

Grants to be scrapped and replaced by larger loans for 2016/17 starters and beyond

In the 2015 Budget the Chancellor announced that from the 2016/17 academic year, maintenance grants will be scrapped, so that all of the money for maintenance will now come in the form of a student loan.

The amount students get will continue to depend on their family's household income, though under the new, larger loans system, only 45-50% of the loan is guaranteed (depending where you study) with the remaining proportion income-assessed, meaning for those studying outside London, only £3,821 of the £8,200 is guaranteed.

This means everyone eligible will be entitled to a loan, regardless of how much their parents earn, although only those with a household income of £25,000 or under will be able to get the maximum amount of:

- Living at home: £6,904/year (currently £4,565/year)
- Living away from home, outside London: £8,200/year (currently £5,740/year)
- Living away from home in London: £10,702/year (currently £8,009/year)

If your parents earn more than £25,000, they're expected to contribute

The amount of maintenance is based on your parents' (or household) income. So, if your parents earn more than £25,000 you won't get the full amount - and the amount you do get is means tested on their income.

Only around 45% of the loan is guaranteed under the new rules, the idea being that your parents should make up the shortfall in loan amount so everyone gets the maximum one way or another.

| Living away from home | | |
|------------------------------|-------------------------------|---|
| Household income | Loan amount (per year) | Parental contribution to equal max loan (per year) |
| £10,000 | £8,200 | Nothing |
| £15,000 | £8,200 | Nothing |
| £20,000 | £8,200 | Nothing |
| £25,000 | £8,200 | Nothing |
| £30,000 | £7,611 | £589 |
| £35,000 | £7,022 | £1,178 |
| £40,000 | £6,433 | £1,767 |
| £45,000 | £5,844 | £2,356 |
| £50,000 | £5,255 | £2,945 |
| £55,000 | £4,644 | £3,534 |
| £60,000 | £4,077 | £4,123 |
| £62,177+ | £3,821 | £4,379 |

Living at home.

| Household income | Loan amount (per year) | Parental contribution to equal max loan (per year) |
|------------------|------------------------|--|
| £10,000 | £6,904 | Nothing |
| £15,000 | £6,904 | Nothing |
| £20,000 | £6,904 | Nothing |
| £25,000 | £6,904 | Nothing |
| £30,000 | £6,322 | £582 |
| £35,000 | £5,740 | £1,164 |
| £40,000 | £5,158 | £1,746 |
| £45,000 | £4,576 | £2,328 |
| £50,000 | £3,994 | £2,910 |
| £55,000 | £3,412 | £3,492 |
| £58,200+ | £3,039 | £3,865 |

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Studying in London.

| Household income | Loan amount (per year) | Parental contribution to equal max loan (per year) |
|------------------|------------------------|--|
| £10,000 | £10,702 | Nothing |
| £15,000 | £10,702 | Nothing |
| £20,000 | £10,702 | Nothing |
| £25,000 | £10,702 | Nothing |
| £30,000 | £10,102 | £600 |
| £35,000 | £9,503 | £1,199 |
| £40,000 | £8,903 | £1,799 |
| £45,000 | £8,304 | £2,398 |
| £50,000 | £7,704 | £2,998 |
| £55,000 | £7,105 | £3,597 |
| £60,000 | £6,505 | £4,197 |
| £65,000 | £5,906 | £4,796 |
| £69,802+ | £5,330 | £5,372 |