

Frequently Asked Questions (FAQs) – Learners

24+ Advanced Learning Loans are being introduced by the Government for learners aged 24 and over studying at level 3 and above from 1 August 2013. In this document we've tried to answer questions you might have. If you need more information speak to your college or training organisation.

Eligibility

Am I eligible for a 24+ Advanced Learning Loan?

To be eligible for one of these loans you need to be:

- aged 24 or over at the start of your chosen course;
- resident in the UK;
- undertaking an eligible course at an approved college or training organisation in England.

Your college or training organisation will be able to confirm which courses are eligible and if they're an approved organisation.

Does getting a loan depend on my income or credit history?

No. Getting a loan doesn't depend on your income and credit checks aren't carried out. Repayment of the loan will depend on your income and won't begin until your income is over £404 a week, £1,750 a month or £21,000 a year.

Is there an upper age limit for someone applying for a loan?

No. There's no upper age limit.

If I'm a European Union (EU) student would I be eligible for a loan?

If you meet the residency criteria you'll be eligible to apply for a loan.

Which qualifications and Apprenticeship Frameworks can I get a loan for?

You'll need to be doing a qualification/framework that's an advanced or higher level qualification approved for public funding. These include A Levels, Access to HE Diplomas, other Diplomas and Certificates, Advanced Apprenticeships or Higher Apprenticeships.

You can get further advice on which qualifications are eligible for loans from your college or training organisation or through the National Careers Service website at www.nationalcareersservice.direct.gov.uk or call the helpline on **0800 100 900**.

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Can I still apply for a loan for a qualification that's not approved for public funding?

No. Only qualifications approved for public funding are eligible for loans.

If you wish to undertake a qualification that's not eligible for a loan then you would need to agree with the college or training organisation how you would fund the course without access to a loan.

Application Process

When can I apply for a loan?

You can apply for a loan from April 2013, for courses that start on or after 1 August 2013.

How do I apply for a loan?

Once you've identified the qualification you wish to do you'll need to contact the college or training organisation where you wish to study. That college or training organisation will be able to confirm whether there are places available on the course, providing you with the information you'll need to make a loan application. Use the information from the college or training organisation to complete an application and submit this to Student Finance England.

Will I have to apply online?

No. You can get a paper application form from your college or training organisation if you're unable to complete the application online.

Can I get independent financial advice?

If you're unsure about taking out a loan and want to seek independent financial advice then you'll have the opportunity to do so. The Money Advice Service is a free and independent financial advice service established by the Government and will be able to provide you with help and advice. Visit their website at www.moneyadviceservice.org.uk.

Can I get independent careers advice?

If you're unsure whether the course you'd like to take is right for you, then you can contact the National Careers Service website at www.nationalcareersservice.direct.gov.uk or call the helpline on **0800 100 900** for advice.

What information do I need to provide when applying for a loan?

You'll need to provide details of the:

- course you wish to study;
- college or training organisation where you wish to study;
- tuition fee you're being charged; and
- amount of loan you wish to take out.

The college or training organisation will be able to provide you with these details.

In addition, you'll be required to provide your personal details (name, address, etc) and evidence to confirm your identity.

For UK passport holders this will just be your valid UK passport details (not a physical passport).

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If you're a UK national but don't hold a passport you'll be asked to provide another form of evidence such as a UK birth certificate, which will be returned to you.

If you're not a UK national you'll need to provide physical identity evidence, as well as evidence that you're a permanent resident inside the UK.

You'll also need to provide a valid National Insurance number in order for the loan to be paid to the college or training organisation on your behalf.

I don't have a National Insurance number but I want to apply for a loan, what should I do?

A National Insurance number is required in order for the loan to be paid to the college or training organisation on your behalf. If you don't have a National Insurance number you can still apply for a loan, Student Finance England will contact you if you need to do anything to obtain one. This may mean that you'll need to arrange an appointment with your local Job Centre to have one assigned to you.

Can I apply for a loan after my course has started?

Yes. As long as your course started on or after 1 August 2013. It's possible to apply for a loan at any time during your course, but not after you've completed it.

