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UNIVERSITY

Interest-free Loan Scheme for Visa Fees

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V0425

Interest Free Loan Scheme

Purpose

Leeds Beckett University's interest-free loan scheme to support visa fees is designed to mitigate the significant costs for the proportion of our workforce who require a visa to work in the UK by helping to spread those costs. By offering this support, we aim to ensure that we can retain a diverse community of colleagues.

Scope

This scheme is available to all employees who are applying for leave to remain in the UK under the Global Talent or Skilled Worker visa categories or who are switching from a Global Talent or Skilled Worker visa to Indefinite Leave to Remain (ILR) and who meet the eligibility criteria (see 1.1 below).

Responsibility

Human Resources has responsibility for ensuring that the eligibility criteria of the loan scheme are adhered to and will provide advice and guidance to managers and employees on its application.

It is expected that loans will be repaid during employment. In exceptional circumstances, Financial Services has responsibility for undertaking normal LBU debtor processes should an individual leave Leeds Beckett employment prior to repayment of the loan.

Review

This scheme does not form part of any employee's contract of employment and may be amended or withdrawn at any time. It will be monitored on an annual basis and reviewed every three years or sooner in light of legislative and/or HMRC rule changes and organisational requirements as appropriate.

Process

1. Eligibility for the Interest-free Loan Scheme

1.1. Prior to completing the loan application form, employees should ensure that they meet the following eligibility criteria:

- The loan scheme is only available to cover the following costs for employees:
 - UK visa fees and Immigration Health Surcharge (IHS) fees for employees extending (or switching to) the work-related visas of Skilled Worker (where Leeds Beckett University has issued the Skilled Worker certificate of sponsorship (CoS)) and Global Talent OR
 - Indefinite Leave to Remain (ILR) application fees for individuals switching from a Skilled Worker visa (and Leeds Beckett University issued the CoS) or Global Talent visa.
- Employees must have completed at least 6 months of service and must have completed any probationary period.
- Employees must have 12 months or more remaining on their contract of employment.
- Employees must receive a regular salary payment each month (i.e. individuals paid on a claims basis are excluded from the scheme)
- The loan application form and signed loan agreement must be submitted in advance of the payment of visa fees.

2. Loan Maximum and Repayment term

2.1. The loan maximum is directly linked to salary – Leeds Beckett University will loan up to the value of two months' basic salary or £5000, whichever is the lesser amount. The loan maximum may be reduced (or the loan may not be available) to ensure compliance with Home Office rules around Skilled Worker minimum salary thresholds. Each request will be looked at on an individual basis due to the complexity of these rules. The loan maximum may also be reduced if the employee already has another loan with the University (e.g. cycle to work scheme, annual travel card) to ensure compliance with HMRC rules.

2.2. The loan maximum is directly linked to expected visa fees and Immigration Health Surcharge costs for the main applicant. Employees are required to provide a full breakdown of their visa costs when applying for the loan. The loan cannot be used to cover the costs of any dependent visa fees. Fast track/priority service fees and legal fees are also excluded.

2.3. The standard repayment term will be 12 months from the date of the loan (individuals can chose to select a shorter repayment period of 6 months if wished, with a safeguard that the monthly repayment cannot exceed half of net pay).

2.4. No interest shall be charged on the loan.

2.5. Appendix 1 provides a worked example of how the loan scheme works in practice.

3. Provision of Loan, Source and Repayment

3.1. The loan will be paid via payroll, with the next salary payment following authorisation of the loan application form and completion of the loan agreement. It will be paid directly into the bank account to which salary payment is made.

- 3.2. Payments to repay the loan will be deducted in equal instalments from salary each month, starting with the month following the provision of the loan. The loan must be repaid within 12 months from the date of the loan, and so will be repaid via 11 equal instalments unless a shorter repayment period is agreed.
- 3.3. Should the employee's employment contract be terminated or end for any reason, the University will deduct any outstanding amount still owed by the employee (subject to the provisions of the Employment Rights Act 1996). Any such amount will be deducted from the employee's final pay. If the balance of the loan is higher than the final pay, the balance due on the loan will be repayable within 30 days of the invoice date.
- 3.4. The loan will be taken from (and repaid to) the relevant School/Service budget. Payroll and Financial Services will undertake a monthly reconciliation.

4. Loan Application

- 4.1. Eligible employees who wish to apply for the loan should check that they meet the eligibility criteria (see section 1.1 above).
- 4.2. The employee should submit the [Loan Application Form](#) for review by HR Services team against scheme criteria and Home Office rules. Subject to these being met, the application will be forwarded for authorisation by the relevant Dean/Director.
- 4.3. The provision of the loan is at the discretion of the Dean/Director. For example, loans will not be approved where there are performance or conduct concerns. The Dean/Director has sole discretion to determine whether to grant a visa loan to an applicant.
- 4.4. Where approved, the employee will be required to sign a loan agreement, detailing when the loan will be paid into their bank account and the monthly repayments.
- 4.5. The loan must only be used to assist with the payment of main applicant visa and IHS fees. Employees will be required to provide evidence of the actual amount paid to UKVI within 3 months of receiving the loan – please provide copies of email receipts of payment to payroll@leedsbeckett.ac.uk Failure to provide receipts may result in a requirement for immediate repayment of the loan in full.

5. Receipt of new visa

- 5.1. Employees are required to contact HR Services (HRServicesteam@leedsbeckett.ac.uk) on receipt of their new visa/confirmation of visa extension so that a new right to work check may be undertaken.

Related Policies, Webpages and Documentation

[Privacy Notice for Colleagues](#)

[Financial Wellbeing](#)

[Support for International Colleagues](#)

Reviewed April 2025

Worked Example of the Visa Loan Scheme (as at 1 March 2025)

Post:	Lecturer (full time)
Annual Salary:	£46,735 (point 37)
Basic Monthly Salary:	£3894 ($£46,735 \div 12$)
Type of visa applying for:	Skilled Worker visa (extension)
Duration of visa:	3 years
Main applicant visa fee:	£827
Main applicant immigration health surcharge fee:	£3105 (3 x £1035)

TOTAL main applicant visa fees: £3932

Loan maximum available is the lesser of:

- £5000
- £7788 (two months basic salary)
- £3932 (total main applicant visa fees)

In the above case, the individual may apply for an interest free loan of £3932 (assuming all other eligibility criteria have been met). This will be repayable via 11 equal installments of £357.45 per month.

For up-to-date information on the Home Office visa fees and Immigration Health Surcharge, please see the below webpages:

<https://www.gov.uk/government/publications/visa-regulations-revised-table>

<https://www.gov.uk/healthcare-immigration-application>