

*Draft Regulations laid before Parliament under section 13(4)(b) of the Asylum and Immigration
(Treatment of Claimants, etc.) Act 2004, for approval by resolution of each House of Parliament.*

DRAFT STATUTORY INSTRUMENTS

2007 No.

IMMIGRATION

**The Integration Loans for Refugees
and Others Regulations 2007**

Made - - - -

Coming into force - -

The Secretary of State, in exercise of the powers conferred by section 13 of the Asylum and Immigration (Treatment of Claimants, etc.) Act 2004(1), makes the following Regulations, a draft of which has been laid before and approved by resolution of each House of Parliament:

Citation and commencement

1. These Regulations may be cited as the Integration Loans for Refugees and Others Regulations 2007 and shall come into force on the expiry of seven days beginning with the day on which they were made.

Interpretation

2. In these Regulations—

“integration loan” means a loan granted in accordance with these Regulations;

“applicant” means an applicant for an integration loan, and “application” is to be construed accordingly;

“decision” means a decision of the Secretary of State on an application;

“dependant” in relation to an applicant has the same meaning as dependant in relation to an asylum seeker under section 94(1) of the Immigration and Asylum Act 1999(2);

“immigration rules” means the rules made under section 3(2) of the Immigration Act 1971(3);

“financial position” means, in relation to an applicant, the following factors taken together—

(a) his income;

(1) 2004 c. 19. as amended by section 45 of the Immigration, Asylum and Nationality Act 2006 c.13.

(2) 1999 c. 33. The definition in section 94(1) is prospectively substituted by section 44(3) of the Nationality, Immigration and Asylum Act 2002 (c.41). This amendment is not in force.

(3) 1971 c. 77.

- (b) his assets;
- (c) his liabilities;
- (d) his outgoings;
- (e) the number of dependants he has.

Minimum and maximum amounts of integration loans

3. The Secretary of State may specify (and vary from time to time) a minimum and a maximum amount of an integration loan.

Eligibility to apply for an integration loan

4.—(1) Subject to paragraph (3) the persons eligible to apply for an integration loan are persons who are refugees for the purpose of section 13(1) of the Asylum and Immigration (Treatment of Claimants, etc.) Act 2004 and persons falling within one of the classes prescribed in paragraph (2).

(2) Those classes are—

- (a) persons granted leave to enter or remain as a consequence of being granted humanitarian protection under the immigration rules;
- (b) persons granted leave to enter or remain as a consequence of being a dependant of a refugee or a dependant of a person falling within sub-paragraph (a).

(3) An applicant for an integration loan—

- (a) must be aged 18 or over;
- (b) must not have already received a loan under these Regulations;
- (c) must have been granted leave to enter or remain after the date of the coming into force of these Regulations;
- (d) must not be insolvent.

(4) A person is insolvent for the purpose of this regulation if the Secretary of State is of the opinion that, having regard to his financial position, he would be incapable of making the repayments required under regulation 9.

Applications for integration loans

5.—(1) To be valid an application for an integration loan—

- (a) must be made in writing to the Secretary of State;
- (b) must be made by an applicant who satisfies the criteria set out in regulation 4;
- (c) must include the information set out in the Schedule and must stipulate the use to which the applicant intends to put an integration loan;
- (d) must include a declaration by the applicant that the information given is correct to the best of his knowledge and belief.

(2) Where a valid application for an integration loan has been made the Secretary of State may make an integration loan.

Matters to be taken into account by the Secretary of State

6.—(1) In determining whether or not to make an integration loan, the Secretary of State must, in addition to other matters appearing to him to be relevant, take into account—

- (a) the length of time since the applicant was granted leave to enter or remain;

- (b) the applicant's financial position;
- (c) the applicant's likely ability to repay an integration loan;
- (d) the information provided by the applicant as to his intended use of an integration loan;
- (e) the available budget for integration loans.

(2) For these purposes "available budget" refers to the amount allocated by the Secretary of State for all integration loans in the financial year in which the application is being determined.

Conditions as to the use of an integration loan

7.—(1) An integration loan may be subject to conditions, including a condition that it must be used in accordance with the intended use stipulated in the application.

(2) An integration loan may be subject to the condition that it will not be made until the applicant has signed a loan agreement which sets out—

- (a) the amount of the loan;
- (b) the conditions of the loan;
- (c) the terms of repayment;
- (d) the procedure by which the recipient of a loan may request a revision of the terms of repayment should his circumstances change.

Decision on an application

8.—(1) The Secretary of State must issue a written decision on an application for an integration loan which sets out the following—

- (a) whether the application is valid;
- (b) if the application is valid, whether or not an integration loan will be made;
- (c) if an integration loan is to be made, the amount of that loan, the conditions of that loan and the terms of repayment;
- (d) the date by which the applicant must inform the Secretary of State that he would like the loan to be made.

(2) In making a decision the Secretary of State may take such steps, make such inquiries, and require from the applicant such further information as he considers necessary—

- (a) to verify the information provided in the application;
- (b) to satisfy himself that the applicant is eligible for an integration loan;
- (c) to determine whether to make an integration loan, and if so the amount of the loan and the terms of repayment.

