

Immigration Loan Scheme Guide

February 2022

What is the Immigration Loan Scheme?

Camden employs a number of staff from outside the United Kingdom and we are keen to support colleagues that wish to secure a right to work or a legal right to permanently live and work here.

High costs are often a barrier to individuals that would otherwise pursue a route to British Citizenship. We therefore offer this interest-free loan that can be used towards payment, for you and your dependents, of British Citizenship or Indefinite Leave to Remain application fees or the payment of the Healthcare surcharge to the UK Visas & Immigration Service.

Who is eligible?

You are eligible for the scheme if you have completed your probation period and are a permanent or fixed term employee (providing you will have at least 12 months remaining on your contract). You must also have sufficient net pay to cover the monthly deduction of the loan.

You also of course will need to be eligible to apply for British Citizenship or Indefinite Leave to Remain application route.

How does the scheme work?

You can apply for loan of up to £5,000, but the amount requested must be no higher than that required to pay the relevant fees and surcharges noted above. The actual value of the loan agreed will also be determined based on:

- the full loan being repaid over a maximum of thirty-six monthly instalments with each monthly payment being no higher than 10% of your net salary, and
- the maximum value of all active loans you have with the Council being no more than £10,000.

If you are on a fixed term contract the number of monthly instalments available may be less as the loan must be repaid in full before the end of your current contract.

We have developed a [loan calculator](#) you can use to calculate the maximum loan you may be eligible for. A [budget planner](#) template is also available to help you assess whether you can afford the monthly repayments after taking account of your other living costs and financial commitments

The standard repayment plan is for the loan to be repaid in the lowest number of instalments possible. If you would like us to consider a lower repayment value with greater number of monthly repayments (up to the maximum of thirty-six) please detail this in your application. The loan calculator can also be used to help you to calculate your options for the value and number of monthly repayments.

When should I apply?

You should only apply for the loan when you are confident that you are ready to submit your British Citizenship or Indefinite Leave to Remain application or payment for the Healthcare surcharge to the UK Visas & Immigration Service. This is important as you will be expected to provide the Council with evidence of payment of the fees to the UK Visas & Immigration Service within 10 working days of receiving the loan payment. Failure to provide this evidence will result in the loan becoming repayable in full immediately. You should also be aware that the loan will still be repayable in full if your application is declined by the UK Visas & Immigration Service.

Applications should however be made at least one month before the payroll deadline of the month payment of the loan is required to allow time for eligibility checks to be completed and the terms of the loan finalised.

How do I Apply?

Applying is easy - you must read and agree to the terms and conditions and make a declaration concerning your eligibility by completing the Immigration Loan Scheme Application Form available on essentials.

- The form must be sent to hreuqueries@camden.gov.uk in good time for the approval process to be completed ahead of the relevant [monthly payroll deadline](#). We advise submitting your request at least 4 weeks before the payroll deadline for the month you require the funds to be transferred to enable all verification checks to be completed ahead of the payroll deadline.
- On receipt of your application we will contact you to complete any necessary eligibility and verification checks.
- If approved, you will be provided with a written record of the terms of the loan and that confirms the actual value of the loan and expected repayment period. You will be required to sign and return this record prior to the amount being transferred to you in the the next available monthly pay run.
- You then need to provide the Council with evidence of payment of the fees to the UK Visas & Immigration Service within 10 working days of receiving the loan payment.

Is there anything else I need to know?

Immigration Loans may only be used towards payment, for you and your dependents, of British Citizenship or Indefinite Leave to Remain application fees or the payment of the Healthcare surcharge to the UK Visas & Immigration Service, and appropriate evidence of how the Immigration Loan has been used must be provided upon request.

Employees using the loan for a purpose other than those set out above or applying for an amount higher than the fees incurred, will be subject to disciplinary action under the Council's Disciplinary Procedure. Managers colluding with employees to abuse the scheme may similarly be subject to disciplinary action. The Council considers that abuse of the scheme is likely to amount to fraud.

No further Immigration loan will be made until any current Immigration loan has been repaid.

Should for any reason the fees paid to the Visas-Immigration Service be reimbursed, you must notify Camden HR and arrange for immediate payment of the outstanding loan balance to the Council.

The loan will become immediately repayable and will be recovered from any salary payments in the following circumstances:

- your employment with the Council ceases for any reason
- you use the Loan for any purpose other than the payment of British Citizenship or Indefinite Leave to Remain application fees or the payment of the Healthcare surcharge to the UK Visas & Immigration Service
- you fail to present formal confirmation to HR Services in the form of a receipt from the Visas Immigration Service and evidence of payment such as a copy of a bank statement or credit card receipt within 10 days of the funds being transferred

If the outstanding balance of the Immigration Loan is larger than any salary payments due to you before the end of your employment, you must make arrangements to repay the total outstanding balance before the last day of your employment at Camden or, if you do not work any notice period, within 7 days of your last day of employment at Camden.

