
WELSH STATUTORY INSTRUMENTS

2007 No. 3509

**The Education (Student Loans) (Repayment)
(Amendment) (Wales) Regulations 2007**

Amendment of Education (Student Loans) (Repayment) Regulations 2000

7. For Part 5 substitute the following —

“PART 5

Repayment by Overseas Borrowers

52D. This Part applies in relation to Wales.

Interpretation

53. In this Part —

“gross income” means income from all sources before deductions for or relief from tax or other statutory charge;

“residence” in or outside the United Kingdom has the same meaning as it has in the Taxes Acts;

“Eurostat” means the Statistical Office for the European Communities.

Notice of overseas residence

54.—(1) A borrower must notify the Welsh Ministers of any period of residence outside the United Kingdom which exceeds three months.

(2) A borrower must provide such information about his or her income during any such period of residence as the Welsh Ministers may require.

Notice of liability to make repayments

55.—(1) Subject to regulation 57, where the Welsh Ministers are satisfied that a borrower is resident outside the United Kingdom they may serve a notice on the borrower requiring the borrower to repay his or her student loan in accordance with regulation 56.

(2) In a notice served under paragraph (1) the Welsh Ministers may require a borrower who has failed to —

(a) give the notice required by regulation 54(1), or

(b) provide any information required by the Welsh Ministers under regulation 54(2)

to repay immediately such part of his or her student loan as will reduce the amount outstanding to the amount which the Welsh Ministers consider would have been outstanding if the borrower had given the notice or provided the information required of him or her.

Repayment by fixed instalments

56. A borrower must not later than the day specified in a notice served under regulation 55 and not later than the same day of each subsequent month pay the Welsh Ministers a fixed instalment, calculated in accordance with regulation 57A.

Repayment by income-related instalments

57.—(1) Where the Welsh Ministers are satisfied that a borrower to whom regulation 55 applies has complied with a requirement to provide information under regulation 54, they may determine that the borrower may repay his or her loan by income-related instalments, in accordance with this regulation.

(2) The first such instalment must be paid on a date determined by the Welsh Ministers being a date not more than two months later than the date of the determination, and subsequent instalments must be paid on the same date in each subsequent month for up to twelve months.

(3) Each instalment must be one twelfth of the relevant amount.

(4) The relevant amount is 9% of the gross income which the Welsh Ministers consider the borrower is likely to receive during the twelve month period following the date of the determination referred to in paragraph (2), disregarding —

- (a) income up to the applicable threshold, calculated in accordance with regulation 57A; and
- (b) income in respect of which the Welsh Ministers are satisfied that repayments are likely to be made under Part 3 or 4.

(5) The amount of the instalment must be stated in the determination.

(6) At the end of the period referred to in paragraph (2), the borrower must pay fixed instalments under regulation 56, subject to a further determination under paragraph (1).

(7) At any time during the period referred to in paragraph (2) the Welsh Ministers may make a re-determination under paragraph (1).

Calculation of fixed instalment and applicable threshold

57A.—(1) The fixed instalment in regulation 56 and the applicable threshold in regulation 57 are to be determined by reference to the most recent price level index for the borrower's country of residence and in accordance with the following tables—

<i>Band</i>	<i>Price Level Index</i>	<i>Fixed Instalment</i>
A	0<30	£49.20
B	30<50	£98.40
C	50<70	£147.60
D	70<90	£196.80
E	90<110	£246
F	110<130	£295.20
G	130+	£344.40

<i>Band</i>	<i>Price Level Index</i>	<i>Applicable Threshold</i>
A	0<30	£3,000

<i>Band</i>	<i>Price Level Index</i>	<i>Applicable Threshold</i>
B	30<50	£6,000
C	50<70	£9,000
D	70<90	£12,000
E	90<110	£15,000
F	110<130	£18,000
G	130+	£21,000

(2) The price level index for the United Kingdom is 100.

(3) Price level indices are to be calculated using the most recent provisional comparative price level indices measured in gross domestic product produced by Eurostat.

(4) Where a price level index cannot be calculated because Eurostat does not hold the necessary data, it is to be calculated using the most recent provisional comparative price level indices measured in gross domestic product produced by the World Bank's World Development Indicators.

(5) Where a price level index cannot be calculated under paragraph (3) or (4), the applicable threshold and fixed instalment are those for band A.

(6) The Welsh Ministers may determine that the applicable threshold or fixed instalment for a borrower is to be that for a country other than his or her country of residence.

Application to cease repayment by instalments

57B.—(1) A borrower who—

- (a) is required to make repayments under this Part, and
- (b) who has not been required to repay his or her student loan in full immediately under regulation 57C

may apply to the Welsh Ministers for a determination that he or she is no longer required to make such repayments.

(2) Where the Welsh Ministers are satisfied that —

- (a) the borrower is resident in the United Kingdom, and
- (b) he or she is likely to be resident in the United Kingdom for the year of assessment during which the date specified in his or her determination will fall,

they may determine that a borrower who has applied under paragraph (1) is not to be required to make repayments under this Part from a date specified in their determination, being a date not more than two months later than the date of the determination.

(3) A determination under paragraph (2) has effect until the borrower again becomes liable to repay the loan under regulation 56 or 57.

Penalties

57C. If a borrower does not pay an instalment or other amount when it is due the Welsh Ministers may require him or her to repay the loan in full immediately.”.