22, 2.6% more than in 2020-21.

£10.3 billion was paid on behalf of England-domiciled students and a further £457.8 million on behalf of EU-domiciled students.

The 3.4% increase (+ £333.6 million) in the amount paid on behalf of England-domiciled students was offset by an 11.5% decrease (- £59.6 million) in the amount paid on behalf of EU students. This is the first reported decrease in EU undergraduate tuition fee funding, likely due to the changes in EU student funding policy.

£8.2 billion was paid to undergraduate borrowers in the form of Maintenance Loans; a £0.6 billion increase (+ 8.4%) on financial year 2020-21. Year-on-year increases have reduced since peaking in 2017-18 at + 19.4%.

Figure 5: Total amount paid in postgraduate loans in financial years 2013-14 to 2021-22 (£ million)

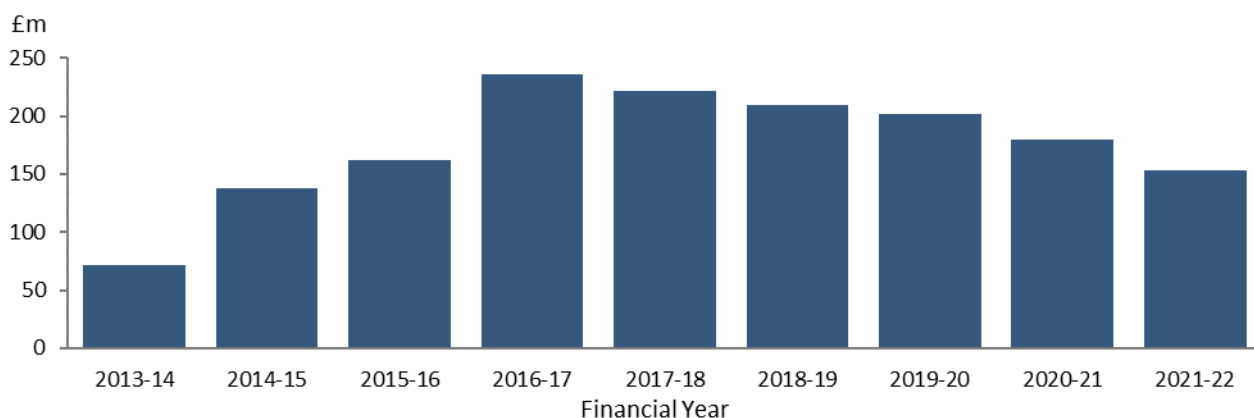


The amount paid out in the form of postgraduate loans reached £903.9 million in 2021-22, a £34.5 million increase (+ 4.0%) on 2020-21. This is a significantly lower increase than the + 20.1% increase (+ £145.6 million) noted in the previous year. *Table 1A*

An £8.9 million decrease (- 14.3%) is evident in regard to postgraduate loans paid to EU students in comparison to financial year 2020-21, at £53.4 million. This is in direct contrast to the 7.0% increase noted in the previous financial year. Despite reducing increases since 2017-18, this is the first reported decrease in EU postgraduate funding, likely due to changes in the EU student funding policy.

### Total amount paid out in further education loans continues to reduce in financial year 2021-22, to £153.3 million

Figure 6: Total amount paid out in further education loans in financial years 2013-14 to 2021-22 (£ million)



A total of £153.3 million was paid in the form of Advanced Learner Loans to further education students in financial year 2021-22; a decrease of £26.0m (- 14.5%) on the previous financial year. *Table 1B*

This is a more significant decrease than noted in the two previous financial years (of - 11.4% and - 3.4% respectively).

£9.6 million was paid out to EU further education borrowers in 2021-22, £13.7 million less than in the previous financial year (- 58.9%), likely as a result of the change to EU student funding rules.

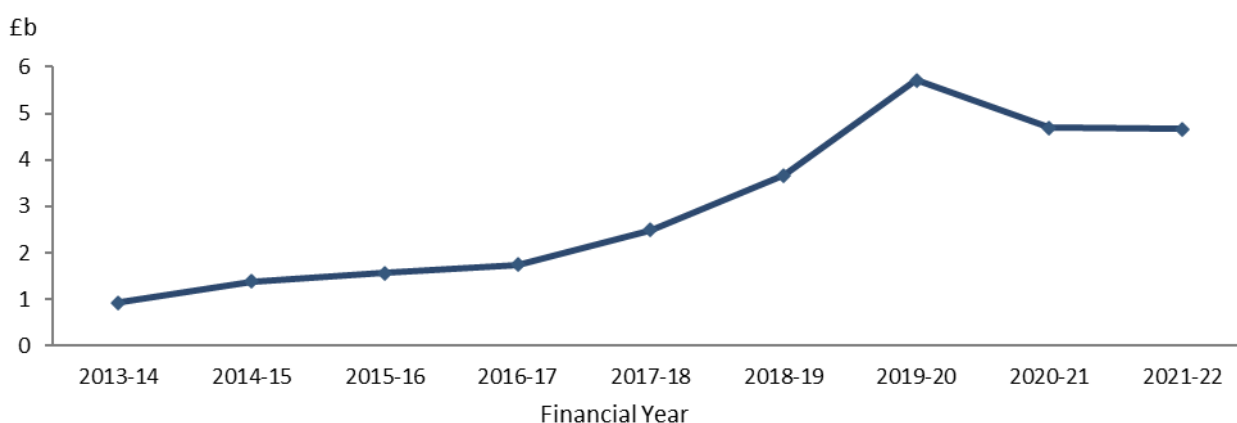


## Interest added to Income Contingent Loans

The interest charged on higher education loans is dependent on the repayment plan the loans 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. All further education loans (Advanced Learner Loans) fall within Plan 2 regulations. Borrowers can be 'multi-plan' should they have studied multiple courses.

### Interest accrued on higher education loans remains relatively constant in financial year 2021-22 at £4.7 billion

Figure 7: Total amount of interest accrued on higher education loans in financial years 2013-14 to 2021-22 (£ billion)



Despite a 14.6% increase in the opening balance in financial year 2021-22, the interest accrued onto higher education loan accounts remained constant to that of the previous financial year, at £4.7 billion. This can be attributed to lower interest rates charged in the majority of financial year 2021-22. *Table 1A*

The Department for Education (DfE) 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 [\*\*Income Contingent Student Loan repayment plans & interest rates and calculations\*\*](#) page on GOV.UK for further detail.

