2012 No. 22

EDUCATION

The Repayment of Student Loans (Scotland) Amendment Regulations 2012

Made	25th January 2012
Laid before the Scottish Parliament	27th January 2012
Coming into force	6th April 2012

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 73(f), 73B, and 74(1) of the Education (Scotland) Act 1980(a) and all other powers enabling them to do so.

Citation and commencement

1. These Regulations may be cited as the Repayment of Student Loans (Scotland) Amendment Regulations 2012 and come into force on 6th April 2012.

Amendment of the Repayment of Student Loans (Scotland) Regulations 2000

2. The Repayment of Student Loans (Scotland) Regulations 2000(**b**) are amended in accordance with regulations 3 to 6.

3. In regulation 2(c) (interpretation), insert after the definition of "repayment"—

""repayment threshold" means-

- (a) for the year of assessment ending on 5th April 2013, an amount equal to £15,000 + (£15,000 x Y%) and rounded up to the nearest £5 where Y is the percentage increase between the retail prices all items index published by the Office of National Statistics for the two Marches immediately before the commencement of that year of assessment;
- (b) for any year of assessment ending after 6th April 2013 but before or on 5th April 2016, an amount equal to X + (X x Y%) and rounded up to the nearest £5 where—

X is the repayment threshold for the previous year of assessment, and

Y is the percentage increase between the retail prices all items index published by the Office of National Statistics for the two Marches immediately before the commencement of the previous year of assessment; and

⁽a) 1980 c.44. Section 73(f) was amended by section 29(1) of the Teaching and Higher Education Act 1998 (c.30) ("the 1998 Act") and by section 3(2) of the Education (Graduate Endowment and Student Support) (Scotland) Act 2001 (asp 6). Section 73B was inserted by section 29(2) of the 1998 Act. The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46).

⁽b) S.S.I. 2000/110 (see subsequent footnotes for amendments relevant to these Regulations).

⁽c) There have been amendments to regulation 2 which are not directly relevant to these Regulations.

(c) for any year of assessment ending on or after 6th April 2016, the amount of the repayment threshold for the previous year of assessment;".

4. In regulation 9(4)(a) (refunds), for "£15,000" substitute "the repayment threshold".

5. In regulation 13A(4)(a)(b) (repayment by income related instalments), after "13B(2)" insert "as read with regulation 13B(2A)".

6. In regulation 13B(c) (calculation of fixed instalment and applicable threshold)—

- (a) in paragraph (2), after "table" insert "as read with paragraph (2A)"; and
- (b) after paragraph (2) insert—

"(2A) On 6th April 2012, and on 6th April of each subsequent year until and including 6th April 2015, each amount in the column headed "Applicable Threshold" in the table in paragraph (2) shall increase to an amount equal to $X + (X \times Y\%)$ and rounded up to the nearest £5 where—

X is the amount in the column entitled "Applicable Threshold" immediately before 6th April, and

Y is the percentage increase between the retail prices all items index published by the Office for National Statistics for the two Marches immediately before the previous year of assessment.".

MICHAEL W RUSSELL A member of the Scottish Executive

St Andrew's House, Edinburgh 25th January 2012

⁽a) Regulation 9(4) was amended by S.S.I. 2005/314 and 2009/102.

⁽b) Regulation 13A was added by S.S.I. 2007/159 and amended by S.S.I. 2009/102.

⁽c) Regulation 13B was added by S.S.I. 2007/159.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Repayment of Student Loans (Scotland) Regulations 2000 ("the principal Regulations"). A new definition, "repayment threshold", is added to regulation 2 of the principal Regulations.

The effect of the definition is that the repayment threshold increases in line with the retail prices index from the effective threshold immediately prior to the coming into force of these Regulations.

The repayment threshold is of relevance to regulation 9(4) of the principal Regulations which requires refunds to be made where a repayment of a student loan is deducted from a borrower's emoluments where those emoluments did not in fact exceed the repayment threshold. Regulation 9(4) is amended to insert the newly defined term "repayment threshold".

Part III of the principal Regulations makes provision for the repayment of student loans by overseas residents. Repayments can be made by instalments which link to applicable income thresholds that are set out in a table in regulation 13B(2). These Regulations insert regulation 13B(2A) which has the effect of increasing the applicable thresholds over the period to 6th April 2015 in line with the retail prices index.

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