

Student loan and postgraduate loan recovery

If your employees' earnings are above the earnings threshold, we record their [student loan and postgraduate loan deductions](#) in our payroll software. It will automatically calculate and deduct repayments from their pay.

Rate or threshold	2025 to 2026 rate
Employee earnings threshold for student loan plan 1	£26,065 per year £2,172.08 per month £501.25 per week
Employee earnings threshold for student loan plan 2	£28,470 per year £2,372.50 per month £547.50 per week
Employee earnings threshold for student loan plan 4	£32,745 per year £2,728.75 per month £629.71 per week
Student loan deductions	9%
Employee earnings threshold for postgraduate loan	£21,000 per year £1,750 per month £403.84 per week
Postgraduate loan deductions	6%

