

Isle of Man Student Awards

Tuition Fee Loan Information

1. What is this Factsheet about?

This factsheet is for students who are considering taking out a loan from the Department for tuition fees for the academic year 2020-21, and explains how to apply for the loan, and when you will need to start repaying it.

2. Why might I want to apply for a Tuition Fee Loan?

All students commencing an off-Island undergraduate or postgraduate degree course are now required to pay a Tuition Fee Contribution of £2,500 per year towards the tuition fees charged by the university. The Department offers a loan facility which is available to all students who are required to pay this contribution.

3. How do I apply for a Tuition Fee Loan?

The option to apply for a tuition fee loan is included in your Online Student Award application. If you wish to take out a loan to cover your universal contribution to tuition fees, simply tick the "YES" box when prompted to select the award you are applying for.

4. How will I know if my request for a Tuition Fee Loan has been successful?

Providing your Student Award application is successful, your loan application will also be approved and this will be notified to you by letter. Your loan is, however, subject to the signing of a loan agreement between you and the Department. No payments will be made until the agreement is signed and returned to the Department.

5. What are the terms and conditions of the Tuition Fee Loan?

When you first apply for a Tuition Fee Loan, you will be sent a copy of the loan agreement detailing the full terms and conditions. You will need to sign page 16 of the Loan Agreement and then scan or take a photo of the signed page and send it to SAloanrepayments@doe.gov.im. Alternatively send it by post or hand deliver a copy to the Department of Education, Sport and Culture, Hamilton House, Peel Road, Douglas, Isle of Man IM1 5EZ. It is recommended that you also retain a copy for your records.

6. Will I have to apply for a Tuition Fee Loan every year?

Yes, unless you choose to self-fund your Tuition Fee Contribution. Even if you have an existing loan agreement, you will need to apply for an additional loan for each year of your course, although this is simply a matter of ticking the box on your Continuing Student Award application form. If you have signed a loan agreement in a previous academic year, the additional loan amount will automatically be added to your loan account.

7. How is the Tuition Fee Loan paid out?

Unless you are studying outside the UK, the loan will be paid directly to your university on your behalf. The award confirmation letter you receive will confirm that the Department is providing you with a loan to pay your fee contribution. You should provide a copy of this to your university so that they can include the amount of your contribution in the invoice they send to the Department.

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8. When will I start to repay the Tuition Fee Loan?

Repayments will become due on 1st July of the year after you finish studying, subject to your gross annual income being a minimum of £25,000 ("the Earnings Threshold"). For example, students starting a three year course starting in 2020 will start repaying their loans from 1st July 2024, subject to earnings being in excess of the Earnings Threshold.

9. When will Interest be applied, what is the Interest rate for loans and is it fixed?

Interest is applied to your Loan 1 (one) year after the end of your education. The interest rate for the Department's student loans is currently Bank of England base rate plus 2% and interest will be added on 30th June every year after you complete your studies. Prior to 2018 the interest rate was 5%.

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