
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)*).