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STATUTORY INSTRUMENTS

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**2016 No. 238**

**EDUCATION, ENGLAND**

**The Further Education Loans (Amendment) Regulations 2016**

*Made* - - - - 24th February 2016  
*Laid before Parliament* 29th February 2016  
*Coming into force* - - 1st April 2016

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 22 and 42(6) of the Teaching and Higher Education Act 1998<sup>(1)</sup>.

**Citation and commencement**

1. These Regulations may be cited as the Further Education Loans (Amendment) Regulations 2016 and come into force on 1st April 2016.

**Amendment of the Further Education Loans Regulations 2012**

2. The Further Education Loans Regulations 2012<sup>(2)</sup> (the “2012 Regulations”) are amended in accordance with regulations 3 to 9.

**Eligible students**

3. In regulation 3 (eligible students) of the 2012 Regulations, for paragraph 3(a) substitute—
- “(aa) has reached the age of 24 on the first day of A’s designated further education course, where that day is before 1st August 2016;
  - (a) has reached the age of 19 on the first day of A’s designated further education course, where that day is on or after 1st August 2016.”

**Period of eligibility**

4. For regulation 5(3) (period of eligibility) of the 2012 Regulations, substitute—

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(1) 1998 c.30. Section 22 was amended by the Learning and Skills Act 2000 (c.21) section 146 and Schedule 11, the Income Tax (Earnings and Pensions) Act 2003 (c.1) Schedule 6, the Finance Act 2003 (c.14) section 147, the Higher Education Act 2004 (c.8) sections 42 and 43 and Schedule 7, the Apprenticeships, Skills, Children and Learning Act 2009 (c.22) section 257, the Education Act 2011 (c.21) section 76 and S.I. 2013/1881. See section 43(1) of the 1998 Act for the definition of “prescribed” and “regulations”.

(2) S.I. 2012/1818, amended by S.I. 2014/290, 2014/1766, 2015/181.

“(3) Subject to the following paragraphs the maximum periods of eligibility are determined by the type of further education course and are as follows—

- (a) two years for AS Levels;
- (b) two years for A Levels;
- (c) two years for an Access to HE Diploma; and
- (d) three years for any other type of course.”

#### **Students becoming eligible other than prior to the beginning of a designated further education course**

5.—(1) In regulation 7 (students becoming eligible other than prior to the beginning of a designated further education course) of the 2012 Regulations, omit paragraph (a).

(2) After regulation 7 insert—

#### **“Student becoming eligible where a course is designated after the student starts the course**

7A.—(1) A student may only qualify for a loan for a course that is designated after that student starts the course if the course is designated in the academic year in which that student starts the course.

(2) For the purposes of this regulation an “academic year” means the twelve month period starting on 1st August and ending on 31st July.”

#### **Requirement to enter into a contract for a fee loan**

6. For regulation 13 (requirement to enter into a contract for a fee loan) of the 2012 Regulations, substitute—

“13.—(1) To receive a fee loan a student must enter into a contract with the Secretary of State.

(2) Where the Secretary of State requires a contract to be signed by a student, an electronic signature in such form as the Secretary of State may specify satisfies such a requirement.”

#### **Standard entitlement of eligible students**

7. For regulation 15 (standard entitlement of eligible students) of the 2012 Regulations, substitute

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“15.—(1) The standard entitlement of an eligible student for all designated further education courses is a maximum of four loans, but paragraphs (4) to (7) apply where the course in question is an AS Level, A Level or an Access to HE Diploma.

(2) A student taking more than one designated further education course at any one time may qualify for a loan for each course.

(3) In addition to the standard entitlement, if the Secretary of State determines that the eligible student is repeating a further education course because of compelling personal reasons, an eligible student can qualify for further fee loans in respect of any period or periods of repeat study.

(4) An eligible student who wishes to fund one or more AS Levels or A Levels from their standard entitlement may use only one loan to do so.

(5) The maximum number of AS Levels and A levels which can be funded under paragraph (4) is eight, no more than four of which may be AS levels.

(6) A student may fund a combination of A levels and AS levels under paragraph (4), provided that the number of subjects covered by that combination of courses does not exceed four.

(7) An eligible student may use only one loan from their standard entitlement to fund an Access to HE Diploma.”

#### **Amount of the fee loan**

8.—(1) Regulation 16 (amount of the fee loan) of the 2012 Regulations, is amended as follows.

(2) In paragraph (2) for “on or after 1st August 2015” substitute “in the period beginning on 1st August 2015 and ending on 31st July 2016”.

(3) After paragraph (2) insert—

“(3) The amount of a fee loan in respect of a further education course beginning in the period beginning on 1st August 2016 and ending on 31st July 2017 must not exceed the lesser of—

(a) the maximum loan amount available in connection with that further education course as contained in the document published by the Skills Funding Agency on 17th February 2016 entitled “Maximum Loan Amounts for Advanced Learner Loans designated qualifications 2016 to 2017, Version 1”, or

(b) the amount which the institution is charging the eligible student for the further education course.”

#### **Payment of fee loans**

9. In regulation 22 (payment of fee loans) of the 2012 Regulations, insert after paragraph (4)—

“(5) The Secretary of State may refuse to pay a fee loan to a student in connection with a designated further education course if that student is in receipt of public funds for part or all of the fees for that course.”

24th February 2016

*Nick Boles*  
Minister of State for Skills and Equalities  
Department for Business, Innovation and Skills

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Further Education Loans Regulations 2012 (S.I. 2012/1818) (the “2012 Regulations”).

Regulation 3 amends regulation 3 of the 2012 Regulations to change the eligibility criteria for students.

Regulation 4 amends regulation 5(3) of the 2012 Regulations to alter the period during which a person retains eligible student status.

Regulation 5 amends regulation 7 of the 2012 Regulations to limit the period in which a student qualifies for a loan after a course has started as a result of that course becoming a designated further education course.

Regulation 6 amends regulation 13 of the 2012 Regulations to allow electronic signatures to be used for contracts.

Regulation 7 amends the standard entitlement to loans in regulation 15 of the 2012 Regulations.

Regulation 8 amends regulation 16 of the 2012 Regulations to clarify the end date for the application of the maximum loan amounts set out in the document published by the Skills Funding Agency on 5th February 2015 entitled “Funding rates for 24+ Advanced Learning Loans designated qualifications 2015 to 2016, Version 1” and to set out the method for ascertaining the maximum loan amount for fees for courses beginning in the period beginning 1st August 2016 and ending on 31st July 2017 which is set out in the document published by the Skills Funding Agency on 17th February 2016 entitled “Maximum Loan Amounts for Advanced Learner Loans designated qualifications 2016 to 2017, Version 1”. The publication can be found at <https://www.gov.uk/government/publications/maximum-loan-amounts-for-advanced-learner-loans-designated-qualifications-2016-to-2017> and a copy can be obtained from the Skills Funding Agency, Cheylesmore House, Quinton Road, Coventry, CV1 2WT.

Regulation 9 amends regulation 22 of the 2012 Regulations to clarify that the Secretary of State may refuse to pay a fee loan to a student who is in receipt of public funds for part or all of the fees for the current course.

An impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen. The Explanatory Memorandum is published with these Regulations on [www.legislation.gov.uk](http://www.legislation.gov.uk).