

Advanced Learner Loan

Aged 19 or over and thinking about further education?

You may qualify for an Advanced Learner Loan. These loans help you to pay the fees charged by colleges and training organisations. Most learners aged 19 and over, studying at Level 3 to 6, will qualify for these loans from the UK Government. It's easy to apply, your household income isn't taken into account and there's no credit check. You won't have to pay anything back until your income is over the repayment threshold. Find out more at www.gov.uk/repaying-your-student-loan

Key facts

Read this fact sheet along with the 'Frequently Asked Questions (FAQs) – Learners' which you'll find at:

www.nationalcareersservice.direct.gov.uk

You can also get more information from your college or training organisation.

Do I qualify?

To qualify you must be:

- **aged 19 or over** on the first day of your course (there's no upper age limit)
- **living in the UK on the first day of your course** and have lived in the UK, the Channel Islands or the Isle of Man for three years immediately before this unless you meet one of the exceptions detailed in the 'Frequently Asked Questions (FAQs) – Learners'
- **studying with a college or training organisation in England** approved for public funding
- **enrolling on an eligible course at Level 3 to 6** which includes A levels, Access to HE Diplomas and other vocational qualifications.

If you're studying a level 4 or 5 course with Higher Technical Qualification (HTQ) approval, you may be eligible for **undergraduate funding** unless you're a direct entrant.

These loans do not cover Degrees or other forms of Higher Education (HE). For information on funding for HE go to gov.uk/studentfinance

Applying is easy

Apply online or download an application form at www.gov.uk/advanced-learner-loan

Making the right choice

It's important you consider your own circumstances and look into all options for paying for your course before choosing to take out a loan. If you want advice on managing your finances you can get impartial money advice from the Money Advice Service at moneyadviceservice.org.uk

How much can I get?

The amount you can get depends on your course, the fees charged by your college or training organisation and maximum amounts set by the government.

The minimum loan amount is £300.

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

Course fees

The fee for your course will be set by your college or training organisation. They'll confirm the cost and the amount that can be covered by a loan before you enrol.

Advanced Learner Loans are administered by Student Finance England (SFE).

Student Finance England is a Student Loans Company service, providing financial support to students on behalf of the UK Government.



Key facts continued

How's the loan paid?

Student Finance England will pay your agreed loan to your college or training organisation once they've confirmed that you have registered on the course.

How many loans can I get?

You can have up to a maximum of four Advanced Learner Loans.

You can apply for up to four Advanced Learner Loans at the same time for courses of the same type and level.

For A Levels, you can apply for a loan to fund each course you take towards your A Levels - up to a maximum of four A Levels. This means you can have up to eight loans if you're taking each A Level as two separate courses (AS and A Level).

The courses must be in the same subject to qualify for a full A Level. You can get up to three more loans for non-A Level courses once you've completed your A Levels.

Access to HE Diplomas

If you're undertaking an Access to HE Diploma and then go on to complete an eligible HE qualification, the outstanding balance of your Advanced Learner Loan may be written off.

To qualify for this write off you must have fully completed both courses. You do not need to take out a loan for the HE course. However, it must be eligible for funding by Student Finance England.

The HE course does not have to relate to the Access to HE course you complete.

Repayment

You usually won't start repaying your loan until the April after you finish or leave your course. If you start a course after 1 August 2023, the earliest you'll start to repay your loan is April 2026, even if you leave your course early.

- Your monthly repayments will be based on your income, not what you borrowed.
- You'll only start making repayments when your income is more than £480 per week, £2,083 per month or £25,000 per year.
- You'll only pay back 9% of any income above £25,000 a year, see the table below for examples of what you'll repay:

| Income each year before tax | Monthly salary | Monthly repayment |
|-----------------------------|----------------|-------------------|
| Up to £25,000 | £2,083 | £0 |
| £27,000 | £2,250 | £15 |
| £29,500 | £2,458 | £33 |
| £31,000 | £2,583 | £45 |
| £33,000 | £2,750 | £60 |
| £35,000 | £2,917 | £75 |

So, if you're paid monthly and earn £2,500 before tax you would repay 9% of the difference between what you earn and the threshold:

$$\begin{aligned} \text{£2,500} - \text{£2,083} &= \text{£417} \\ 9\% \text{ of } \text{£417} &= \text{£37.53} \end{aligned}$$

Your loan repayment would be **£37 in that month**. If your income drops or rises, for example if you receive a bonus, your repayment amount will automatically change to reflect this.

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

- If you're self-employed you'll be responsible for making student loan repayments as part of your annual self-assessment tax return.
- If you're employed, you don't need to do anything. Your employer will take your repayments directly off your salary as they do with tax and national insurance contributions.
- If you stop working, your repayments will stop and only start again when your income is more than £25,000 a year.

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Repayment continued

- If you started your course before 1 August 2023, any loan remaining 30 years after you're due to start making repayments will be written off.
- If you started your course on or after 1 August 2023, any loan remaining 40 years after you're due to start making repayments will be written off.

Interest

If you started your course on or after 1 August 2023, your interest rate will be RPI only. The table below shows how interest is calculated if you started your course before 1 August 2023:

| | Interest rate |
|---|--|
| While you're studying and until the April after you finish or leave your course | Normally RPI plus 3% |
| From the April after you finish or leave your course | Interest will be based on your income. Please visit www.gov.uk/repaying-your-student-loan for more information. |

Find out more

- For information and advice on learning, career and funding options, visit www.nationalcareersservice.direct.gov.uk
- For more information and to apply, visit www.gov.uk/advanced-learner-loan
- Speak to your college or training organisation

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