

9th October 2015

Dear Constituents,

Thank you for contacting me about the student loan repayment threshold.

The Government is committed to maintaining the UK's world-class higher education system. I am encouraged that record numbers of young people have secured places this year, including record numbers from disadvantaged backgrounds, and that higher education will remain accessible to all who have the ability to benefit from it, with no need to pay for tuition fees up-front.

Higher education continues to be an excellent investment and graduates will go on to earn more on average than those without higher-level qualifications. I therefore believe it is right that future graduates should meet more of the costs of their studies once they are earning.

As you are aware, the repayment threshold was set to £21,000 for post-2012 borrowers. However, to ensure that the costs of the student loan book remain transparent and affordable in the long term, the Government is consulting on a proposal to keep the loan repayment threshold at £21,000 for five years for loans issued to entrants after September 2012.

Further details of the Government's consultation can be found at the following address:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/447565/BIS-15-445-student-loan-repayment-threshold-consultation.pdf. I would urge you to make your views known before the closing deadline on 14th October.

Thank you again for taking the time to contact me.

Yours sincerely,



Alok Sharma MP