

Draft Funding Rules 2013/14

24+ Advanced Learning Loans

October 2012

Of interest to providers

24+ Advanced Learning Loans

Introduction

Investing in Skills for Sustainable Growth, published in December 2010, announced that 24+ Advanced Learning Loans (loans) will be available for learners aged 24 and over studying at Level 3 and above (including Advanced and Higher Apprenticeships), for learning aims starting from 1 August 2013.

In preparation for the launch of the loans application system in April 2013, the Skills Funding Agency (the Agency) is committed to sharing with the sector, at an early stage, the funding rules that will be applicable to loans-funded provision in 2013/14. This includes the rules for the Loans Bursary Fund, which was announced on 12 July 2012.

To deliver this commitment, and to ensure that the final rules are both robust and clear to all, the Agency has produced a first draft of the loans and Loans Bursary funding rules, alongside background information on processes and procedures. This will enable providers to:

- understand their role and requirements in order to manage business change to accommodate learners with loans
- identify where areas of clarification are needed, particularly those where rules can be made clearer.

This document is split into two parts: the first part is the draft rules (pages 2 to 7), and the second part is the annexes (pages 8 to 16), providing background information to aid overall understanding. The final Funding Rules for 2013/14, of which the specific funding rules on loans will be a chapter, will be published by the end of January 2013. If you identify any specific areas within the draft rules which require further clarification, please email these to fundingsystemsteam@skillsfundingagency.bis.gov.uk by 6 November 2012.

Words in *italic* reflect drafting notes on areas in which the Agency is working to provide further clarification.

The Agency is currently reviewing the current Main Terms and Conditions of Provider Funding Agreements and how they will apply to loans funding in 2013/14. These will be agreed with the sector through the Funding External Technical Advisory Group.

Further detailed information with regards to systems and processes which underpin this background information will be available from the Student Loans Company (SLC).

In addition, the [Policy Overview and Frequently Asked Questions document](#) provides further information on loans and responds to queries from the sector specifically regarding the policy and implementation of loans. This includes confirmation that for learners who have funded an Access to Higher Education (HE) course with a 24+ Advanced Learning Loan and then progressed to HE, the SLC will write off the amount outstanding on the loan for their Access course following completion of their HE programme.

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24+ Advanced Learning Loans

In 'New Challenges, New Chances' it was confirmed that the Government would introduce loans from 2013/14. The rationale for this is to help people aged 24 or over undertake Level 3 or above further education (FE) learning aims or Higher Level or Advanced Apprenticeship Frameworks and access the funds they need to gain intermediate and higher-level skills.

Qualifications Funded through 24+ Advanced Learning Loans

1. Loans may be used to fund the following types of provision regardless of the mode of study:
 - A-levels (including A2- and AS-levels)
 - Quality Assurance Agency (QAA) Access to HE Diploma
 - Qualifications and Credit Framework (QCF) Level 3 Certificate
 - QCF Level 3 Diploma
 - QCF Level 4 Certificate
 - QCF Level 4 Diploma
 - Advanced Apprenticeships
 - Higher Apprenticeships.
2. Units of qualifications and Awards at Level 3 and above are ineligible for funding through a loan.
3. Learners will take out a loan for a single learning aim or Apprenticeship framework (with the exception of A-levels, AS- and A2-levels, where a learner can apply for one loan to study a programme of up to a maximum of four A/AS/A2-levels). A learner may self-fund other learning aims, or if the learning aims are up to Level 2 they may be eligible for grant funding in accordance with the Agency's Funding Rules 2013/14.
4. For Advanced and Higher Apprenticeships, a loan will be available up to a maximum of 50 per cent of the rate for the relevant framework, to reflect the assumed employer contribution towards the cost of the provision. For all other loans provision, a loan will be available up to a maximum of 100 percent of the rate.
5. Where Higher Apprenticeships include qualifications that are eligible for funding by the Higher Education Funding Council for England (HEFCE), for example Foundation degrees, learners will be able to make two separate loan applications for the FE and HE elements of their Higher Apprenticeship.
6. Where a learner is taking more than one loans-eligible learning aim or Apprenticeship Framework at any one time, the learner is eligible for only one 24+ Advanced Learning Loan (with the exception of A-levels, AS and A2 learning aims, where a learner is eligible for one loan for a programme of study incorporating up to four A/AS/A2-levels). The additional loans-eligible learning aim would need to be funded through an alternative route.