Repayment of an integration loan

9.—(1) Where the recipient of an integration loan is in receipt of a specified benefit within the meaning of paragraph 1 of Schedule 9 to the Social Security (Claims and Payments) Regulations 1987(4), or of paragraph 1 of Schedule 8A to the Social Security (Claims and Payments) Regulations (Northern Ireland) 1987(5), the terms of repayment may be set in accordance with paragraph (3).

(4) SI. 1987/1968. Paragraph 1 of Schedule 9 was amended by SI 1996/672; SI. 1996/1460; SI. 1996/3195; SI. 2002/2441; SI 2002/3019 and SI. 2005/777.

(5) SR. 1987/465; Schedule 8A was inserted by SR 1988 No 67. Schedule 8A was amended by SR 1994 No 456; SR1996 No 354; SR 1996; and SR 2003 No 191; No 622.

(2) Where the terms of repayment are not set in accordance with paragraph (3) they must be set in accordance with paragraph (4).

(3) Terms of repayment set under this paragraph must specify—

- (a) when recovery will commence;
- (b) that recovery shall be made by way of deductions from benefit in accordance with Schedule 9 to the Social Security (Claims and Payments) Regulations 1987 or, as the case may be, Schedule 8A to the Social Security (Claims and Payments) Regulations (Northern Ireland) 1987.

(4) Terms of repayment set under this paragraph must specify—

- (a) when repayments shall commence;
- (b) the intervals at which repayments must be made;
- (c) the level of repayment;
- (d) the methods by which repayment may be made.

Revision of the terms of repayment

10.—(1) Where the circumstances of the recipient of an integration loan change, the Secretary of State may revise the terms of repayment.

(2) In determining whether or not to revise the terms of repayment, the Secretary of State must, in addition to other matters appearing to him to be relevant, take into account—

- (a) any information provided by the recipient of an integration loan in support of a request for a revision of the terms of repayment;
- (b) any information available to the Secretary of State as to the current financial position of the recipient of an integration loan;
- (c) any information available to the Secretary of State as to a change of circumstances on the part of the recipient of an integration loan which might merit a revision of the terms of repayment of that loan.

(3) The recipient of an integration loan must be informed in writing of a revision of the terms of repayment.

Joint applications for integration loans

11.—(1) Two people may make a joint application for an integration loan if—

- (a) they are married to each other and are members of the same household;
- (b) they are not married to each other but are living together as husband and wife;
- (c) they are civil partners and members of the same household;
- (d) they are two people of the same sex who are not civil partners but are living together as if they were.

(2) Both parties to a joint application for an integration loan must satisfy the eligibility criteria set out in regulation 4 and must make a declaration in accordance with regulation 5(1)(d).

(3) Joint recipients of an integration loan shall be jointly and severally liable for the repayments.

SCHEDULE

Regulation 5

Application Information

An applicant for an integration loan must provide the following information—

- (a) his full name;
- (b) other names by which he is or has been known;
- (c) his date of birth;
- (d) his address in the United Kingdom;
- (e) his telephone number (if any);
- (f) his email address (if any);
- (g) evidence that demonstrates the applicant satisfies regulation 4(1);
- (h) his national insurance number;
- (i) details of his income;
- (j) details of his assets;
- (k) details of his liabilities;
- (l) details of his outgoings;
- (m) confirmation as to whether any of his dependants or any member of his household has made an application for or received an integration loan;
- (n) the information in paragraphs (a) to (f) and (h) to (l) in relation to any dependants;
- (o) the amount he is seeking by way of an integration loan.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations provide for integration loans for refugees and others.

Regulation 3 provides that the Secretary of State may specify and from time to time vary a maximum and a minimum amount which may be awarded by way of an integration loan.

Regulation 4 sets out the criteria a person must satisfy in order to be eligible to apply for an integration loan.

Regulation 5 sets out the criteria which an application for an integration loan must satisfy to be valid. Those criteria are that the application is made in writing by an eligible applicant, that it includes the information set out in the Schedule, that it stipulates the loan's intended use and that it includes a declaration of truth. It allows for an integration loan to be made where there is a valid application.

Regulation 6 provides a list of matters which the Secretary of State must take into account in reaching a decision.

Regulation 7 provides that an integration loan may be made subject to conditions.

Regulation 8 sets out the process to be followed by the Secretary of State on receipt of an application for an integration loan. Provision is made for the Secretary of State to make further inquiries as necessary in the course of reaching a decision.

Regulation 9 makes provision for the repayment of integration loans. There are two methods of repayment. Where the recipient is in receipt of a specified benefit repayment of the loan shall take place in accordance with the Social Security (Claims and Payments) Regulations 1987 or the equivalent legislation for Northern Ireland, by way of deductions from benefits. In other cases the terms of repayment will be in accordance with those set out in the loan agreement.

Regulation 10 makes provision for the terms of repayment to be revised in the event of a change of circumstances on the part of the recipient of the loan. Among the factors which the Secretary of State must take into account in determining whether to revise the terms of repayment is any information which the recipient of the loan has provided in support of a request for a revision of the terms. A revision of the terms of repayment could include switching the method of repayment because the person has started or ceased to be the recipient of benefits. It could also include suspending repayments because the person has fallen into hardship.

Regulation 11 makes provision for spouses and civil partners, and those who are living together as such, to make a joint application for an integration loan. If a loan is made their liability to repay it will be joint and several.