
STATUTORY RULES OF NORTHERN IRELAND

1998 No. 298

**Education (Student Support)
Regulations (Northern Ireland) 1998**

Part III

Loans for Maintenance

Application for a loan

6.—(1) An eligible student shall apply for a loan in relation to an academic year by completing and submitting to the Department a loan application form not later than one month before the end of that academic year.

(2) A loan application form submitted by a student under paragraph (1) shall include—

- (a) the student's full name and his or her sex;
- (b) the student's United Kingdom national insurance number, unless he does not have one;
- (c) his student loan account number, if he has applied for a loan before and the Department has informed him of his account number;
- (d) details of the bank or building society account into which the loan will be paid, unless the student does not have such an account;
- (e) the name, address and telephone number of two persons who know the student;
- (f) a statement whether the student has ever been declared bankrupt or whether his estate has ever been sequestrated; and
- (g) the amount the student wishes to borrow in relation to the academic year in respect of which the application is made not exceeding the relevant maximum amount specified in relation to his case in regulation 7.

(3) A student shall sign a declaration on the loan application form submitted by him under paragraph (1) that—

- (a) the particulars given in the application form are correct to the best of his knowledge and belief;
- (b) he will notify the Department of any change in them; and
- (c) he will repay any amount lent to him, together with interest and applicable charges and penalties, in accordance with the Order and Regulations made thereunder from time to time.

(4) If a loan application form submitted by any student under paragraph (1) is received by the Department more than 30 days after the date on which the certificate of eligibility in relation to that student is signed the Department shall inquire of the institution which provides the student's course whether the student is still attending that course, and not proceed with the application until the institution has satisfied it that the student is still attending the course.

(5) The Department on being satisfied that any person is an eligible student in relation to an academic year shall lend him for his maintenance the amount requested by the student under paragraph (2) for that year in accordance with and subject to regulation 8.

(6) Where a borrower has not in a loan application form requested the maximum amount of loan to which he is entitled under regulation 7 in relation to any academic year he may, on one further occasion only, apply to borrow an additional amount for that year provided that the additional amount, when added to the amount already applied for in the loan application form, shall not exceed the relevant maximum amount specified in relation to his case in regulation 7.

(7) An application under paragraph (6) shall be made in writing not later than one month before the end of the academic year and paragraphs (2)(a) to (d), (3) and (4) shall apply to it as they apply to an application made in a loan application form.

(8) The Department on being satisfied that a borrower who has made an application under paragraph (6) remains an eligible student and is entitled to borrow an additional amount for the academic year in question shall lend him the additional amount requested in accordance with and subject to regulation 8.

Amounts of loans

7.—(1) Subject to paragraphs (2) to (5) the maximum amount which may be lent to an eligible student in relation to any one academic year of a course shall be—

- (a) for a student who resides at the home of his parent, £2,325;
- (b) for a student who does not reside at the home of his parent—
 - (i) if he attends a course provided by the University of London or by an institution within the area comprising the City of London and the metropolitan police district, £3,145;
 - (ii) otherwise £2,735.

(2) Subject to paragraphs (3) to (5) the maximum amount which may be lent to an eligible student in relation to an academic year which is the final year of a course other than an accelerated course shall be—

- (a) for a student who resides at the home of his parent, £1,970;
- (b) for a student who does not reside at the home of his parent—
 - (i) if he attends a course provided by the University of London or by an institution within the area comprising the City of London and the metropolitan police district, £2,565;
 - (ii) otherwise £2,265.

(3) Subject to paragraph (4) where the course which an eligible student attends includes a period of residence in a country other than the United Kingdom throughout the academic year, the maximum amount of the loan in relation to that academic year shall be £2,735 or if the year is the final year of the course £2,265.

(4) For the purposes of paragraphs (1) to (3) where a postgraduate course of initial training for teachers is of only one academic year's duration that year shall not be treated as the final year of the course, and for the purposes of paragraphs (1) and (2), a student's place of residence shall be his place of residence on the date of the certificate of eligibility given in relation to him.

(5) Where, in relation to an academic year, a student is eligible to receive any payment pursuant to any bursary or award of similar description made to him in pursuance of Article 44 of the Health and Personal Social Services (Northern Ireland) Order 1972 the amount of which is calculated by reference to his income then, unless the course he is attending leads to qualification as a medical doctor or as a dentist, paragraphs (1) to (3) shall have effect as if £1,000 had been deducted from each of the amounts referred to therein.