7. Learners are entitled to a maximum of four loans, where each loan is for a different category of provision as listed in paragraph 1. However, it is recognised that some learners may need to change learning aims and may require a further loan to successfully complete their studies and progress. Therefore, every learner who has previously withdrawn from a learning aim will be given one more chance to access a repeat loan, taking the potential maximum number of loans up to five. Further detail can be found at Annex C. The SLC will also have discretion to fund an additional loan for repeat study where a learner has withdrawn due to Compelling Personal Reasons. Further detail is available at Annex C.

Establishing Learner Eligibility for a Loan

8. The responsibility for assessing learner eligibility for a loan rests with the SLC. Loans eligibility criteria can be found at Annex A.
9. Loans will be available to eligible learners studying Agency-approved learning aims in England at an Agency-approved provider in England in receipt of Adult Skills Budget funding, including Direct Grant Employers.
10. To be eligible for a loan in 2013/14 the learner must be aged 24 years or over on the first day of their learning aim from 1 August 2013.

Loans Amounts / Financial Contributions

Loans amounts for learning aims will be linked to the funding rates that are set by the Agency and published on Learning Aim Reference Application (LARA). The minimum loan a learner can apply for is £300 and an application will be rejected if it is below that amount. The maximum funding rates for each type of learning aim/Apprenticeship framework / A-level programme will be confirmed by the Agency in January 2013, ahead of the Loans application process opening on 1 April 2013. The maximum loans available for Advanced and Higher Apprenticeships will be 50 per cent of the relevant framework rate, to reflect the contribution that employers are expected to make towards the costs. For all other loans provision, a loan will be available up to a maximum of 100 percent of the rate.

11. It is the provider's decision as to what they charge for a particular learning aim. However, a learner will only be eligible to receive a loan that is either equal to, or less than, the funding rate in LARA for each learning aim / Apprenticeship framework.
12. It is not expected that the provider would need to charge more than the maximum amount. However, if a provider decides to charge more they must supply the learner with information about the fee being charged for the learning aim/Apprenticeship framework, and the maximum amount of loan available, as part of the Course Offer (see paragraph 15 for further details of the Course Offer). This information could include details of organisations that can offer financial advice/information on options for funding above the loan rate (the Money Advice Service can provide independent financial advice to prospective learners and the National Careers Service can offer funding advice).
13. The SLC will access LARA to validate loan amounts against learning aim /Apprenticeship framework funding rates when assessing applications.

14. If the fee charged, as detailed on the application form, is lower than the loan value requested, the loan value agreed will be reduced to reflect the fee.

Information Requirements

The SLC will be responsible for determining a learner's eligibility for a loan and for making loan payments on behalf of learners to providers. Providers delivering loans-funded provision will be given access to the SLC's Learning Provider Portal (an interactive web-based service that will act as the main channel of communication between providers and the SLC, which will be the means by which learner attendance is confirmed and loan payments released. The SLC will be providing further information to providers about access to and the operation of the portal through their Learning Provider Services website – www.lpservices.slc.co.uk.)