If you wish to apply for a loan during your course, you'll need to agree this with your college or training organisation in advance, as you'll already have discussed with them how you're going to pay your fees. Deciding to take out a loan will change this arrangement.

The college or training organisation will also need to provide you with information for you to complete your application.

How long will it take me to hear the outcome of a loan application?

Applications submitted online that don't require any further supporting evidence (because you've provided your valid UK passport details) should be processed within 4-5 days.

All other applications should be processed within 2-4 weeks. The exact timing will be dependant on you providing correct application data and the relevant original identity evidence at the time of application.

If my course lasts for more than one year do I need to reapply each year?

No. Your loan application will last for the duration of the course, even when that course lasts for more than one year.

What happens if I change my mind before I start my course?

If you decide, before the start of your course, you no longer want to undertake your course or you don't want to take out a loan for the course then you can simply contact Student Finance England. Student Finance England will be able to cancel your loan application, and you won't have any loan to repay.

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What happens if I change my mind once I've started my course?

No loan payments will be made to your college or training organisation on your behalf until you've attended the course for at least 2 weeks. If you leave the course after more than 2 weeks then you'll be liable to repay the loan payments made on your behalf, which will be based on the length of time you attended the course.

Fees

How much loan can I take out?

There's a maximum amount of loan available to you based on the type of qualification you're doing and your college or training organisation will be able to advise you of this amount.

The fee charged by the college or training organisations may be less than the maximum loan amount available; therefore you'd only need to take out a loan to cover the fee being charged.

If you're undertaking an Apprenticeship framework the amount of loan available will take account of the contribution your employer will be expected to make towards the costs of your training.

You can take out a loan for the maximum amount to cover your tuition fee or you can pay all or part of the tuition fee yourself.

Will I have to repay the full loan amount if I leave part way through the course?

No. Your loan will be paid to your college or training organisation in line with your attendance on the course. When you stop attending, payments will stop and you'll only be liable to repay the amount (including any interest accrued on that amount) that's already been paid to the college or training organisation.

If I leave my course part of the way through will I be required to pay the remainder of the fee to my college or training organisation even if my loan payments have stopped?

Before you enrol on the course you'll need to enter into an agreement with your college or training organisation. This agreement should include the tuition fee they're charging you and what you'll be required to pay if you don't complete the course.

How much of the course costs will the loan cover?

It's expected the loans would cover the tuition fee charged by the college or training organisations in connection with your course. You'll need to agree with the college or training organisation upfront, all of the costs associated with the course and confirm the loan will be able to cover these costs.

Can I get additional support to help with childcare and travel?

The 24+ Advanced Learning Loan only covers the tuition fee you're being charged by the college or training organisation for your course. However, it's possible the college or training organisation will be able to provide financial support for course related costs for those facing financial hardship. Your college or training organisation will be able to provide you with more information on the help and support they can make available to you.

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Loans

Will I be able to get a loan if I've already achieved a similar qualification (i.e. I already have A Levels)?

Yes. Previous qualifications you've achieved won't affect your ability to take out one of these loans.

However, once you've received a loan to undertake a course you won't be able to take out another loan to do the same type of course at the same level. You'll be able to take out further loans to complete to different types or levels of eligible courses. There is no requirement to progress through qualification levels.

How many loans can I take out?

You can only take out one loan out at a time. For example, an electrical engineering programme may involve studying a level 3 certificate in electrical installation and a level 4 diploma in electrical engineering at the same time, but only one would be funded.

You can have up to a maximum four loans in total, but you cannot take out another loan to repeat the same type of course at the same level.

For example: if you'd taken out a loan to do a Level 3 Certificate in Plumbing, you could then take out a second loan to do a Level 4 Certificate in Tiling, which would be a different type of qualification. However, having undertaken a Level 3 Certificate in Plumbing you could not take out a second loan to do a Level 3 Certificate in Construction, as it would be a second loan for the same type and level of course.

Can I cover a course of A levels with one loan?

