

EXPLANATORY MEMORANDUM TO
The Education (Student Loans) (Repayment) (Amendment) Regulations
(Northern Ireland) 2024

SR 2024 No. 55

1. Introduction

- 1.1 This Explanatory Memorandum has been prepared by the Department for the Economy (“the Department”), which is laid before the Northern Ireland Assembly.
- 1.2 The Statutory Rule is made under by Articles 3 and 8(4) of the Education (Student Support) (Northern Ireland) Order 1998 and is subject to the negative resolution procedure.
- 1.3 These Regulations come into operation on 6th April 2024.

2. Purpose

- 2.1 This Rule amends the Education (Student Loans) (Repayment) Regulations (Northern Ireland) 2009 (“the Repayment Regulations”).
- 2.2 This Rule amends the Repayment Regulations to update fixed instalment repayment rates, and provides for an annual calculation, for NI borrowers who live and work overseas and who have not provided the required information to the Student Loans Company (SLC) about their income.

3. Background

3.1 Fixed Instalment Rates For Overseas Borrowers

A borrower with a loan(s) in repayment status who is resident overseas and outside the UK tax system is required, under the Repayment Regulations, to provide the SLC with information on their residence and/or income to allow for the calculation of an income-related overseas repayment schedule. Where an overseas borrower has failed to comply with this requirement, or where the overseas borrower chooses not to repay by income related instalments, fixed monthly instalments are due.

These amounts have not been increased since their introduction in 2000. Consequently, there is now a perverse incentive for high-earning borrowers overseas not to submit their earnings information to the SLC, as doing so could increase their monthly repayments.

This Rule updates fixed instalment repayment rates, and provides for an annual calculation, for NI borrowers who live and work overseas and who

have not provided the required information to the SLC about their income.

3.2 Further Technical Changes

This Rule makes a number of other technical changes to omit spent provisions and as a result of changes made by HMRC.

4. Consultation

There is no statutory requirement to consult on these Regulations.

5. Equality Impact Assessment

Section 75 Equality of Opportunity Screening exercises have been carried out and it is our view that the proposals will not have an adverse impact on any of the Section 75 categories.

6. Rural Needs Impact Assessment

A Rural Needs Impact Assessment has been prepared.

7. Regulatory Impact Assessment

A Regulatory Impact Assessment has not been prepared for this Rule as it has no adverse impact on business, charities or voluntary bodies.

8. Financial Implications

The proposed legislative changes will only serve to increase the amounts recovered from NI borrowers.

9. Section 24 of the Northern Ireland Act 1998

The making of this Rule complies with Section 24 of the Northern Ireland Act.

10. EU Implications

This Rule does not relate to withdrawal from the European Union / trigger the statement requirements under the European Union (Withdrawal) Act.

11. Parity or Replicatory Measures

This Rule has the same territorial extent and application as the provisions it amends in the Education (Student Loans) (Repayment) Regulations 2009.

12. Additional information

If you require any further details regarding this Rule you can send an e-mail to studentsupport@economy-ni.gov.uk