
STATUTORY INSTRUMENTS

1998 No. 258 (N.I. 1)

NORTHERN IRELAND

The Education (Student Loans) (Northern Ireland) Order 1998

Made - - - - 11th February 1998
Laid before Parliament 16th February 1998
Coming into operation in accordance with Article 1(2)
and (3)

At the Court at Buckingham Palace, the 11th day of February 1998

Present,

The Queen's Most Excellent Majesty in Council

Whereas this Order is made only for purposes corresponding to those of the Education (Student Loans) Act 1998:

Now, therefore, Her Majesty, in exercise of the powers conferred by paragraph 1 of Schedule 1 to the Northern Ireland Act 1974 (as modified by section 4 of the said Act of 1998) and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

Title and commencement

1.—(1) This Order may be cited as the Education (Student Loans) (Northern Ireland) Order 1998.

(2) Subject to paragraph (3), this Order shall come into operation on such day or days as the Department of Education may by order appoint.

(3) This Article and Articles 2 and 3 shall come into operation on the expiration of 7 days from the day on which this Order is made.

Interpretation

2.—(1) The Interpretation Act (Northern Ireland) 1954 shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.

(2) In this Order “the 1990 Order” means the Education (Student Loans) (Northern Ireland) Order 1990.

Transfer of public sector student loans to the private sector

3. After Article 3 of the 1990 Order there shall be inserted—

“Transfer of public sector student loans to the private sector

3A.—(1) A relevant lender may assign to any other person all or any of the lender’s rights in respect of any public sector student loans.

(2) The Department may make such arrangements as it thinks fit for the purpose of facilitating, or otherwise in connection with, an assignment under paragraph (1).

(3) Arrangements under this Article may provide for the Department to make payments of any specified description which—

- (a) are payable in such circumstances, and at such times, as may be specified; and
- (b) are of such amounts as may be specified in, or determined in accordance with, the arrangements.

(4) Such arrangements may authorise the Department in specified circumstances—

- (a) to take an assignment from the purchaser of all or any of his rights in respect of any loan to which the arrangements relate; or
- (b) to direct the purchaser to assign all or any such rights to some other person under paragraph (1).

(5) Such arrangements may also provide for the appointment of an independent person approved by the Department with the function of investigating and reporting on any dispute between the purchaser and the borrower under a loan to which the arrangements relate.

(6) Paragraphs (3) to (5) shall not be read as affecting the generality of paragraph (2).

(7) In this Article—

“the purchaser” means the assignee under an assignment under paragraph (1);

“relevant lender”, in relation to a public sector student loan, means the person who made the loan or the purchaser;

“specified” means specified in arrangements under this Article.”.

Regulations to prescribe certain terms of student loan agreements

4.—(1) Paragraph 1 of Schedule 2 to the 1990 Order (public sector student loans: principal, interest and payments) shall be amended as follows.

(2) In paragraph 1(1), for heads (b) and (c) there shall be substituted—

“(b) require the terms of every agreement for a public sector student loan to include—

- (i) such terms relating to the time and manner of repayments;
- (ii) such terms relating to the interest to be borne by the loan; and
- (iii) such terms under which the borrower’s liability may be deferred or cancelled, as are prescribed by the regulations.”.

(3) In paragraph 1(3), for “under sub-paragraph (1)(b)” there shall be substituted “made in pursuance of sub-paragraph (1)(b)(i)”.

(4) For paragraph 1(4) and (5) there shall be substituted—

“(4) Regulations made in pursuance of sub-paragraph (1)(b)(ii) shall make such provision with respect to the rate of interest for the time being applicable to a public sector