
SCOTTISH STATUTORY INSTRUMENTS

2007 No. 154

The Education (Student Loans) (Scotland) Regulations 2007

PART V

INTEREST AND INSOLVENCY

Interest

14.—(1) Subject to paragraph (2), loans made in each 12 month period commencing on each 1st September shall bear interest at a 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 by which the retail prices all items index published by the Office for National Statistics for the month of March immediately preceding the commencement of that period has increased compared with that for the previous March.

(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 shall bear interest at the rate so specified.

(3) Interest shall be calculated on the principal outstanding daily, and shall be added to the principal monthly.

(4) The index of prices that the Scottish Ministers shall have regard to in prescribing the rate of interest which loans shall bear shall be the retail prices all items index mentioned in paragraph (1).

(1) S.I.1980/51; amended by S.I. 1983/1562 and 1989/596.

(2) 1974 c. 39.