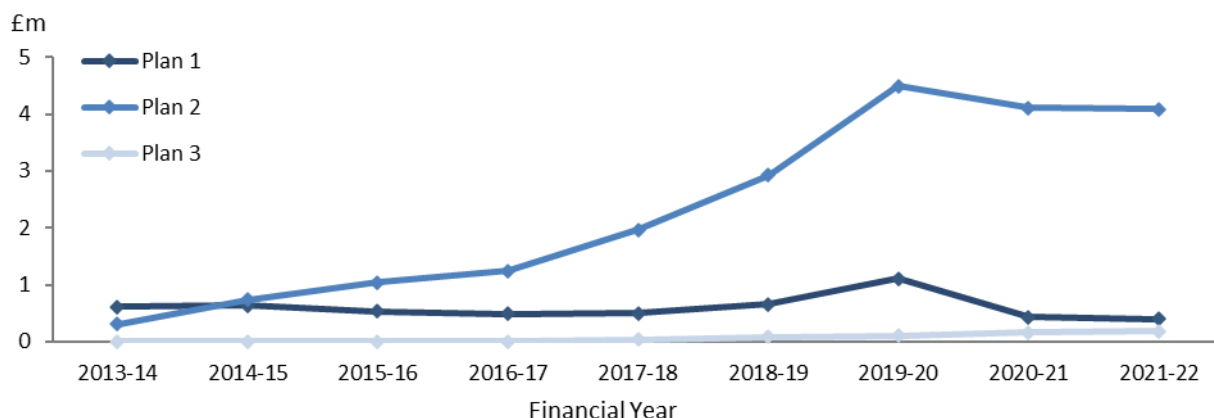
The accrued interest in 2021-22 equated to 2.9% of the financial year's opening balance of £160.6 billion. This is lower than in the previous financial year, where the interest accrued equated to 3.3% of the opening balance, of £140.1 billion.

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 financial year 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.

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

Figure 8: Total amount of interest accrued on higher education loans in financial years 2013-14 to 2021-22 by repayment plan (£ billion)



£398.4 million was accrued on Plan 1 balances in financial year 2021-22. This is a decrease of £30.0 million (- 7.0%) in comparison to 2020-21.

Plan 1 interest represented 1.1% of the opening balance in both 2021-22 and in 2020-21. Plan 1 interest will continue to decrease as these loans are repaid and no new loans issued.

£4.1 billion was accrued on Plan 2 loan balances in the same period. This is consistent with financial year 2020-21.

As a % of the opening balance, Plan 2 interest represented 3.4% in 2021-22, and 4.1% in 2020-21, predominantly as a result of the aforementioned capped interest rate from July 2021 to February 2022.

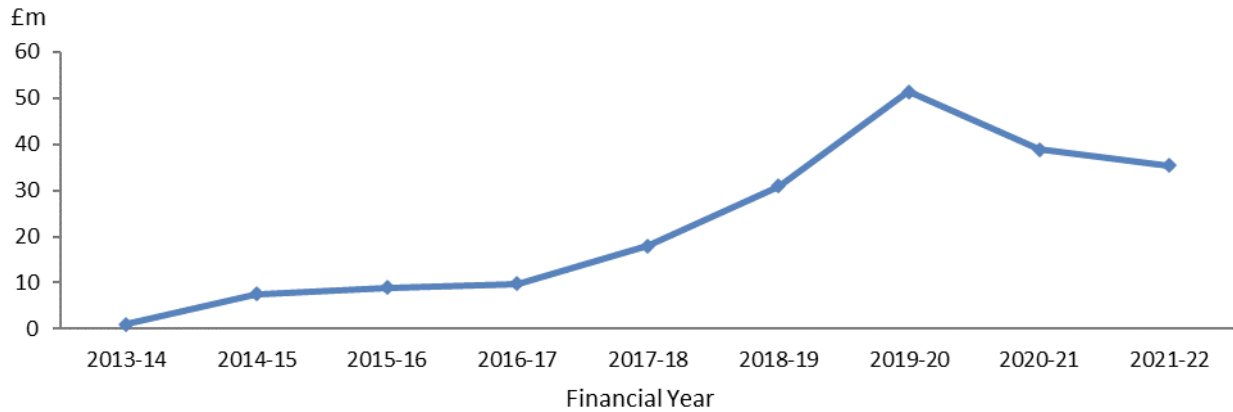
£182.7 million was accrued on Plan 3 loan balances in financial year 2021-22. This is an increase of £27.0 million (+ 17.4%) in comparison to 2020-21.

As a % of the opening balance, Plan 3 interest represented 5.3% in 2021-22 and 6.3% of the opening balance in 2020-21. The 2018-19 total is made up predominantly of Postgraduate Masters Loan interest, as the Postgraduate Doctoral loan was not introduced until late into that financial year (for academic year 2018-19).

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

## Reduction in total interest accrued on further education loans in comparison to financial year 2020-21, at £35.4 million

Figure 9: Total amount of interest accrued on further education loans in financial years 2013-14 to 2021-22 (£ million)



Interest accrued on further education loan accounts equated to £35.4 million in financial year 2021-22. This is 8.8% less (- £3.4 million) than in 2020-21. *Table 1B*

This is a significantly smaller decrease than seen in the previous financial year (of -24.4%) owing to the outlying year of 2019-20 due to **MFDS**.

Of the 2021-22 financial year's opening balance, the interest equated to 2.5%. This is a lower proportion than the 3.1% noted in the previous financial year.

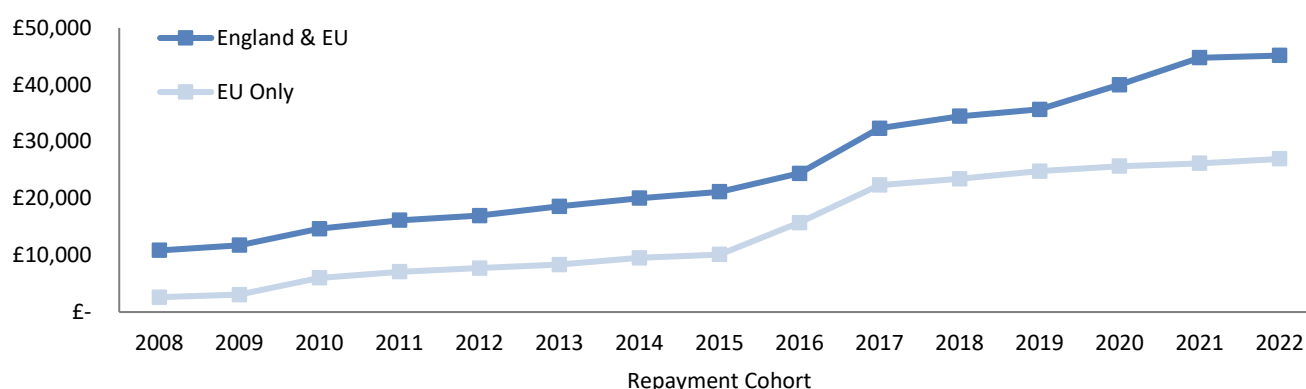
As outlay has gradually decreased since 2016-17, this will slow the total interest being applied in subsequent years.

## 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 remains relatively consistent with previous year, at £45,150

Figure 10: Average loan balance on entry into repayment-by-repayment cohort as at the beginning of the financial year 2022-23: Higher education



The average loan balance for the 2022 repayment cohort on entry to repayment was £45,150. This is relatively constant with that of the 2021 repayment cohort (+ 0.9% / + £390). This increase is considerably lower than those noted in the two previous years of + 11.9% and + 12.2% respectively. *Table 5A (iii)*

This is predominantly due to the significant majority of those entering repayment having taken loans post-academic year 2016/17 when Maintenance Loans were increased due to the discontinuation of Maintenance Grants for new students, coupled with the increase in Tuition Fee Loans in academic year 2017/18. For further information on available funding please refer to Table 1 of our **latest Student Support publication**.

