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VISA LOAN SCHEME POLICY

Visa Loan Scheme Policy

Policy Purpose

The visa loan scheme policy sets out the University's approach to reimbursing employees for visa application fees and associated costs where the employee requires a visa to live in the UK and work for the University.

The policy aims to:

- Provide clarity on the eligibility requirements for reimbursement.
- Ensure that the University has an equitable approach to visa reimbursement, for all those who are eligible.
- Ensure consistency across the entire University, in the approach to reimbursement of visas and their associated costs.

LEGISLATION

- The University is legally required only to employ those with valid permission to work in the UK. There is no legislation that requires the University to pay for (or reimburse employees for) their visa application fees or associated costs. However, where the University does reimburse these fees (as set out in the following policy), it must comply with relevant HMRC tax and reporting rules, which may change from time to time. The University reserves the right to modify this policy and/or the accompanying process to remain compliant.

Employment rights:

- Nothing in this policy will supersede an individual's rights, as set out in UK employment legislation.

UNIVERSITY GUIDANCE

1.1 Principles

- 1.1 The ability to attract, successfully recruit and retain talented individuals from a global market is important to the achievement of our University strategy and underpinned by our core principles. To assist with the costs incurred in making visa applications, and to boost the attractiveness of our employment offer to international employees, the University offers a loan of certain costs associated with obtaining the visas required to work for the University.
- 1.2 Assistance is strictly by means of an interest free loan, the University does not pay directly for an individual's visa application or associated costs.
- 1.3 For new staff, Loans will be made no earlier than the commencement date of employment, and only once all 'right to work' checks have been completed to the University's satisfaction.
- 1.4 For current staff, Loans will be made upon approval of the loan application, and only once related checks have been completed to the University's satisfaction. In this

circumstance where loan is paid prior to application, the individual will have a set period of time to provide the required documentation such as receipts.

2.1 Equality Principles

2.1 A loan is applicable to all staff who require, and meet the government requirements for a visa in order to work at the University. The policy applies to all staff on the applicable visas, regardless of their University position or pay grade. This policy does not apply to individuals applying for a Skilled Worker or Global Talent visa, however it does cover their dependents, see 2.2.

2.2 The University will also provide interest free loans for employees who wish to support their dependents with their visa costs.

2.3 The loan can be used to spread the costs associated with an employees' or an employees' dependent visa application, the health surcharge and legal fees.

2.4 The University will not cover any costs associated with a student visa

For the purposes of this scheme, 'dependents' refers to the following: husband, wife, civil partner, unmarried or same-sex partner and your children aged 18 or under at time of application.

PROCEDURE

This procedure sets out steps required to apply for a visa loan.

3.1 Eligibility

To be eligible for an interest-free loan under this scheme you will be making a visa application for a time limited or settlement application for yourself and/or an associated dependent, and will either:

- be a current employee on an open-ended or fixed-term contract of employment of 12 months or more. If you have less than 12 months remaining on your contract at the point of application, you will not be eligible.

or

- be a new employee who has commenced your employment at the University and after you have provided proof of a successful application and costs.

and

- Be making a visa application for a time limited or Settlement application and/or an associated dependent application for the employees' family members and are:

3.1 For new staff the loan will be payable to the employee by the University upon commencement of their employment or, for current staff, loans will be made upon approval of application, and only once checks have been completed to the University's satisfaction. In this circumstance the individual will have a set period of time to provide the required documentation such as receipts.

3.3 For the purposes of this scheme, 'dependents' refers to the following: spouse, civil partner and unmarried partner and dependent children aged 18 or under at time of

application.

3.4 An employee would not be eligible for an interest-free visa loan in the following circumstances:

- Where the loan would be required for Student visa, or a visa for another country.
- If notice of their resignation has been provided to the University.
- If they are subject to disciplinary proceedings that have or may result in dismissal.
- If they have previously been declared bankrupt in the last 5 years.

