

2024 No. 55

EDUCATION

**The Education (Student Loans) (Repayment) (Amendment)
Regulations (Northern Ireland) 2024**

Made - - - - *13th March 2024*

Coming into operation- - *6th April 2024*

The Department for the Economy^(a) in exercise of the powers conferred by Articles 3 and 8(4) of the Education (Student Support) (Northern Ireland) Order 1998^(b) makes the following Regulations.

PART 1

Introductory

Citation, commencement and application

1.—(1) These Regulations may be cited as the Education (Student Loans) (Repayment) (Amendment) Regulations (Northern Ireland) 2024.

(2) These Regulations come into operation on 6th April 2024.

Interpretation

2. In these Regulations “the Repayment Regulations” means the Education (Student Loans) (Repayment) Regulations (Northern Ireland) 2009 (c).

(a) Formerly the Department for Employment and Learning; see Article 6(1)(c) of the Departments (Transfer of Functions) Order (Northern Ireland) 2016 (S.R. 2016 No. 76).

(b) S.I. 1998/1760 (N.I. 14). Article 3 was amended by the Learning and Skills Act 2000 (c.21), section 147(3)(a) and (b), the Student Loans (Amendment) Act (Northern Ireland) 2011, (c.2 (N.I.)), s.1(1), the Income Tax (Earnings and Pensions) Act 2003 (c.1), Schedule 6, the Finance Act 2003, (c.14), s.147(4), the Higher Education (Northern Ireland) Order 2005, (S.I. 2005/1116 (N.I. 5)), Articles 11 and 12 and the Schedule, and by the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No.2) Order 2013, (S.I. 2013/1881), Schedule 1.

(c) S.R. 2009 No. 128, amended by Orders 2013/1881 and 2013/3021, S.R. 2010 No. 91, S.R. 2011 No. 137, S.R. 2012 No. 136, S.R. 2013 No. 68, S.R. 2014 No. 87, S.R. 2016 No. 228, S.R. 2017 No. 7, S.R. 2019 No. 35, S.R. 2021 No.50 and S.R. 2021 No. 260.

PART 2

Amendments to the Repayment Regulations

Amendment of Part 1 (general)

Amendment to regulation 3 (interpretation)

3. In regulation 3 (interpretation) —

(a) after the definition of “repayment threshold year” insert—

“retail price index” means the RPI All Items Index published by the Office for National Statistics(a);”;

““standard interest rate” means, in relation to a loan, the greater of—

(a) zero, or

(b) the percentage increase in the retail price index between the two Marches immediately before the commencement of the academic year in which the loan bears interest;”;

(b) omit the definitions of the following expressions—

“the 2005 Act”;

“the 2007 Act”.

Amendment of Part 2 (Provisions Applicable to all Repayments)

Amendments to regulation 6 (interpretation)

4. In regulation 6(b) (interpretation)—

(a) in the heading, after “Interpretation” insert “of Part 2”.

(i) after the definition of “Student Support Regulations” insert—

““total charge for credit rules” means rules made under article 60M of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001(c) for the purposes of Chapter 14A of Part 2 of that Order(d).”;

Amendments to regulation 11 (timing of repayments: general)

5. In regulation 11(e) (timing of repayments: general)—

(a) for the heading to regulation 11 substitute “Timing and notification of repayments”.

(b) before paragraph (1) insert—

“(A1) In this regulation—

(a) paragraphs (1) to (2E) relate to the timing of repayments for a loan;

(b) paragraphs (3) to (10) relate to the notification of repayments for a student loan.”.

Amendments to regulation 16 (interest rates on the loans)

6. In regulation 16(a) (interest rates on the loans)—

(a) The RPI All Items Index is published at <https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/chaw/>.

(b) Regulation 6 was amended by S.R. 2013 No. 3021, S.R. 2016 No. 228 and S.R. 2017 No. 7.

(c) S.I. 2001/544, amended by S.I. 2013/1881; other amending instruments are not relevant.

(d) The total charge for credit rules are published as part of the FCA Handbook, which is published at <https://www.handbook.fca.org.uk/handbook>.

(e) Regulation 11 was amended by S.R. 2017 No. 7.

- (a) in paragraph (1)—
 - (i) for “rules made by the Financial Conduct Authority under article 60M of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 for the purposes of Chapter 14A of Part 2 of that Order” substitute “total charge for credit rules”;
 - (ii) for “percentage increase between the retail prices all items index published by the Office for National Statistics for the two Marches immediately before the commencement of the academic year” substitute “standard interest rate”.
- (b) in paragraph (4) for “retail prices all items index mentioned in paragraph (1)” substitute “retail price index”.