15. If the learner decides to apply for a loan, providers must supply information through a Course Offer to assist the learner in making the loans application. The Course Offer is vital in the application process, as otherwise the learner will not have the relevant information to complete either the paper or online application. A specification for the Course Offer is currently in development and is likely to include the following:
- UK Provider Reference Number (UKPRN)
 - learning aim reference number
 - learning aim title
 - Apprenticeship Framework name/code, level and pathway code
 - learning aim start /end date
 - fee charged to the learner
 - maximum amount of loan available for the learning aim/Apprenticeship framework as published on LARA (where the fee exceeds this)
 - Assumed Employer Contribution (where applicable).
16. Once the learner's loan application has been approved and the learner has started the learning aim, the provider must confirm this to the SLC through the Learning Provider Portal. Providers will be able to see the status of the learners' loans applications by means of the Learning Provider Portal delivered by the SLC.
17. Confirmation that the learner has started can only be done once the learner has been in attendance for at least two weeks. This will either be two weeks from the learning aim's start date or two weeks after the learner has started their studies (when they start at a later date); this is referred to as the 'initial liability point'.
18. A Unique Learner Number (ULN) must be provided for the learner, if not supplied by the learner at the application stage, before a provider can confirm attendance for the learner.
19. Providers must complete an Individualised Learner Record (ILR) for loans-funded learners, as this will be the means by which success rates will be calculated and performance information incorporated into the Statistical First Release.

20. Loans-funded provision is in scope for the calculation of success rates in the same way as grant-funded provision. Therefore the six week rule (whereby provision is exempt from success rates if a learner leaves within six weeks of the training commencing) will continue to apply for the purposes of the calculation of success rates.
21. Providers are required to return quarterly confirmations of attendance to the SLC through the Learning Provider Portal.
22. In between quarterly active confirmations, attendance will be assumed each month. Providers must therefore notify the SLC if a learner withdraws from their learning aim or takes a break in their learning. This notification must be provided through the Change of Circumstance functions in the Learning Provider Portal. Further details of Change of Circumstances and the effects on payments can be found at Annex B.
23. The provider must also confirm to the SLC the non-attendance of a learner. This can be either when a learner leaves their learning aim prior to the initial liability point, or when a learner has never attended. Further details can be found at Annex B.
24. Loan payments to providers will be made against a flat monthly profile based on the initial liability point and the learning aim/framework end dates. Therefore, if a learner takes out a loan of £900 for a learning aim that will be delivered over nine months, a provider will receive nine separate monthly payments of £100 from the SLC. Payments will be made on a set date in each month. [*This exact date will be confirmed by the SLC at a later point*]. If the end date is later than the maximum duration set for the type of learning aim, payments will only be scheduled to the maximum duration and not beyond. Refer to Annex C for maximum duration periods.
25. There will be no separate payment of an achievement element. If a learner withdraws from a learning aim early, the learner will be liable for the payments for the period in which they were in attendance only and the provider's payments for future months will cease.
26. If a learner wishes to change learning aim within the same organisation, a provider must ensure the rules of combination are satisfied. Please see Annex B for further information.

Job Outcome Payments

27. Job outcome payments will not apply to provision funded through a loan. As noted above, loans payments to providers will be flat profiled based on learner start and end dates, and they will not include a separate achievement element.

Large Employers

28. There will be no discount of the rate applied to Advanced or Higher Apprenticeships where learners are employees of large companies.

24+ Advanced Learning Loans Bursary Fund

A £50 million Bursary Fund is to be made available over two years, disbursed by colleges and training organisations that have an allocated loans facility. This will help vulnerable loans learners, such as those with learning difficulties or disabilities, parents who need help with childcare, and ex-military personnel.

The fund will be distributed at the discretion of providers and is not an entitlement.

29. The Bursary Fund is a separate allocation, to be reported as an individual line and will provide funding for:

- **Discretionary Learner Support** (DLS) type activity (that is, for hardship, childcare and residential support). This should be administered and recorded as bursary payments to loans learners, **and**
- **Additional Learning Support** (including exceptional ALS) activity (that is, for “in learning” support, such as for teaching assistant support and necessary adjustments under the Equality Act 2010. This funding can be held by the provider to cover the associated costs and providers are required to record these costs separately.

