

SLC SP04/2024

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and Skills

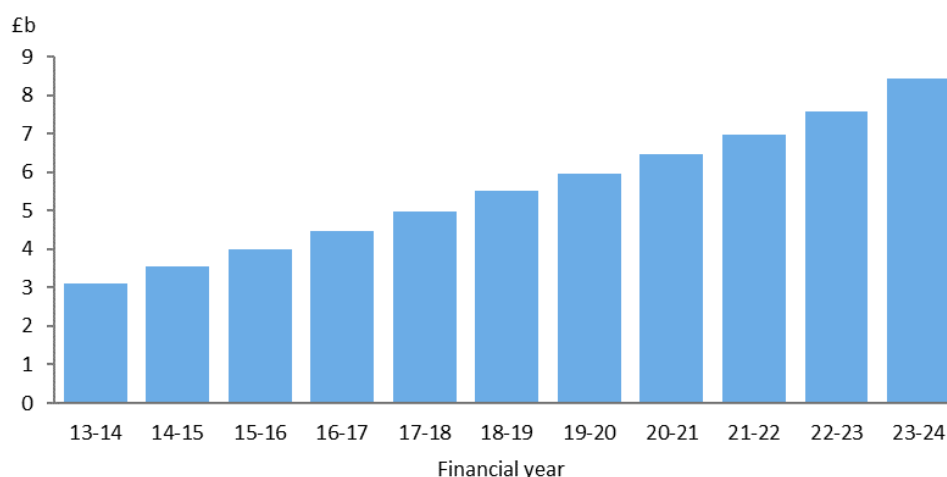
Student Loans in Scotland

Financial year 2023-24

Income Contingent (ICR) Student Loan balance

Higher education ICR student loan balance reaches £8.4 billion

Figure 1: Total balance of Income Contingent Student Loans at the end of financial year 2013-14 to 2023-24 (£ billion)



Source: [Table 1](#)

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

Figure 1 indicates that the loan balance grows year-on-year as new lending and interest added to existing balances outweighs repayments and write-offs.

The total higher education loan balance has increased from £3.1 billion in financial year 2013-14, to £8.4 billion by 2023-24.

When comparing this figure to the 2022-23 year-end total of £7.6 billion, there has been an increase of 11.3% (£0.9 billion). This increase is notably higher than those noted in the previous four financial years (averaging 8.2%) yet is consistent with increases noted in 2017-18 and earlier.

Of the total balance, 77.7% are amounts which are liable for repayment. This means that a borrower has passed their Statutory Repayment Due Date (SRDD). This is the point they would become liable to begin repaying a loan (normally the April after graduating or otherwise leaving their course, provided they are earning above the relevant income threshold).

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Introduction

This statistics publication presents figures and observations on student loan outlays, repayments and borrower activity for Scotland 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 students studying in Scotland.

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 2023-24.

Complete information on student finance arrangements in Scotland are available at the Student Awards Agency Scotland (SAAS) [website](#).

Accessibility

[Public Sector Accessibility Regulations](#) mean that all public sector organisations have a legal duty to make their websites accessible for everyone, including those with disabilities. In 2023, as part of SLC's ongoing commitment to improving accessibility of our websites and content, we made changes to the way we publish our statistics.

The changes mainly affected the way we provided visual information, including:

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

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

What can you use these statistics for?

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

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

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

Things you need to know

More Frequent Data Sharing (MFDS)

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

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

For more information on how this affected repayments and resulting interest calculations, please refer to our [Additional information](#) section and for further detail, please refer to [GOV.UK](https://www.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 2023-24 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 2023-24 Self-Assessment earnings information is received from HMRC after the 30 April effective date. The final figure is shown in the following years' publication.

Rounding, totals and averages

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

Effective dates

The effective dates used in this publication are as follows:

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

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

Executive summary - Financial year 2023-24

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

- Higher education ICR student loan balance reaches £8.4 billion
- £640.6 million paid out in undergraduate lending in 2023-24, 8.3% higher than in the previous year - the first increase since 2020-21
- Continued increases in bank base rate in financial year 2023-24 results in a further rise in higher education accrued interest, up to £451.7 million
- Provisional 8.2% increase in the average higher education borrower's loan balance on entering into repayment in financial year 2023-24, at £16,680
- 59.9% of all ICR borrowers who are liable to repay are in the UK tax system and 31.6% made a repayment in financial year 2023-24
- 14.0% increase in higher education loan borrower repayments in financial year 2023-24, rising to £223.4 million
- Provisional figures indicate a small 0.9% increase in total amount repaid by higher education borrowers via HMRC in financial year 2023-24, to £179.7 million
- 18.0% increase in total amount repaid by higher education borrowers via scheduled repayments made directly to SLC, reaching £7.3 million
- Significant 62.4% increase in total amount repaid by borrowers via voluntary repayments made directly to SLC, reaching £31.2 million
- 13.8% increase in the average amount repaid by ICR loan borrowers via HMRC in financial year 2022-23

