

Government Response: The Education (Student Loans) (Repayment) (Amendment) Regulations 2023

Merit Scrutiny point 3: In light of the current economic climate, the Regulations to set a flat interest rate for Plan 2 and Plan 3 student loans in line with the Prevailing Market Rate are now being made on a routine basis whereas previously they were somewhat novel.

Due to the increased regularity of these Regulations, the Welsh Government has reviewed the Welsh Ministers' Code of Practice for carrying out Regulatory Impact Assessments (RIA) for subordinate legislation and noted that an RIA was not required.

The reasons for that are clearly set out within the Explanatory Memorandum (EM) to the Education (Student Loans) (Repayment) (Amendment) Regulations 2023 ("2023 Regulations").

The Welsh Government recognises that an RIA was previously provided within the EM to the Education (Student Loans) (Repayment) (Amendment) (No. 2) Regulations 2022. However, as an RIA is not required under the Code, neither was there any requirement for a reproduction or referral to the earlier RIA within the EM to the 2023 Regulations.