Amendment of Part 3 (Repayments by Assessment to Income Tax)

Amendments to regulation 24 (time for and amount of repayments)

7. In regulation 24 (time for and amount of repayments) (b) —
- (a) in paragraph (4) for “the 2005 Act” substitute “the Income Tax (Trading and Other Income) Act 2005(c)”;
 - (b) for paragraph (5) substitute —
 - “(5) In this regulation—
 - “the 2007 Act” means the Income Tax Act 2007(d);
 - “jobseeker’s allowance” means an allowance within the meaning of Part II of the Jobseekers (Northern Ireland) Order 1995(e).”.

Amendment to regulation 31 (late payment penalties)

8. Omit regulation 31(f)(a) (including the “and” that follows it).

Amendments to regulation 35 (penalties)

9. In regulation 35(g)—
- (a) in paragraph (1)(a), omit “for the tax year 2010–11 or any subsequent tax year”;
 - (b) omit regulation 35(3);
 - (c) in paragraph (4), omit “For tax years commencing on or after 6 April 2008, where the date on which the return is due to be filed is on or after 6 April 2009,”.

Amendment of Part 4 (Deduction of Repayments by Employers)

Amendments to regulation 36 (interpretation)

10. In regulation 36 (interpretation)(a)—

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- (a) Regulation 16 had words substituted by Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No.2) Order 2013/1881 (July 26, 2013: substitution has effect subject to transitional provisions specified in SI 2013/1881 Pt.8).
 - (b) Regulation 24 was amended by S.R. 2011 No. 137, S.R. 2010 No.91, Section 128 of the Income Tax Act 2007 (c.3) was amended by the Finance Act 2009 (c.10) section 68(1). The requirements to ‘exclude’ certain income and to ‘deduct’ other sources of income from a borrower’s total income for the purposes of student loan repayments reflects the structure of section 23 of the 2007 Act, SI 1995/2705(N.I. 15), S.R. 2011 No. 137 and had words repealed by S.R. 2014 No. 87.
 - (c) 2005 c. 5.
 - (d) 2007 c. 3.
 - (e) S.I. 1995/2705 (N.I. 15).
 - (f) Regulation 31 was substituted by S.R. 2011 No. 137 (April 6, 2011: substitution does not apply to repayments payable by a borrower under SR 2009/128 Part 3 in relation to the tax year 2009-10 or any previous tax year).
 - (g) Regulation 35 was amended by S.R. 2011 No. 137 (April 6, 2011: substitution does not apply to repayments payable by a borrower under SR 2009/128 Part 3 in relation to the tax year 2009-10 or any previous tax year).

- (a) in the heading to regulation 36, after “Interpretation” insert “of Part 4”;
- (b) omit the definition of “Form P46”;
- (c) in the definition of “non-Real Time Information employer”, for “one within regulation 36A” substitute “a Real Time Information employer”;
- (d) in the definition of “Real Time Information employer”, for “regulation 36A” substitute “regulation 2A of the PAYE Regulations”.

Omission of regulation 36A (Real Time Information employer)

11. Omit regulation 36A (Real Time Information employer).

Substitution of regulation 38 (commencement of employment with a non-Real Time Information employer) with (new employee to declare repayments liability)

12. For regulation 38(b) (commencement of employment with a non-Real Time Information employer) substitute—

“New employee to inform employer of repayments liability

38. A person who commences employment with an employer must inform the employer whether the person has any liability to repay a student loan.”

Omission of regulation 38A (Commencement of employment with a Real Time Information employer)

13. Omit regulation 38A (Commencement of employment with a Real Time Information employer).

Amendments to regulation 45 (deductions of repayments)

14. In regulation 45(c) (deductions of repayments) —

- (a) in paragraph (1)—
 - (i) in the words before sub-paragraph (a), after “received” insert “any of the following”;
 - (ii) omit sub-paragraph (c) (including the “or” that follows it);
 - (iii) in sub-paragraph (d) for “regulation 38A” substitute “regulation 38”;
- (b) in paragraph (2)—
 - (i) omit sub-paragraph (c) (including the “or” that follows it);
 - (ii) in sub-paragraph (d) for “regulation 38A” substitute “regulation 38”.

Amendment to regulation 54 (returns by employers)

15. In regulation 54(7) (returns by employers), for “section 566(1) of the 1988 Act” substitute “section 70(1)(a) or 71 of the Finance Act 2004(d)”.

Amendments to regulation 54B (real time returns of information about payments of earnings)

16. In regulation 54B(a) (real time returns of information about payments of earnings)—

(a) Regulation 36 was amended by S.R. 2012 No. 136 and S.R. 2021 No. 260.
 (b) Regulation 38 was substituted by S.R. 2012 No. 136.
 (c) Regulation 45 was amended by S.R. 2012 No. 136.
 (d) 2004 c. 12. Section 71 was amended by Part 1 of Schedule 3 to the Corporation Tax Act 2009 (c. 4).

