
STATUTORY RULES OF NORTHERN IRELAND

2009 No. 37

**The Education (Student Support)
Regulations (Northern Ireland) 2009**

PART 8

INTEREST AND INSOLVENCY

Interest

88.—(1) Subject to paragraph (2), loans bear interest at the rate which will result in an annual percentage rate of charge determined in accordance with the Consumer Credit (Total Charge for Credit) Regulations 1980⁽¹⁾ equal to the percentage increase between the retail prices all items index published by the Office for National Statistics for March 2008 and that index so published for March 2009.

(2) If the rate referred to in paragraph (1) exceeds the rate for the time being specified for the purposes of any exemption conferred by virtue of section 16(5)(b) of the Consumer Credit Act 1974⁽²⁾ loans bear interest at the rate so specified.

(3) Interest is calculated on the principal outstanding daily and is added to the principal monthly.

(4) The index of prices to which the Department is required by Article 3(8) of the Order to have regard in prescribing the rate of interest which loans bear is the retail prices all items index mentioned in paragraph (1).

Insolvency

89.—(1) In Northern Ireland—

(a) there shall not be treated as part of a bankrupt's estate or claimed for the bankrupt's estate under Article 280 or 283 of the Insolvency (Northern Ireland) Order 1989⁽³⁾ any sum payable to an eligible student by way of a loan and which the eligible student receives or is entitled to receive after the commencement of the bankruptcy, whether the entitlement arises before or after the commencement of the bankruptcy; and

(b) there shall not be included in a person's bankruptcy debts any debt or liability to which that person is or may become subject in respect of any sum payable to an eligible student by way of loan and which that person receives or is entitled to receive—

(i) in the case of a bankruptcy commencing before 15th January 2005, after the commencement of the bankruptcy; or

(1) S.I. 1980/51, amended by S.I. 1989/596 and S.I. 1999/3177

(2) 1974 c. 39

(3) S.I. 1989/2405 (N.I. 19); Article 280 was amended by the Insolvency (Northern Ireland) Order 2005 (S.I. 2005/1455 (N.I. 10)), Article 17(4). Article 283 was amended by the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22)), Schedule 1, paragraph 11, the Welfare Reform and Pensions (Northern Ireland) Order 1999 (S.I. 1999/3147 (N.I. 11)), and the Insolvency (Northern Ireland) Order 2005, Articles 15 and 31 and Schedule 9

(ii) in the case of a bankruptcy commencing on or after 15th January 2005, before or after the commencement of the bankruptcy.

(2) In England and Wales—

- (a) there shall not be treated as part of a bankrupt’s estate or claimed for the bankrupt’s estate under section 307 or 310 of the Insolvency Act 1986⁽⁴⁾ any sum payable to an eligible student by way of a loan and which the eligible student receives or is entitled to receive after the commencement of the bankruptcy, whether the entitlement arises before or after the commencement of the bankruptcy; and
- (b) there shall not be included in a person’s bankruptcy debts any debt or liability to which that person is or may become subject in respect of any sum payable to an eligible student by way of a loan and which that person receives or is entitled to receive—
 - (i) in the case of a bankruptcy commencing before 15th January 2005, after the commencement of the bankruptcy; or
- (c) in the case of a bankruptcy commencing on or after 15th January 2005, before or after the commencement of the bankruptcy.

(3) In this regulation, “loan” means a loan pursuant to regulations made by the Department under Article 3 of the Order, including the interest on the loan and any penalties or charges incurred in connection with it.

(4) 1986 c. 45; section 307 was amended by the Enterprise Act 2002 (c. 40), section 261. Section 310 was amended by the Pensions Act 1995 (c. 26), section 122 and Schedule 3, paragraph 15, the Welfare Reform and Pensions Act 1999 (c. 30), section 18 and Schedule 2, paragraph 2 and the Enterprise Act 2002, sections 259 and 278 and Schedule 26