

Financing adult learning database

Name of the instrument - Local language	Advanced learning loans
Name of the instrument - English translation	Advanced learning loans
Scheme ID	216
Country	 United Kingdom
Reporting year	2020
Type of instrument	Loan
Sub-type of instrument	Loan for HE expanded to adults
Type of entry	Single instrument

Short description	<p>Advanced learner loans are based on contracts between the Secretary of State for Education, acting through the Education and Skills Funding Agency, and education and training providers. The contract allows education and training providers to receive loans payments from the Student Loans Company on behalf of learners (if they are 19 years of age or older) and loans bursary payments from the Education and Skills Funding Agency. The Advanced Learning Loan Scheme is a scheme designed to help learners cover the cost of college or training courses. The course must meet the eligible Level 3 or 4 courses. Repayment depends on income. Learners make repayments at 9% of annual earnings above GBP 21 000 (approx. EUR 24 946). If annual earnings fall below GBP 21 000 (approx. EUR 24 946), repayments stop and only restart when earnings increase to more than GBP 21 000 (approx. EUR 24 946). There is no opportunity to re-use the loan.</p>
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Level of operation	Part of the country
Name of a part of the country	England
Name of the region (for regional instruments)	Not applicable
Name of the sector (for sectoral instruments)	Not applicable

Relevance	Key instrument
Legal basis	Further Education Loans Regulations 2012
Objective(s) and target(s)	The objectives of Advance adult loans are to: - Provide a source of finance for learners to pay for the course fees if they need to: - Increase the level of private investment in learning to replace funding previously provided by the government - Empower learners to become more informed customers, with the purchasing power to choose the course of the highest benefit to them - Encourage providers to become more responsive to learner needs and ensure high quality provision. - Improve learners' motivation to study and maintain or improve the proportion achieving their qualification.
Year of implementation	2012
Year of latest amendment	2016
Operation/management	Advanced learner loans are based on contracts between the Secretary of State for Education, acting through the Education and Skills Funding Agency and education and training providers. The contract allows education and training providers to receive loans payments from the Student Loans Company on behalf of learners and loans bursary payments from the Education and Skills Funding Agency. The ESFA publishes an Education and Skills Contract/Agreement which includes a loans facility for eligible loans providers. This facility enables providers to offer loan-funded provision to individuals and to receive payments from the Students Loans Company on behalf of individuals.
Eligible group(s)	Whether you qualify for an Advanced learner loan depends on your: age course college or training provider nationality or residency status. You must be 19 or older on the first day of your course. Your course must be: a Level 3, 4, 5 or 6 qualification, for example A Levels or graduate certificate at an approved college or training provider in England. You must: be living in the UK on the first day of your course be a UK national or have 'settled status' (this means there are no restrictions on how long you can stay) have been living in the UK, Channel Islands or Isle of Man for 3 years before starting your course.
Group(s) with preferential treatment	No preferential treatment
Education and training eligible	Courses which are eligible are as follows: - a number of A-levels/AS/A2 not greater than four - a Quality Assurance Agency (QAA) Access to HE Diploma - a Level 3 Certificate - a Level 3 Diploma - a Level 4 Certificate - a Level 4 Diploma
Source of financing and collection mechanism	Student Loans Company administers the loans and application process.
Financing formula and allocation mechanisms	Learners make repayments at 9% of annual earnings above GBP 21 000 (approx. EUR 24 946). If annual

	<p>earnings fall below GBP 21 000, repayments stop and only restart when earnings increase to more than 21 000. Interest will be charged at the Retail Price Index (RPI) + 3% during the period of study, and up until the April after they leave the course. From this point interest is linked to earnings and will be: o RPI for those earning less than GBP 21 000 a year. On a sliding scale between RPI and RPI + 3% for earnings between GBP 21 000 and GBP 41 000 a year RPI + %nt for individuals earning more than GBP 41000. The Government has provided a budget for Loans of GBP 129 million in the 2013-14 financial year and GBP 398 million in the 2014-15 financial year</p>
Eligible costs	Course fees.
Volumes of funding	<p>2019/20: GBP 117 700 000 (approx. EUR 138 177 976) 2018/19: GBP 123 100 000 (approx. EUR 138 105 121) 2017/18: GBP 126 700 000 (approx. EUR 14 3499 485)</p>
Beneficiaries/take up	Data for all apprentices:2019/20: 57 500 2018/19: 60 800 2017/18: 63 300
Organisation responsible for monitoring/evaluation	Department of Business, Innovation & Skills
Monitoring/evaluation reports available	<p>1. Impact Evaluation of 24+ Advanced Learner Loans: Research Report; https://assets.publishing.service.gov.uk/government/uploads/system/uplo...; 2. Evaluating the Extension of Advanced Learner Loans: Research Report; https://assets.publishing.service.gov.uk/government/uploads/system/uplo...</p>
Most relevant webpage - in English	https://www.gov.uk/advanced-learning-loans/overview
Most relevant webpage - local language	https://www.gov.uk/advanced-learning-loans/overview
Recent changes	<p>From the 2016/17 academic year, the Department for Education extended Advanced learner loans to the following groups of learners: - 19-23 year olds studying Level 3 or 4 qualifications (without impacting on access to grant funding for first full Level 3); and - those of all ages studying at Levels 5 and 6.</p> <p>Recent changes in response to COVID-19</p> <p>No changes</p>
Sources	<p>https://www.gov.uk/government/uploads/system/uploads/attachment_data/fi...</p> <p>Students Loans Company</p> <p>Uk Government</p> <p>UK Government</p> <p>Department for Business, Innovation & Skills</p>

