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Debt of UK university students adds up to £20bn: report

In 2012/13, students studying at universities in Britain collectively owed almost £20bn, with the vast bulk of the debt being owed to the state-owned Student Loans Company. Commercial debt or debt to friends and family made up around 15% (£3bn) of the total, according to a recent report by YouGov SixthSense.

The report found that students in the UK are spending more than they are earning. In total, students spent around £21bn in 2012/13, but had an income of only around £20bn. The average student had income of £9,708 in the 2012/13 academic year (including tuition fee loans), or £6,951 excluding tuition fee loans. The excess of spending over income is equivalent to £726 per student. On average, students owe around £940 to financial companies and £469 to friends, family and other relatives, a total of £1,409.

The YouGov Sixth Sense report also revealed that 72% of students have a student loan and 40% receive maintenance grants (non-repayable). Meanwhile, 47% of students get money from their parents, with the average amount received being £64 per week. Just under a third (31%) of students do part-time work, and on average students working part time do so for 11 hours per week. The typical student who works part time earns a weekly income of £91.53.

Rising tuition fees

The number of students going to university in the future and their future level of debt are being impacted by the rise in tuition fees. The report predicted that student numbers may grow at a slower rate in the future because of higher fees, and student debt is set to rise strongly as more students begin their university education paying tuition fees of up to £9,000 per year.

While 81% of British students agree that attending university is essential for the career they want to pursue, over a quarter (28%) of students feel a university qualification is not worth the cost of paying the new, higher tuition fees. And 40% think a university qualification is still worth the cost.

Commenting on the report findings, YouGov SixthSense Research Director James McCoy said: "Our research shows that despite students getting financial help from the government, their parents, and taking part-time jobs to support themselves, most are still spending more than they are taking in. As a result, over a quarter of students say university is not worth the cost of the new, higher tuition fees. There is a very real threat that more young people will opt to skip university altogether."

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Notes to editors:

Total sample size 1,000 UK students aged 16+. Fieldwork was undertaken 15th - 26th November 2012. The survey was carried out online. All figures, unless otherwise stated, are from YouGov Plc.

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About SixthSense

SixthSense, part of YouGov, is a provider of comprehensive business intelligence. It offers a powerful type of consumer-driven market intelligence report and online information platform, designed to help businesses make better and quicker decisions.

Bespoke data is collected through YouGov's proprietary panel of over 350,000 UK consumers. Highly qualified analysts use this data to deliver insight, comment, opinion and advice on the latest market trends and conditions.

For further information, visit yougovsixthsense.com

About YouGov

YouGov is an international, full service market research agency offering added value consultancy, qualitative research, field and tab services, syndicated products such as the daily brand perception tracker BrandIndex and social media analysis tool SoMA, fast turnaround omnibus and comprehensive SixthSense market intelligence reports. YouGov's sector specialist teams serve financial, media, technology and telecoms, FMCG and public sector markets.

YouGov is considered a pioneer of online market research and has a panel of 2.5 million people worldwide, including over 350,000 people in the UK representing all ages, socio-economic groups and other demographic types.

As the most quoted market research agency in the UK, YouGov has a well-documented and published track record illustrating the accuracy of its survey methods.

For further information visit yougov.co.uk