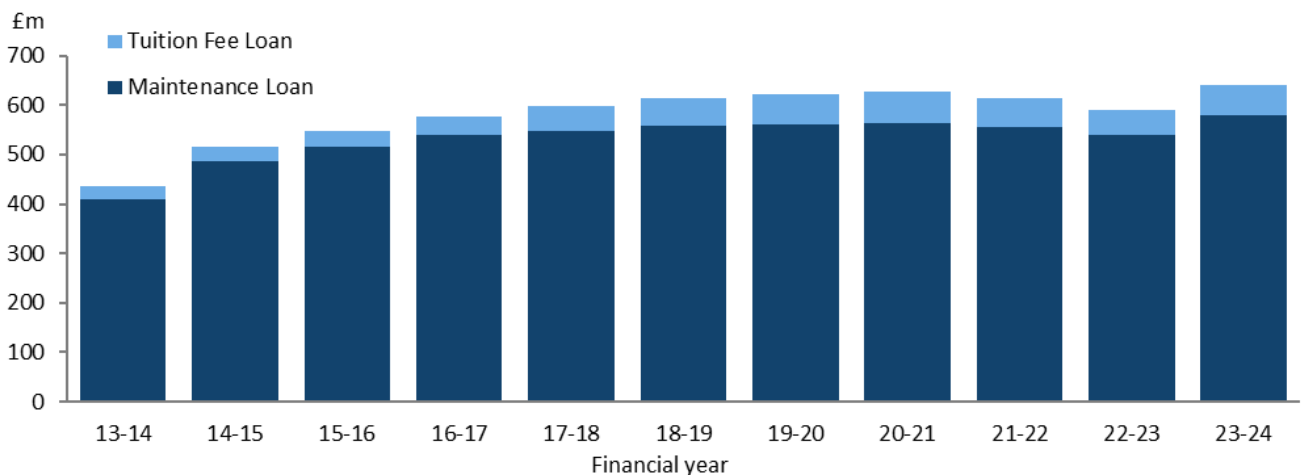
Total amount paid out in loans to student borrowers

Loans discussed in this section include Tuition Fee Loans and Maintenance Loans for undergraduates. Tuition fee lending for Scottish domiciled students studying in Scotland is arranged via the Student Awards Agency Scotland (SAAS), as is all Postgraduate funding. Tuition Fee Loans for those studying elsewhere in the UK are administered by Student Loans Company.

£640.6 million paid out in undergraduate lending in 2023-24, 8.3% higher than in the previous year - the first increase since 2020-21

Figure 2: Total amount paid out in loans to higher education loans borrowers in financial years 2013-14 to 2023-24 (£ million)

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



Source: [Table 1](#)

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

The total amount paid out in the form of undergraduate loans has increased overall from £436.3 million in financial year 2013-14, to £640.6 million by 2023-24. When comparing to the 2022-23 financial year figure of £591.2 million, there has been a notable increase of 8.3%.

This is the first increase reported since 2020-21, as both financial years 2021-22 and 2022-23 noted decreases in the amount paid out, down by 2.2% and then a further 3.7%.

The % increase reported in 2023-24 is also the most significant reported since financial year 2014-15 (when an additional 18.3% was paid out in comparison to the previous year). Between 2015-16 and 2020-21 annual increases have averaged 3.3%.

Figure 2 demonstrates that £27.0 million in Tuition Fee Loans was paid out on behalf of higher education students in 2013-14, increasing year-on-year to peak at £65.3 million in 2020-21. 2021-22 saw the first decrease (down 11.0% to £58.1 million), followed by a further decrease in 2022-23 (of 8.9%, down to £52.9 million).

Financial year 2023-24 reported a 16.2% increase in Tuition Fee Loans paid out (at £61.5 million). This can be largely attributed to an increase in the average Tuition Fee Loan taken out in comparison to 2022-23, potentially as a result of a £1,500 uplift in the postgraduate tuition loan funding package (to £7,000) in academic year 2023/24.

The 2023-24 increase is the highest since 2017-18 (when the amount paid out rose by 39.4%, partially attributed to the increase in Tuition Fees for students studying outside of Scotland, from £9,000 to £9,250 per year).

Following the same trend, £409.2 million was paid to higher education borrowers in the form of Maintenance Loans in financial year 2013-14. This increased each year to reach £562.4 million by 2020-21. As reported with Tuition Fee Loans (but to a lesser extent), 2021-22 saw the first decrease (down 1.1% to £555.9 million), followed by a further decrease in 2022-23 (of 3.2%, down to £538.3 million).

Financial year 2023-24 noted a 7.6% increase in Maintenance Loans paid out (at £579.1 million). This could be attributed to the 17.6% rise in the maximum annual loan available in academic year 2023/24 (up to £6,000).

The 2023-24 increase is the highest since 2014-15, when an 18.6% rise was reported predominantly as a result of the growing proportion of students entitled to the funding policy introduced for new entrants in academic year 2013/14. This new policy saw the minimum annual loan increase substantially to £4,500. In 2014-15 this was further increased to £4,750.

The most recent version of this publication which shows immediately before and after this policy change is available on [GOV.UK](https://www.gov.uk).