Payments

8.—(1) The Department shall pay the amount to be lent to an eligible student under regulation 6(5) in instalments in accordance with the following provisions—

- (a) if the first instalment is paid during the first quarter of the academic year, the amount shall be paid in three equal instalments;
- (b) if the first instalment is paid during the second quarter of the academic year, the amount shall be paid in two instalments, the first amounting to two thirds of the amount, and the second one third of the amount; and
- (c) if the first instalment is paid during the third or fourth quarter of the academic year, the amount shall be paid in one instalment.

(2) The Department shall pay any additional amount to be lent to an eligible student under regulation 6(8) in instalments in accordance with the following provisions—

- (a) if the first instalment is paid during the first quarter of the academic year, it shall be paid in three equal instalments, the second and third of which shall be paid with the second and third instalments referred to in paragraph 1(a);
- (b) if the first instalment is paid during the second quarter of the academic year, it shall be paid in two instalments, the first amounting to two thirds of the additional amount to be lent, and the second one third of that amount, the second to be paid with the second instalment referred to in paragraph 1(b); and
- (c) if the first instalment is paid during the third or fourth quarter of the academic year, it shall be paid in one instalment.

(3) Not more than one instalment shall be paid in respect of each quarter of the academic year and where there are more quarters during which instalments could be paid than the number of instalments payable, no instalments shall be paid in respect of the quarter during which, in the opinion of the Department, the longest of any vacations is taken.

(4) The first instalment of a loan shall be paid under this regulation to an eligible student not later than 30 days after the Department has received a satisfactory loan application form relating to that student under regulation 6(1) or (6) and any subsequent instalment shall be paid during the quarter in respect of which it is paid.

(5) Payments shall be made by electronic transfer to the student's account or, if the student does not have such an account, by such other means as the Department considers appropriate.

(6) Subject to regulation 9 an instalment of a loan shall not be paid after a student has withdrawn from, abandoned or been expelled from, the designated course in relation to which the loan was made.

(7) An instalment of a loan shall not be paid when a student is absent from the course in relation to which the loan was made, unless in the opinion of the Department in all the circumstances it would cause exceptional hardship to suspend the payment of instalments.

(8) A student shall not be considered to be absent from his course if he is unable to attend due to illness and his absence has not exceeded 60 days.

(9) If the payment of instalments of a loan to a student has been suspended under paragraph (6) or (7) and before the end of the academic year the student commences attending his course again the Department may pay the further instalments of the loan but may reduce the amount of the loan and the amount of any further instalments of it in such proportions as it considers appropriate in the circumstances.

Transfers

9.—(1) If, during any academic year, a borrower withdraws from a designated course provided by an institution with the agreement of that institution without completing the course and if, disregarding any intervening vacation, he immediately commences attending another designated course provided by the same institution his loan shall be treated for any purpose of the Order or of these Regulations as if it were a loan in relation to the academic year of that second course or any subsequent course which he commences in the same circumstances.

(2) A borrower who has commenced attending another designated course as described in paragraph (1) shall notify the Department of any change in the particulars set out in his certificate of eligibility in accordance with regulation 5 and in particular shall provide particulars of the matters referred to in regulation 5(5)(l) to (o).

(3) If, during any academic year, a borrower withdraws from a designated course provided by an institution with the agreement of that institution without completing the course and if, disregarding any intervening vacation, he immediately commences attending another designated course provided by a different institution then, subject to paragraphs (4) and (5), he shall be treated for any purpose of the Order or of these Regulations as having withdrawn from the course in relation to which his loan was made and no further payment of instalments of that loan shall be made to him.

(4) A borrower who commenced attending another designated course in the circumstances described in paragraph (3) may notwithstanding regulation 3(1)(e) be eligible for a new loan in relation to the academic year of that second course.

(5) An application for a new loan for any academic year in reliance on paragraph (4) shall be made in accordance with regulation 6 but, where such a loan is made, regulation 7 shall have effect in relation to that loan as if the amount of any instalments already paid to the borrower in relation to that academic year were deducted from the relevant maximum amount set out therein.