Full-time students completing three- or four-year courses are included in these averages but are diluted by other borrower types in the same repayment cohort such as those on longer or shorter courses, part time study and students that have withdrawn before completing their studies.

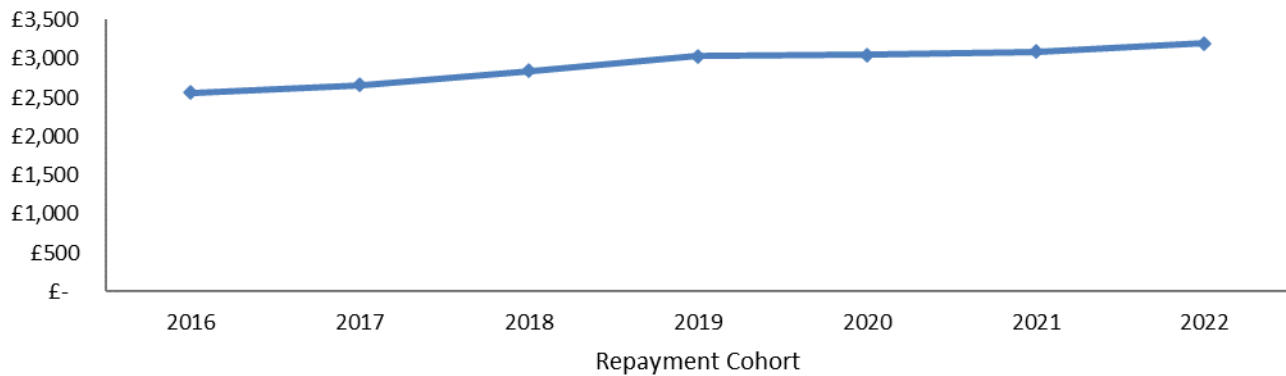
For EU borrowers, the average balance for the 2022 repayment cohort on entry to repayment increased from £26,170 to £26,980 (+ 3.1% / £490). This is higher than the increase noted in the previous year, of 1.9%, yet more in line with the increase noted in 2019 cohort, of 3.6%. *Table 5B (iii)*

EU borrowers consistently have a lower average balance. This is predominately due to non-England domiciled students being entitled to Tuition Fee loans only.

EU students starting or continuing a course in England in academic year 2021/22 remained eligible for financial support for the duration of their course. Tuition fee funding for new EU students will cease for academic year 2022/23.

## Small increase in average further education borrower's loan balance on entry into repayment, at £3,200

Figure 11: Average loan balance on entry into repayment by repayment cohort as at the beginning of financial year 2022-23: Further education



For the 2022 repayment cohort the average balance for a further education borrower on entry into repayment was £3,200. This is an increase of £110 (+ 3.6%) on the prior years' repayment cohort of £3,090. *Table 5A (vi)*

This increase is more significant than those noted in the previous two cohort years of +1.3% (+ £40) and + 0.7% (+ £20) respectively.

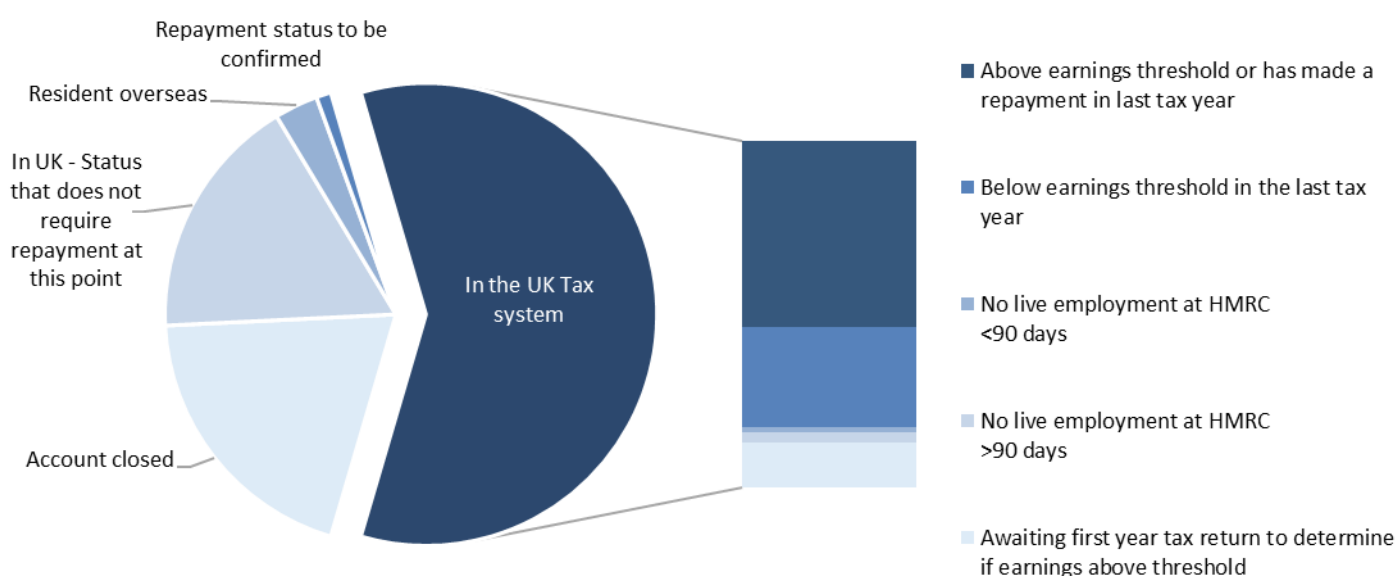
Overall, the average further education borrower balance has increased by £640 (+ 25.0%) since the 2016 repayment cohort.

## 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 borrowers changing circumstances.

### 65.5% of all higher education ICR borrowers who are liable to repay are in the UK tax system and 35.2% made a repayment in financial year 2021-22

Figure 12: ICR student loan borrowers by repayment status as at the beginning of FY 2022-23 (higher education)



The above chart includes all higher education 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 2.2 million, an increase on the end-April position in 2021 of 2.1 million. As a % of all those liable to repay, this has remained relatively constant at 35.2% (vs. 36.0% in 2021).

The number of borrowers in the UK tax system, yet not required to make a repayment reached 1.2 million in April 2022, compared to 1.0 million in the previous April. As a % of all those liable to repay, this represents 19.0%, slightly higher than the 17.6% noted at the same point in 2021.

The number of borrowers liable to repay showing no live employment for less than 90 days increased from 36,200 to 50,300 by 30 April 2022. However, as a % of all those liable to repay, this remained relatively constant at 0.8% (vs. 0.6% in 2021). Those showing no live employment for over 90 days reached 135,100, lower than the 147,200 noted in April 2021. As a % of all those liable to repay, this also remained relatively constant at 2.1% (vs. 2.5% in 2021).

