

Salary Advances and Staff Loans

The University may issue salary advances or loans to members of staff to fund Indefinite Leave to Remain (ILR) and other visa application payments. Requests for such payments should be made via Human Resources. Advances and loans will only be made to current members of staff and are not available to those who have not yet entered the University's employment.

Payments will be capped at £10,000 in order to remain below the HM Revenue & Customs (HMRC) threshold for beneficial loans. Beneficial loans occur when the outstanding amount borrowed is in excess of £10,000 and the interest rate charged on an advance or loan is lower than the HMRC official rate in force at that point in time. Beneficial loans must be reported to HMRC on an annual basis and will result in an additional tax charge for the individual.

Individuals will be responsible for ensuring that they can afford to meet the cost of monthly deduction from their personal finances. Further advances or loans will not be available whilst there are other outstanding balances.

The University will not normally charge interest on advances or loans but may choose to do so, should interest charges apply these will be agreed with the recipient prior to payment of any loan or salary advance.

Salary Advances

Salary advances will be offered for periods of between 1 and 12 months and repayment terms must be agreed with the Payroll section before payment is received. Repayments will be made via deductions from the recipient's salary.

Any outstanding balance must be repaid prior to leaving the University's employment. Failure to do so may result in the University passing the debt to a third party debt collection agency.

Staff Loans

Staff loans will be available for periods of between 1 to 2 years. Members of staff will be required to enter into a legally binding loan agreement for the duration of the loan. Repayment will be made via agreed monthly deductions from salary payments, depending on the length and value of the loan.

Any outstanding balance must be repaid prior to leaving the University's employment. Failure to do so may result in the University passing the debt to a third party debt collection agency.

Frequently Asked Questions

Question

I require to apply for Indefinite Leave to Remain status. Can I get an advance of £1,500 to be repaid over 3 months?

I must renew visas for my family. Can I get an advance of £9,500 to be repaid over 18 months?

I need to apply for Indefinite Leave to Remain status for my family. Can I get an advance of £12,500 to be repaid over 3 years?

I must pay a 3 month deposit for a property rental, can I get an advance of £1,000 to help with this?

I began employment with the University after the salary deadline and was not paid at the end of the month. Can I get an advance to tide me over to payday?

I have been awarded a salary increase backdated for 3 months. This had not been paid in my current month salary. Can I receive the backdated cash before my next payday?

Answer

Yes, the policy covers this and the Payroll section can make the necessary arrangements.

Yes, but due to the longer repayment period, we will ask you to complete a formal loan agreement.

The University can provide assistance, but loans are capped at £10,000 and must be repaid within 2 years.

No, advances will only be given for ILR and VISA applications.

No, your contract states that your first payment will be made at the end of your first full month of employment.

This is viewed as a salary correction, please contact the Payroll section which will be able to assist you.

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