

A Professional and Career Development Loan is a commercial bank loan for learners to help pay for work-related learning. Learners can borrow from £300 to £10,000 from a participating bank to help support their course.

As a bank loan, it is very different from other forms of funding such as grants. It must be repaid even if the learner does not like or finish their course, so it involves serious commitment.

Professional and Career Development Loans can be used to support a wide range of courses. This includes any full-time, part-time or distance learning course that leads to employment or enhances job skills.

The Loan can cover 80% of course fees (100% if registered unemployed for three months or more), living expenses (if working less than 30 hours per week) and other associated costs.

## Criteria

The full criteria are at <http://pcdl.ypla.gov.uk>

- Aged 18 or over.
- UK Resident or settled for 3 years (See website).
- Course leads to employment or enhances job skills.
- Intend to work in the UK, European Union or European Economic Area after study.

Loans are not to pay for initial first degree, careers counselling, franchises or foundation courses that lead to another course.

## The Loan Process

Learner borrows money from a bank

YPLA will pay interest while they are studying

Learner repays the loan plus interest after their course

### Get Advice

Taking on a loan is a big commitment. Like any bank loan, it must be repaid in full (with interest for the period after study) – even if the learner is not in work or they do not complete the course.

**In addition to normal advice about which course to do, learners should:**

- Explore other funding options – which may reduce the amount the learner needs to borrow.
- Research different course options and get industry careers advice: which is the best course to gain employment or enhance job skills?
- Get financial advice: How much will they need to borrow and will they be able to afford to repay the loan?
- Make sure they can fully commit to the course.

### Application Process

**Learners should:**

- Request an application pack.
- Check they meet the basic eligibility criteria.
- Select a course and learning provider. The learning provider must be registered or prepared to register on the Professional and Career Development Loan Register.
- Apply to a bank.

YPLA will pay the interest while the learner studies – but it is the banks that decide whether or not to make a loan.

### Study

Course fees are paid directly to the learning provider when they confirm the learner has started their course. Living expenses are paid directly to the learner.

YPLA will pay the interest while they are studying and for one month after.

**If the learner stops their course for any reason they must contact their bank immediately. They are still responsible for repaying the loan in full.**

### Repayment

Repayments begin one month after the learner stops studying. Interest is then payable by the learner.

In exceptional circumstances, it may be possible to delay repayments. The loan is still payable in full.



## Frequently Asked Questions

**Can learners use two forms of funding to pay for the same costs – e.g. a grant and a loan?**

Learners can have multiple forms of funding – but not to cover the same costs.

**When can learners apply for a Professional and Career Development Loan?**

Learners can apply for a Professional and Career Development Loan at any point during the academic year. They should, however, be aware that the time it takes to process a loan can vary from 3 weeks to 3 months. Learners cannot apply for a loan after they have finished their courses.

**How is it different from a Student Loan?**

Professional and Career Development Loans are commercial bank loans and must be repaid even if, for example, a learner is out of work. They cannot be used to fund an initial first degree.

**Who decides if a learner gets a loan?**

The bank. It is not an entitlement and only the bank can make a lending decision.

## More Information

**Providers and Advisors:**  
<http://pcdl.ypla.gov.uk>  
0845 000 0045

**Learners and application packs:**

[www.direct.gov.uk/pcdl](http://www.direct.gov.uk/pcdl)  
Careers Advice Service:  
0800 100 900  
Financial advice: [www.moneymadeclear.fsa.gov.uk/loans](http://www.moneymadeclear.fsa.gov.uk/loans)

