

# Interest Free Loan Application Policy

## Summary

The University of Bristol offers an interest-free loan of up to £10,000 to help main salaried staff cover costs associated with the right to work and live in the UK for them and their dependants. This policy details which staff under which circumstances can apply for the discretionary loan and the conditions for repayment.

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<b>Responsible area</b>	Human Resources
<b>Version</b>	2
<b>Approval date</b>	28th April 2025
<b>Effective date</b>	28th April 2025
<b>Date of last interim review</b>	31 <sup>st</sup> March 2025
<b>Full review period</b>	5 years
<b>Date of next full review</b>	31 March 2030
<b>EIA completion date</b>	N/A
<b>DPIA assessment date</b>	N/A
<b>Reporting requirements</b>	N/A

<b>Applicable statutory, legal or best practice requirements</b>	Financial Regulations
<b>Keywords</b>	Borrow, Dependant's costs, Immigration costs, Interest free loan, Loan, Repayment plan, Visa fees
<b>Related information</b>	<a href="#">Interest Free Loan Application Form</a>

## Contents

Interest Free Loan Application Policy .....	1
1. Updates to this policy .....	4
2. Introduction .....	4
3. Scope .....	4
4. Definitions .....	4
5. Responsibilities .....	5
6. Eligibility .....	6
7. What does the loan cover? .....	6
8. What can be borrowed and for how long? .....	6
9. Will there be any interest or other fees charged on the loan? .....	7
10. How to apply for the loan? .....	7
11. How will the money be received? .....	8
12. How is the loan repaid? .....	8
13. What happens if employment at the University ceases? .....	8

## 1. Updates to this policy

- 1.1. This policy has been updated to align to the new University of Bristol policy template.

## 2. Introduction

- 2.1. The University has an initiative to support new or existing main salaried staff and their immediate dependant family members with immigration related costs during their employment at the University. This is in the form of an interest-free loan.
- 2.2. The University of Bristol recognises the financial burden of immigration-related costs on staff and their families and aims to provide support through an interest-free loan scheme. This policy is designed to assist staff with UK visa fees, citizenship applications, the Immigration Health Surcharge, legal costs and related visa costs, ensuring they can meet immigration requirements without undue financial strain. By offering this loan, the University supports staff retention and recruitment, aligning with its commitment to a diverse and inclusive workforce. The scheme also helps the University meet legal and regulatory obligations related to staff immigration, ensuring compliance with UK visa and employment regulations. As a discretionary initiative and in line with Home Office legislation, the University retains the right to vary, amend or withdraw the policy as needed.

## 3. Scope

- 3.1. This scheme is discretionary, and the University reserves the right to vary, amend or withdraw it at any point.
- 3.2. The policy applies to new and existing main salaried staff with a contract of at least 12 months who need permission from the UK Government to allow them to live and work in the UK.

## 4. Definitions

- 4.1. **UK ECCTIS Service Fees:** UK ECCTIS charges fees for assessing the equivalence of international qualifications and English language proficiency for visa applications.
- 4.2. **Fixed-funded contract:** An employment contract tied to a specific funding source, often for a set period.

- 4.3. **Immigration Health Surcharge:** A fee paid by visa applicants to access NHS healthcare in the UK.
- 4.4. **Interest-free loan:** A loan that does not incur additional costs through interest charges.
- 4.5. **Leave to remain:** Immigration status allowing a person to stay in the UK for a set period or indefinitely.
- 4.6. **Payroll deadlines:** The cut-off dates by which salary-related changes must be processed each month.
- 4.7. **Repayment term:** The agreed period over which the loan must be repaid through salary deductions.
- 4.8. **Sole discretion:** The University's exclusive right to decide whether to grant the loan to an applicant.
- 4.9. **UK Visa and Immigration (UKVI):** The government body responsible for managing visa applications and immigration rules.
- 4.10. **Home Office:** The Home Office is the lead government department for immigration and passports.

## 5. Responsibilities

- 5.1. **Main Salaried Staff:** Staff with contracts of at least 12 months can apply for the loan, ensuring it is used only for eligible immigration costs and providing supporting receipts as required.
- 5.2. **Dependants of Main Salaried Staff:** Immediate family members may have their immigration costs covered by the loan, but the member of staff is responsible for applying and repaying the amount borrowed.
- 5.3. **Staff Immigration Team:** Reviews applications, confirms eligibility, notifies applicants within two weeks, and ensures receipts are submitted to maintain compliance with the policy.