At end-April 2022, of those overseas and above earnings thresholds for that country, the number of those who made repayments increased by 8,700 in comparison to April 2021 (to 54,700) and the number of those defaulted in arrears has increased by 1,500 to 49,500. As a % of all those liable for repayment, both of these categories remained relatively unchanged (at 0.9% and 0.8% respectively).

21.8% of those who are liable to repay at end-April 2022 no longer retained any loan balance, mainly due to full repayment (consistent with April 2021 at 21.3%).

At end-April 2022, of the 6.4 million borrowers, 5.0 million were still owing (up 6.9% and 6.3% respectively on 2021).

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

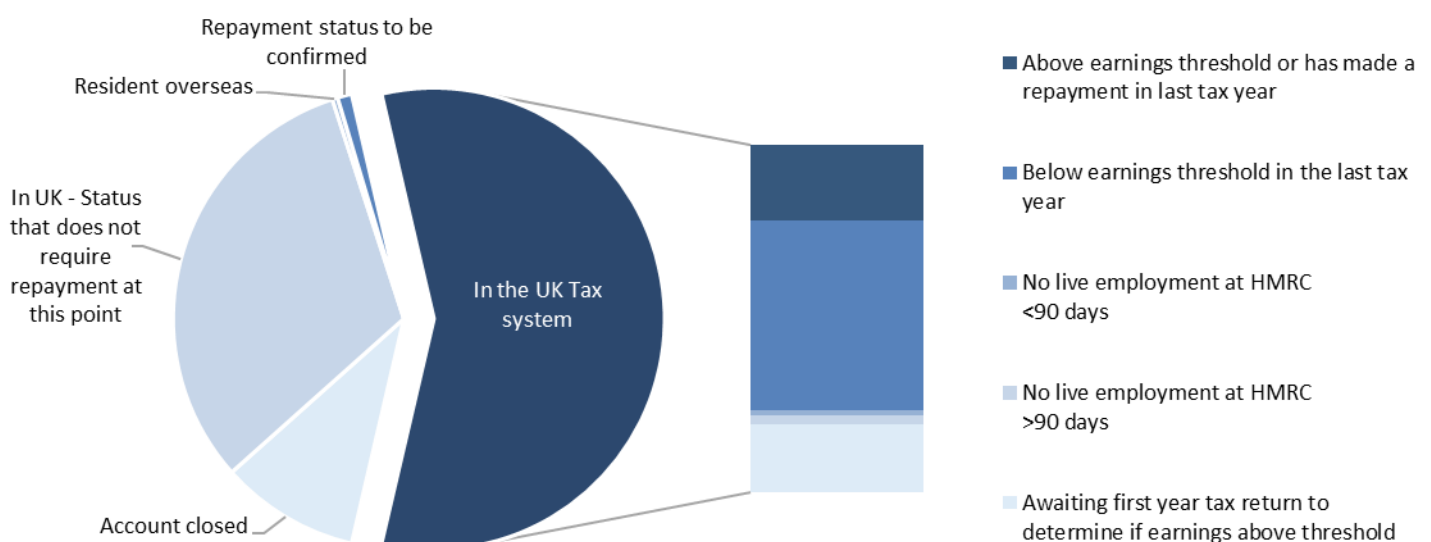
'Future cohorts' shown in Table 3 are borrowers whose SRDD (Statutory Repayment Due Date) has not been reached and are currently not liable to repay and includes borrowers who are still studying.

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.

## 66.2% of all further education ICR borrowers who are liable to repay are in the UK tax system and 14.3% made a repayment in financial year 2021-22

Figure 13: ICR student loan borrowers by repayment status as at the beginning of FY 2022-23 (further education)



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

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 payment in financial year 2021-22 was 74,800, an increase on the end-April 2021 position of 63,300. As a % of all those liable to repay, this has increased from 13.4% to 14.3%.

The number in the UK tax system, yet not required to make a repayment reached 191,500 by end-April 2022, compared to 165,200 in the previous April. As a % of all those liable to repay, this was 36.5%, slightly higher than the 34.9% noted at the same point in 2021.

The number of borrowers liable to repay showing no live employment for less than 90 days increased from 3,100 to 4,200 by 30 April 2022. However, as a % of all those liable to repay, this remained relatively constant at 0.8% (vs. 0.7%). Those showing no live employment for over 90 days totaled 8,800, lower than the 10,600 noted in April 2021. As a % of all those liable to repay, this reduced from 2.2% to 1.7%.

At end-April 2022, of those overseas and above earnings thresholds for that country, the number of those repaying has increased by 60.9% to 200 in comparison to April 2021, and the number in arrears has increased by 32.4% to 300. As a % of all those liable for repayment, both categories remained relatively unchanged (a negligible % at one decimal point).

11.3% of those who are liable to repay at end-April 2022 no longer retained any loan balance, mainly due to full repayment (an increase on the 9.2% noted in April 2021).

At end-April 2022, of the 524,700 borrowers, 465,400 million were still owing (up 11.0% and 8.4% respectively on 2021).

For 30 April 2021 figures, please refer to Table 3A (iii) and (iv) 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.

Further education loans being cancelled tend to be higher than higher education loans due to 'Access to HE'. Student Finance England will 'write off' any outstanding Advanced Learner Loan balance owed for an 'Access to HE' course once the borrower has completed a higher education course. This is treated as a cancelled loan within this publication and is also included within the 'Account closed' column.

From July 2019, an Advanced Learner Loan (subject to meeting criteria defined in regulations) may be cancelled and the borrower no longer be eligible to repay their loan or part thereof. This has occurred in exceptional circumstances, for example, when a course is no longer available due to the actions of the provider (such as going into liquidation) and no resolution to continue study has been found – these cases would be treated as a 'cancelled' loan within this publication and are also included within the 'Account closed' column in *Table 3A (iii) and (iv)*.

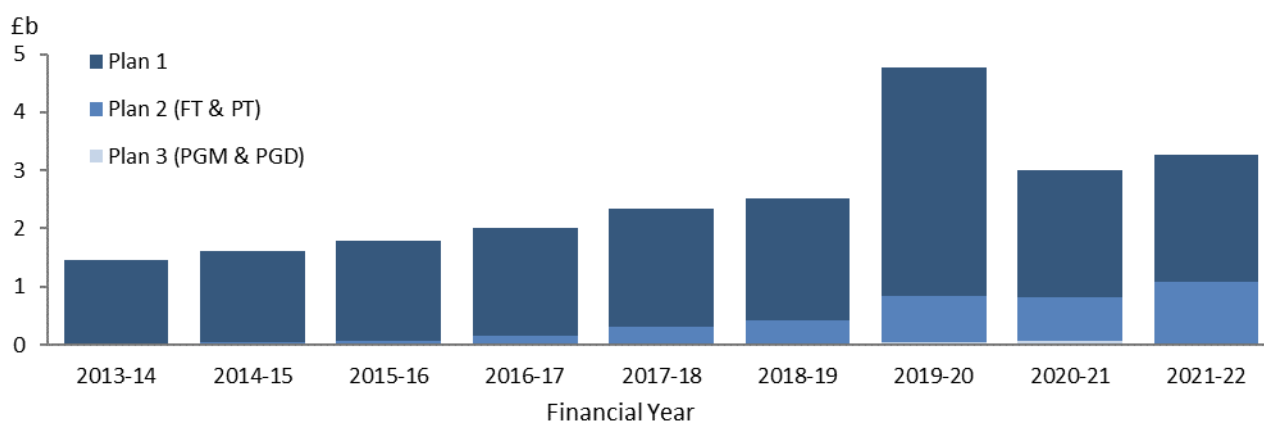


## Income Contingent Loan repayments

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 in 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 £3.4 billion in financial year 2021-22, a 12.8% increase on 2020-21