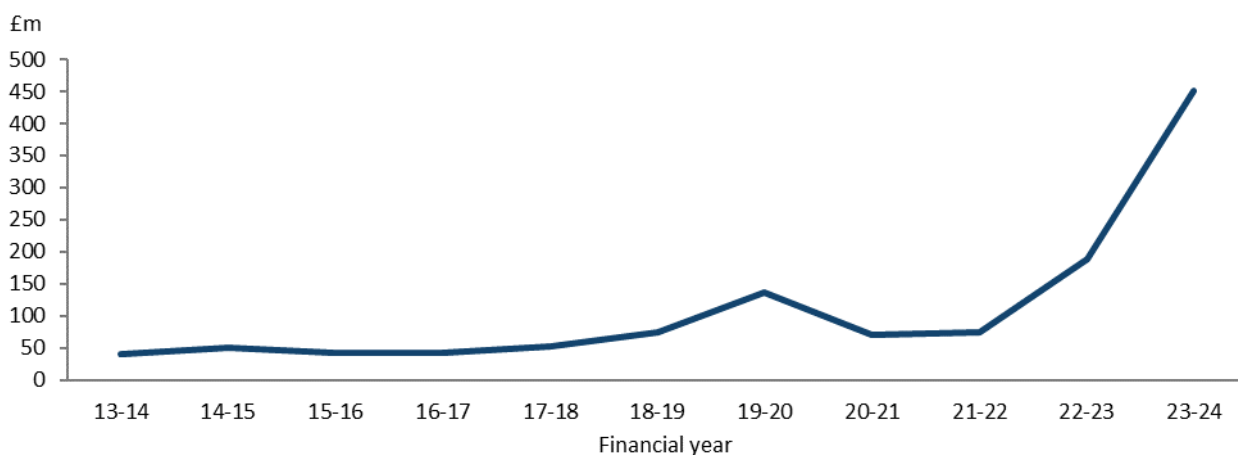
All figures relating to Tuition Fee Loans included in this publication relate to those paid on behalf of eligible students studying at publicly funded institutions outside of Scotland, along with postgraduates studying at UK-wide institutions. Eligible students studying within Scotland are not required to take a Tuition Fee loan, as their fees are funded by SAAS.

Interest added to Income Contingent Loans

The interest rate charged on these loans is the lower of either the Retail Price Index (RPI) at the preceding March, or 1% above the Bank of England base rate. RPI is a measure of inflation, which reflects changes to the cost of living in the UK. The interest rate does not affect the monthly repayment amount of Income Contingent Loans; it will affect the time taken to repay.

Continued increases in bank base rate in financial year 2023-24 results in a further rise in higher education accrued interest, up to £451.7 million

Figure 3: Total amount of interest accrued on higher education loans in financial years 2013-14 to 2023-24 (£ million)



Source: [Table 1](#)

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

Figure 3 shows that interest accrued to higher education loans equated to £40.1 million in financial year 2013-14. The amount fluctuated yet followed a slow upward trend until a sharp increase in 2019-20 (up 82.2% to £137.0 million) 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. Further detail can be found in the [Additional information](#) section.

Due to notable increases in the Bank of England base rate during financial year 2022-23, the maximum interest applied to loans increased from 1.5% to 5.0%. This resulted in a significant increase in the total interest accrued in that year, of 153.0% (to £189.2 million). Further increases to the bank base rate within financial year 2023-24 resulted in the maximum interest applied reaching 6.25% by September 2023 (the rate was then frozen for the remainder of the financial year). This resulted in the amount accrued increasing by a further 138.8% in 2023-24, to reach £451.7 million.

As a % of the loan balance in the previous year, interest equates to 6.0% in 2023-24, this is compared to 2.7% in 2022-23.

It should be noted that, regardless of interest rates, the total interest accrued will increase as the loan balance grows year after year (up 11.3% in 2023-24). Also, that a borrower's rate of interest does not affect their monthly repayment amount.

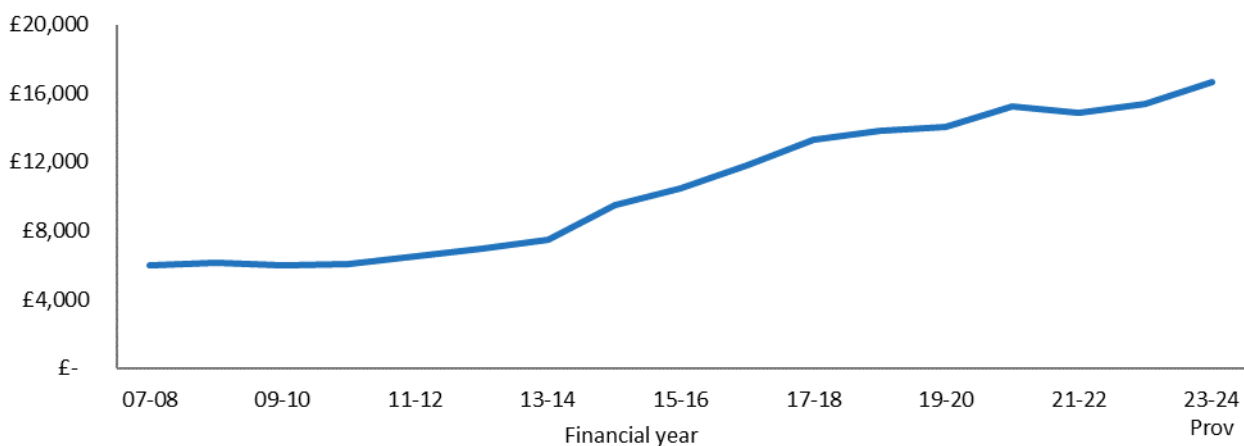
For more information on interest rates, please refer to the [Income Contingent Student Loan repayment plans & interest rates and calculations](#) section on GOV.UK.

