24+ Advanced Learning Loans

Monthly briefing: Edition 4 – July 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 fourth 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 is setting up a new dedicated page on its website.

The Skills Funding Agency and Student Loans Company are 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. During July the Student Loans Company and Skills Funding Agency held four information seminars on loans for colleges and training organisations. Further details on these seminars are set out in this briefing and a report will be available shortly on the Agency's website along with a revised version of the Frequently Asked Questions, which will be updated to include questions raised at the July events.

Key dates - things to look out for

- 12 July 2012 regulations laid before Parliament (to come into force on 1 September 2012) to underpin implementation of 24+ Advanced Learning Loans.
- September 2012 communications to learners begin, with materials being made available to support discussions and communications with potential learners.
- September 2012 initial allocation or "Loans facility" issued to colleges and training organisation for 2013/14 academic year.
- December 2012 final confirmation of "Loans facility" to colleges and training organisations for 2013/14 academic year..
- 1 April 2013 learners can begin to apply for a 24+ Advanced Learning Loan for courses starting in the 2013/14 academic year.

Regulations laid

On 12 July, the <u>Further Education Loans Regulations 2012</u> were laid before Parliament to allow 24+ Advanced Learning Loans to be introduced. The regulations are made under the same powers as the Education (Student Support) Regulations, which underpin the Higher Education student support system. The regulations will therefore follow the same parliamentary procedure of the Educations (Student Support) Regulations and will come into force on 1 September 2012, to allow learner facing communications to begin and will be nearly a year in advance of loan-funded learners starting their courses.

New package of support

Colleges and training organisations may be aware that BIS's <u>market research</u> showed that 74 per cent of people said they might, probably would or definitely would undertake learning following the introduction of loans. When the terms and conditions were explained, they became even more positive. This is why, with clear and transparent communication to learners, it is expected that the available funding for loans will be fully taken up.

But this is the first time that loans have been available in Further Education, and it is important to ensure that appropriate safeguards for learners are in place. The Government has therefore decided to introduce an extensive and substantial range of support measures as loans are introduced. The package will comprise:

- An offer to individuals taking Access to Higher Education courses that on completion of their Higher Education programme, the Student Loans Company will write off the amount outstanding on the loan for their Access course. Access courses are designed to help those with low qualifications but high ambitions progress into Higher Education, so it is right that we should support those learners.
- A £50 million bursary fund over two years, disbursed by colleges and training organisations.
 This will help vulnerable learners such as those with learning difficulties or disabilities, adults
 with children in care, and ex-military personnel. The level of the bursary fund will be kept
 under review to provide the right level of support for those who need it.

• Finally, it expands advice and guidance to help adults think through the benefits of taking out a loan for training, with a new "careers healthcheck" developed in partnership with NIACE.

BIS has been working with the Association of Colleges, the 157 Group of Colleges and the National Institute for Adult and Continuing Education to develop this package. They are supportive of this additional offer and will continue to work with the Government on the detail.

The full written ministerial statement about this new package of support can be viewed here.

July information seminars

The Skills Funding Agency and Student Loans Company, in partnership with the Association of Colleges (AoC) and Association of Employment and Learning Providers (AELP), ran four seminars across the country in July to inform colleges and training organisations about the implementation of 24+ Advanced Learning Loans.

There was good attendance at the events, which were positively received. The final event in Leeds was filmed, so the presentations will be available to see for those unable to make it to any of the events. The events also provided a valuable opportunity to gather feedback from the sector and respond to questions and queries. The questions raised in the events have been gathered and we will ensure that the responses to the questions are covered in the next version of the Agency's Frequently Asked Questions, due before the end of July.

It is important to stress that these events are just part of the ongoing engagement with the sector as the loans system is developed. The Stakeholder Group established jointly by the Student Loan Company and Agency, along with the more detailed user groups, will continue to meet to develop and implement the loans system.

The July events also discussed the support programme being developed by the Learning and Skills Improvement Service to support colleges and training organisations (see below for more information). The events stressed the importance of colleges and training organisations providing feedback to LSIS to ensure that the programme provided the support that they really needed to respond to the introduction of loans.

Meetings with stakeholders

On 21 June, BIS officials and representatives from AoC, AELP, 157 Group of Colleges, NIACE, TUC, NUS, UCU and Unison held another of their regular meetings to discuss the introduction of loans in Further Education. Views were sought from stakeholders on additional support for learners (now confirmed in the article above). BIS confirmed the intention to have an online application system in place for April 2013; and to lay regulations in Parliament before summer recess (see above. This has now been done). BIS also outlined the range of activity underway:

- tracker surveys (July, November, February) to monitor awareness and understanding and how providers are preparing
- focus groups to understand the public's views
- the July information seminars held for colleges and training organisations
- events run by the National Apprenticeship Service for employers
- work to develop information materials for learners.

Another meeting will be arranged when the first tracker survey has reported.

Support from LSIS

From September 2012, LSIS will be offering practical support to help providers identify the issues they might face in managing learners with loans and in planning and managing the organisational change required. The resources will be designed to support providers in addressing those issues and helping to manage the impact of learners with loans.

LSIS has produced a draft prospectus for a support service that can be seen at: http://www.excellencegateway.org.uk/24plusloans.

LSIS is now seeking more detailed feedback from providers through an on-line survey asking whether the right issues have been identified and if the support proposals will meet the needs of colleges and training organisations. Read the survey here.

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