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



The total amount repaid in respect of higher education Income Contingent Loans reached £3.4 billion in financial year 2021-22, £0.4 billion more (+ 12.8%) than in 2020-21. *Table 1A*

Plan 1 (loans prior to Sep-12) repayments remained relatively constant at £2.2 billion compared to 2020-21 (- 0.3%). As a % of the 2020-21 financial year's closing balance, this remained in line with that of the previous year (6.0% and 5.8% respectively).

Plan 2 (post Sep-12) repayments increased by £343.6 million (+ 46.3%) to £1.1 billion, however, as a % of the previous financial year's closing balance, this remained relatively constant (0.9% vs. 0.7% respectively).

Postgraduate (Plan 3) repayments increased by £49.1 million (+ 69.7%) to £119.6 million. As a % of 2020-21's closing balance, this increased from 2.9 % to 3.5%. This can be attributed to the 41.2% increase in the loan balance which became liable for repayment.

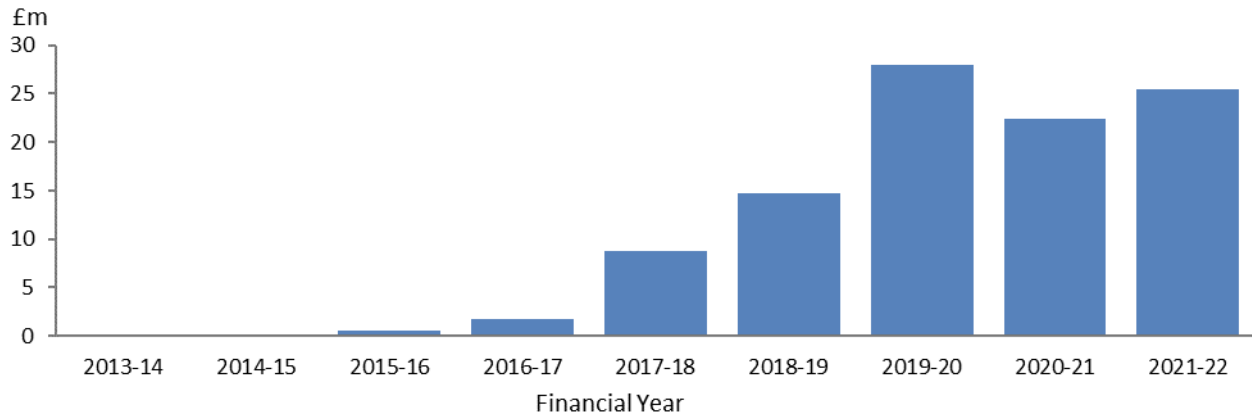
83.0% of repayments were received via HMRC and 17.0% were made directly to SLC (split does not take into account refunds made).

As at 30 April 2022, repayments made via HMRC were 11.1% higher than in the previous year, at £2.8 billion. Repayments made directly to SLC were 12.7% higher than in 2020-21, at £584.2 million.

The significant increase between 2018-19 and 2019-20 was predominantly due to more readily available data provided 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 has normalised in financial year 2020-21. Further detail can be found in the [Additional information](#) section.

## Further education borrowers repaid £25.4 million in financial year 2021-22, a 13.4% increase on 2020-21

Figure 15: Total amount repaid by further education borrowers in financial years 2013-14 to 2021-22 by plan type (£ million)



The amount repaid in respect of further education Income Contingent Loans (Advanced Learner Loans) totalled £25.4 million in financial year 2021-22. *Table 1B*

This was £3.0 million higher (+ 13.4%) than was repaid in financial year 2020-21.

As a % of the previous year's closing balance, this has remained consistent with 2020-21, at 1.8%.

87.8% of further education repayments were received via HMRC and 12.2% were made directly to SLC.

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

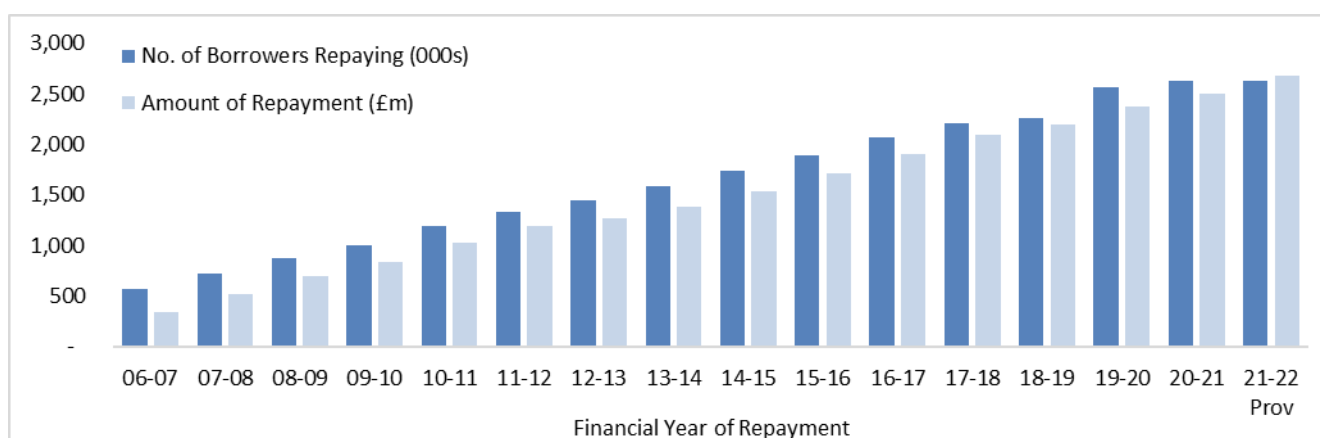
## Income Contingent Loan repayments by repayment method

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).

### 7.2% increase in total amount repaid by higher education borrowers via HMRC in financial year 2021-22

Table 4A (i) and (ii) in our accompanying excel tables show provisional figures for financial year 2021-22 for both the number of higher education 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 Table 4A's 30 April 2022 effective date.

Figure 16: Number of higher education ICR loan borrowers who made a 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 2.62 million. This is relatively consistent with the final figure for financial year 2020-21 of 2.63 million (- 0.2% / - 6,500).