[The Agency is currently reviewing with the sector the rules, earnings methodologies and payment approaches used for mainstream ALS in preparation for a simplified funding system from 2013/14, and will seek to align where possible the approach to Loans Bursaries.]

30. Providers should prioritise the vulnerable groups, but providers have the discretion to assist other disadvantaged learners. Providers should consider the most appropriate fund to source from in circumstances when a learner is in receipt of grant-funded and loan-funded provision concurrently.

31. Providers should refer to the DLS (see page xx) and ALS (see page xxx) funding rules for general rules, but the following specific rules apply to the Loans Bursary Fund:

32. Providers can use up to *[(DN to be determined)]* of their actual Bursary spend towards Administration.

33. Providers must:

- publish their methodology (including complaints procedures) for awarding the DLS element of the Bursary Fund by 1 April 2013; the criteria must clearly reflect the principles of equality and diversity and be available to all learners and the Agency upon request
- only allocate the Bursary Fund to those eligible learners who have had a loan approved by the SLC
- not use mainstream DLS or ALS to support loans-funded learners, unless they are accessing grant-funded provision concurrently – refer to paragraph 30.

- when making decisions about awarding public funds, take into account the availability of financial support for learners, including support funding through the Department for Work and Pensions (DWP) and Jobcentre Plus (JCP) – for example, the JCP work programme. *[Further details can be found in Funding Rules 2012/13, Annex 1]*
- complete the allocated ILR field to indicate that a learner is in receipt of a Bursary or has benefited from ALS from the Bursary Fund; incomplete or non-recording will affect future loans Bursary allocations.

34. Providers must not:

- use Bursary funding to finance learners' fees
- use Bursary funding to finance ancillary learning costs, for example equipment and examination fees
- vire funding between the Bursary Fund and the co-existing DLS or ALS funds
- vire funding between the Bursary Fund and any (16-19) learner support funds.

[The Agency is currently consulting with the sector on the allocations and performance management processes for the Bursary Fund but it is anticipated that it will follow the same model as agreed for Loans facilities.]

Annexes: Background Information

This section provides greater detail on the operation of loans and is intended to provide context to the funding rules. It is not anticipated that this level of detail will be included within the final funding rules. The Agency, the Department for Business Innovation and Skills (BIS) and the SLC are working jointly to agree the design, content and structure of any associated guidance or information for learners. The SLC will provide support and resources to providers covering the administration functions between the SLC and providers.

Annex A: Establishing Learner Eligibility for a Loan

The responsibility for assessing learner eligibility for a loan rests with the SLC.

Loans will be available to eligible learners studying in England for Agency-approved learning aims at an Agency-approved provider in England.

To be eligible for a loan, a learner must meet the following personal criteria:

- aged 24 years or over on the first day of their learning aim between 1 August and 31 July 2014
- living at an address in the UK on the first day of their learning aim between 1 August 2013 and 31 July 2014
- they have been ordinarily resident inside the United Kingdom for the three years preceding the start of their academic year
- they satisfy the nationality and residency criteria in line with the current criteria for HE loans and are one of the following:
 - a UK National
 - an EU National
 - have 'settled status' in the UK
 - have been granted 'refugee status'
 - have been granted Humanitarian Protection
 - the husband, wife, civil partner, parent, step-parent, child, son-in-law, daughter-in-law or child's civil partner of an European Economic Association (EEA) national who is working or is looking for work in the UK
 - the husband, wife, civil partner, parent or step-parent of someone who has been granted 'refugee status' (and were at the time of their application for asylum)
 - the husband, wife, civil partner, parent or step-parent of someone who has been granted Humanitarian Protection (and were at the time of their application for asylum)
 - a child of a Turkish national who is ordinarily resident in the UK and is, or has been employed in the UK (this included periods of self-employment)
 - a child of a Swiss national (who has parents that are living in the UK at the start of the learning aim or the date the loan application was made)
 - an EEA national who is working or is looking for work in the UK
 - a Swiss national who is working or is looking for work in the UK.

