

# 24+ Advanced Learning Loans

Monthly briefing: Edition 3 – June 2012

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From the 2013/14 academic year, loans will be available for learners in Further Education and training aged 24 and above studying at Level 3 and above, including Advanced and Higher Apprenticeships.

**This is the third in a series of briefings from the Department for Business, Innovation and Skills, designed to provide colleges and training organisations and others with information about this policy.** The briefings are produced jointly with the Skills Funding Agency, the Student Loans Company (SLC) and HM Revenue and Customs. Further briefings will follow every month, published alongside the [BIS FE and skills e-newsletter](#). The earlier editions of these briefings can be accessed on the [24+ Advanced Learning Loans page](#) of the BIS website. In addition to the briefings, the page includes key documents such as the recent [market research](#).

The Skills Funding Agency and Student Loans Company will be working with colleges and training organisations to help them prepare for the introduction of loans. We want all providers to be informed to ensure early engagement and allow colleges and training organisations to prepare for loans. The Skills Funding Agency has recently issued a revised version of its [Guide to 24+ Advanced Learning Loans](#) which includes updated FAQs.

## Key dates – things to look out for

- 14 June 2012 – publication of the [final impact assessment and equality impact assessment](#) (see below).
- 21 June 2012 – deadline to [apply for places for the July information seminars](#) run by the Skills Funding Agency and Student Loans Company (further details are set out below).
- July 2012 – Learning and Skills Improvement Service (LSIS) prospectus available, to help providers manage business change.
- July 2012 – regulations laid before Parliament (in order to come into force by September 2012) to underpin implementation of 24+ Advanced Learning Loans.
- September 2012 – communications with potential learners begin.
- 1 April 2013 – learners can begin to apply for a 24+ Advanced Learning Loan for courses starting in the 2013/14 academic year.

## July information seminars

Skills Funding Agency Area Teams are already holding discussions with colleges and training organisations about the introduction of loans. Building on these discussions, the Skills Funding Agency and Student Loans Company, in partnership with the Association of Colleges (AoC) and Association of Employment and Learning Providers (AELP), will be running four seminars across the country in July to inform colleges and training organisations about the implementation of 24+ Advanced Learning Loans.

The dates and venues have now been confirmed as follows:

- Tuesday, 3 July – Birmingham
- Wednesday, 4 July – London
- Monday, 9 July – Reading
- Wednesday, 11 July – Leeds.

One place has been allocated for each college or training organisation. **There is not long left to register for these events. The [online registration form](#) needs to be completed by Thursday 21 June.**

These seminars are crucial opportunities for colleges and training organisations to understand how the loans system will operate and explore what the introduction of loans will mean for them as organisations. They will also help providers understand more about the support that will be available through LSIS.

## Final impact assessment and equality impact assessment

In the last edition of this briefing we set out the rationale for introducing 24+ Advanced Learning Loans and provided an update on the [new research on learner attitudes to loans](#). A consultation stage impact assessment and screening equality impact assessment of the policy were published in July 2011 as part of the [New Challenges New Chances](#) consultation. [Final versions of both assessments have now been published](#). These take account of both the consultation responses and the findings of the market research.

The Regulatory Impact Assessment (RIA) sets out our estimates of the potential take-up of 24+ Advanced Learning Loans when they become available in 2013-14. It provides important data and assumptions which will help colleges and training organisations plan for the introduction of loans.

The analysis in the RIA suggests that without additional work to ensure learners are fully informed, the take-up of loans would be at around 70 per cent of available funding. We will therefore work with the sector so that prospective learners are fully informed, with the aim that the full amount of funding available for loans is taken up.

The Equality Impact Assessment (EqIA) explores the extent to which evidence suggests that the introduction of 24+ Advanced Learning Loans could have a disproportionate impact on specific groups of learners.

Overall, the EqIA finds that there is little or no evidence to suggest a disproportionate impact for most of the groups considered. The research on learner attitudes to loans suggests that those aged 40+ are more likely to be resistant to the idea of taking out a loan, so further research is being commissioned to understand the views of this group in even greater detail. BIS is also exploring the potential for an alternative finance system to meet the concerns of members of religious groups and those more generally opposed in principle to paying interest on a loan.

BIS and its partners will monitor take-up and evaluate impact carefully as 24+ Advanced Learning Loans are introduced. This will cover the groups set out in the original screening equality impact assessment, the final equality impact assessment, and the submissions received from organisations in response to the New Challenges, New Chances Consultation. Further research will be commissioned to track levels of awareness amongst potential learners up to the point of implementation.

Regulations need to be in place in order to introduce loans from 2013/14. We plan to lay regulations before Parliament in July 2012 so that they may come into force in September 2012. We have shared the current draft regulations with the Stakeholder Group run by the Student Loans Company and the Skills Funding Agency, and with representatives of the National Association of Student Money Advisers (NASMA) and the Association of Managers of Student Support Services. This will allow external scrutiny of the regulations before they are laid before Parliament next month.

## Working with colleges and training organisations

The **Stakeholder Group** that is jointly run by the Skills Funding Agency and Student Loans Company met for the second time on 13 June 2012. Feedback from the first meeting was very positive and the discussion focussed on the roles and responsibilities of the Agency and Company in the operation of the loans system and considering the journeys of both learners and providers through the system. Some points were captured and group members have provided additional feedback in order to ensure that these journeys are developed. The second meeting built on that feedback, and considered how this should be presented to the July seminars. There was also an opportunity for a detailed walk through the draft loan application form.

The Student Loans Company and the Skills Funding Agency have also established a **Learning Provider Services Advisory Group** to review, evaluate and provide expert opinion, from a user perspective, on the design and implementation of the systems, procedures and reporting functions that will underpin 24+ Advanced Learning Loans.

Two meetings have been held to date which generated valuable input and feedback from providers on the development of the systems needed to support loans and the engagement activities to support roll-out and launch. Through the Information Authority, the Student Loans Company and the Skills Funding Agency have also engaged with provider IT suppliers. Engagement with these groups will continue and further updates will be provided to the sector.

## Meetings with stakeholders

In the last monthly briefing we provided an update on the meeting held between BIS officials and:

- the National Union of Students
- the Universities and Colleges Union
- Unison
- the Association of Colleges
- the Association of Employment and Learning Providers
- the 157 Group.

A second meeting will be held on 21 June to discuss the final regulatory impact assessment and equality impact assessment of 24+ Advanced Learning Loans, as well as general progress on the implementation of loans. Feedback from this meeting will be provided in the next edition of this briefing.

## Key contacts

If you have any questions about the Government's policy on the 24+ Advanced Learning Loan, please contact: Andrew King (Department for Business, Innovation and Skills) – 0207 215 1585. If colleges or training organisations have any questions about the implementation of the 24+ Advanced Learning Loan, please contact your Skills Funding Agency relationships manager in the first instance. Or you can email questions to: [advancedlearningloans@skillsfundingagency.bis.gov.uk](mailto:advancedlearningloans@skillsfundingagency.bis.gov.uk)

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