Average Income Contingent Loan balances

This section looks at the average loan balance for borrowers in the first financial year in which their liability to repay first began. A borrower usually becomes liable to repay 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. The figures in this section are calculated as at 30 April following the relevant financial year-end.

Provisional 8.2% increase in the average higher education borrower's loan balance on entering into repayment in financial year 2023-24, at £16,680

Figure 4: Average higher education loan balance on entry into repayment by financial year – 2006-07 to 2023-24 (£)



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

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

Figure 4 indicates that the average loan balance for a higher education borrower entering into repayment has increased overall from £6,090 in financial year 2007-08, to reach a provisional position of £16,680 by 2023-24. This figure will be finalised in our 2025 publication.

The year-on-year increases were relatively slow between 2006-07 and 2013-14, then moved to a faster pace of increase as a result of a growing number of borrowers entering repayment who started their studies post-academic year 2012/13 (when Tuition Fee Loan rates for Scottish domiciled students studying outside of Scotland increased from £3,375 to £9,000).

In 2023-24, the average balance indicates a provisional increase of 8.2% in comparison to the previous year. This is more significant than the 3.7% increase reported in the previous year.

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.

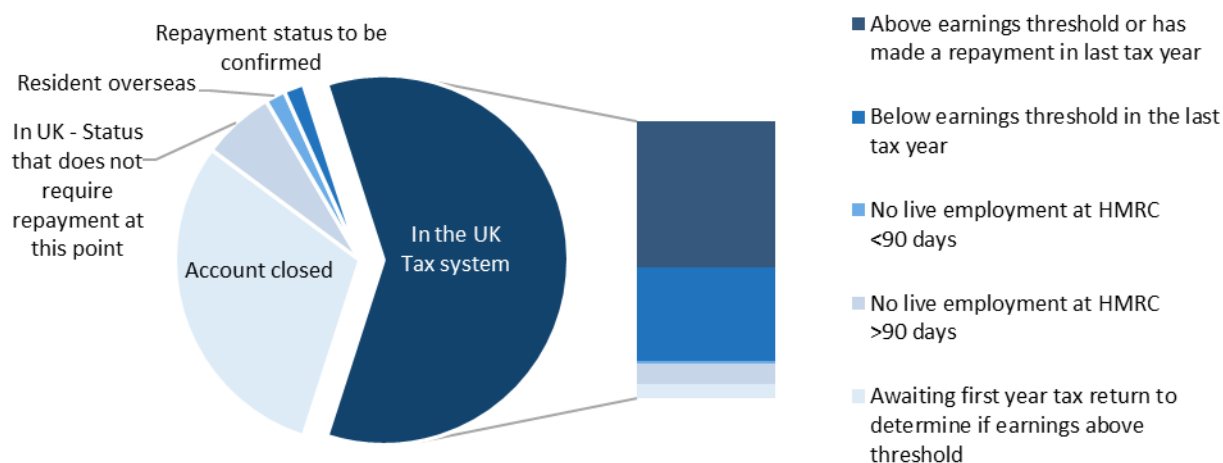
Please note: In order to bring this section of the publication in line with the published '[UK Comparison](#)' charts, we now refer to 'Financial years', as opposed to 'Repayment Cohorts'. No changes have been made to the average balance figures – these remain as previously published.

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.

59.9% of all ICR borrowers who are liable to repay are in the UK tax system and 31.6% made a repayment in financial year 2023-24

Figure 5: ICR Student loan borrowers by repayment status as at the beginning of FY 2024-25



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

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

Figure 5 includes all ICR loan borrowers in all repayment cohorts who have become liable to repay as at 30 April 2024.

Included in these figures is the 2024 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 were liable to repay and) who were in live employment and made a repayment in financial year 2023-24 was 231,100, an increase on the end-April position in 2023 of 204,400 (+ 13.1%). As a % of all those liable to repay, this has increased from 29.0%, to 31.6%.

The number in the UK tax system, yet not required to make a repayment reached 148,900 by April 2024, compared to 139,400 in the previous April (+ 6.8%). As a % of all those liable to repay, this represents 20.3%, slightly higher than the 19.8% noted in 2023.

The number of borrowers liable to repay showing no live employment for less than 90 days decreased from 6,000 to 3,600 by 30 April 2024 (- 40.8%). As a % of all those liable to repay, in turn this has reduced from 0.9% to 0.5%.

The number of those showing no live employment for over 90 days was 31,400, 3.1% higher than the 30,500 noted in April 2023. As a % of all those liable to repay, this represents 4.3%, the same as in the previous year.