4.1 How much can be borrowed

4.1 Eligible employees may apply to receive a loan of up to a maximum of £9,999 for costs associated with making an eligible visa application. Costs are limited to the following:

- a) Visa/Settlement application fee
- b) Immigration Health Surcharge fees
- c) Priority/Super Priority processing fees
- d) Fees associated with the Life in the UK test
- e) Fees associated with approved TB testing, in relation to visa requirements
- f) Biometric Enrolment fees (where applicable)
- g) Legal fees

4.2 The £9,999 maximum loan will be reduced by any loan already advanced to the colleague by the University (e.g. Certified Maintenance, Cycle to Work) in the current tax year. If the aggregate value of all loans advanced to an employee by the University exceeds £9,999 within one tax year, the whole amount will be subject to tax.

4.3 This is an Interest Free Loan payment made by the University under the HMRC rules applicable on the date of application. These rules allow employers to provide support to their employees by way of such loans without the employee being charged to Income Tax and National Insurance on the benefit of the loan amount. HMRC changes its regulations from time to time and in such cases the University may be required to amend the terms of this loan to ensure the loan continues to comply with HMRC rules.

4.4 Approval of any loan application will be entirely at the University's discretion.

5.1 Term of the Loan

5.1 The loan period may be up to a maximum of 36 months. At the University's discretion, the agreed loan period may be extended during periods leave where pay is reduced e.g. maternity, adoption, unpaid sabbatical leave or long-term sickness absence. Employees should discuss any changes to the term of the loan with the relevant HR colleague.

5.2 The loan repayment period cannot exceed the lesser of:

- The duration of the employment contract.

- The total duration of the visa
- 36 months

5.3 The monthly loan repayment amount cannot normally be more than 20% of your monthly salary. For contracts or visas shorter than 36 months this may impact the total amount you are able to loan. This can be discussed with the relevant individual in HR.

5.4 You must only request an interest-free loan up to the value that you need to cover the costs associated with Home Office application fees and legal advice, and the loan must only be used for the purpose with which it is intended.

5.5 For audit purposes, you will need to attach copies of all relevant invoices and receipts to your loan application form. If these invoices and receipts are not available at the time you make your application, they will need to be forwarded to HR as soon as possible.

6.1 Payment and Repayment of the Loan

6.1 For new employees the loan will be transferred to the employee by bank transfer to their designated bank account. The bank must be in the applicant's name and you will be required to provide evidence of this. For existing employees, the loan will be paid into the bank account that is associated with the University payroll.

6.2 The loan will be required to be repaid in equal instalments for the duration of the agreed loan term, up to a maximum period of the conditions set out in 5.2

6.3 Deductions will be taken directly from net pay and will normally commence the following month after the first payment.

7.1 Termination of Employment

7.1 In the event the employee leaves the University's employment before the end of the agreed loan term, the employee will be required to repay the balance in full before leaving. The University reserves the right to reclaim all or part of the monies from the employee's salary during the notice period and any payments made on termination.

7.2 If the final balance of your loan is greater than your salary in your notice period, you will be expected to repay the total outstanding balance before your contractual end date.

6.1 Application Process

6.1.1 To apply for a loan, please complete the application and submit via email to HR (HR@hope.ac.uk)

6.1.2 You will be notified of the outcome of your application with a letter via email.

7 ROLES AND RESPONSIBILITIES

Human Resources/Payroll

- a) To check the eligibility of each application.
- b) To provide support to employees of the affordability of the loan.
- c) To process applications in a timely manner.
- d) To ensure deductions are made in accordance with the agreed loan terms.

Employees

- a) To provide honest and accurate information.
- b) To comply with the process as advised.

Finance (Payments Office)

- a) To ensure payment requests are processed in a timely manner

8 RELATED POLICIES AND PROCEDURES

Visa Reimbursement Scheme

9 Legal disclaimer

Please note that this scheme is non-contractual and the University reserves the right to amend or withdraw it at any point.

The University reserves the right whether or not to grant an interest-free loan to an individual at its discretion.