A learner will provide original identity evidence with each loan application and will be eligible when they meet the identity eligibility criteria that have been confirmed using existing SLC mechanisms. These mechanisms will be the Identity Passport Service (IPS) to validate passports and manual checks to validate non-UK passports and loose identity documents.

Their National Insurance number (NINO) will be verified using the DWP systems. This will be required before payment can be made but will not affect the application process as assessment can be approved in advance.

Loans will be available to all eligible learners aged 24 years and over irrespective of income.

Prisoners in custody who meet the following eligibility criteria:

- prisoner must be sentenced and not on remand
- the Prison Governor must have signed off the prisoner's loan application
- the prisoner must be within six years of their release date.
[Further detail will be provided].

The Agency will provide supplementary guidance to providers that outlines the eligibility rules for members of the Armed Forces. This guidance will mirror the 2013/14 HE guidance for members of the Armed Forces (including dependents).

The SLC can make an otherwise eligible learner ineligible for a loan or deem them unfit for support; generally this will be for one of the following circumstances:

- the learner is in arrears from a previous FE or HE loan
- the learner has an unratified mortgage style loan¹
- the learner has committed fraud or makes a fraudulent application.

Annex B: Change of Circumstance

There will be occasions where a learner's details or circumstances may change. The SLC will provide the means for learners and providers to notify them of such occasions and associated detailed guidance. This will be available from the SLC's provider website: www.lpservices.slc.co.uk. Any further queries can, in the meantime, be directed to LPServices@slc.co.uk.

The following reasons may result in a learner's details or circumstances changing from the original information supplied at the point of initial application:

- 1) Change to personal details.
- 2) Change to provider (before starting the learning aim only – otherwise a withdrawal must be submitted).
- 3) Change of learning aim details.
- 4) Change to loan amount or stated fee charged by the provider.

¹ A loan where the agreement has not yet been signed

- 5) Cancellation.
- 6) Withdrawal.
- 7) Break in Learning/Suspension/Resumption.

A learner or provider will also be able to raise a Change of Circumstance retrospectively. There will be no deadline date for making retrospective changes. However, a deadline date may be introduced in future funding years if retrospective changes are causing any issues.

All guidance for learners must emphasise the importance of notifying the SLC of a change as this will minimise the risk of a learner incurring future liability for a loan for a learning aim they were no longer studying.

1) Change to personal details

Once a learner has been assessed and determined as eligible the SLC will not change their eligibility while the learner is still studying. However, a learner must advise the SLC when there has been a change to their personal details. Although this will not result in a reassessment or change to loan entitlement, the SLC must have up-to-date learner information. For example:

- i. A learner must advise the SLC when their permanent household address changes. A learner will still be eligible for funding even when they move to a household address in Wales, Scotland or Northern Ireland, as long as they are still studying at a learning provider in England.
- ii. A learner must advise the SLC when their name changes. A learner's name may change if they get married or divorced and the learner must provide the appropriate evidence to support their name change.

In all of the above scenarios the SLC will update the system and reassess the learner if they apply for another loan in the future.

2) Change of Provider

A learner must notify the SLC when they wish to change providers before starting the learning aim. Should a learner change providers during the learning aim, they must notify the SLC and be marked as a withdrawal with the existing provider. The learner will then need to reapply to the SLC for a loan to continue their studies at the new provider (for further information, please refer to the section entitled Repeat Loan Entitlement following withdrawal).

3) Change of Learning Aim Details

There may be occasions where the learning aim, or details associated with the learning aim, may change.

Payments are profiled based on the learner's initial liability point and the end date of the learning aim. If the end date changes in the first three months of the learner undertaking their aim, payments will be re-profiled to reflect the revised end date. If

the change occurs after the first three months, payments will remain scheduled to their original profile.

An exception to this will be A-levels, AS and A2, where the payments will reflect the new end dates.

