

IMMIGRATION GUIDANCE - VISA FEES INTEREST FREE LOAN SCHEME FOR STAFF WORKING IN THE UK

Introduction

The University offers an Interest-Free Loan Scheme to support employees who are non-UK Nationals with the costs associated with applications for them to secure their legal right to live and work in the UK.

The Interest-Free Loan Scheme may be used to cover your initial or Leave to Remain visas and International Health Surcharge (IHS) costs and, if appropriate, your partner or dependants. We may also consider applications for Indefinite Leave to Remain or Settlement visas but **not** any applications for Citizenship.

This Interest-Free Loan Scheme does not form part of your contractual entitlements and may be withdrawn at any time. In the event of the Scheme being withdrawn, employees part-way through a repayment period will be able to continue their repayments as originally agreed.

Eligibility

You will be eligible to apply for a loan if you have been offered an employment contract with Heriot-Watt University at any of our UK Campuses, either fixed for at least 1 year, or open-ended, part-time or full-time; or in order to continue working at Heriot-Watt University you need to apply for an extension to your visa or to switch into a different visa. You must have started employment with us to be able to apply for the loan.

If you are a researcher to be employed on grant funded by UK Innovation and Research (UKRI), as a directly incurred member of staff and you are employed on the grant 100% of your contracted time, the grant may cover the visa cost and International Health Surcharge for yourself only. If you fall into this category, please visit <https://www.ukri.org/councils/stfc/guidance-for-applicants/costs-we-fund/other-costs/> and scroll down to the section Personal Costs for further information. If you are unsure if you meet these conditions, please contact the Grant Holder to clarify (usually your line manager). This does not include any costs you incur for your partner, dependent or other family member and you may use the Visa Loan Scheme to support their visa and IHS costs.

The University [UK Relocation Policy](#) also allows you to use some of your Relocation Allowance to cover your own visa and associated fees if you are relocating to the UK from overseas. However, if you are relocating from within the UK, or will incur visa costs for family members, you cannot utilise the Relocation Allowance, but may use the Loan Scheme.

You are not eligible to apply for a loan if you are:

- Engaged on casual work
- In the UK for a short stay under the Visitor or Academic Visitor Visa
- A Student on a Student Visa also carrying out casual work
- An external examiner usually employed by another University or organisation
- Seconded from another employer
- Currently repaying any other debt through your salary, such as Council Tax Arrears or Arrestment of Salary orders

Loan amount

UK Visa and Immigration Service provides a guide to the costs likely to be incurred. Click [here](#) for details.

The maximum amount you can borrow will be the cost of the applications you wish to make **or up to a maximum** £7,500 per employee (whichever is the lower). You will not be required to pay any interest or an arrangement fee on this loan.

Repayment of the loan

You may choose the amount that you wish to repay on a monthly basis, but it **must not exceed more than half of your normal monthly net salary**. You should check your recent payslip [Payslip Portal](#) for details of your net pay. The repayment will be taken out of your net pay, that is, after tax and NI have been deducted on your gross pay.

You may also choose the timescale for repaying the loan, which **must not exceed 24 months** or, if you are employed on a fixed term contract, **the end of your fixed term contract**, whichever is sooner. Repayments will be made in equal monthly instalments.

When deciding how much to borrow and how much to repay over what timescale, you should take into account your ongoing day-to-day living expenses. You should not base your ability to repay on any future pay awards, bonuses or other payments which are not regular and/or guaranteed.

The HR Hub has information about [Financial Wellbeing](#) which may help you to decide how much you can afford to borrow and repay:

Approving the loan

Provided you meet the criteria outlined above, applications received and approved before the 14th of the month will normally be processed and paid by the end of that month. The loan will be transferred to the bank account into which your salary is paid, and which is held on ERP once your application has been approved and you have been informed.

Deductions from net pay will normally commence the month after the loan has been approved and will be made in equal instalments over the agreed repayment period.

Termination of employment

If you leave the University's employment for whatever reason before the end of the agreed loan term, you will be required to repay the outstanding balance in full. The University reserves the right to reclaim the outstanding balance from your salary during your notice period and/or from any payments made as part of a final settlement at the end of employment. You will be liable to repay any shortfall within 14 days. Where appropriate, debt recovery action, including the use of a debt agency may be taken to protect the University's interest.

Application process

To apply for a loan, please complete the form at [Visa Fee Loan Scheme Application Form](#) and send it to your Executive Dean or Director of Professional Service. They will make a recommendation and forward to Payroll at [HR helpdesk](#) for processing and confirming the outcome.

You will be notified of the outcome of your application via Payroll to your work email address prior to the loan being transferred to your account. This will confirm:

- The amount of the loan
- The date it will be transferred
- The start and end date of the repayment period
- The amount to be repaid in equal instalments

If you have requested an amount or repayment period that exceeds the total amount you can borrow, or your repayment proposal is too high/over too long a period, you will be advised of the proposed changes to your request. The loan will not be processed until Payroll has received your acceptance of the revised terms.

Repeat loans

If the reason for the loan is to support visa extensions and IHS payments, you may request another loan by following the same process. We would not normally approve more than one loan in any 3-year period or

exceeding £7.5k in total loaned. We cannot guarantee that repeat requests will be approved. We would not provide an interest free loan for Citizenship status.

