



Education & Skills
Funding Agency

Professional and Career Development Loans

Learning Provider List - Requirements for Inclusion

January 2018

Of interest to learning providers, providers of information, advice and guidance and participating lenders.

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Professional and Career Development Loans

Requirements for inclusion on the Learning Provider List

Update January 2018

Introduction

1. The Education and Skills Funding Agency (the ESFA) administers Professional and Career Development Loans (PCDL).
2. This document sets out the requirements for inclusion on the PCDL Learning Provider List (LP List). Learning providers must read and ensure they have understood these requirements prior to applying for inclusion.
3. Please note that we are referring here to a specific administrative list of learning providers looking to support learners choosing to use a PCDL and not the more mainstream ESFA Registers known as 'The Register of Training Organisations (RoTO) and The Register of Apprenticeship Training Providers (RoATP)'.
4. This document replaces all earlier versions and learning providers should destroy any previous versions they may have and refer only to this latest version.
5. The ESFA may, from time to time make changes to the requirements. These changes may be notified by email to the learning provider. Learning providers should review the requirements regularly to ensure they continue to be aware of and are able to comply with any changes.
6. Although this document is aimed primarily at learning providers (both those who are applying for inclusion and those who are already listed), other PCDL stakeholders, for example, providers of information, advice and guidance and the lenders who participate in the programme may also find this useful.

Professional and Career Development Loans: an overview

7. A PCDL is a commercial loan which can be used to help pay for learning related costs such as materials and equipment, course fees and living costs and its aim is to support and encourage learners to take responsibility for and to invest in their own learning. The Government pays the interest on the loan whilst a learner is in learning and for one month afterwards. The loan is then repaid as any other commercial loans product.
8. You can find more general information about PCDLs on the [GOV.UK](https://www.gov.uk) website.
9. The participating lenders provide the loan capital and all lending decisions relating to the loan are solely the responsibility of the lender. They ensure that the learner satisfies the eligibility conditions including residency and that the learner intends to seek employment in the UK, EU or EEA on completion of their course. They also assess a learner's credit worthiness and ability to repay the loan.

10. The lender will refuse loan applications where the learner does not pass the appropriate checks. The learner must ensure that they can afford to repay the loan on completion of their course. **The agreement relating to the loan is between the lender and the learner.**
11. The learner is responsible for choosing the learning or training they wish to undertake and for choosing the learning provider they wish to study with. The ESFA strongly advises learners to seek impartial advice, for example the National Career Service by calling 0800 100 900 to assure themselves that the course and learning provider are right for them. **The agreement relating to the learning is between the learning provider and the learner.**
12. The ESFA's role in PCDL is to:
 - a. ensure the course chosen by the learner is eligible to be funded; for example it leads directly into employment and is not an access or conversion course leading to further learning
 - b. maintain an administrative list of learning providers who have met the requirements for inclusion.

The purpose of the Professional and Career Development Loans List of Learning Providers

13. The primary purpose of the LP List is to ensure that any learning provider who wishes to offer courses supported by a PCDL is a legitimate training business with a track record of trading and delivering learning. Also, the learning provider must have clear learner-facing information in place.
14. The LP List is maintained for administrative purposes. It should not be seen as a contract or any other binding legal relationship between the ESFA and the learning provider. The ESFA is not liable for any loss suffered by a learning provider as a result of a decision to:
 - refuse their application for inclusion;
 - remove a learning provider from the LP List;
 - refuse any application from a prospective learner for a loan taken by the lenders
15. The LP List does not provide any assurance about the quality of learning delivered by learning providers. Learners are entirely responsible for assessing the quality of the course themselves and ensuring that it meets their learning needs.
16. Only learning providers who meet the requirements for inclusion will be accepted onto the LP List. The ESFA will ensure compliance with the requirements on an ongoing basis by:
 - a. general monitoring and auditing and
 - b. by re-running certain checks when learning providers apply to amend their details.

17. As the programme is led by demand from learners, only a learning provider that has been approached by a learner may apply for inclusion on the LP List. Any speculative applications by learning providers will automatically be declined by the ESFA.

The requirements for inclusion

18. This section sets out the ESFA's requirements for inclusion on the LP List. Learning providers must meet all the requirements and must continue to do so once they are included on the LP List.