- (a) in paragraph (1) omit “but this is subject to paragraph (1A)”;
- (b) omit paragraphs (1A) to (1E).

Amendments to regulation 54E (exceptions to regulation 54B)

17. In regulation 54E(b) (exceptions to regulation 54B)—

- (a) omit paragraph (2A);
- (b) in paragraph (3), for “On and after 6 April 2014, the” substitute “The”.

Amendment to regulation 54G (failure to make a return under regulation 54B or 54E)

18. In regulation 54G(c) (failure to make a return under regulation 54B or 54E) omit paragraph (5).

Amendments to regulation 62 (cessation of employment)

19. In regulation 62(d) (cessation of employment)—

- (a) omit paragraph (b);
- (b) in paragraph (ba) for “regulation 38A” substitute “regulation 38”;
- (c) in paragraph (c), for “(where any of paragraph (a), (b), or (ba) apply)” substitute “if paragraph (a) or (ba) apply,”.

Amendment of Part 5 (Repayment by Overseas Borrowers)

Amendments to regulation 66 (interpretation)

20. In regulation 66(e) (interpretation)—

- (a) in the heading after “Interpretation” insert “of Part 5”;
- (b) after “In this Part—” insert—
 - ““country” includes territory;
 - “country-specific multiplier” means the country-specific multiplier calculated in accordance with regulation 66A;”

Insertion of regulation 66A (How to calculate country-specific multiplier)

21. After regulation 66(interpretation) insert—

“How to calculate country-specific multiplier

66A.—(1) The country-specific multiplier for a country is the multiplier specified in the table in relation to its band.

(2) The band for a country is the band specified in the table in relation to its price level index value.

<i>Price level index value (x)</i>	<i>Band</i>	<i>Multiplier</i>
$x < 0.3$	A	0.2
$0.3 \leq x < 0.5$	B	0.4

- (a) Regulation 54B was inserted by S.R. 2012 No. 136 and amended by S.R. 2014 No. 87.
- (b) Regulation 54E was added by S.R. 2012 No. 136 and amended by S.R. 2013 No. 68 and S.R. 2014 No. 87.
- (c) Regulation 54G was added by S.R. 2013 No. 68 and amended by S.R. 2014 No. 87.
- (d) Regulation 62 was amended by S.R. 2012 No. 136.
- (e) Regulation 66 was amended by S.R. 2012 No. 136.

$0.5 \leq x < 0.7$	C	0.6
$0.7 \leq x < 0.9$	D	0.8
$0.9 \leq x < 1.1$	E	1.0
$1.1 \leq x < 1.3$	F	1.2
$x \geq 1.3$	G	1.4

(3) The price level index value for a country is the quotient of—

- (a) the price level value for the country in the most recent year available, and
- (b) the price level value for the United Kingdom in the same year.

Example

0.736687 is the country's price level value and 1.058064 is the United Kingdom's price level value.

0.736687 divided by 1.058064 is 0.696259... (unrounded).

The price level index value for the country is 0.696259..., which is Band C. The country-specific multiplier for a country in Band C is 0.6.

(4) If the price level value for a country is not published, the Department may determine the price level value for that country by reference to a comparable country.

(5) In this regulation, "price level value" means the value published by the World Bank in its "Price level ratio of PPP conversion factor (GDP) to market exchange rate" world development indicator(a)."

Status of examples

66B.—(1) An example used in these Regulations—

- (a) is only illustrative of the provision to which it relates, and
- (b) does not limit the provision.

(2) If an example and the provision to which it relates are inconsistent, the provision prevails."

Amendments to regulation 69 (repayment by fixed instalments)

22. In regulation 69 (repayment by fixed instalments) —

- (a) the existing text of regulation 69 is renumbered as paragraph (1);
- (b) in regulation 69(1), omit "calculated in accordance with regulation 71";
- (c) After regulation 69(1) insert—

"(2) The amount of the fixed instalment is the product of—

- (a) the fixed instalment rate for the borrower's loan, and
- (b) the country-specific multiplier for the borrower's country of residence.

(3) The fixed instalment rate for the student loan is calculated in accordance with regulation 69A."

Insertion of regulation 69A (how to calculate fixed instalment rate)

23. After regulation 69 (repayments by fixed instalments) insert—

(a) The world development indicator is published at <https://data.worldbank.org/indicator/PA.NUS.PPPC.RF>.

“How to calculate fixed instalment rate

69A.—(1) The fixed instalment rate for a student loan is the result of the formula—

- (a) calculated on the 6th of April of each year, and
- (b) rounded down to the nearest £1 (if necessary).

$$\frac{(2x - y) \times 0.09}{12}$$

12

(2) In the formula—

“x” means the median salary for graduates (to the nearest £500) in the most-recent year published by the Department for Education(a);

“y” means the repayment threshold for the student loan as calculated under Regulation 24(6).”