Receipt of your new documents

When you receive your new documents from the UKVI, you must contact the [HR helpdesk](#) to arrange for verification of your documentation via the Home Office Online Share Code system. If you have previously been sponsored and have been granted Settlement, HR will advise the UKVI through the Online Sponsor System.

VISA FEES INTEREST-FREE LOAN SCHEME APPLICATION FORM

Before you complete this form, please read the [Visa Fees Interest Free Loan Scheme Guidance](#)

Please complete and sign this form and forward to your Executive Dean/Director for approval.

Please provide evidence of the amount paid through your visa application process.

Personal Details			
Name:			
Job title:			
School/Directorate			
Department:			
Employee/payroll number:			
Type of Contract (Note this scheme is not available for students or casual workers)	Open-Ended Contract YES/NO Fixed Term Contract YES/NO If so, provide end date		
Loan Details	Employee	Dependent(s)	Total
Amount of loan required for Visa application:	£	£	£
Amount of loan required for NHS surcharge fees:	£	£	£
Total amount of loan requested (maximum £7,500):	£		
Preferred repayment period:	<p>Equal instalments over x months of: £_____ per month</p> <p>This must not exceed more than half your net monthly pay. The maximum period for repayment is 24 months or the end of your fixed term contract, whichever is sooner.</p>		
Do you currently have any other loans with the University? (If yes, provide details including your repayment sum per month):	Details of loan(s)		Monthly repayment

Dependent(s) details (Please complete this section if this loan will be used to pay visa fees or NHS surcharges for dependents)		
Dependent Name	Relationship	D.O.B. (if under 18)
Signed declaration		
<p>I accept the terms and conditions of the Heriot-Watt University Visa Loan Scheme:</p> <ol style="list-style-type: none"> 1. I understand the loan is only to be used for the purposes of fees payable for applying for and obtaining the Visa costs of my immediate dependent(s); Immigration Health Surcharges for myself and my dependents or applications for Leave to Remain in relation to my employment at the University under Global Talent, Skilled Worker or ILR. 2. Should my employment at Heriot-Watt University come to an end before the loan has been fully repaid, I accept that any remaining balance will be recovered from my salary payments during my notice period including and up to my final salary payment. 3. If the final balance of my loan is greater than my salary payments in my notice period, I agree to repay the total outstanding balance of the loan before my contractual end date at the University. 4. I understand that the University will request to see the UKVI payment receipt to confirm the amount paid on behalf of myself or my dependent(s), and that this receipt should be retained for the duration of the loan agreement. 5. I confirm that the information I have provided in this application is accurate and that any information found to be false may result in disciplinary action. 6. I understand that if I am absent from work for an extended period of time for reasons including sickness absence, maternity leave, shared parental leave, there could be a temporary suspension in loan repayment as determined by the University. This could result in an extended repayment period. 7. 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. 8. The University is not a registered lender, and this loan can be recalled or adjusted in accordance with any relevant legislature changes made in the future. 		
Signature:		
Date:		

This form should now be sent to your Executive Dean or Director of Professional Services for approval. Applications received and approved before the 14th of any month¹ will normally be processed and paid by the end of that month. The loan will be transferred to the bank account into which your salary is paid, and which is held on ERP once your application has been approved and you have been informed

¹ There may be some exceptions to this, e.g., at Christmas or the end of the Financial Year

Loan authorisation	
Authorising Executive Dean/Director:	
Signed:	
Date approved/rejected:	
Reason for Rejection (Delete as appropriate)	<ul style="list-style-type: none"> • The contract has less than 12 months to run • Engaged on casual work • In the UK for a short stay under the Visitor or Academic Visitor Visa • A Student on a Student Visa • An external examiner usually employed by another University or organisation • Seconded from another employer • Other (please specify)
<p>Please read the Visa Fees Interest Free Loan Scheme Guidance and seek advice from Help Desk marking the Service Request "Interest-Free-Visa-Loan" if you are unsure about whether you should approve or not</p>	
<p>Executive Dean/Director - Please forward to your Finance Partner for recording appropriate cost centre and account code</p>	
Finance Partner	
Name:	
Signed:	
Date:	
Cost Centre/Account Code for Payroll purposes:	
<p>Finance Partner - Please now forward to Payroll via Help Desk marking the Service Request "Interest-Free-Visa-Loan"</p>	
Payroll Dept	
Date received:	
Please check that none of these reasons apply otherwise the application must be declined	<ul style="list-style-type: none"> • The contract has less than 12 months to run • engaged on casual work • in the UK for a short stay under the Visitor or Academic Visitor Visa • a Student on a Student Visa • an external examiner usually employed by another University or organisation • seconded from another employer • The repayments will reduce monthly salary to below National Minimum Wage • Employee is currently repaying any other debt through salary, such as Council Tax Arrears or Arrestment of Salary orders • Employee has reached the maximum amount to be loaned.
Date loan made:	
Date of first deduction:	
Date of last deduction:	
Monthly amount deducted:	
Date Payroll sent letter to individual and confirmed to Exec Dean/Director:	
<p>Payroll to forward to HR via Help Desk marking the Service Request "Interest-Free-Visa-Loan" AND return form to the relevant Finance Partner for recording any additional information</p>	
HR Team record relevant information on ERP record	