At end-April 2024, of those overseas and above earnings thresholds for that country, the number of those who made repayments reduced in comparison to the previous financial year (at 2,800 vs. 3,000).

The number of those overseas who defaulted in arrears however increased from 3,600 to 4,000. As a % of all those liable for repayment, both overseas categories remained unchanged (at 0.4% and 0.5% respectively).

30.2% of all borrowers who were liable to repay at end-April 2024 no longer retained any loan balance, mainly due to full repayment. This is slightly higher than the 29.5% reported in the previous year.

At 30 April 2024, of the total 731,900 borrowers, 510,800 were still owing (up 4.0% and 2.9% respectively on 2023).

For end-April 2023 figures, please refer to Table 3A (i) and (ii) in our previous year's [publication](#).

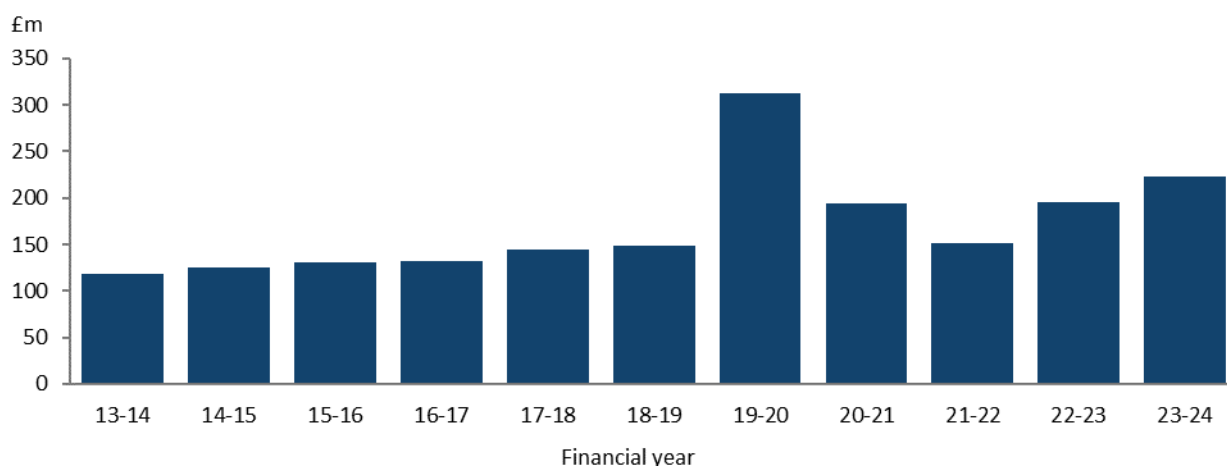
Income Contingent Loan repayments

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

Repayments are either made via HMRC (either PAYE or Self-Assessment) or directly to Student Loans Company on a scheduled or voluntary basis.

14.0% increase in higher education loan borrower repayments in financial year 2023-24, rising to £223.4 million

Figure 6: Total amount repaid by higher education borrowers in financial years 2013-14 to 2023-24 (£ million)



Source: [Table 1](#)

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

Figure 6 shows that in financial year 2013-14, higher education borrower repayments totalled £118.1 million. This steadily increased year-on-year to reach £148.9 million by 2018-19.

In 2019-20 a considerable increase of 109.5% (to £311.9 million) was reported. This was predominantly due to more readily available data provided by HMRC ([MFDS](#)). This meant that effectively, almost two years' worth of customer PAYE repayments (those processed by SLC in both 2018-19 and 2019-20) were included in the 2019-20 financial year. The time series normalised in financial year 2020-21. Further detail on MFDS can be found in the [Additional information](#) section.

Financial year 2021-22 reported a 21.6% reduction in total repayments, down to £151.9 million. This was as a result of the increase in the repayment threshold from 6 April 2021, raised from £19,390 to £25,000 (+ 28.9%) meaning borrowers earning between these amounts, who were previously liable to make repayments, were no longer required to do so.

This change in the repayment threshold was introduced as part of a new repayment plan (Plan 4). For financial year 2021-22, all existing borrowers who started a higher education course in August 1998 or later, were moved to a new repayment plan (from Plan 1 to Plan 4). All new borrowers will automatically be placed under Plan 4 repayment regulations.

In 2022-23, a total of £196.0 million was repaid, a considerable 29.1% higher than in 2021-22. This could be attributed to several factors including the minimal change to repayment threshold (increasing by just 1.5% to £25,375).

The total amount repaid in financial year 2023-24 was £223.4 million. This is 14.0% (£27.4 million) higher than noted in the previous year. This slower increase could be attributed to the 9.0% increase in the repayment threshold (up to £27,660)

As a % of the previous year's loan balance, the total amount repaid in 2023-24 is slightly higher than noted in the previous year (3.0% vs. 2.8% respectively).

Repayments will continue to increase due to the growing proportion of a rising total loan balance which is liable for repayment, irrespective of other factors.

82.7% of higher education repayments were received via HMRC (vs. 86.8% in 2022-23) and the remaining 17.3% (vs. 13.2% in 2022-23) were made directly to SLC. This split does not take into account refunds made.

