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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Education (Student Loans) Regulations 1998 (the “1998 Regulations”). The 1998 Regulations, made under the Education (Student Loans) Act 1990, govern mortgage style repayment loans. These loans are, for the most part, only available to students who started their courses before 1st August 1998.

These Regulations do not apply in or as regards Scotland.

Regulation 10 increases, in line with inflation, the maximum amounts that may be lent to students in relation to an academic year commencing on or after 1st August 2006.

Regulation 12 amends Schedule 1 to the 1998 Regulations in order to implement Directive [2004/38/EC](#) of the European Parliament and of the Council of 29th April 2004 (OJ L158, 30.04.2004, p77-123) on the rights of citizens of the Union and their family members to move and reside freely in the territory of the member states so far as the Directive relates to student loans. Certain categories of person who were not formerly eligible for student loans will be so eligible as a result of the Directive. To qualify for a student loan a person must fall within one of the categories set out in Part 2 of Schedule 1. Schedule 1 has been amended to include the categories of person who are eligible for student loans as a result of the Directive. A copy of the Transposition Note in relation to the Directive in so far as it relates to student loans is available from the Department for Education and Skills, Sanctuary Buildings, Great Smith Street, London, SW1P 3BT or on the website of the Office of Public Sector Information at [www.opsi.gov.uk](http://www.opsi.gov.uk). A copy has been placed in the library of each House of Parliament. Other amendments are also made to the categories of student who may apply for loans.

Regulations 7 and 8 make consequential changes to the provisions of the 1998 Regulations.

Regulation 8 also sets out the criteria that certain categories of students who were not previously eligible for a loan must satisfy in order to be eligible for a loan in connection with an academic year beginning on or after 1st August 2005 but before 1st July 2006. Regulation 8 also sets out the time limits for applying for those loans.

Regulation 12 amends the terms of loans taken out on or after 30th April 2006.

These Regulations also revoke in part the Education (Student Loans) (Amendment) (England and Wales) Regulations 2005 and the Education (Student Loans) (Amendment) (No.2) (England and Wales) Regulations 2005.

A full regulatory impact assessment has not been produced for this instrument as it has no impact on the costs of business.