GUIDE ENDS

A copy of the terms and conditions of the Immigration Loan Scheme is set out on the following pages

Terms and Conditions of Immigration Loan Scheme

1. Camden Council (**the Council**) offers staff this interest-free loan on the basis the funds are used only for payment of British Citizenship or Indefinite Leave to Remain application fees or the payment of the Healthcare surcharge to the UK Visas & Immigration Service.
2. In the above application form, declaration and in these Terms and Conditions, the term “**Employee**” refers to the applicant for the loan.
3. Immigration Loans may only be used for the approved purpose set out above, and appropriate evidence of how the Immigration Loan has been used must be provided upon request.
4. The amount requested must be no higher than that required to pay the relevant fees.
5. If granted, the loan will be paid to the Employee in a single payment at the same time as the with the applicant's salary into the Employee’s bank account.
6. Under current HM Revenue & Customs rules, provided the aggregate of all interest-free loans provided by Camden Council does not exceed £10,000, it will be treated as a tax-free benefit.
7. The loan will be repaid in full in up to thirty-six equal instalments from salary payments, subject to the provisions of paragraph 8 which sets out the circumstances when the loan will be repayable in full. The Employee authorises the Council to give effect to the repayment by deducting the amount due under each instalment from the Employee’s salary. The first repayment will normally be deducted in the month following that in which the loan has been paid.
8. The full amount of the loan due to the Council will become due and payable in the following circumstances:
 - 8.1 The Employee fails to pay any sum payable by it under this agreement when due, unless its failure to pay is caused solely either by:
 - (a) an administrative error or technical problem and payment is made within seven days of its due date: or
 - (b) an event (not caused by, and outside the control of, either party) that materially disrupts the systems that enable payments to be made or that otherwise prevents the Borrower from complying with their obligations under this agreement.
 - 8.2 The Employee ceases to be employed by the Lender for any reason.
 - 8.3 The Employee uses the Loan for any purpose other than the Approved purpose.
 - 8.4 Either:
 - (a) the Employee stops or suspends payment of any of its debts or is unable to pay any of its debts as they fall due; or
 - (b) a petition for a bankruptcy order is presented or a bankruptcy order is made against the Employee or the Employee makes an application for a bankruptcy order or
 - (c) The Employee dies.

9. If for any reason the fees paid to the Visas-Immigration Service are reimbursed, the employee must notify Camden HR and arrange for immediate payment of the outstanding loan balance to the Council.
10. If the full amount of the outstanding loan is not recovered from the employee's final salary or for any other reason, the Council will recover the outstanding balance from any salary or other payments due and reserves the right to pursue payment of any unpaid amount.
11. Employees who require a loan should complete the application form and submit it via email to hreuqueries@camden.gov.uk . Applications should be made at least one month before payment of the loan is required. If you meet the eligibility requirements you will be provided with confirmation of a loan agreement to record the terms, including the actual value of the loan, value and number of expected monthly repayments. You will be required to sign the loan agreement prior to the amount being transferred into your bank account.
12. Within 10 working days of receiving the loan you must present formal confirmation to HR Services in the form of a receipt from the Visas Immigration Service and evidence of payment such as a copy of a bank statement or credit card receipt.
13. Employees using the loan for a purpose other than those set out above or applying for an amount higher than the fees incurred, will be subject to disciplinary action under Camden Council Disciplinary Procedure. Managers colluding with employees to abuse the scheme may similarly be subject to disciplinary action. The Council considers that abuse of the scheme is likely to amount to fraud.
14. Application for and acceptance of the loan confirms the employee agrees to keep the Council informed of any changes in their circumstances which may affect continued eligibility to work, enter or remain in the UK. It is the employee's responsibility to ensure that the Council is informed of any changes in their circumstances and failure to do so could affect their continued employment.
15. Notices
 - (a) Any notice or other communication given under this agreement must be in writing and must be delivered by hand or sent by first class post or other next working day delivery service.
 - (b) Any notice or other communication to be given under this agreement must be given to the relevant party at the relevant address stated at the start of this agreement or as otherwise specified by the relevant party in writing to the other party.
 - (c) Any notice or other communication given under this agreement will be deemed to have been received: if delivered by hand, at the time it is left at the relevant address; or if sent by first class post or other next working day delivery service, on the second working day after sending.
16. This agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation will be governed by and construed in accordance with the law of England and Wales.
17. Each party irrevocably agrees that the courts of England and Wales will have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this agreement or its subject matter or formation.

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