Introductory note

19. Learning providers should note that ***Form A – Application for inclusion on the Professional and Career Development Loans Learning Provider List*** requires them to provide information about their organisation, including company status and the specific course details.

Prospective Professional and Career Development Loan learners

20. Learning providers must supply names and contact details of the learners who have approached them. This information must clearly state the course they wish to undertake, together with the length and costs of the course.

The learning provider

21. The learning provider should have a trading history of at least one year. The directors and/or senior managers must not have previously owned any learning provider which has been removed from the PCDL LP List or has ceased trading.

22. We will undertake a credit check through Experian to give the ESFA assurances about a learning provider's financial viability. The credit rating must be a three-star (or above) Delphi rating and the report must not show evidence of any outstanding County Court Judgements (CCJs), winding up petitions or an intention to dissolve. Please note we will undertake an Experian check for each new application a learning provider submits. We may also ask providers to submit financial statements.

23. Where appropriate, we will carry out a Companies House check to give the ESFA assurances about a learning provider's trading status and history.

24. If the learning provider is a sole trader, a partnership, overseas learning provider or is otherwise not listed on Experian they will be assessed by the ESFA in accordance with paragraph 10 of the financial health assessment guidance document [ESFA financial health assessment - GOV.UK](#). Documents submitted must include;

- An end of period Profit and loss account, or equivalent
- An end of period Balance sheet
- Commentary and breakdown, including relevant notes to the accounts

25. Non-limited companies must also supply an accountant's letter that confirms their organisation's legal status and trading history.
26. Learning providers must confirm on Form A that their business is not reliant on PCDL for funding that is, they would remain financially viable if the income from PCDL supported learners were not available.
27. The application for registration must be from the learning provider that is actually delivering the learning and receiving the course fees. We will decline applications from learning providers intending to subcontract training delivery to another learning provider.
28. Publicly-funded UK learning providers and similar overseas organisations should contact the ESFA direct as some aspects of the requirements included above may not be required.
29. All learning providers must supply:
 - the **Learning Agreement** they have with learners
 - their **Refund Policy** - this must be easily understood and clear about when refunds will be made and when they will not
 - their **Complaints Policy** - this must be easily understood and clear about when and how a complaint can be made.
30. The learning provider must not make reference to a 'cash-back element'/'job guarantees'/'refunded course fees' or any other item that could be interpreted as an inducement to learners to study with them.

Learning programmes/courses

31. Only courses in which a prospective PCDL learner has expressed an interest can be considered for registration.
32. The course must enhance job skills or employment and career prospects in the UK, EU or EEA and must not be a course which leads to further learning.
33. How and where the learning provider delivers the learning or training must be clearly set out on Form A, and must also clearly state where monies are to be paid.
34. A PCDL normally provides support for a maximum of two years. However, if the course includes an unpaid work placement (this might be a regular weekly placement or a placement for a longer block of time, up to a maximum of a year in total) support may be given for up to three years.
35. A learner can apply for a PCDL at any time whilst they are in learning. However, if the course exceeds the maximum support period the learner can only apply for a loan for the last two years (or three if the course includes a year of unpaid work experience), of learning. Fees will be released in line with stage payment outlined later in this document.

36. Where courses have flexible lengths depending on the number of hours an individual chooses to undertake each week such as distance learning, only the maximum qualifying course length of two years (or three if the course includes a year of unpaid work experience), will be applied for PCDL.
37. For learning providers based in the EU/EEA the equivalent course or qualification must not already be available in the UK.
38. For learning providers based outside the EU/EEA, the equivalent course or qualification must not already be available in the UK or EU/EEA.
39. Careers counselling and Job Search courses are not eligible for PCDL.
40. Any charges for franchise arrangements included as part of the course cannot be supported using PCDL. Only learning-related costs can be supported.
41. If the course fees charged by the learning provider include costs for course materials, food, travel and accommodation, the learning provider must provide a breakdown of these costs.
42. The learning provider must supply a copy of their course brochure or a link to electronic information that shows course prices, course content, duration and delivery method, specific to the course they are listing.
43. If the course or qualification is accredited, the learning provider must supply evidence of this.

