

# Student loan interest rates cut again due to market rates

Student loan borrowers will be further protected from rising inflation rates with additional cuts to interest rates for those on Plan 2 and Plan 3 loans.

Student loan interest rates will now be capped at 6.3% from September 2022. The government intervened in June to protect borrowers in response to the rise in the rate of RPI due to global economic pressures which meant student loan borrowers faced a 12% interest rate in September.

To provide reassurance for student loan borrowers on Plan 2 (undergraduate) and Plan 3 (Postgraduate) loans, the Government used predicted market rates to bring forward a cap on interest rates to a maximum of 7.3%. The actual market rate is now 6.3%, so the cap has been reduced to this figure.

By setting an interest rate of 6.3% rather than the expected 12% this will bring down the student loan interest rates by the largest amount on record and will mean, for example, a borrower with a student loan balance of £45,000 would reduce their accumulating interest by around £210 per month compared to 12% interest rates. This is on the total value of the loan, as monthly repayments do not change.

The government is taking every opportunity to protect the public from the rising cost of living and global economic pressures.

Minister for Skills, Further and Higher Andrea Jenkyns said:

We understand that many people are worried about the impact of rising prices and we want to reassure people that we are stepping up to provide support where we can.

Back in June, we used predicted market rates to bring forward the announcement of a cap on student loan interest rates down from an expected 12% and we are now reducing the interest rate on student loans further to 6.3%, the rate applying today, to align with the most recent data on market rates.

For those starting higher education in September 2023 and any students considering that next step at the moment, we have cut future interest rates so that no new graduate will ever again have to pay back more than they have borrowed in real terms.

Monthly student loan repayments are calculated by income rather than interest rates or the amount borrowed. Unlike for commercial loans, repayments will stop for any borrowers who earn below the relevant repayment threshold.

A spokesperson for the Student Loans Company said:

The change in interest rates is automatically applied so customers don't need to take any action. We encourage customers to use SLC's online repayment service to regularly check their loan balance and repayment information, as well as ensure their contact information is up-to-date.

For new students from August 2023, student finance will be put on a more sustainable footing. Student loan interest rates will be reduced so that they will not, in real terms, repay more than they borrow.

In response to the rising inflation, the government is providing support for households to help those struggling to make their incomes stretch to cover the basics. This includes providing eight million of the most vulnerable households with £1,200 extra support this year, with all domestic electricity customers receiving at least £400. In early July, the National insurance contribution threshold was raised, giving the typical worker a tax cut of up to £330 per year, and millions of low-income households have now received the first instalment of their Cost of Living Payment.

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## PM remarks at Points of Light Downing Street reception: 9 August 2022

In these difficult financial times people are feeling the squeeze across our country and they're feeling the impact in particular of the energy price spikes that are being caused by Putin's war in Ukraine, and of course it's right that the Government is doing everything that we can to help, and we're putting £1200 into the pockets of the 8 million most vulnerable households and £400 for everybody to help with the cost of energy – £300 for pensioners, £150 off council tax – and the money will keep coming in throughout the Autumn – more coming in September and October.

And of course as some of you may have picked up, this is going to be one of my last events in the garden in Downing Street and there will be a new Prime Minister very shortly, I can tell you for certain will be either a man or a woman. Whoever he or she may be, I'm absolutely certain they will be wanting to make some more announcements in September/ October about what we're going to do further to help people in the next period in December/ January and I just want you to know that I'm absolutely confident that we will have the fiscal firepower and the headroom to continue to look after people as we've done throughout.

And it's absolutely vital in tough times, that the Government should recognise that there are also people who are doing fantastic things to help the vulnerable across our country and who need proper recognition and respect.

And I want to pay tribute to all of you Points of Light. I want to pay tribute to centenarians, like Dabirul Choudhury, who's walked round his communal garden 100 times and has raised prodigious sums. I want to pay tribute to artists like Lucy Kent whose works are on display also raising money. The Spitfires have been flying overhead and proclaiming our gratitude to the NHS.

I want to think about particularly somebody I've met before – Tony Hudgell. Tony is seven years old and thank you for coming. It's fantastic to see you. Tony has already raised £1 million for the hospital that helped to save your life, and you've also instituted Tony's Law to make sure that people do not suffer the kind of abuse that you suffered so tragically, and thank you Tony for coming.

I'm going to give an award shortly to Steven Carr. Steven is one of the many thousands and thousands of people across this country who have been helping to look after people who have fled Ukraine in the last few months and I want to thank you Steven for everything that you've done to find homes for Ukrainian children.

I can't mention all of the wonderful things that you've done but I do want you to know that so far in Number 10, and I say this careering towards the climax of my time in No10, I've done 736 Points of Light letters. That's more than any other previous Prime Minister.

And I think you do wonderful, wonderful things. And every time I sign those letters and I read the things that you have done, I have a lump in my throat because I think you embody the spirit of service to other people, the spirit of community and I think the spirit that will get our country through the tough times and beyond in ever better shape. And if you, the 736 Points of Light that I've done, were a constellation, which of course you are, I think that you would represent the spirit of hope. And I think that you are the very best of Britain.

Thank you very much for everything.

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## **PM call with President Macron: 9 August 2022**

Press release

Prime Minister Boris Johnson spoke to French President Emmanuel Macron this afternoon.



The Prime Minister spoke to French President Macron this afternoon.

The leaders thanked one another for their friendship and comradeship over the last few years. They agreed that UK-French cooperation on the world stage has made a difference on a huge range of global issues, as they had discussed at the recent G7. They were both convinced that the bilateral relationship would continue to grow stronger in the years ahead. The Prime Minister and President Macron discussed preparations for the upcoming UK-France Summit as clear evidence of that fact.

