



## ADVANCED LEARNING LOANS FACTSHEET

### Key Facts:

Advanced Learner Loans have been introduced by the UK government for learners aged 19 and over studying at Level 3, 4, 5 or 6 from 1 August 2016.

Getting a loan doesn't depend on your income and credit checks aren't carried out. Repayments are based on your income and won't begin until your income is over £404 a week, £1,750 a month or £21,000 a year.

Once you've identified the qualification you'd like to study you should apply for the course, attend an interview and we will then issue you a Learning and Funding Information Letter should you accept a place on the course. You'll need the information set out in this letter to complete an application and submit this to Student Finance England.

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"Alongside gaining further qualifications, I'm really excited to be in college, meeting people who have similar interests to me, both in and outside of the classroom.

I feel much more confident now as I know that this course will lead me to have more financial and career security in the future, something which, for me, would not have been possible without the support of the Advanced Learner Loan."

- Alex Combrink



### Do I Qualify?

To qualify you must be:

- Studying a Further Education course at Level 3 or above
- Aged 19 or over at the start of your course
- A UK resident



### **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 you wish to study at;
- Fee you're being charged; and
- Amount of loan you want to take out. The college or training organisation will give you details about your course in your Learning and Funding Information Letter. You'll need to decide how much loan you want to take out. You'll also 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). If you're a UK national but don't have 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 so that the loan can be paid to the college or training organisation on your behalf.

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

The Advanced Learner Loan only covers the 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.



## Repayments

### How will I pay back the loan?

Repayments will be automatically deducted from your income through the tax system from the April after you complete or leave the course and your income is more than £21,000 a year.

### 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. Any loan balances which remain after 30 years 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. If you want impartial advice on managing your money contact the Money Advice Service at [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)



**Interest** How much interest will I be charged on the loan? Some of the interest on your loan will be based on inflation (Retail Price Index (RPI)). The notes below show how interest is calculated:

#### Interest rate

- While you're studying and until the April after you finish or leave your course: Retail Price Index (RPI) plus 3%
- If you finish or leave your course before April 2016: RPI plus 3% until the April after you leave your course then RPI
- From April 2016: Interest will be based on your income. £21,000 or less – RPI  
£21,001 to £41,000 – RPI plus up to 3%, depending on income  
£41,000 and over – RPI plus 3%

**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.

## The main points you should know about the

### Advanced Learner Loan

- For courses starting from 1st August 2016, you need to pay course fees if you are 19 or over and wish to study for a qualification at level 3, 4, 5 or 6.
- You may be eligible for a government-backed Advanced Learner Loan to pay for your course fee.
- The amount of money you can borrow depends on your course. The minimum amount you can borrow is £300.
- When applying for an Advanced Learner Loan, there is no credit check and household income isn't taken into account.
- Loan repayments are linked to what you earn when you've finished your course, not how much you borrowed.
- You only need to start paying back your Advanced Learner Loan when you've finished your course and you're earning more than £21,000 a year (which is £404 a week and £1,750 a month). You pay back 9% of the money you earn over £21,000.
- Loan repayments will be taken directly from your wage through the tax system from April 2016. If you want to make voluntary repayments, you can do so at any time.
- Before taking out any loan, you should consider all your options. If you want advice on managing your finances, you can get impartial money advice from the Money Advice Service at [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)
- For information and advice on learning, career and funding options, visit [www.nationalcareersservice.direct.gov.uk/advancedlearningloans](http://www.nationalcareersservice.direct.gov.uk/advancedlearningloans)
- [For more information on loans and to apply, visit www.gov.uk/advancedlearningloans](http://www.gov.uk/advancedlearningloans)

## Contact Us

Give us a call for more information about Learning Loans

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