How to apply for registration

44. Learning providers must complete all relevant sections of Form A and include documents and other supporting evidence required. We will return any incomplete applications.
45. Once the ESFA has all the required information, we will assess the application and notify the outcome to the learning provider within 30 working days.

The outcome of the Learning Provider application

Successful applications

46. The ESFA will confirm inclusion on the LP List by allocating a PCDL identification number. The number should be included on the learner's loan application. It must also be quoted in all correspondence with the ESFA or the lenders.
47. The identification number only applies to the learning provider to which it has been allocated. It cannot be transferred to any other learning provider linked directly or indirectly.

Unsuccessful applications

48. If the application is declined, the ESFA will contact the learning provider, in writing, to explain why and will confirm if or when they may re-apply.
49. If a learning provider's application is declined on three consecutive occasions, due to financial reasons, i.e. failed Experian checks, we will not accept any further applications from the learning provider until two years after the third application was declined.
50. If a learning provider does not agree with the outcome of the assessment, they have the right to appeal as set out in the section headed Appeals and Complaints.

The administration of the loan, including staged payment of course fees

The Course Start Notification Form

51. The lender making the loan will pay the course fees direct to the learning provider. The course fees will only be released by the lender once it has received written confirmation from the learning provider that the learner has started their course.
52. The mechanism for confirming that the learner has started their course is the **Course Start Notification Form** (*This form may vary in format in line with individual lender requirements*).
53. The Course Start Notification Form is given to the learner by their lender. The learner completes the first part of the form and gives it to the learning provider before starting their course. The learning provider must complete the second part of the form **ONLY** when they can confirm that the learner has started learning. The start date is the date the learner actually began the course. For distance learning it is the date the learner received the course materials. Any forms submitted prior to an actual start will be rejected by the lender.
54. Upon receipt of the completed form, the lender will release payment of the course fees.

Staged payments

55. Where course fees are more than £2,000 and the course is longer than three months in duration, a staged payment process for fees will apply.
56. The payments will be divided equally over set intervals throughout the course, based on course length.
- A course lasting over three months but fewer than twelve months - course fees will be paid in two equal stages, month one and month six. Courses lasting eight months or less will also be paid in two equal stages, month one and month three.
 - A course lasting twelve months - course fees will be paid in three stages (month one, month six and month nine) in three equal amounts.
 - A course lasting 24 months - course fees will be paid in four stages (month one, month six, month twelve and month eighteen) in four equal amounts.

57. The first payment will be made at the start of learning when the lender has received the completed Course Start Notification Form. Once learning providers receive the course fees from the lender they must refund any money advanced by a learner, no later than one calendar month after they have received the fees from the lender. However, if staged payments apply, learning providers must not demand any 'upfront' payments of the total course fees from the learner.
58. If the learning provider receives course fees from the lender that are greater than the true cost of the course for any reason, the excess must be paid back to the lender. **Under no circumstances should a learning provider give any money to the individual.**
59. Providers outside the UK may receive payment of course fees by cheque and made payable to the provider only.
60. Staged payments will be applied as outlined above. **Under no circumstances can the cheque be made payable to the individual.**

Form C - Early course completion by a learner

61. If a learner completes their course earlier than originally planned or they choose to leave their course early for any reason, the learning provider must notify the ESFA within four weeks of the leaving date.
62. This should be done by completing and submitting to the ESFA a Form C – Early Course Completion.
63. If any refund is due with respect to course fees, the learning provider must repay this to the lender, not the learner.

Form B - Change to Learning Provider Details and Course Registration

64. Learning providers should notify the ESFA of **any** change to their recorded details, including contact details, name/address etc. within one month of the change occurring, by submitting a Form B.
65. Learning providers should submit a Form B to the ESFA if they wish to add a new course.
66. Learning providers should be aware that the ESFA will undertake the checks outlined in this document when assessing any amendment of learning provider details or course registration.

Appeals and Complaints

Appeals and complaints about the assessment decision

67. Learning providers have the right of appeal against a decision taken by the ESFA to decline their application for inclusion or amendments to their details. They should

submit an appeal to the ESFA using the contact details at the end of this document within 28 working days of the date shown on the decline letter.

68. On receipt of an appeal, the ESFA will consider any specific issues raised and if appropriate, re-assess the learning provider's application and will notify them in 15 working days of the outcome of the appeal.

