



THE ADVANCED LEARNER LOAN FOR ADULTS

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The Advanced Learner Loan is a government-funded loan to help learners. It's easy to apply for, doesn't take your household income into account and doesn't involve a credit check.

You may qualify for the Advanced Learner Loan to help pay for your LCG Level 3 course tuition fees.

This scheme has been introduced by the government to help learners over the age of 19 study for qualifications at Level 3 and above that will improve their employability and develop high-level skills and knowledge.

The availability of loans at Level 3 does not replace an individual aged 19 to 23's legal entitlement to full funding for a first full Level 3.

Here are some key facts about the loan:

- » Repayments are linked to what you earn and not how much you borrowed
- » You only have to start making repayments when you've finished your course and you're earning over £25,725 a year. Until then you don't need to pay back anything, but you can make voluntary repayments at any time
- » You pay 9% of the money you earn over £25,725 before tax. For example, if you earn £27,000 a year, your monthly repayment will be £9 a month; and if you earn £30,000 a year, it will be £32 per month
- » Interest is charged on a sliding scale between the Retail Price Index (RPI) and RPI +3%, depending on how much you earn

Am I eligible?

To be eligible for an Advanced Learner Loan you must:

- » Be aged 19 and over at the start of your course
- » Be studying an eligible course to Level 3, 4, 5 or 6 (including QCF Certificates and Diplomas, Access to Higher Education, A Levels (maximum of four), Advanced and Higher apprenticeships)
- » Be a resident in the UK (meeting Student Finance England nationality or residency status)



LEARNING CURVE GROUP
Hair and Beauty Academy

When can I apply?

You can apply for a learning loan once you have received your 'Learning and Funding Information Letter' from LCG which gives you the course information you will need to apply for a learning loan. You will also be required to provide personal information. Further information is on the gov.uk website or you can contact Student Finance England online or by telephone on 0300 100 0607.

How do I apply?

The easiest way is to apply online or you can download an application form to complete and send to Student Finance England, however, this can take longer. Before applying for a loan you may wish to seek advice from the following sources:

- » The Money Advice Service
- » National Careers Service
- » FE Choices

How much can I borrow?

The Skills Funding Agency determines the maximum loan amount for each qualification it funds. In some cases there may be a shortfall which you will have to pay if the cost of the course exceeds the maximum loan amount. This information will be in your 'Learning and Funding Information Letter' which will be provided by LCG.

How many loans can I take out?

You can apply for up to 4 loans and you can get more than one loan at the same time. You can apply for another loan to take the same level of course e.g. a level 3 in Hairdressing and a Level 3 in Make-up artistry.

How do I repay the Advanced Learner Loan?

You won't have to pay anything back until you are earning over £25,725 a year, and the loan will be written off after 30 years. Interest on the loan will be at the rate set by the Student Loans Company which will be lower than anything available from the high street. Further information is available at: studentloanrepayment.co.uk

How much will my repayments be?

You pay back your loan (plus interest) when you finish your course and earn more than £25,725 a year. Your annual repayment amount will be 9% of any income you earn over £15,725. Your repayments will stop if your income drops below £25,725 a year. For example, if your income is £30,000 a year then your loan repayments would be £32 a month. More information on the Advanced Learner Loan is available from the Government website. www.gov.uk

How is the Interest Rate Calculated on my loan?

You're charged interest from the day your first payment is made until your loan is repaid in full. Interest is added to the total amount you owe every month. The interest rate is based on the UK Retail Price Index (RPI) and will

vary depending on your circumstances. The interest rate is updated once a year in September, using the RPI from March of that year.

What is RPI?

RPI - 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.

Whilst studying and until the April after leaving the course
RPI plus 3%

From 6 April after leaving your course until the loan is repaid in full

Variable rate dependent upon income. RPI (3.3%) where income is £25,725 or less, rising on a sliding scale up to RPI plus 3% (6.3%) where income is £46,305 or more

If you don't respond to our requests for information or evidence

RPI plus 3% irrespective of income, until we have all the information we need

Getting charged more than one rate of interest in the same month

This can happen if you have two or more Plan 2 loans for different courses. For example, if you started and left a course before 6th April 2017 then started a new course after that – and took a loan out for each of those courses – you'd be charged a rate of RPI for the loan from your first course from 6th April after you left the course until 5th April 2019; and a rate of RPI plus 3% (6.3%) for the loan from your second course until the April after you complete or leave your second course.

Before taking out any loan seek Professional Advice

Before taking out a loan you should always seek professional advice. You can get help and money advice from the Money Advice Service or by visiting their website at: <https://www.moneyadviceservice.org.uk/en/articles/how-to-work-out-the-true-cost-of-borrowing>

You can also find out more information about Advanced Learner Loans, making repayments and the rate of interest on your loan by visiting: <https://www.slc.co.uk/studentsand-customers/loan-repayment/interest-rates.aspx> or by downloading the guide at <https://www.gov.uk/advancedlearner-loan/how-to-apply>

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