The provisional amount repaid via HMRC was £2.7 billion. This is 7.2% higher (+ £0.2 billion) in comparison to the final figure for financial year 2020-21, of £2.5 billion.

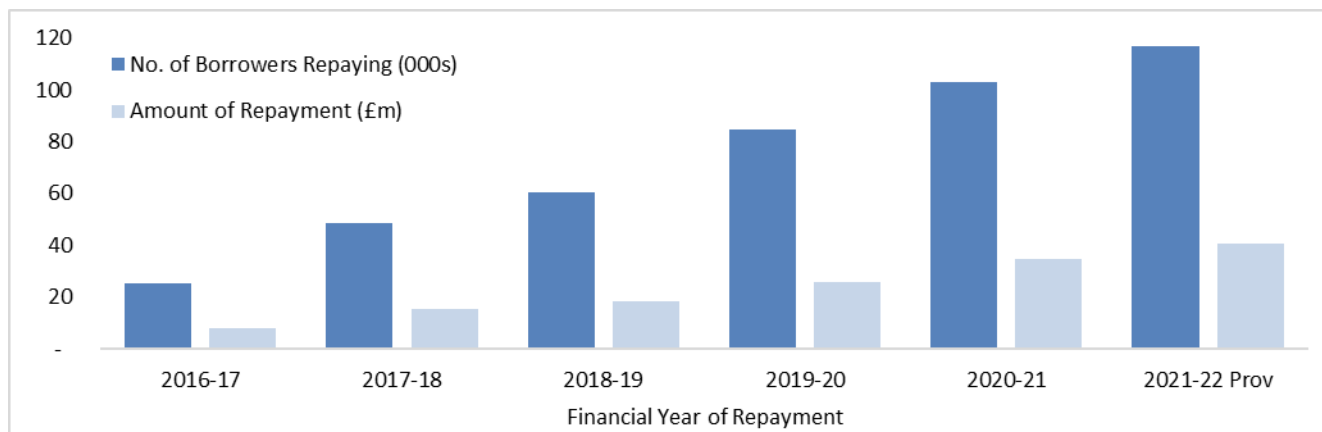
The movement between the provisional and final figures for financial year 2020-21 was an additional + 12.0% in regard to the number of higher education borrowers who made a repayment via HMRC (from 2.35 million), and an additional + 9.1% in the amount repaid (from £2.3 billion).

The provisional position for financial year 2020-21 can be found in the previous year's **publication**. 2021-22's figure will be finalised in our 2023 publication.

## 16.7% increase in total amount repaid by further education borrowers via HMRC in financial year 2021-22

Table 4A (iv) and (v) in our accompanying excel tables show provisional figures for financial year 2021-22 for both the number of further education 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 Table 4A's 30 April 2022 effective date.

Figure 17: Number of further education ICR loan borrowers who made a repayment via HMRC & total amount repaid by financial year of repayment 2016-17 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 116,900. This is 13.7% higher (+ 14,100) than the final figure for financial year 2020-21 of 102,800.

The provisional amount repaid via HMRC was £40.7 million. This is 16.7% higher (+ £5.8 million) than the final figure for financial year 2020-21, of £34.8 million.

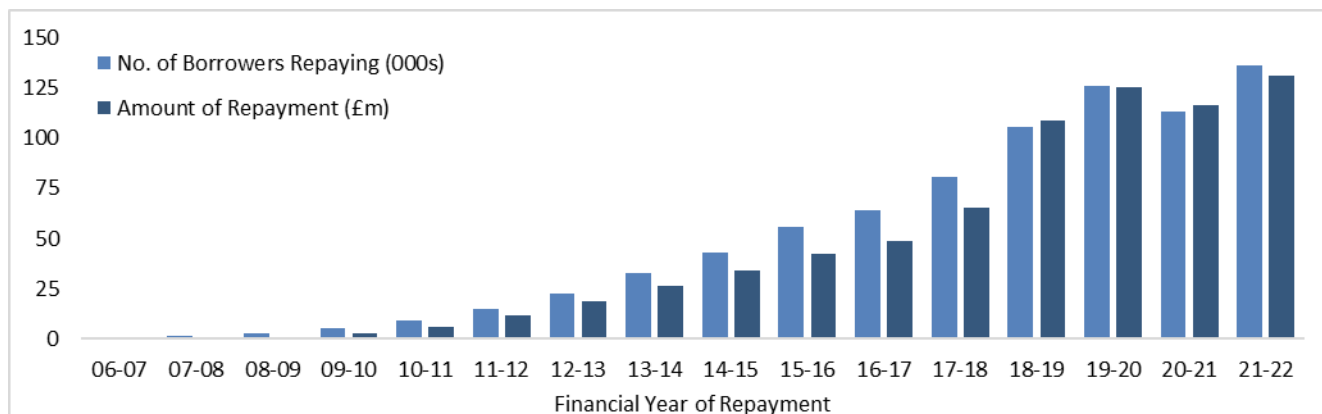
The movement between provisional and final figures for financial year 2020-21 was an additional + 13.7% in regard to the number of further education borrowers who made a repayment via HMRC (from 90,500) and an additional + 21.4% in the amount repaid (from £28.7 million).

The provisional position for financial year 2020-21 can be found in the previous year's **publication**. 2021-22's figure will be finalised in our 2023 publication.

## Scheduled repayments via SLC

Repayments other than via HMRC are those which have been made directly to SLC. Direct ('scheduled') payments also include payments 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.

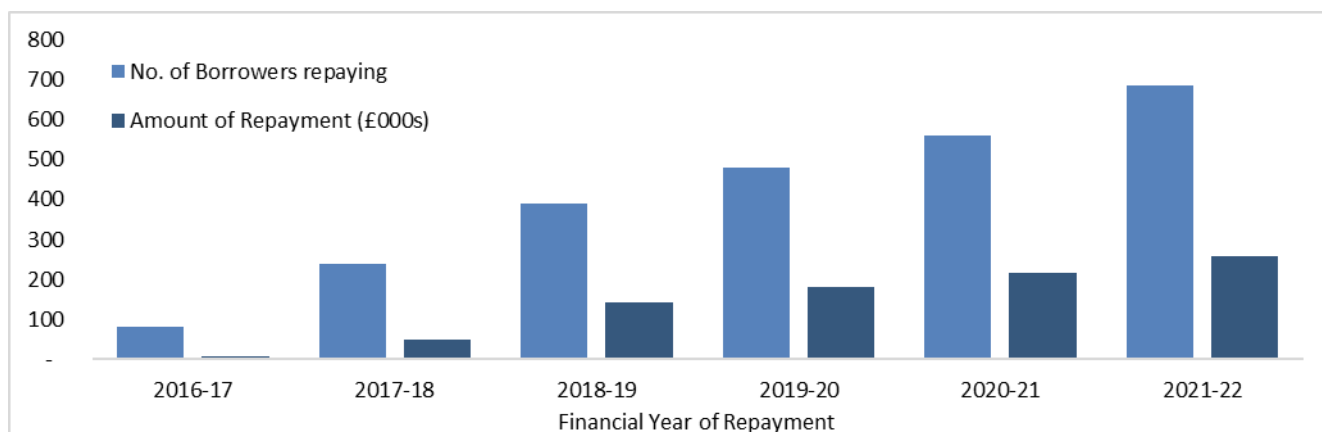
Figure 18: Number of higher education ICR loan borrowers who made a scheduled repayment to SLC & total amount repaid by financial year of repayment 2006-07 to 2021-22



The number of higher education borrowers making scheduled repayments directly to SLC in financial year 2021-22 increased by 23,200 (+ 20.5%) to 136,300 in comparison to the previous year. The amount repaid increased by £15.0 million (+ 12.9%) to £131.1 million. *Table 4C (i)(ii)*

This is in contrast to the 10.2% decrease in borrowers making scheduled repayments noted in the previous financial year (- 12,800) and the 7.2% reduction (- £9.1 million) in the amount repaid. However, this is in line with the increases noted in the financial year before (2019-20), of + 19.2% and + 15.0% respectively.