Complaints about learning providers

69. As the ESFA does not contract with learning providers with regard to PCDL, the ESFA does not routinely undertake detailed investigations of complaints brought by learners.

70. However, if the ESFA believes there is a significant risk that the actions of a learning provider may bring the programme into disrepute the ESFA reserves the right to remove that learning provider from the LP List.

71. If the ESFA receives a complaint which shows that a learning provider may be in breach of the requirements for registration, the ESFA will contact the learning provider setting out the details of the alleged breach. The ESFA will also notify the lenders of any such complaint. The learning provider may be temporarily suspended from the LP List as may the processing of loan applications for learners who are applying for programme support with the learning provider.

72. Learning providers will be given the opportunity to respond to the alleged breach. The response must be in writing and be received by the ESFA within ten working days from the date the ESFA contacts them. The ESFA will consider any representation made by the learning provider.

73. If a learning provider is removed from the LP List, any new applications from learners for PCDL support for courses with that learning provider will be declined from the date of the removal or from the date of suspension, if that is then followed by removal from the LP List.

Roles and responsibilities of learning providers on the Professional and Career Development Loans LP List

74. Once included on the LP List, learning providers have a responsibility to ensure that they continue to adhere to the requirements.

75. Specifically, learning providers must:

- a) complete and submit to the lender, a *Course Start Notification Form* for each PCDL supported learner studying with them. No course fees or any other fees, for example, living expenses will be released by the lender until they have received this form from the learning provider
- b) advise the ESFA of any changes to their details that is, change of contact details and/or course details, no later than one calendar month after the change
- c) notify the ESFA within four weeks of a learner's last day of attendance on the course if the learner completes or leaves the course early

- d) confirm their acceptance of any changes to the requirements for registration which the ESFA makes, if asked to do so, within ten working days
- e) maintain records of learners and learning supported by the programme and makes these available upon request.
- f) encourage the use of and signpost learners to government supported information, advice and guidance services, including the National Careers Service. Learners should be directed to the [GOV.UK](https://www.gov.uk) website or advised to call the National Careers Service on 0800 100 900.
- g) respond accurately and within two weeks, unless otherwise agreed, to requests from the ESFA for information.
- h) abide by the latest Data Protection Act when handling learner data
- i) use only the approved ESFA wording with regard to PCDL on websites and in any learner-facing materials. This information should be used only as part of a general summary of funding available. There must be no references to the learning provider being sanctioned, approved or authorised in any way by the ESFA.

76. This is an example of acceptable text to be used:

*"We are a Professional and Career Development Loans registered Learning Provider, registration number [0000].
A Professional and Career Development Loan is a commercial loan that you can use to help pay for work-related learning.
For further information on financial assistance to support your learning, please visit the [GOV.UK](https://www.gov.uk) website or contact the National Careers Service on 0800 100 900."*

77. Please note that if anything other than the agreed wording is used, the result may be removal from the LP List.

78. Learning providers must not:

- change course start and end dates without prior agreement with the learner as this may affect the terms of the learner's loan agreement with their lender
- use the programme as an inducement to encourage learners to enrol on their courses, for example by:
 - a. contacting the lenders on behalf of learners. As stated above, learning providers must refer learners who require information or advice about PCDL to the [GOV.UK](https://www.gov.uk) website or contact the National Careers Service on 0800 100 900
 - b. aiding or encouraging learners to apply for or obtain a PCDL by deception
 - c. making any reference (to a 'cash-back element'/'job guarantees'/'refunded course fees' or any other item that could be interpreted as an inducement to learners in relation to PCDL, to study with them
 - d. making any reference to being sanctioned, approved or authorised in any way by the ESFA
 - e. using any wording to describe the programme that has not been approved by the ESFA
 - f. assisting a learner to complete a PCDL loan application form. Only the learning provider's endorsement on the Start Notification form should be completed by the learning provider. If a lender believes that

any part of the application form has been completed by someone other than the learner, the lender may refuse to approve the loan and any subsequent loans for learning with that provider.

79. Learning providers should note that in addition to the checks the ESFA undertakes directly with them, we will also, from time to time, contact the learners as part of our ongoing activity to check learning provider compliance with the requirements. The ESFA reserves the right to remove from the LP List any learning providers who breach the requirements set out in this document.