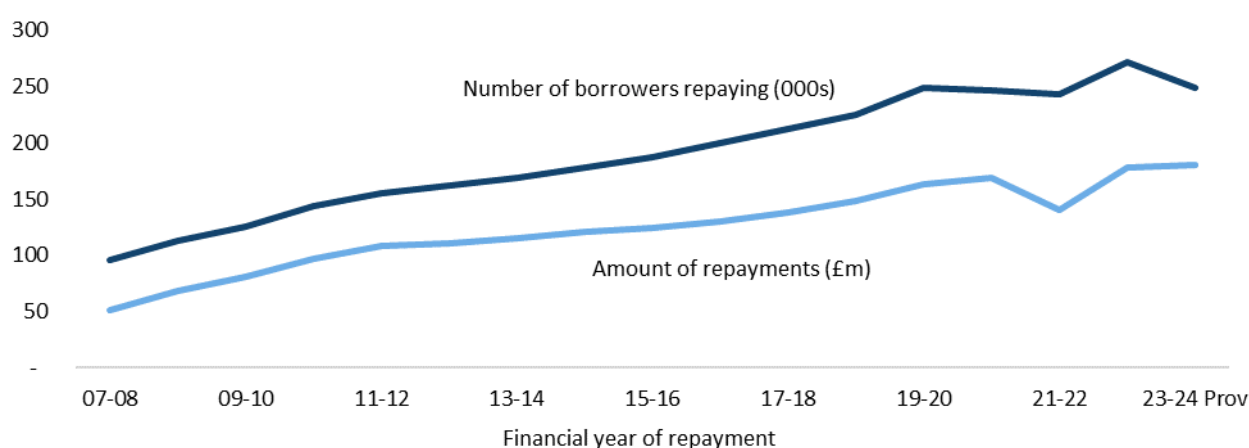
For more information on repayment thresholds, please refer to the [Income Contingent Student Loan repayment plans & interest rates and calculations](#) section on GOV.UK.

Income Contingent Loan repayments by repayment method

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

Provisional figures indicate a small 0.9% increase in total amount repaid by HE borrowers via HMRC in financial year 2023-24, to £179.7 million

Figure 7: Number of ICR student loan borrowers who made a scheduled repayment via HMRC & total amount repaid by financial year of repayment 2006-07 to 2023-24



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

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

Figure 7 demonstrates that the number of higher education borrowers making repayments via HMRC has increased year-on-year, from 75,000 in financial year 2006-07, to 271,500 by 2022-23. The total amount repaid has also steadily increased (with the exception of 2021-22, attributed to the increase in the repayment threshold from £19,390 to £25,000 with the introduction of the Plan 4 repayment plan) from £33.1 million to £178.1 million.

As at end-April 2024, the provisional number of borrowers who made a repayment via HMRC in financial year 2023-24 was 249,100. This is 8.2% (22,400) lower than the final figure for 2022-23. The provisional amount repaid was £179.7 million. This has remained relatively consistent in comparison to the final figure for the previous year (+ 0.9% / + £1.6 million).

Annual increases in repayments made via HMRC can be predominantly attributed to the growing proportion of loans becoming liable for repayment, up to 77.7% of the total loan balance by 2023-24.

The most recent financial year's figures are marked as 'provisional' due to the 2023-24 Self-Assessment earnings information being received from HMRC after Table 4A's 30 April 2024 effective date. The movement between the provisional and final figures for financial year 2022-23 was an additional 8.0% in regard to the number of borrowers making a repayment (from 251,300), and an additional 6.8% in the amount repaid (from £166.8 million).

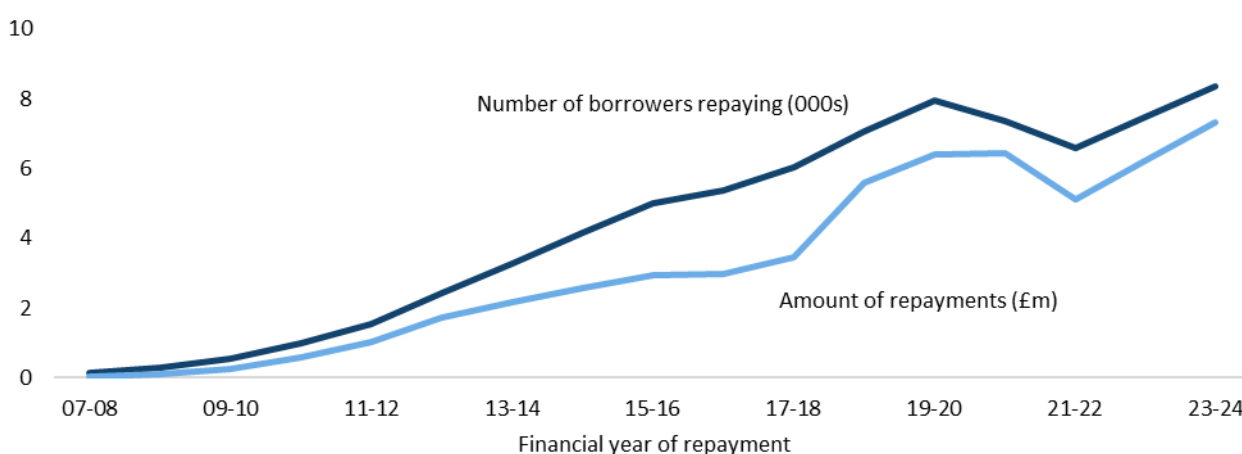
The provisional position for financial year 2022-23 can be found in the previous year's [publication](#). 2023-24's figure will be finalised in our 2025 publication.