Figure 19: Number of further education ICR student loan borrowers who made a scheduled repayment to SLC & total amount repaid by financial year of repayment 2016-17 to 2021-22

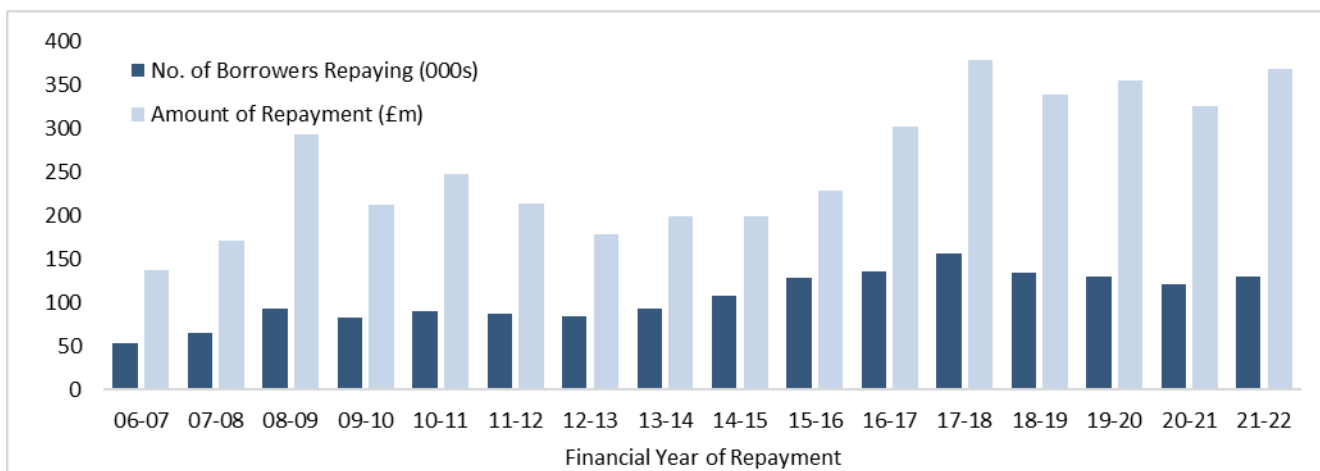


The number of further education borrowers making scheduled repayments directly to SLC increased by 125 (+ 22.3%) in financial year 2021-22 to 685. This is a higher increase than noted in the previous year of + 16.7%. The amount repaid increased by £42,500 (+ 19.6%) to £259,400. This is relatively in line with the increase noted in the previous year. *Table 4C (iv)(v)*

## Voluntary Repayments via SLC

Voluntary repayments can be made by borrowers who are not yet due to repay, and additional voluntary repayments from borrowers who are also making repayments via HMRC.

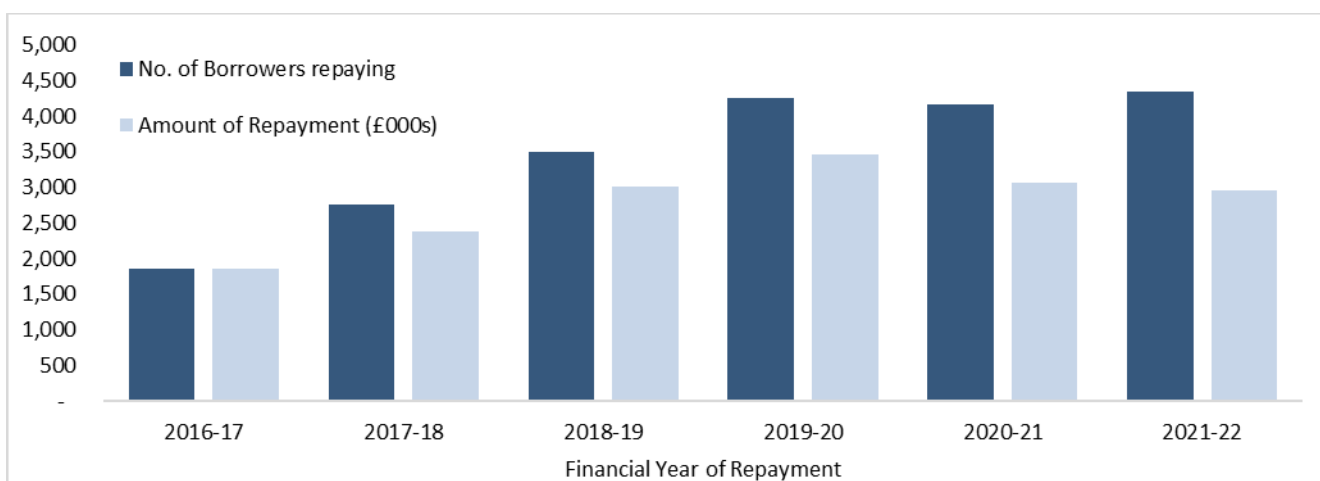
Figure 20: Number of higher education ICR loan borrowers who made a voluntary repayment to SLC & total amount repaid by financial year of repayment 2006-07 to 2021-22



As shown in *Figure 20 and 21*, 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. *Table 4E (i)(ii)*

The number of higher education borrowers making voluntary repayments increased by 7.3% in financial year 2021-22, to 129,200. The amount repaid via this method totalled £368.1 million, a 12.9% increase on the previous year. This is in contrast to the 7.2% decrease in borrowers repaying via this method and the 8.2% decrease in the amount paid noted in the previous year.