Temporary suspension from the LP List and requests to reapply

Temporary suspension from the LP List

80. The ESFA may temporarily suspend a learning provider who it believes is not fully complying with the requirements. For example, if a learning provider does not acknowledge agreement to changes to these requirements if asked to do so by the ESFA, or if the learning provider does not respond to direct communication from the ESFA, such as the Continuous Training Check survey.
81. The ESFA may also temporarily suspend a provider if it receives reports of its insolvency or business closure, while investigations are under way.
82. If the ESFA temporarily suspends a learning provider, the ESFA will contact them to explain its reasons. The ESFA will reinstate the learning provider to the LP List if the specific issue has been cleared. However, if any investigation confirms that they are in breach of the requirements or that they are no longer continuing to trade, then the ESFA reserves the right to remove the learning provider from the LP List.

Reapplying for inclusion on the LP List

83. The ESFA reserves the right to require a learning provider to reapply to be included on the LP List at any time.

Roles and responsibilities of the ESFA

84. The ESFA will try to assist learning providers with any queries or concerns they have in relation to their inclusion on the LP List. However, in order to ensure a clear audit trail, the ESFA asks learning providers to submit questions by email.
85. Learning providers are reminded that they should be professional in their dealings with the ESFA at all times and should respect the right of ESFA staff not to be subjected to abusive telephone calls or correspondence. Where a learning provider or its agents or employees persistently subject ESFA staff to abuse, the ESFA may remove the learning provider from the LP List or refuse inclusion.
86. The ESFA has a responsibility to maintain the reputation of the programme. It undertakes compliance monitoring to ensure that learning providers are adhering to the requirements, both by investigating specific complaints and fulfilling a more general monitoring role, including audits.

87. If the ESFA believes the actions of a specific learning provider may bring the programme into disrepute or that a learning provider no longer meets the requirements in any way, the ESFA may remove the learning provider from the LP List.
88. The ESFA will undertake checks to ensure that the programme is operating effectively and from time to time will ask learning providers to complete a Continuous Training Check survey. Learning providers must respond to these surveys within ten working days.
89. The ESFA may also contact learning providers to obtain their views on programme administration or to undertake case studies of loan-supported learners.
90. The ESFA may share information about learning providers with the lenders, companies contracted to the ESFA for the purposes of research and evaluation, the Department for Education, internally within the ESFA, the National Audit Office and any other government department as necessary. We are required to comply with the Freedom of Information Act and may provide information about learning providers in response to requests from the public.
91. We will respond to any requests for information submitted by learning providers up to 20 working days after the receipt of the request, in line with the requirements of the Freedom of Information Act.

Roles and responsibilities of the participating lenders

92. A PCDL is a commercial loan agreement between the lender and the learner. The participating lenders provide the loan capital and all lending decisions relating to the loan are solely the responsibility of the lender.
93. If the lenders have concerns about applications for loans for courses run by a particular learning provider, they may decide to suspend the processing of, or refuse to approve, applications. The ESFA undertakes factual checks on course eligibility for the programme and on a learner's previous history with the programme but does not influence any decision that may be made by the lenders.
94. If the lenders decide not to approve any further PCDLs for courses delivered by a particular learning provider, then the ESFA will remove that learning provider from the LP List. The ESFA will write to the provider to notify them of this and to explain why.
95. The lender is responsible for releasing payment for course fees to the learning provider, on receipt of the Course Start Notification Form. If there are any issues about late payment of the course fees, the provider should discuss this with the learner and ask them to resolve this with their lender.

Contact information and sources of further information and advice

96. Learning Providers should submit applications for inclusion on the LP List using Form A – Application for inclusion on the Professional and Career Development Loans Learning Provider List and email it to Providers@pcdlsupport.co.uk
97. Learning providers can also send enquiries to the Operations team by emailing Providers@pcdlsupport.co.uk or calling the helpline on 0300 303 8610.
98. Learning Providers should also use the above email address when submitting the following:
- Form B – Change to Learning Provider Details and Course Registration
 - Form C – Early Course Completion
 - Appeals against registration decisions.

Information for learners

99. Learning providers should direct any learner approaching them for information about PCDLs to the [GOV.UK](https://www.gov.uk) website or the National Careers Service telephone helpline: 0800 100 900.

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