

STATUTORY INSTRUMENTS

2017 No. 725

The Loans for Mortgage Interest Regulations 2017

Interest

15.—(1) The Secretary of State shall charge interest on the sum of the loan payments until the earlier of—

- (a) the day on which the loan payments and accrued interest are repaid in full;
- (b) the event referred to in regulation 16(1)(c)^[F1];
- (c) where the conditions in paragraph (1A) are met, the day on which the Secretary of State sends a completion statement to the claimant.]

^[F2](1A) The conditions are—

- (a) the claimant requests a completion statement from the Secretary of State in order to repay all of the outstanding amount in accordance with regulation 16(8) and (9); and
- (b) the outstanding amount is paid within 30 days beginning with the day on which the completion statement is sent by the Secretary of State to the claimant.

(1B) Where regulation 16(3) applies, the Secretary of State shall continue to charge interest on the outstanding amount until the day referred to in regulation 15(1).]

(2) Interest at the relevant rate shall accrue daily, with effect from the first day a loan payment is made to a qualifying lender or the claimant under regulation 17, and shall be added to the outstanding amount at the end of each month (or part month).

(3) The relevant rate is the interest rate for the relevant period.

(4) For the purposes of this regulation and ^[F3]regulations 16 and 16A], the outstanding amount is the sum of the loan payments and interest which has been charged under paragraph (1).

^[F4](4A) For the purposes of this regulation, a “completion statement” means a written statement setting out the outstanding amount owed by the claimant to the Secretary of State.]

(5) The interest rate referred to in paragraph (3) is the weighted average interest rate on conventional gilts specified in the most recent report published before the start of the relevant period by the Office for Budget Responsibility under section 4(3) of the Budget Responsibility and National Audit Act 2011(1).

(6) The relevant period is the period starting on—

- (a) 1st January and ending on 30th June in any year; or
- (b) 1st July and ending on 31st December in any year.

F1 Reg. 15(1)(c) inserted (6.4.2018) by [The Loans for Mortgage Interest and Social Fund Maternity Grant \(Amendment\) Regulations 2018 \(S.I. 2018/307\)](#), regs. 1(2), **2(9)(a)**

F2 Reg. 15(1A)(1B) inserted (6.4.2018) by [The Loans for Mortgage Interest and Social Fund Maternity Grant \(Amendment\) Regulations 2018 \(S.I. 2018/307\)](#), regs. 1(2), **2(9)(b)**

Changes to legislation: *There are currently no known outstanding effects for the The Loans for Mortgage Interest Regulations 2017, Section 15. (See end of Document for details)*

- F3** Words in reg. 15(4) substituted (15.3.2021) by [The Loans for Mortgage Interest \(Amendment\) Regulations 2021 \(S.I. 2021/131\)](#), regs. 1(b), **2(3)**
- F4** Reg. 15(4A) inserted (6.4.2018) by [The Loans for Mortgage Interest and Social Fund Maternity Grant \(Amendment\) Regulations 2018 \(S.I. 2018/307\)](#), regs. 1(2), **2(9)(c)**

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There are currently no known outstanding effects for the The Loans for Mortgage Interest Regulations 2017, Section 15.