Yes. A single loan can cover a programme of A levels which can include a combination of AS levels, A2 levels and full A levels – up to four at the same time.

What happens if I change my mind about the course and want to do something different?

It'll depend on how much of the course you've undertaken. If you've done less than two weeks you can simply cancel the loan and this will not count against the total number of loans available to you. If you've undertaken more than two weeks then the loan will count as one of your four.

However, there's flexibility to allow for a single repeat of the same type of course where you did not complete the original. You'd still be required to repay the original loan but you could take out another loan.

Before making this decision you should speak to your college or training organisation, as it may be possible to transfer to the new course under the same loan rather than having to apply for a new one.

What happens if I'm unable to complete my course and I'm forced to withdraw?

Where there are compelling personal reasons preventing you from completing your course this won't count as one of your four loans. You'll still be expected to repay any loan paid in connection with the course, but you'll be able to take out a loan to complete the course again.

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Repayments

How will I pay back the loan?

Repayments will be automatically deducted from your earnings through the tax system once you've left the course and your income is more than £21,000 a year.

When will repayments start?

Repayments will start from April 2016 and there's no need to repay until then.

You can make voluntary repayments at any time in order to pay off your loan more quickly.

If you leave your course after April 2016 then repayments will start from the following April and when your income is more than £404 a week, £1,750 a month or £21,000 a year.

How much will the repayment be?

Repayments will be made at 9 per cent of your income over the threshold above. For example, if your income is £25,000 a year then your loan repayments would be around £360 a year or £30 a month. The repayments are based purely on income, not on the amount borrowed or number of loans. So regardless of how much you owe the repayments will be the same.

If your income falls below £21,000, repayments will stop and only re-start when your income increases to more than £21,000.

What happens if I have more than one student loan?

You will make a single payment and deduction at 9 per cent of your income over the threshold above, regardless of how large or how many student loans you have, including HE and 24+ Advanced Learning Loans.

Can I make voluntary repayments?

Yes. You can make voluntary repayments at any time to pay off your loans more quickly.

What happens if I can't repay the entire loan?

You'll only ever have to make repayments in line with your income if you earn more than £21,000. If you've any loan balances remaining after 30 years these will be written off.

What if I declare bankruptcy?

Loans are excluded from your bankruptcy debts, so that during and upon discharge from bankruptcy you remain liable to repay this loan.

What happens when I retire?

Loans repayments aren't taken from Pension Income, so if you retire and are paid a pension then you will only repay if you have other taxable income that is above £21,000.

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What happens when I die?

If you die then your loan will be written off.

Is this the best value loan?

You'll need to consider whether it's the best thing for you in your circumstances. You may wish to seek independent financial advice, for example from the Money Advice Service at www.moneyadviceservice.org.uk.

If I am undertaking an Apprenticeship and my employer makes me redundant, would I still be required to repay the loan?

Yes. You'll be expected to repay any loan payments (including accrued interest) made on your behalf to the college or training organisation during your course, but repayment would only occur when your income reaches the threshold of £21,000.

If I move to another country following my course and my income is more than £21,000 do I still have to re-pay the loan?

Yes. If you go abroad we'll make arrangements with you to collect repayments while you are outside of the UK tax system. However, if you move abroad the repayment thresholds will vary according to price level indices for that country. You will be required to pay a fixed instalment to be calculated by the SLC.

Interest

How much interest will I be charged on the loan?

Interest will be charged at the Retail Price Index (RPI) +3 per cent during the period of study, and up until the April after you leave the course. From this point interest is linked to earnings and will be:

- RPI for those earning less than £21,000 a year;
- On a sliding scale between RPI and RPI +3 per cent for earnings between £21,000 and £41,000 a year;
- RPI +3 per cent for individuals earning more than £41,000

For those who leave their course before April 2016 when the first repayments start, the interest charged will be at RPI, irrespective of income, until repayments begin.

What is RPI, and what happens if it changes?

The Retail Price Index, RPI, is a measure of UK inflation. It measures changes to the cost of living in the UK. The UK government uses the rate of RPI for many purposes, including setting the interest rate charged on student loans.

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