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.