



UNIVERSITY OF  
LINCOLN

# Professional and Career Development Loan Policy

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## 1. Context

The University of Lincoln is committed to supporting individuals who wish to take up further programmes of study or development to enhance their career. This policy replaces the salary sacrifice work related training policy which supported only University of Lincoln programmes. This policy enables individuals to look undertake other programmes of study with other providers for example: own chartered body.

The University's Professional and Career Development Scheme is available to provide an interest-free loan to assist employees with the cost towards undertaking further study.

This scheme may be used where further study is undertaken which is not within local / Departmental budget.

## 2. Conditions of Scheme

The following conditions are a requirement of the scheme:

**2.1** The interest-free loan must be used solely towards the cost of the programme of study.

**2.2** The applicant must be a current employee of the University of Lincoln, on either a permanent or a fixed-term contract with an end date at 12 months after the date of the first loan repayment.

**2.3** The University is only involved in granting the loan and ensuring it is repaid. The University has no authority on the application process and does not accept liability for refusal of the application.

**2.4** The programme of study must be in line and relevant to the work the employee is undertaking in their current role.

**2.5** The loan may be used towards the cost of study, travel and living expenses.

## 3. Administration and Limits

**3.1** To apply, the applicant must complete the Professional and Career Development Scheme Loan Application Form and submit it to their Line Manager and for final approval, to their Head of Area.

**3.2** Evidence of the payment must be provided. If this is not available at application, it must be provided as soon as possible/within 2 months of submission.

**3.3** The maximum loan amount available is £3000 or 1/12<sup>th</sup> of gross salary, if lower. The minimum loan amount is £500.

**3.4** The applicant's line manager must endorse the application form and inform the Head of Payroll Services of any potential changes which may invalidate the application.

**3.5** Each application will be reviewed against the qualifying criteria and will be approved by the University's Head of Payroll Services before being processed for payment.

**3.6** Payment of the loan amount will be by BACs transfer, into the applicant's usual salary bank account on the next available payroll run. In exceptional circumstances a payment may be made upon commencement of employment via BACS transfer.

**3.7** Repayment of the loan will be via the University's payroll and deducted from the employee's pay in 12 monthly instalments. Deductions will commence at the end of the first month after the loan is received.

**3.8** In submitting a loan application the applicant agrees, should their employment be terminated, to the University recovering the outstanding loan balance from their notice period and final pay. Where the employee's final pay is insufficient to fully repay the loan in full, then the remaining balance will be due immediately via direct payment to the University.

**3.9** In the event the loan amount is more than the amount required to cover the cost of the programme, then the loan arrangement will continue based upon the initial agreed loan.

**3.10** An applicant who is expecting to have periods of unpaid leave of greater than one month will be required to inform the University's Head of Payroll Services and make alternative arrangements to repay the balance of the loan.

**3.11** Should the applicant fail at any time to comply with any of the above conditions, the University is entitled to terminate the loan agreement and seek immediate repayment of the outstanding balance of the loan.

**3.12** Applications may be submitted at any point in the calendar year.

**3.13** An applicant in receipt of a Professional and Career Development Scheme Loan must have fully repaid the loan before a new application may be submitted.

**3.14** The loan scheme will be reviewed annually by the University's Head of Payroll Services and strictly audited to ensure it is properly utilised.

## **4. Tax Treatment**

**4.1** In accordance with current taxation law, the loan is non-taxable and free of interest or administrative charges as it falls beneath the HMRC agreed limit threshold.

## **5. Time off for study**

**5.1** If a programme of study requires an employee to take time off from their normal contractual working as stated in their contract of employment, authorisation must be gained from the employee's line manager / Head of Area. Where it is felt appropriate, flexible working arrangements may be discussed to allow for programme attendance, providing that any change is unlikely to impact significantly on the delivery of the service in the performance of contractual duties. Further guidance can be found [here](#).

**5.2** The decision of the Head of Area will be final in respect of approval of any change to working pattern. This includes a change in the number of hours / days / weeks of work or a change in the times of work.



## 6. Appendix 1

### University of Lincoln Professional and Career Development Loan Application

<b>Name</b>	
<b>Job Title</b>	
<b>College / Department</b>	

<b>Programme of study title</b>	
<b>Commencement date</b>	
<b>Expected length of study</b>	
<b>Annual cost</b>	
<b>Monthly deductions</b>	
<b>Will time off work be required for study?</b>	
<b>Perceived change to working pattern</b>	
<b>How will the Programme of Study Benefit your current role / career progression?</b>	

**Applicant Signature:**

**Date:**

I accept that by signing this application, if approved, I agree to reduce my net pay each pay period to cover the cost of the Professional and Career Development Loan.

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**Line Manager Approval:**

**Date:**

**Head of College / Head of Area Approval:**

**Date:**

Authorised forms to be passed to the Payroll Services Team for processing.

**Internal Use Only**

	Date	Initials
Payroll Notified		
Individual Emailed		
HR Representative Notified		
Advance paid to individual		
Repayment Pay Element set up		

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Owner	Last Reviewed
Payroll Services	August 2021



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