Scheduled repayments made directly to SLC

Direct ('scheduled') payments are repayments which have been made directly to SLC from borrowers who have arranged a repayment schedule. This includes those who have joined the 'direct debit scheme'. SLC routinely advises customers to join the direct debit scheme when they become eligible to do so, 23 months prior to the repayment of their loan. Also included in this data are 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.

18.0% increase in total amount repaid by higher education borrowers via scheduled repayments made directly to SLC, reaching £7.3 million

Figure 8: Number of ICR student loan borrowers who made a scheduled repayment directly to SLC & total amount repaid by financial year of repayment 2006-07 to 2023-24



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

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

Figure 8 shows that the number of higher education borrowers making scheduled repayments directly to SLC increased overall from just 50 in 2006-07 to 8,400 by 2023-24. Increases were reported each year, with the exception of financial years 2020-21 and 2021-22, where numbers reduced by 600 and 800 respectively (- 7.1% and - 10.6%).

The total amount repaid via scheduled repayments follows a similar trend, increasing overall from £12,500 in 2006-07, to £7.3 million by 2023-24. A single decrease, of £1.3 million (- 20.5%) was reported in 2021-22.

When comparing 2023-24 to the previous year, there has been a 12.2% increase in borrowers making scheduled repayments (+ 900) and a notable 18.0% increase in the amount repaid (+ £1.1 million).

These increases follow a 13.3% rise in borrowers making scheduled repayments in 2022-23, and a 21.2% rise in the amount repaid.

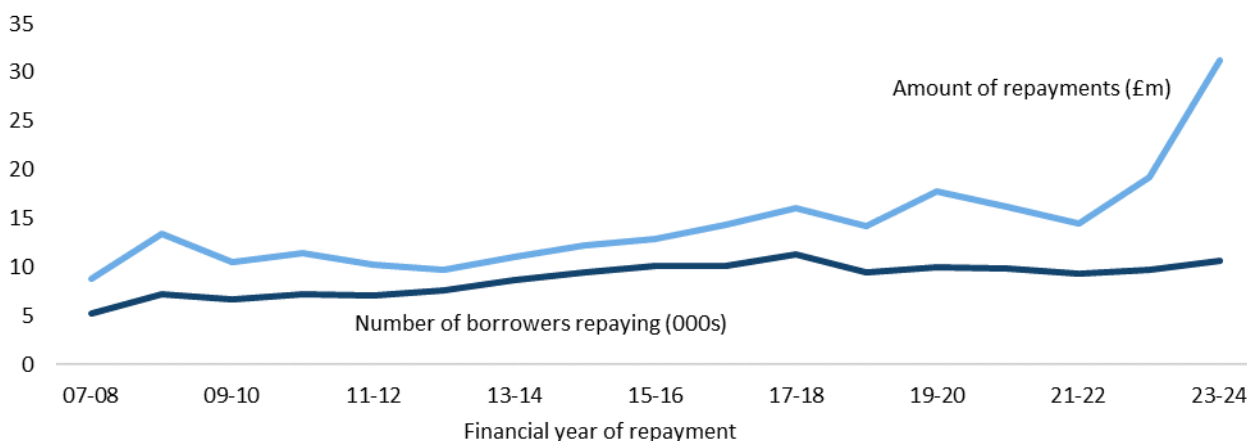
Increases could be in part attributed to a rise in take-up for the 'direct debit scheme'. SLC writes to every customer when they are within 12 months from repaying their balance inviting them to switch to direct debit payments to avoid over-repaying. By March 2024 the sign-up for this scheme had reached 33% of those invited to participate.

Voluntary Repayments made directly to SLC

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

Significant 62.4% increase in total amount repaid by borrowers via voluntary repayments made directly to SLC, reaching £31.2 million

Figure 9: Number of ICR student loan borrowers who made a voluntary repayment directly to SLC & total amount repaid by financial year of repayment 2006-07 to 2023-24



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

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

Figure 9 demonstrates that trends in voluntary repayments made directly to SLC are significantly more volatile than HMRC and scheduled repayments. Therefore, variances to the previous year are not necessarily evidence of a trend.

Overall, the total amount repaid via voluntary repayments has increased from £8.5 million to £31.2 million between 2006-07 and 2023-24 yet has noticeably fluctuated throughout this time-period.