Where a learner has taken a break in learning and then resumed, the end dates will also be changed to reflect this.

If a learner completes their learning aim early, the SLC will make a balancing payment to the provider once they are notified of this.

Start dates can only be amended prior to attendance being confirmed at the initial liability point as, after this point, the provider has confirmed to the SLC that the learner is undertaking their learning aim.

If a learner wishes to change the learning aim after they have started then the rules of combination apply. Under the QCF, the credit and units required to complete a learning aim are set out by the rules of combination. When a learner decides to change the learning aim they are currently studying towards, and the units already achieved are within the rules of combination of the new learning aim, the learner can change to the new learning aim.

When a learner decides to change the Learning Aim they are currently studying towards and the units already achieved are not part of the rules of combination of the new learning aim, a withdrawal Change of Circumstance must be raised instead and a new application made.

When a learner decides to change the type of learning aim they are studying, a withdrawal Change of Circumstance must be raised and a new application made (even when the units already achieved are part of the rules of combination of the new learning aim). For example:

- a provider offers QCF Level 3 certificates that can be made up of units 1 to 6
 - a QCF Level 3 Certificate in Management contains units 1, 2 and 3
 - a QCF Level 3 Certificate in Communications contains units 1, 2 and 4
 - a QCF Level 3 Certificate in Human Resources contains units 3, 4 and 5
 - a QCF Level 4 Certificate in Marketing contains units 1, 2 and 3.
- Learner A has applied for a loan to fund a QCF Level 3 Certificate in Management and decides they want to change and study a QCF Level 3 Certificate in Communications. A change of learning aim can be raised as they have already studied units 1 and 2 in the QCF Level 3 Certificate in Management.
 - Learner B has applied for a loan to fund a QCF Level 3 Certificate in Management and decides they want to study a QCF Level 3 Certificate in Human Resources. A change of learning aim cannot be raised as they have not studied any of the same units in the QCF Level 3 Certificate in Management.

- Learner C has applied for a loan to fund a QCF Level 3 Certificate in Management and decides they want to study a QCF Level 4 Certificate in Marketing. A change of learning aim cannot be raised as they are changing to another type of learning aim.

The provider and the learner will identify the rules of combination of learning aims and the SLC will not have any involvement in this decision.

In addition, when a learner wants to add or remove an A-level, AS- or A2-level, this will be classified as a Change of Learning Aim Change of Circumstance and the process above shall apply.

The provider will assess the learner's previous loan payments to identify any new funding amounts, as the learning aim transfer may also result in the learner changing their loan amount. For instance, the learner may want to increase their loan when they transfer to a learning aim with a higher funding rate. Following a Change of Learning Aim, payment dates will be reprofiled to allow the learner additional learning time within the maximum time period.

4) Change to loan amount or stated fee charged by the provider

A learner can change their loan amount and either increase or decrease their original loan amount. The SLC will reprofile loan payments and repayment amounts accordingly. A learner will always be liable for loan payments they have already received. For example, Learner A requests a loan for £3,000 and decides to change their loan amount to £1,500 once £2,000 has been paid to the provider. Learner A cannot reduce their loan amount below £2,000.

When a learner decides to reduce their loan after the initial liability point, the learner's application will be left open to allow them to request the loan to cover the same learning aim at a later date (without having to apply for another loan).

Only the learner can directly increase the loan amount. A provider can notify the SLC of a change in the fee charged for the learning aim, or where they require less loan than the amount the learner has requested, and the SLC will reduce this automatically to prevent the learner having more loan than required. If a provider notifies the SLC that the fee is more than the learner has stated, the SLC will give the learner the option to increase their loan to match the new fee (up to the maximum funding rate set by the Agency).

5) Cancellation

The loan can be cancelled prior to the learner starting their studies, within the initial two-week liability period before attendance and therefore liability is confirmed, or when the learner never started their learning aim in the first instance. When this happens, no payments will be made to the provider and this will not have any impact on the learner's future loan entitlement.

