
STATUTORY INSTRUMENTS

2005 No. 52

The Education (Student Support) Regulations 2005

PART 6

LOANS FOR LIVING COSTS

Interest

27.—(1) Subject to paragraph (2), loans shall bear interest at the rate which will result in an annual percentage rate of charge determined in accordance with the Consumer Credit (Total Charge for Credit) Regulations 1980⁽¹⁾ equal to the percentage increase between the retail prices all items index published by the Office for National Statistics for March 2004 and that index so published for March 2005.

(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 the rate so specified.

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

(4) The index of prices to which the Secretary of State is required by section 22(8) of the Act to have regard in prescribing the rate of interest which loans shall bear shall be the retail prices all items index mentioned in paragraph (1).

(1) S.I.1980/51, amended by S.I. 1989/596 and S.I. 1999/3177.

(2) 1974 c. 39.