5.4. **University:** Administers the loan scheme, processes payments through salary, retains sole discretion over loan approval, and may amend or withdraw the scheme at any time.

## **6. Eligibility**

6.1. Main Salaried Staff are eligible if they or their dependant(s) are applying for UK Visa and Immigration (UKVI) visa fees and:

- a. they have a contract of employment with the University of Bristol that is expected to last at least 12 months at the time of application.
- b. they have, or are applying for, leave to remain in the UK for themselves or their dependants.
- c. the loan repayment does not impact the salary threshold requirement for the Skilled Worker visa in accordance with Home Office Appendix Skilled Worker guidance for those on a sponsored visa.

6.2. The decision on whether to grant an interest-free loan to an individual is at the University's sole discretion.

## **7. What does the loan cover?**

7.1. The loan can be used to help with the following costs for main salaried staff and their dependants providing the necessary receipts can be provided:

- a. UK Visa and Immigration (UKVI) visa fees
- b. Citizenship applications
- c. Immigration Health Surcharge
- d. UK legal fees for advice on immigration
- e. ECCTIS service fees; and
- f. Any other visa fee deemed relevant.

## **8. What can be borrowed and for how long?**

8.1. Maximum of £10,000 over a period of 3 years or contract/funding end date (whichever is shorter).

8.2. A shorter repayment term can be requested on the loan application form.

8.3. The loan can cover all or part of the fees that have been paid, or are due to be paid, though applications can only be made for the money required to cover or to contribute to the costs as outlined above and **supporting evidence in the form of relevant receipts must be received.**

8.4. Those on fixed term or open-ended (fixed funded) contracts will be required to repay the loan before the end of the contract. Careful thought **must** be given by the employee as to affordability of the repayments prior to application.

8.5. Those on a sponsored skilled worker visa will still need to meet the minimum salary threshold requirement and this will be calculated by the Staff Immigration Team.

8.6. If a larger loan is required, this may be considered exceptionally but will have tax implications for the individual.

## 9. Will there be any interest or other fees charged on the loan?

9.1. No, up to the value of £10,000

## 10. How to apply for the loan?

10.1. Complete the [application form](#) and send it to [staff-immigration-team@bristol.ac.uk](mailto:staff-immigration-team@bristol.ac.uk) who will confirm within two weeks if the application has been successful and will confirm:

- a. which month the loan will be received, the month the loan repayments will commence
- b. loan repayment end date
- c. monthly instalments.

10.2. In accordance with the Home Office Appendix Skilled Worker guidelines applications from individuals on a sponsored Skilled Worker visa will be subject to additional assessment criteria to ensure that loan repayments would not impact the minimum salary threshold requirement.

10.3. Receipts will need to be provided for payments that have been made, and these should be sent to [staff-immigration-team@bristol.ac.uk](mailto:staff-immigration-team@bristol.ac.uk). Failure to provide

these receipts could result in the University terminating the arrangement. If this were to happen the balance of any loan outstanding would be fully repayable.

#### **11. How will the money be received?**

- 11.1. The loan will be processed with monthly salary as a lump sum in the agreed salary payment. The month this is received will depend on when the application is made in line with payroll deadlines (usual cut off is 8<sup>th</sup> of the month).
- 11.2. The repayments will commence in the salary payment the month after the loan repayment is received.
- 11.3. Any loan payment will be subject to employment having commenced and active record on the payroll.

#### **12. How is the loan repaid?**

- 12.1. The loan will be repaid via deduction from monthly salary payments in equal instalments.
- 12.2. If employment with the University ends before the loan is repaid the outstanding balance will be required to be repaid before the contract ends.

#### **13. What happens if employment at the University ceases?**

- 13.1. If the employment at the University terminates, for whatever reason, before the end of the agreed loan term, repayment of the balance of the loan will be required in full. The University reserves the right to recover the balance from any remaining salary payment(s) and/or from any other payments that might be due. If the amount does not cover the outstanding balance, the outstanding balance will require repayment within 30 days of written notice from the University confirming the amount outstanding. If the sum is not repaid within 30 days, the University reserves the right to take such steps as are legally available to it to recover the balance due.