The SLC will cancel all loan applications automatically where an attendance confirmation has not been received within three months of the intended start date.

6) Withdrawal

A learner may need to leave their FE studies and withdraw from their learning aim permanently. Reasons learners may withdraw include:

- no longer wishes to study
- decides to study a different learning aim (where a direct change is not permitted)
- decides to study at a different provider (after starting the learning aim)
- pregnancy
- health issues
- caring responsibilities
- provider withdraws (closes down, goes bankrupt, the Agency removes from approval list)
- learner is made redundant
- financial difficulties
- death (learner's loan will be written off once the SLC receive a death certificate).

When the SLC is notified that the learner has withdrawn (either by the learner or provider), the learner is no longer liable for payments for subsequent months and the SLC will therefore stop payments to providers in these future months.

When a learner who has withdrawn decides they want to continue with their studies, they may be entitled to a further loan under the repeat study rules and will need to complete a new loan application. The Agency will help learners who have withdrawn as a result of their provider no longer being eligible for public funding to find a suitable alternative.

7) Break in Learning / Suspension and Resumption

A learner may need to temporarily leave their studies. When a learner returns within a period of 12 months, the SLC will resume payments to the provider once notified of this.

- A learner will be viewed as being withdrawn once they have been on a break / suspended for more than 12 months. For example, Learner A requests a loan for £3,000 and the provider is scheduled to receive 10 monthly payments of £300. Learner A suspends in month five and has still not resumed in month 17. Learner A is withdrawn automatically as they have not resumed within a period of 12 months.

Following a resumption, payment dates will be reprofiled to allow the learner additional learning time. Payments will be reprofiled based upon the number of months the learner was suspended. This may take the learner beyond the maximum time period for their learning aim. For example:

- Learner B requests a loan for £1,000 and the provider is scheduled to receive 10 monthly payments of £100. Learner B suspends in month five and resumes in month seven. Learner B's end date is extended by two months.

- Learner C requests a loan for £2,400 and the provider is scheduled to receive 24 monthly payments of £100 (this takes the learner up to the maximum time period). Learner C suspends in month 20 and resumes in month 26. Learner C's end date is extended by six months and payments will be made beyond the maximum time period.

A learner will only repay any payments they received prior to their suspension and after they have resumed their studies.

Annex C: Periods of Study, Previous Study and Repeat Loan Entitlements Following Withdrawal

Periods of Study

There will be a limit to the period over which a loan can be paid. A learner can still study outwith these periods but the SLC will only pay within these durations. These periods will be based on the type of learning aim. For instance:

- A-level(s) – maximum period of two years
- QAA Access to HE Diploma – maximum period of two years
- QCF Level 3 Certificate – maximum period of two years
- QCF Level 3 Diploma – maximum period of three years
- QCF Level 4 or above Certificate – maximum period of two years
- QCF Level 4 or above Diploma – maximum period of three years
- Advanced Apprenticeship – maximum period of three years
- Higher Apprenticeship – maximum period of three years.

Previous Study

Learners are only entitled to a maximum of four loans, and when the loan scheme is launched in 2013/14 previous educational study will not affect a learner's entitlement to their first loan. If a learner applies for a second loan during 2013/14 and in future funding years, the SLC will take previous educational study that has been funded by a loan into consideration. However, any FE learning aims the learner has studied that were funded through another payment method, or any HE loans the learner has taken out, will not be considered (this includes graduates being entitled to a loan for an Apprenticeship).

The four loans can be for any combination of the following types of learning aims:

- A-level(s), including AS/A2s
- QAA Access to HE Diploma
- QCF Level 3 Certificate
- QCF Level 3 Diploma
- QCF Level 4 Certificate
- QCF Level 4 Diploma
- Higher Apprenticeship
- Advanced Apprenticeship.

A learner can study the four learning aims in any order and there is not a requirement for a learner to be progressing through the learning aim levels.

