

News Story

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Top-up fees push up

student debt

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Student debt levels at English universities have risen by a quarter in the last year thanks to the introduction of top-up fees, a new survey suggests.

Research by higher education finance experts Push shows that students accumulate an average of £4,925 each year they are at university, £198 over the national average.

The study also finds average projected debt on graduation has broken the £20,000 barrier at nine universities, although the national average remains under £13,000.

Catherine McGrath of high street bank Lloyds TSB, which works in association with Push, said: "Students face higher levels of debt than ever before and with the added pressures of escalating house prices and increased competition for graduate jobs, it's essential that they find ways to keep their student debt to a minimum."

Additional data published today by price comparison website uSwitch.com also reports an increase in student debt, which it says has risen from an average of £5,096 in 1997 to £11,123 now.

However a third piece of research by Natwest claims that graduate debt has actually dropped for the first time in six years, with those leaving university now owing an average of £12,363, down six per cent (£889) on 2006.

A spokesperson for Universities UK also warned against "alarmist headlines", citing a recent study by accountancy firm PriceWaterhouseCoopers which shows that having a degree boosts additional lifetime earnings to around £160,000.

"Attitudes towards undertaking manageable debt are changing and the vast majority of students see attending university as a worthwhile investment in their future," the spokesperson said.

"Graduates in the UK enjoy one of the highest financial returns of any OECD country... this should not be forgotten when discussing surveys about possible debt."



Student debts have risen since the introduction of top-up fees

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