
STATUTORY INSTRUMENTS

1990 No. 1549

The Social Security Benefits (Student Loans and Miscellaneous Amendments) Regulations 1990

Amendment of the Family Credit Regulations

3.—(1) The Family Credit Regulations shall be amended in accordance with the following provisions of this Regulation.

(2) In regulation 24 (calculation of income other than earnings)—

(a) in paragraph (1) for the reference “(2) to (4)” there shall be substituted the reference “(2) to (4A)”;

(b) after paragraph (4) there shall be inserted the following paragraph—

“(4A) Where a loan is made to a person pursuant to arrangements made under section 1 of the Education (Student Loans) Act 1990 and that person ceases to be a student before the end of the academic year in respect of which the loan is payable or, as the case may be, before the end of his course, a sum equal to the weekly amount apportionable under paragraph (2) of regulation 42A shall be taken into account under paragraph (1) for each week, in the period over which the loan fell to be apportioned, following the date on which that person ceases to be a student; but in determining the weekly amount apportionable under paragraph (2) of regulation 42A so much of that paragraph as provides for a disregard shall not have effect.”.

(3) In regulation 37 (interpretation) in the definition of “grant” at the end there shall be added the words “but does not include a payment derived from funds made available by the Secretary of State for the purpose of assisting students in financial difficulties under section 100 of the Education Act 1944, sections 131 and 132 of the Education Reform Act 1988 or section 73 of the Education (Scotland) Act 1980”.

(4) In regulation 38(2)(f) (calculation of grant income) for the figure “£234” there shall be substituted the figure “£246”.

(5) After regulation 42 (other amounts to be disregarded) there shall be inserted the following regulation—

“Treatment of student loans

42A.—(1) A loan which is made to a student pursuant to arrangements made under section 1 of the Education (Student Loans) Act 1990 shall be treated as income.

(2) In calculating the weekly amount of the loan to be taken into account as income—

(a) except where sub-paragraph (b) applies, the loan shall be apportioned equally between the weeks in the academic year in respect of which the loan is payable;

(b) in the case of a loan which is payable in respect of the final academic year of the course or, if the course is only of one academic year’s duration, in respect of that year, the loan shall be apportioned equally between the weeks in the period beginning with the start of the final academic year or, as the case may be, the single academic year and ending with the date on which the course ends,

and from the weekly amount so apportioned there shall be disregarded £10.

(3) Any loan for which a student is eligible in respect of an academic year under the arrangements mentioned in paragraph (1) but which has not been acquired by him shall be treated as possessed by him and paragraphs (1) and (2) shall apply accordingly; and for the purposes of this paragraph the loan for which a student is eligible is the maximum amount payable to him under those arrangements.”

(6) In paragraph 21 of Schedule 3 (capital to be disregarded) for the words “(capital treated as income)” there shall be substituted the words “or 42A (capital treated as income or treatment of student loans)”.

Changes to legislation:

There are currently no known outstanding effects for the The Social Security Benefits (Student Loans and Miscellaneous Amendments) Regulations 1990, Section 3.