



Finalists: How to financially prepare for graduating

Student Loan

The earliest you will have to start repaying your student loan is 6th April, the year after you leave university. If you are completing your study in June 2020 then – subject to you being eligible to repay (see below) – you would not start to repay until 6th April 2021.

If you began your course after 1st September 2012, you'll have a Plan 2 loan. This means that:

- You will begin paying off your student loan when you earn over £26,575 a year, £2,214 a month or £511 a week;
- you will repay 9% of your income over the £26,575 a year threshold. So, if you earned £2,330 per month (or £27,096 per year), you would repay £10 per month (that is 9% of the £116 that is ABOVE the monthly threshold of £2,214).

Repayments are made automatically through the tax system. Payments will depend on the amount you earn over the threshold during any given pay period.

It is important to note that if you are paid on a monthly basis and earn over the repayment threshold for that month, perhaps due to a bonus or overtime, a deduction will be made from your salary.

You can find out more at <https://www.moneyadvice.service.org.uk/en/articles/repaying-student-loans>

Council Tax

If you live in private rented accommodation, it is likely that your course will finish before the end of your tenancy agreement: term ends on the 12th June whilst most tenancies finish on 30th June. This means that, as a final year student, for the last few weeks of your tenancy you are no longer classed as a full-time student for the purpose of Council Tax, and you will be liable to pay.

Reading Borough Council have estimated that most houses will be charged around £90 in Council Tax for this period. It is important to pay the tax in a timely manner to avoid extra charges or court summons.

It is likely that the local authority will send letters or emails about Council Tax, and these may not be sent to the address they relate to (especially if they are aware that the property is likely to be vacant because of the current pandemic situation): it is important not to ignore any letters about Council Tax, even if you do not think you have to pay.

If you are unsure of if you should pay or how much you have to pay contact your local authority. If you need support get in touch with our Advice Service at www.rusu.co.uk/getadvice.

Leaving your accommodation: deposits and bills

Make sure to settle all final utility bills before leaving your rented accommodation. Inform your utility, water and internet provider on the date that you are leaving the property. Ensure you take meter readings on the last day of your tenancy as these will be used to calculate your final bill.

Arranging a check-out of your property is difficult during the current COVID-19 pandemic. It is, however, important that your landlord receives your inventory and checks the property when your tenancy is over so that you are not at risk of losing your deposit. You could arrange a virtual checkout and ask your landlord to take the final meter readings for you.

If you have left your belongings in your university accommodation, companies who will pack and forward your belongings at a charge exist.



Bank accounts

When you have a student bank account with your provider, you are often offered great deals such as free overdrafts and railcards. When you graduate and your account switches, these offers may change. Check your account's terms and conditions or speak to your bank if you are not sure what these are. It may even be advantageous to change banks when you graduate to take advantage of different offers, such as 0% overdrafts for up to three years.

There is lots of useful information on the following websites:

- Money Saving Expert - <https://www.moneysavingexpert.com/students/graduate-bank-accounts/>
- The Money Advice Service - <https://www.moneyadviceservice.org.uk/en/articles/student-and-graduate-bank-accounts>
- Save the Student - <https://www.savethestudent.org/extra-guides/graduates/best-graduate-bank-accounts.html>

Employment

The majority of graduates look for a job. One of the first places you should consider is the University's Career Service. You can find out more about the service and how they can help with this link http://student.reading.ac.uk/essentials/careers_and_professional_development.

Welfare Benefits

The Welfare Benefit system is intended to help people who have a low or no income. Full-time students generally aren't eligible for Welfare Benefits – though there are some exceptions – but once you cease to be a full-time student, then you may be eligible to apply.

Currently, the main welfare benefit is called Universal Credit. You can apply for Universal Credit for lots of reasons, and this includes being out of work (as it has replaced Job Seekers Allowance) or if you have a low income.

You can apply for Universal Credit as soon as your period of enrolment as a full-time student is over. Universal Credit is a monthly payment to help with your living costs.. The amount you can claim will depend on your circumstances (among others - if you are living alone, with a partner or your parents). You can find out more about Universal Credit and how to claim at this link <https://www.gov.uk/universal-credit>

Aside from Universal Credit, other welfare benefits that are for specific purposes, and which do not take your income into account (i.e. are not income-assessed):

- Personal Independence Payment (PIP) is a benefit paid to those who have a disability or long-term ill-health. The amount you get depends on how your condition affects you, not the condition itself. You can find out more about PIP and how you can apply at this link <https://www.gov.uk/pip>.
- Some students may leave full-time education and become a carer for a relative or partner. If this applies to you, you may be able to claim Carer's Allowance. You could get £67.25 a week if you care for someone at least 35 hours a week and they get certain benefits. You can find out more about PIP and how you can apply at this link <https://www.gov.uk/carers-allowance>.

If you need some help checking your eligibility for welfare benefits, or with the application process, then there are organisations which will help you:

- Citizens Advice have local offices across the country. Find your local one here: <https://www.citizensadvice.org.uk/about-us/contact-us/contact-us/search-for-your-local-citizens-advice/>
- Advice UK have a database to help you find advice local to you, which you can find on their website here: <https://www.adviceuk.org.uk/looking-for-advice/find-advice/>



- The Money Advice Service also have some information about places to look for support. This can be found on their website here: <https://www.moneyadviceservice.org.uk/en/articles/where-to-get-help-and-advice-about-benefits>

Debt

If you are leaving University with debt outside of your student loan, and you are worried about it, you can get free advice from various debt charities in the UK:

- Step change <https://www.stepchange.org/>
- National Debt Line <https://www.nationaldebtline.org/>
- Money Advice Service <https://www.moneyadviceservice.org.uk/en>

Grants and Trusts

Many charities offer non-repayable grants to help individuals on low incomes. To be eligible you have to meet their particular rules. These may be based on your location, age, gender, current or past jobs or health condition. You can search for these at <https://grants-search.turn2us.org.uk/>.

RUSU Advice Service

The RUSU Advice Service can provide advice to any Reading University students while they are enrolled or students who sought advice during the period of their enrolment which has extended into their period of graduation. You can get advice at www.rusu.co.uk/getadvice