
STATUTORY INSTRUMENTS

2022 No. 1335

**The Education (Student Loans) (Repayment)
(Amendment) (No. 4) Regulations 2022**

PART 2

Amendment of the Education (Student Loans) (Repayment) Regulations 2009

Amendment of Part 5 (repayment by overseas borrowers)

Amendment to the heading to Part 5

54. In the heading to Part 5, after “Repayment” insert “of plan 1, 2, 3 and 5 loans”.

Amendments to regulation 71 (interpretation)

55.—(1) In the heading to regulation 71, after “Interpretation” insert “of Part 5”.

(2) In regulation 71—

(a) before the definition of “gross income” insert—

““borrower” means a borrower who has a plan 1, 2, 3 or 5 loan;”;

(b) omit the definition of “residence”.

Amendments to regulation 73 (notice of liability to make repayments)

56.—(1) In regulation 73(1), for “any student loan or any postgraduate degree loan” substitute “a plan 1, 2, 3 or 5 loan”.

(2) In regulation 73(2), for “a student loan or any postgraduate degree loan” substitute “the loan”.

Amendments to regulation 74 (repayment by fixed instalments)

57.—(1) The existing text of regulation 74 is renumbered as paragraph (1).

(2) In regulation 74(1), omit “calculated in accordance with regulation 76”.

(3) After regulation 74(1) insert—

“(2) The amount of the fixed instalment is the product of—

(a) the fixed instalment rate for the borrower’s loan, and

(b) the country-specific multiplier for the borrower’s country of residence.

(3) The fixed instalment rate for—

(a) a plan 1 loan is £246;

(b) a plan 2, 3 or 5 loan is calculated in accordance with regulation 74A.”.

Insertion of regulation 74A (how to calculate fixed instalment rate)

58. After regulation 74 (repayment by fixed instalments) insert—

“How to calculate fixed instalment rate

74A.—(1) The fixed instalment rate for a plan 2, 3 or 5 loan is the result of the formula—

- (a) calculated on the 6th of April of each year, and
- (b) rounded down to the nearest £1 (if necessary).

(2) The formula is—

$$\frac{(2x - y) \times 0.09}{12} .$$

(3) In the formula—

“x” means the median salary for graduates (to the nearest £500) in the most-recent year published by the Department for Education⁽¹⁾;

“y” means the repayment threshold for the loan.

Example

On 6th April, £36,000 is the median salary and £27,295 is the repayment threshold.

- £36,000 multiplied by two is £72,000.
- £27,295 subtracted from £72,000 is £44,705.
- £44,705 multiplied by 0.09 is £4,023.45.
- £4,023.45 divided by 12 is £335.29.

The fixed instalment rate is £335 (rounded down to the nearest £1).”.

Amendments to regulation 75 (repayment by income-related instalments)

59.—(1) In regulation 75(4)—

- (a) in sub-paragraph (a), for “student loan” substitute “plan 1, 2 or 5 loan”;
- (b) in sub-paragraph (b), for “postgraduate degree loan” substitute “plan 3 loan”;

(2) In regulation 75(4A)(a), for “regulation 76” substitute “regulation 75A”.

(3) In regulation 75(4B)—

- (a) for “(4)” substitute “(4)(b)”;
- (b) for “due by—” to the end substitute “under paragraph (4)(a)”.

Insertion of regulation 75A (how to calculate applicable threshold)

60. After regulation 75 (repayment by income-related instalments) insert—

“How to calculate applicable threshold

75A. The applicable threshold is, in relation to a borrower’s loan, the amount—

- (a) rounded up to the nearest £5 (if necessary), and

(1) The median salary for graduates is published at <https://explore-education-statistics.service.gov.uk/find-statistics/graduate-labour-markets>. Data published in a given calendar year is used to calculate the fixed instalment rate for the financial year beginning in the following calendar year.

- (b) being the product of—
 - (i) the repayment threshold for the loan, and
 - (ii) the country-specific multiplier for the borrower’s country of residence.”.

Omission of regulation 76 (calculation of fixed instalment and applicable threshold)

- 61.** Omit regulation 76.

Amendments to regulation 77 (application to cease repayment by instalments)

- 62.** In regulation 77(1)—
 - (a) in sub-paragraph (a), after “repayments” insert “of a loan”;
 - (b) in sub-paragraph (b), for “a student loan or a postgraduate degree loan” substitute “the loan”.