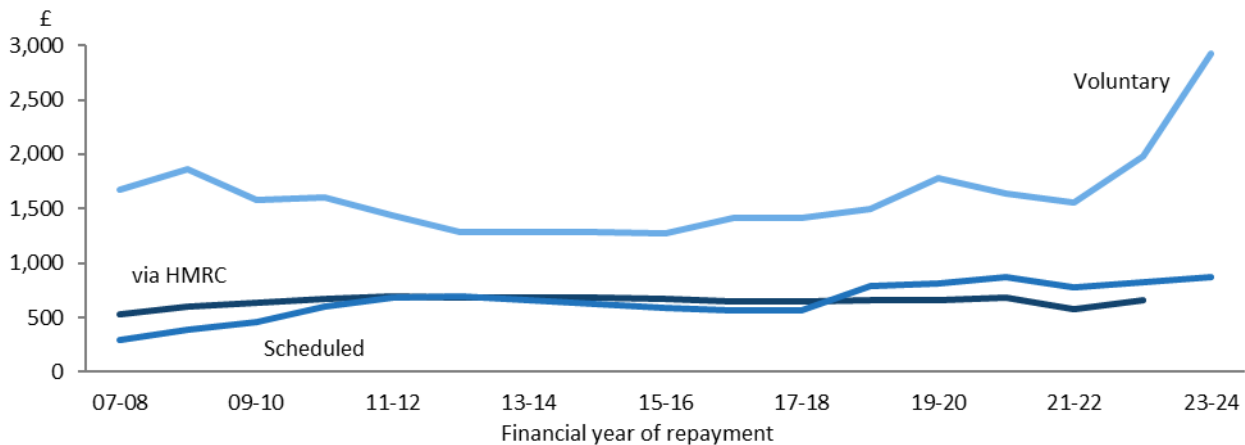
The number of borrowers making these repayments has increased overall from 5,000 to 10,600 in 2023-24, also fluctuating, but to a lesser extent than the amount repaid.

When comparing 2023-24 to the previous year, there has been a 9.5% increase in the those making voluntary repayments (+ 900) and a substantial 62.4% increase in the amount repaid (+ £12.0 million).

Average amount repaid by repayment method

13.8% increase in the average amount repaid by ICR loan borrowers via HMRC in financial year 2022-23

Figure 10: Average annual amount repaid by ICR student loan borrowers by repayment method and financial year of repayment 2006-07 to 2023-24 £



Source: [Table 4A \(iii\), 4C \(iii\) and 4E \(iii\)](#)
[Download the data for Figure 10 \(ODS, 6KB\)](#)

Figure 10 indicates the average amount repaid by the three repayment methods.

Please note: Repayments made via HMRC within the 2023-24 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 2025 publication.

The average repayment made via HMRC increased from £440 in 2006-07 to reach £660 by 2022-23. When comparing to 2021-22, there was an £80 increase (+ 13.8%).

This resumed the previously increasing trend following a decrease in the previous year owing to the introduction of the new repayment plan. All borrowers who started a higher education course in August 1998 or later, were moved to a new repayment plan (from Plan 1 to Plan 4). For the introductory year of this plan (2021-22), the repayment threshold was set at £25,000 which was considerably higher (+ 29%) than the Plan 1 threshold of £19,390 in place for all post-1998 borrowers in financial year 2020-21.

The average scheduled repayment made directly to SLC was just £260 in financial year 2006-07. By 2023-24 it had reached £870 (a £40 increase on 2022-23).

The average voluntary repayment has fluctuated between £1,270 (in financial year 2015-16) and £2,930 (in the most recent year). Compared to the 2022-23 average, there was a considerable £950 increase (+ 48.0%). Trends in voluntary repayments made directly to SLC are significantly more volatile than scheduled and HMRC repayments.

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

Additional Information

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).

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).

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, Wales and Northern Ireland 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](#) for England, Wales and Northern Ireland. The latest releases of this series were published on the 30 November 2023 covering academic year 2021/22. The Student Awards Agency for Scotland (SAAS) publish details of higher education funding in Scotland in their publication Higher education student support in Scotland. The [latest release](#) of this series was published on 30 August 2023 covering academic session 2022/23.

Notes on Policy

The statistics on student loans in this release were compiled by the Student Loans Company. They include public sector loans only, which are repaid on an income contingent basis. Student loans are available to eligible full-time undergraduate students and those taking full-time or part-time postgraduate initial teacher training courses. In the four academic years from 2000/01 onwards some other part-time students were able to take out loans, but these were then replaced by part-time course grants and part-time fee grants. From academic year 2017/18 part-time fee loans were re-introduced in addition to the above grants.

Tuition fees were abolished for Scottish students studying in Scotland from Autumn 2000. The Student Awards Agency Scotland (SAAS) pays tuition fees for full-time eligible students studying at publicly funded institutions in Scotland.

Up until academic year 2012/13 the Tuition Fee Loans were just for Scottish domiciled students studying elsewhere in the UK. Eligibility was extended in academic year 2012/13 with the introduction of the postgraduate tuition fee loan scheme which covers eligible EU and Scottish domiciled students on selected taught postgraduate diploma courses in the UK, excluding PGDE.

For more information on funding available to Scotland-domiciled students, please refer to the [SAAS website](#).

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:

- **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.
- **Cross country comparisons** – First introduced in 2014, providing a cross country comparison of total debt, average debt on entry into repayment and average annual repayment amount.

Definitions

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