Amendments to regulation 70 (repayment by income-related instalments)

24. In regulation 70(b) (repayment by income-related instalments)—

- (a) for paragraph (4) substitute —

“(4) The relevant amount is 9% of the gross income which the Department consider the borrower is likely to receive in the next 12 month period following the date of the determination referred to in paragraph (2), disregarding—

- (a) income up to the applicable threshold, calculated in accordance with regulation 70A; and
- (b) income in respect of which the Department is satisfied that repayments are likely to be made under Part 3 or 4.”

- (b) in paragraph (5) for “the instalment”, substitute “each instalment”.

Insertion of regulation 70A (how to calculate applicable threshold)

25. After regulation 70 (repayment by income-related instalments) insert—

“How to calculate applicable threshold

70A. The applicable threshold is, in relation to a borrower’s loan, the amount—

- (a) rounded up to the nearest £5 (if necessary), and
- (b) being the product of—
 - (i) the repayment threshold for the loan, and
 - (ii) the country-specific multiplier for the borrower’s country of residence.”.

Omission of regulation 71 (calculation of fixed instalment and applicable threshold)

26. Omit regulation 71 (calculation of fixed instalment and applicable threshold).

Sealed with the Official Seal of the Department for the Economy on 13th March 2024.

(a) The median salary for graduates is published online at <https://explore-education-statistics.service.gov.uk/find-statistics/graduate-labour-markets>. Data published in a given calendar year is used to calculate the fixed instalment rate for the financial year beginning in the following calendar year.

(b) Regulation 70 was amended by S.R. 2012 No. 136 and S.R 2013 No. 68.



Mr Mark Lee
A senior officer of the Department for the Economy

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Education (Student Loans) (Repayment) Regulations (Northern Ireland) 2009 “the Repayment Regulations”.

The amendment of the Repayment Regulations:

- introduces fixed instalment rates, which:
 - are used to calculate repayments by overseas borrowers who have not provided required information about their income,
 - replace the fixed instalments set out in regulation 71 (which is omitted)
- makes incidental, supplemental or technical amendments.

Part 1 of the 2009 Regulations (general) is amended as follows:

- regulation 3 (interpretation) is amended to revise the definitions of expressions used in the 2009 Regulations;

Part 2 of the 2009 Regulations (provisions applicable to all repayments) is amended as follows:

- regulation 6 (interpretation) is amended to revise the definitions of expressions used in Part 2;
- regulation 11 (timing of repayments: general) and 16 (interest rate on the loans) are amended for clarification;

Part 3 of the 2009 Regulations (repayments by assessment to income tax) is amended as follows:

- regulation 24 (time for and amount of repayments) is amended to clarify legislative terminology;
- regulations 31 (late payment penalties) and 35 (penalties) are amended to omit spent provisions.

Part 4 of the 2009 Regulations (deduction of repayments by employers) is amended as follows:

- regulations 36 and 45 are amended in consequence of the following amendments to Part 4;
- regulation 36A (real time information employers) is omitted in consequence of regulation 14 of the Income Tax (Pay As You Earn) (Amendment) Regulations 2013 (S.I. 2013/521) (which exempts certain employers from the requirement to be Real Time Information employers on and after 6th October 2013);
- regulation 38 (new employee to declare repayments liability) is amended, and regulation 38A (commencement of employment with a Real Time Information employer) is omitted, in consequence of the replacement of Form P46 with the starter checklist (see <https://www.gov.uk/new-employee/employee-information>);

- regulation 54 (return by employers) is amended in consequence of paragraph 8(2) of Schedule 12 to the Finance Act 2004 (c. 12);
- regulation 54B (real time returns of information about payments of earnings) is amended to omit spent provisions relating to the 2014-15 and 2015-16 tax years;
- regulations 54E and 54G are amended to omit spent provisions.

Part 5 of the 2009 Regulations (repayment by overseas borrowers) is amended as follows:

- new regulation 66A sets out how to calculate the country-specific multiplier, which is used to determine the amounts of repayments payable by overseas borrowers;— new regulation 66B provides that the examples in the 2009 Regulations (found in new regulations 66A) are only illustrative;
- regulation 69 (repayment by fixed instalments) is amended in consequence of new regulation 69A;
- new regulation 69A sets out how to calculate the fixed instalment rate payable by overseas borrowers;
- regulation 70 is amended due a previous error and in consequence of new regulation 70A;
- new regulation 70A sets out how to calculate the applicable threshold, which is used to determine whether an overseas borrower is required to make repayments in relation to a loan;
- regulation 71 is omitted in consequence of new regulations 69A and 70A.

A regulatory impact assessment has not been produced for this rule as no, or no significant impact on the private, voluntary or public sectors is foreseen.

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