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STATUTORY INSTRUMENTS

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**2002 No. 2859**

**EDUCATION, ENGLAND AND WALES  
EDUCATION, SCOTLAND**

**The Education (Student Loans) (Repayment)  
(Amendment) (No. 2) Regulations 2002**

*Made - - - - 10th November 2002*  
*Laid before Parliament 25th November 2002*  
*Coming into force - - 16th December 2002*

The Secretary of State for Education and Skills, in exercise of the powers conferred on the Secretary of State by sections 22 and 42(6) of the Teaching and Higher Education Act 1998<sup>(1)</sup> and sections 73(f) and 73B of the Education (Scotland) Act 1980<sup>(2)</sup>, hereby makes the following Regulations:

1. These Regulations may be cited as the Education (Student Loans) (Repayment) (Amendment) (No. 2) Regulations 2002 and shall come into force on 16th December 2002.

2. Regulation 36 of the Education (Student Loans) (Repayment) Regulations 2000<sup>(3)</sup> shall be amended as follows.

3.—(1) In paragraph (2)—

(a) at the end of sub-paragraph (b) for the comma substitute “; or” and after that insert—

“(c) income support deduction notices made under regulation 20 of the Social Security (Payments on Account, Overpayments and Recovery) Regulations 1988<sup>(4)</sup> (“the Social Security Regulations”),”;

(b) for “both types of order” substitute “these types of order or notice”.

(2) In paragraph (3)(c)—

(a) for “or deductions of earnings order” substitute “, deduction of earnings order or income support deduction notice”;

(b) after “no such order” insert “or notice”.

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(1) 1998 c. 30.

(2) 1980 c. 44; section 73(f) was amended by the Teaching and Higher Education Act 1998, section 29(1); section 73B was inserted by the same Act, section 29(2).

(3) S.I.2000/944, to which there are amendments not relevant to these Regulations.

(4) S.I. 1988/664, to which there are amendments not relevant to these Regulations.

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*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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(3) In paragraph (4) after “Council Tax Regulations” insert “or an income support deduction notice made under regulation 20 of the Social Security Regulations.”

(4) In paragraph (5) for “or a deduction of earnings order” substitute “, deduction of earnings order or income support deduction notice”.

(5) After paragraph (5) add—

“(6) Where repayments to be deducted in accordance with paragraph (3) are reduced as a result of sub-paragraph (c) of that paragraph and the total of the reduced repayments includes pence as well as pounds the pence shall be ignored.”.

10th November 2002

*Margaret Hodge*  
Minister of State,  
Department for Education and Skills

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations, which come into force on 16th December 2002, amend regulation 36 of the Education (Student Loans) (Repayment) Regulations 2000 (“the Repayment Regulations”).

In cases where an employee has both a student loan and is subject to an income support deduction notice (made under regulation 20 of the Social Security (Payments on Account, Overpayments and Recovery) Regulations 1988), the employer is to treat student loan deductions as if they were made by a priority attachment of earnings order made subsequently to any such income support deduction notice, actual priority attachment of earnings order or priority deduction of earnings order to which the employee is subject (*regulation 3(1)–(4)*). Where repayments to be deducted in accordance with regulation 36(3) of the Repayment Regulations are reduced to the limit of the specified protected earnings rate and the total of the reduced repayments includes pence as well as pounds the pence are ignored (*regulation 3(5)*).