STATUTORY INSTRUMENTS

2018 No. 284

EDUCATION

The Education (Student Loans) (Repayment) (Amendment) Regulations 2018

Made - - - -	*27th February 2018*
Laid before Parliament	*5th March 2018*
Laid before the National Assembly for Wales - -	*5th March 2018*
Coming into force - -	*6th April 2018*

The Secretary of State for Education makes the following Regulations in exercise of the powers conferred by sections 22 and 42 of the Teaching and Higher Education Act 1998(**1**).

The Welsh Ministers make the following Regulations in exercise of the powers conferred on the Secretary of State by sections 22 and 42 of the Teaching and Higher Education Act 1998, now exercisable by them(**2**).

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Education (Student Loans) (Repayment) (Amendment) Regulations 2018 and come into force on 6th April 2018.

(2) Subject to paragraph (3), these Regulations extend to England and Wales only.

(3) These Regulations extend to all of the United Kingdom in so far as they impose or amend any obligation or confer or amend any power conferred on Her Majesty's Revenue and Customs, an

(**1**) 1998 c. 30; Section 22 was amended by section 146 of the Learning and Skills Act 2000 (c. 21), Schedule 6 to the Income Tax (Earnings and Pensions) Act 2003 (c. 1), section 147 of the Finance Act 2003 (c. 14), sections 42 and 43 of and Schedule 7 to the Higher Education Act 2004 (c. 8), section 257 of the Apprenticeships, Skills, Children and Learning Act 2009 (c. 22), section 76 of the Education Act 2011 (c. 21) and S.I. 2013/1881. Section 22 is also amended by section 86(2) to (7) of the Higher Education and Research Act 2017 (c. 29) but those amendments are not yet in force. Section 43(1) of the Teaching and Higher Education Act 1998 defines "prescribed" and "regulations".

(**2**) The functions of the Secretary of State under section 22 of the Teaching and Higher Education Act 1998 as regards Wales were transferred to the National Assembly for Wales by section 44 of the Higher Education Act 2004, except for those functions under section 22(2)(a), (c), (j) and (k), (3)(e) and (f) and (5). Functions under subsections (2)(a), (c) and (k) are exercisable by the Secretary of State concurrently with the National Assembly for Wales. The section 22 functions which were transferred to, or became exercisable by, the National Assembly for Wales were subsequently transferred to the Welsh Ministers by section 162 of and paragraph 30 of Schedule 11 to the Government of Wales Act 2006 (c. 32). The functions of the Secretary of State under section 42 of the Teaching and Higher Education Act 1998 as regards Wales were transferred to the National Assembly for Wales by the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672). The section 42 functions which were transferred to the National Assembly for Wales were subsequently transferred to the Welsh Ministers by section 162 of and paragraph 30 of Schedule 11 to the Government of Wales Act 2006 (c. 32).

employer or a borrower in relation to repayments under Part 3 or 4 of the Education (Student Loans) (Repayment) Regulations 2009(**3**) or on any other person in relation to the retention or production of information or records.

Amendment of the Education (Student Loans) (Repayment) Regulations 2009

2. The Education (Student Loans) (Repayment) Regulations 2009 are amended as follows.

3. In regulation 3(1)—

(a) before the definition of "repayment", insert—

> ""relevant percentage difference in average earnings" means the percentage difference between the average earnings in periods 1 and 2, as published on the website of the Office for National Statistics(**4**) on the last day of June that follows period 2, where—
>
> (a) period 1 is the three month period consisting of January to March in the calendar year prior to period 2; and
>
> (b) period 2 is the three month period consisting of January to March ending a calendar year and six days before the beginning of the repayment threshold year;";

(b) in the definition of "repayment threshold", in (c), for "29(8)" substitute "29(8A)".

4. In regulation 21A—

(a) omit paragraphs (12) and (13);

(b) after paragraph (11) insert—

> "(12) For a borrower to whom Part 3 or 4 applies, the lower interest threshold is—
>
> (a) for the repayment threshold year ending on 5 April 2019, an amount of £25,000;
>
> (b) for each subsequent repayment threshold year, an amount equal to A + (A x B) and rounded up to the nearest £5 where—
>
> A is the lower interest threshold in the previous repayment threshold year, and
>
> B is the relevant percentage difference in average earnings.
>
> (12A) For a borrower to whom Part 5 applies, the lower interest threshold is—
>
> (a) for the repayment threshold year ending on 5 April 2019, an amount to be determined by reference to the most recent price level index for the borrower's country of residence and in accordance with the following table—

Band	*Price level index*	*Lower interest threshold*
A	0<30	£5,000
B	30<50	£10,000
C	50<70	£15,000

(**3**) S.I. 2009/470, amended by S.I. 2010/661, 2010/1010, 2011/784, 2012/836, 2012/1309, 2013/388, 2013/591, 2013/607, 2013/1881, 2014/651, and 2017/831.

(**4**) The Office for National Statistics EARN01 dataset, Average Weekly Earnings (Regular Pay, Great Britain, seasonally adjusted) table can be viewed on the website of the Office for National Statistics – www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/averageweeklyearningsearn01. The figure in question is that for the whole economy (as opposed to those figures given for specific sectors of the economy) indicating percentage change year on year, comparing the three-month period January to March in a given year with the same period a year earlier. It is expressed as a percentage figure to one decimal place.

Band	*Price level index*	*Lower interest threshold*
D	70<90	£20,000
E	90<110	£25,000
F	110<130	£30,000
G	130+	£35,000

(b) for each subsequent repayment threshold year, an amount equal to A + (A x B) and rounded up to the nearest £5 where—

A is the lower interest threshold in the previous repayment threshold year for the band now applicable to the borrower's country of residence, and

B is the relevant percentage difference in average earnings.

(13) For a borrower to whom Part 3 or 4 applies, the higher interest threshold is—

(a) for the repayment threshold year ending on 5 April 2019, an amount of £45,000;

(b) for each subsequent repayment threshold year, an amount equal to A + (A x B) and rounded up to the nearest £5 where—

A is the higher interest threshold in the previous repayment threshold year, and

B is the relevant percentage difference in average earnings.

(13A) For a borrower to whom Part 5 applies, the higher interest threshold is—

(a) for the repayment threshold year ending on 5 April 2019, an amount to be determined by reference to the most recent price level index for the borrower's country of residence and in accordance with the following table—

Band	*Price level index*	*Higher interest threshold*
A	0<30	£9,000
B	30<50	£18,000
C	50<70	£27,000
D	70<90	£36,000
E	90<110	£45,000
F	110<130	£54,000
G	130+	£63,000

(b) for each subsequent repayment threshold year, an amount equal to A + (A x B) and rounded up to the nearest £5 where—

A is the higher interest threshold in the previous repayment threshold year for the band now applicable to the borrower's country of residence, and

B is the relevant percentage difference in average earnings."

5. In regulation 21A(14)—

(a) for "the tables in paragraphs (12)(b) and (13)(b)" substitute "paragraphs (12A) and (13A)";

(b) for (c) substitute "(c) the band applicable to a country is determined by reference to the price level indices calculated under sub-paragraph (b);";