A learner cannot get a loan for a learning aim when they have previously completed that type of learning aim (as defined in the bullets above) at the same level. For example:

Learner	Learning Aim 1	Learning Aim 2	Learning Aim 3	Learning Aim 4	Eligible
A	Advanced Apprenticeship in Plumbing	QCF L3 Certificate in Business Administration	QCF L3 Diploma in Starting your own Business	Higher Apprenticeship in Plumbing	YES – because the similar learning aims (1 and 4) are at different levels
B	QCF L3 Certificate in Engineering	QCF L4 Diploma in Electrical and Electronic Engineering	QCF L3 Diploma in Electrical and Electronic Engineering Technician	QCF L3 Certificate in Manufacturing Operations	NO – because aims 1 and 4 are the same type of learning aim
C	Advanced Apprenticeship in Hairdressing	Higher Apprenticeship in Hairdressing	QCF L3 Diploma in Retail Skills (Management)	QCF L3 Certificate in Starting your own Business	YES – because aims 3 and 4 are the same level but different types of learning aim
D	Advanced Creative Apprenticeship	QCF L3 Certificate in Management	QCF L3 Diploma in Graphic Design	QCF L3 Diploma in Design Management	NO - because aims 3 and 4 are a similar type of learning aim

In addition, a learner can only complete one programme of A/AS/A2-levels; they cannot receive a loan for any further A/AS/A2-levels. A learner can have up to four A/AS/A2-levels within one programme of A/AS/A2-levels.

Repeat Loan Entitlement Following Withdrawal

Although learners are only entitled to a loan for four different types of learning aims, it is recognised that some learners may make the wrong choice when it comes to choosing a learning aim and may require a further loan to complete their studies and progress successfully. Therefore, every learner who has previously withdrawn from a learning aim will be given one more chance to access a repeat loan, taking the potential maximum number of loans up to five.

The repeat loan could be used to fund:

- the exact same learning aim the learner had previously withdrawn from, for example:
 - Learner A withdraws from a QCF Level 3 Certificate in Plumbing and at a later date applies for a loan to fund another QCF Level 3 Certificate in Plumbing.
- the same type of learning aim (at the same level) the learner had previously withdrawn from, for example:
 - Learner B withdraws from a QCF Level 3 Certificate in Construction and at a later date applies for a loan to fund a QCF Level 3 Certificate in Plumbing.

A learner is not entitled to a repeat loan when they:

- have either already completed that type of learning aim (at the same level)
- completed a total of four learning aims
- want to use the repeat loan to fund a different type of learning aim from the one they had withdrawn from.

For example Learner C has already had three loans to fund:

- a QCF Level 3 Certificate in Nail Design and Make-up
- a QCF Level 3 Diploma in Nail Design and Make-up
- a QCF Level 4 Certificate in Fashion, Theatre and Media make-up.

Learner C then accesses a fourth loan to start on a QCF Level 4 Diploma in Operations Management and withdraws after starting. At a later date Learner C applies for a loan to fund a programme of A-levels. They are not entitled to the repeat loan to fund this type of learning aim.

Where a learner has chosen to withdraw from their studies due to Compelling Personal Reasons they may be entitled to a further loan for repeat study. Providers will receive further guidance on the type of circumstances that are considered to be Compelling Personal Reasons and this guidance will be used at the SLC's discretion. Compelling Personal Reasons could be one of the following:

- pregnancy
- health issues
- caring responsibilities
- divorce
- learner is made redundant.

When possible, evidence should be provided by the learner or elsewhere to support the claim the withdrawal is due to Compelling Personal Reasons, such as a medical certificate from a doctor.

A learner may also be entitled to a further loan for repeat study where the provider is no longer being publicly funded (closes down, goes bankrupt, Agency removes from approval list).

There is no restriction on the volume of additional loans a learner can receive or the total value of those loans due to Compelling Personal Reasons.

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