Figure 21: Number of further education ICR loan borrowers who made a voluntary repayment to SLC & total amount repaid by financial year of repayment 2016-17 to 2021-22

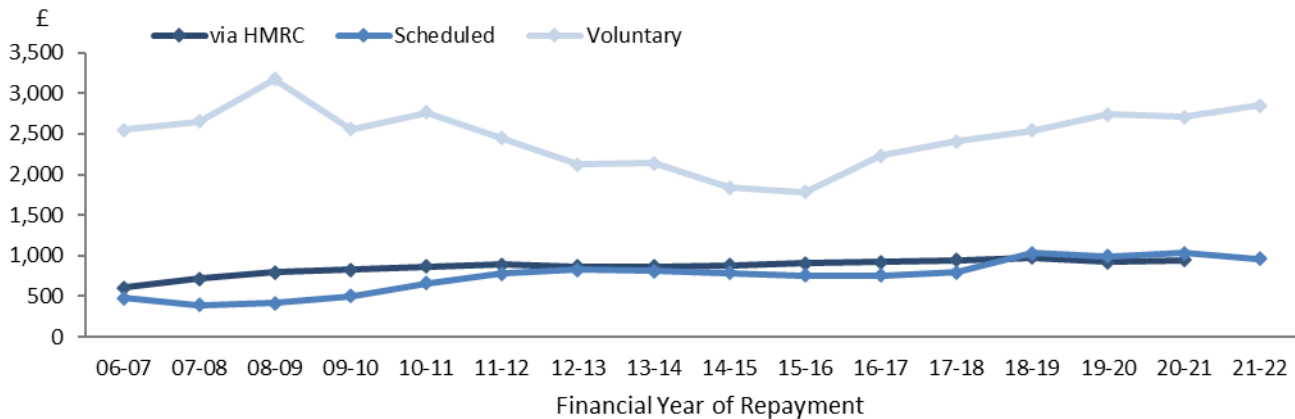


The number of further education borrowers making voluntary repayments increased by 4.6% in financial year 2021-22, to 4,350. This is in contrast to the 2.3% decrease in borrowers repaying noted in 2020-21. The amount repaid via this method totalled £2.96 million, a 3.2% decrease on the previous year. This is a much lesser % decrease than noted in the previous financial year of 11.7%. *Table 4E (iv)(v)*

## Average amount repaid by repayment method

### Average amount repaid by higher education ICR loan borrowers via HMRC increased by 3.3% to £950 in financial year 2020-21

Figure 22: Average annual amount repaid by higher education ICR student loan borrowers by repayment method £



The above graph indicates the average amount repaid by higher education borrowers 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).

HMRC repayments for the 2021-22 financial year are not included in the average as this is considered 'provisional' until all Self-Assessment data is included. The total figure will be finalised in the 2023 publication.

The average repayment made by a higher education borrower via HMRC was £950 in financial year 2020-21, £30 higher than in 2019-20. This is in contrast to the £60 decrease noted in the previous year. Over the last decade, the average HMRC repayment has increased by just £60. *Table 4A (iii)*. The average HMRC repayment for an EU borrower increased by £30 in 2020-21, differing from the previous year's decrease of £40. *Table 4B(iii)*.

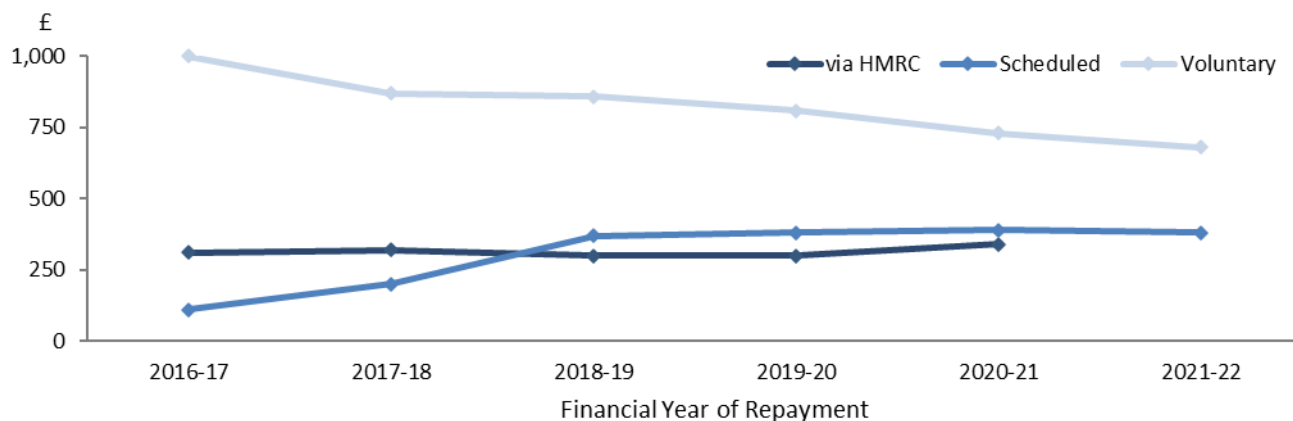
Financial year 2021-22's average scheduled repayment decreased by £70. This is also in contrast to the £40 increase noted in 2019-20. *Table 4C (iii)*. For EU borrowers, the average scheduled repayment saw an increase of £10, differing from the previous year's decrease of £20. *Table 4D (iii)*.

For voluntary repayments, England & EU combined higher education average repayments increased by £140 in comparison to 2020-21. This is in contrast to the £30 reduction seen in the previous year. *Table 4E (iii)*. The average voluntary repayment from an EU borrower was £2,740, £430 lower than in 2020-21. *Table 4F (iii)*

Trends in voluntary repayments made directly to SLC are significantly more volatile than scheduled and HMRC repayments.

## 13.3% increase in the average HMRC repayment for further education ICR loan borrowers to £340 in financial year 2020-21

Figure 23: Average annual amount repaid by further education ICR student loan borrowers by repayment method £



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

As with higher education borrowers, financial year 2021-22's HMRC figures will be finalised in the 2023 publication.

The average amount repaid by a further education borrower via HMRC increased by £40 to £340 in 2020-21. This is the first increase seen in the average repaid since 2017-18. *Table 4A (vi)*

The average scheduled repayment decreased by £10 to £380 in financial year 2021-22. This is the first decrease noted since the first year of repayment liability (2016-17) when average repayments were just £110. *Table 4C (vi)*

Average voluntary repayments made by further education borrowers saw a reduction of £50 to £680 in financial year 2021-22. This method of repayments have continued to reduce year-on-year since the first year of liability for further education borrowers (from £1,000 in financial year 2016-17). *Table 4E (vi)*



## 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%

### 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 https://www.gov.uk/government/news/more-frequent-data-sharing](https://www.gov.uk/government/news/more-frequent-data-sharing)

### 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 has 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 customer's 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 the 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 our **[Income Contingent Student Loan repayment plans & interest rates and calculations](#)** page.

## Student loan sales

In 2013 the UK Government decided to sell a portion of student loans issued before 2012 (Plan 1 loans). This resulted in two loan sales, one in December 2017 and the other in December 2018, with a combined value of £3.6 billion. At time of writing there are no plans to sell further student loans. Sales of student loans were structured to ensure that borrowers were unaffected, with their loans continuing to be administered by SLC. Investors are unable to contact borrowers and have no control over the terms of sold loans. This applied to the England loan balance only - further detail can be found on the **[UK Government website](#)**.

The figures included in this publication include all ICR loans administered by SLC. This also includes loans which have been sold as part of the loan sales. Further information on the selling of student loans can be found on **[GOV.UK](#)**.

## 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 Wales, 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.

## 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.