Hardship Loan

10.—(1) A borrower who has applied for the maximum amount of loan in relation to an academic year may apply once only for an additional loan on the grounds of hardship, which shall be known as a “hardship loan”.

(2) A hardship loan shall be not less than £100 and not more than £250 and shall be a multiple of £25.

(3) A borrower shall demonstrate hardship by completing a questionnaire and providing such evidence of his requirements and resources as the Department may require.

(4) On being satisfied that, due to exceptional financial hardship, a borrower may not be able to continue to attend the designated course in relation to which a loan has been made for the remaining part of the academic year in question, the Department shall determine the amount of hardship loan which it considers that the borrower requires and shall advise the borrower of that amount and issue to him an application form.

(5) The borrower shall apply to the Department for a hardship loan not greater than the amount notified to him under paragraph (4) by completing the form issued to him under that paragraph and regulation 6(2)(a) to (d) and (3) shall apply to it as it applies to a loan application form.

(6) The Department shall certify on the form that to the best of its knowledge and belief—

- (a) the particulars in the form are correct;
- (b) the borrower continues to attend the course in relation to which a loan was made to him; and

- (c) due to exceptional financial hardship the borrower might not be able to continue to attend that course for the remaining part of the academic year and that he ought to be lent the amount applied for.

(7) The borrower shall submit the completed and certified application form to the Department not more than 30 days after the date of the certificate referred to in paragraph (6) and not later than one month before the end of the academic year, and the Department shall pay the amount to be lent within 14 days of receipt of a satisfactory application.

Interest

11.—(1) Subject to paragraph (2) loans shall bear interest at the rate which results in an annual percentage rate of charge determined in accordance with the Consumer Credit (Total Charge for Credit) Regulations 1980(1) of 3·5 per cent.

(2) If the rate referred to in paragraph (1) exceeds the rate for the time being specified for the purposes of any exemption conferred by virtue of section 16(5)(b) of the Consumer Credit Act 1974(2) loans shall bear interest at that rate.

(3) Interest shall be calculated on the principal outstanding daily, and shall be added to the principal monthly.

(4) The index of prices which the Department is required by Article 3(8) of the Order to have regard to in prescribing the rate of interest which loans shall bear shall be the retail prices all items index published by the Office for National Statistics.

Repayments

12.—(1) A borrower may pay any part of or all of any moneys he owes to the Department under the Order and Regulations at any time without charge or penalty.

(2) A borrower shall not be required to pay any moneys he owes before 6th April 2000.

(3) Any liability of a borrower under the Order and Regulations shall be cancelled if he—

(a) dies;

(b) is not in breach of any obligation to repay any relevant loan and he has attained the age of 65; or

(c) receives a disability related benefit and the Department is satisfied that because of his disability he is permanently unfit for work.

(4) For the purposes of paragraph (3) “relevant loan” has the meaning given to it in regulation 3(3).

Insolvency

13. There shall not be treated as part of a bankrupt’s estate or claimed for his estate under Article 280 or 283 of the Insolvency (Northern Ireland) Order 1989(3) any sum payable to a student by way of a loan and which he receives or is entitled to receive after the commencement of the bankruptcy, whether his entitlement arises before or after the commencement of his bankruptcy.

Information

14.—(1) Every applicant for a loan and every borrower shall inform the Department if—

(1) S.I.1980/51, amended by S.I. 1985/1192, 1989/596

(2) 1974 c. 39

(3) S.I. 1989/2405 (N.I. 19); Article 283 was amended by the Pensions (Northern Ireland) Order 1995 S.I. 1995/3213 (N.I. 22), Schedule 1 paragraph 11

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- (a) he withdraws from, abandons or is expelled from, the course in relation to which the loan is to be or has been made;
 - (b) he ceases to attend that course and does not intend to or is not permitted to return for the remainder of the academic year in question;
 - (c) he transfers to another course, at the same or a different institution, whether or not the new course is a designated course; or
 - (d) he is absent from his course for more than 60 days for any reason, including illness.
- (2) Every applicant for a loan and every borrower shall as soon as reasonably practicable provide the Department with details of any change of home or term time address or telephone number and of any new bank or building society account into which any amount lent to him may be paid by electronic transfer.