The Prime Minister thanked President Macron for his efforts to help resolve border disruption and tackle the scourge of illegal people trafficking. The leaders expressed their shared confidence that deeper cooperation between the UK and France will be central to further progress in this area, and help to dismantle more smuggling networks.

On Ukraine, the Prime Minister and President Macron both stressed the importance of the international community continuing to support the people of Ukraine in their struggle. They agreed that UK and French efforts to train and equip Ukrainian troops were making a significant difference in the war, and that western war fatigue cannot be allowed to set in. President Macron praised the Prime Minister's leadership on Ukraine.

On Taiwan, the leaders shared their concerns at China's actions and risk of unnecessary escalation. They welcomed clear G7 unity on this issue.

The Prime Minister expressed his firm belief that the great friendship between the UK and France will continue to be incarnated by the leaders of our countries.

Published 9 August 2022

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**[Continuing our support to the fight](#)**

# against Daesh as it expands to new theatres

President,

I would like to thank Under-Secretary-General Voronkov, Acting Executive Director Chen and Martin Ewi for their informative briefings.

We remain indebted to the UN Sanctions Monitoring Team, UNOCT and CTED for their important work in analysing the ever-changing terrorist threat.

We heard today how Daesh continues to pose a significant threat to global stability. Counter-terrorism pressure has constrained the group over the last few years, but gains are vulnerable and uneven, with the group still able to expand in sub-Saharan Africa in particular, as Mr Ewi has outlined today.

Recent events in Afghanistan have demonstrated the very real security challenges we face. Daesh Khorasan continue to target innocent Afghans, particularly minority communities, while Al Qaeda has caused the suffering of thousands. We all have a shared interest in using every lever at our disposal to counter Al Qa'eda, Daesh and other terrorist groups in Afghanistan.

Despite its territorial defeat and recent successful operations against its leadership, Daesh remain a serious threat in Iraq and Syria, its strategic heartland. This demonstrates the continuing importance of the Global Coalition to Counter Daesh, and the need to work together to ensure Daesh's lasting, global defeat. The UK hosts the Global Coalition's Counter Daesh Communications Cell that is tackling Daesh's propaganda and its destructive and hateful messages.

In the month we commemorated the 8th anniversary of Daesh's crimes against the Yazidi community, the UK also underlines its support for UNITAD and international efforts to bring to justice the perpetrators of Daesh violence.

President, we continue to support the fight against Daesh as it expands to new theatres.

As we heard today, Daesh's African affiliates continue to grow and account for an ever-increasing proportion of Daesh-claimed violence.

Interconnectivity between branches also represents a worrying trend and amplifies the threat they pose, including to neighbouring countries. Daesh is opportunistic and will continue to take advantage of pre-existing grievances, and target those most susceptible to joining their cause: the young, the marginalised, the disenfranchised.

Hard security interventions will therefore only take us so far. We must work to build resilience within communities, in partnership with civil society, against terrorist propaganda and other influencing efforts.

And finally, when countering terrorism, we must all ensure that we protect

and promote human rights, fundamental freedoms and the rule of law through a gender sensitive approach if our collective efforts are to be truly effective.

Thank you.

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## Applications for the Chevening Scholarships are open until 1 November 2022

Applications for a Chevening Scholarship to study in the UK are open between 2 August and 1 November 2022, with applications to be submitted online via <https://www.chevening.org/venezuela>.

Chevening Scholarships are awarded to individuals from all backgrounds who can demonstrate that they have the commitment and skills required to create positive changes in their communities, and can show how a UK master's degree will help them achieve their professional goals in strategic areas for their home country.

The scholarship offers full financial support for scholars to study an eligible master's degree at any UK university, whilst also gaining access to a wide range of exclusive academic, professional, and cultural experiences.

Since the programme was created in 1983, Chevening has provided over 50,000 professionals with the opportunity to thrive academically in the UK. There are more than 1,500 scholarships on offer globally for the 2023/2024 academic year, demonstrating the UK's ongoing commitment to international development and to the next generations of leaders that can tackle the main global challenges.

In the case of Venezuela, since 1983 over 450 scholarships have been awarded to professionals in the country. For the 2021/2022 academic year, a group of nine Venezuelans were selected to study a fully funded master's degree in the UK through a Chevening scholarship, in diverse areas such as microbiology, women's health, public policy, social development, sustainable architecture, leadership and innovation.

For the 2022/2023 period, the priority areas of the British Embassy in Caracas include human rights (encompassing freedom of expression, gender equality and democratic governance), humanitarian affairs, anti-corruption, sustainable development and climate change.

The Chargée d'Affaires a.i. of the British Embassy in Caracas, Becks Buckingham, said:

Chevening scholarships are one of the main cooperation programmes of the Foreign, Commonwealth and Development Office. It uses the academic quality of British universities to train talented individuals in strategic areas for the development of their home countries.

We are looking for candidates that not only have an excellent academic background, but who also possess the potential and the willingness to achieve positive changes and become leaders in their respective areas of expertise. Since I arrived in Venezuela, I have been able to meet tens of Chevening alumni, who are working in diverse areas such as climate change, human rights and the prevention of infectious diseases. All of them have amazed me with their discipline, intelligence, creativity and commitment to Venezuela.

Visit [chevening.org/venezuela](https://chevening.org/venezuela) for detailed information about the eligibility criteria, the conditions and the timeline to apply to the scholarships. You can also follow our social media channels [Facebook](#), [Twitter](#) and [Instagram](#) for further information. Successful candidates have been sharing their experiences through the hashtags [#ChosenForChevening](#) and [#CheveningVE](#).