

Change to maximum Plan 2 and Postgraduate student loan interest rates



From 1 September 2022 to 30 November 2022, the maximum Plan 2 and the Postgraduate loan (PGL) interest rate was set at 6.3% for all Plan 2 and PGL borrowers, in line with the prevailing market rates available at the time of setting the cap.

Following this, the Government has confirmed that the maximum Plan 2 and the Postgraduate loan interest rate will be 6.5% between 1 December 2022 and 28 February 2023, to take into account an increase in the prevailing market rates.

From 1 March 2023 to 31 August 2023 the maximum Plan 2 and the Postgraduate loan interest rate will be capped at the forecast prevailing market rate for the 2022/23 academic year. This is 7.3%, in line with the Government announcement dated 13 June 2022. Should the actual prevailing market rate turn out to be lower than forecast, a further cap would be implemented to reduce student loan interest rates accordingly.

- The prevailing market rate is not defined in law, nor does any product on the market offer a direct “market rate” comparison to student loans. The most appropriate market rate comparators for student loans are the effective interest rates available on unsecured personal loans, with the Bank of England’s effective interest rate data (series CFMZ6LI (existing loans) and CFMZ6K9 (new loans)), being the most appropriate benchmark for student loan interest rates. To determine the “prevailing” market rate, a 12-month rolling average is taken. As such, the prevailing market rate has been defined as **the minimum of the 12-month rolling averages of the Bank of England’s effective interest rate data series’ CFMZ6LI and CFMZ6K9.**
- Where the Government considers that the student loan interest rate is too high in comparison to the prevailing market rate, it will reduce the maximum Plan 2 and Postgraduate Loan interest rate by applying a cap for a set period of three months (or longer, if the prevailing market rate remains below the student loan rate at the next monitoring point). This is done by amending Education (Student Loan) (Repayment) Regulations

2009. The prevailing market rate used for setting a cap in a given quarter is based on the latest CFMZ6LI and CFMZ6K9 data available, which is the data going up to 2 months prior to the start of the quarter, e.g. the cap set for between September and November 2022 was based on the end-July 2021 to end-June 2022 data.

- Plan 2 borrowers will continue to repay 9% of their earnings over the repayment threshold. The repayment threshold for Plan 2 ICR loans is £27,295 for FY22-23.
- Plan 2 ICR loans are those loans taken out for a course starting after 1 September 2012 (England and Wales).
- Postgraduate loan borrowers will continue to repay 6% of their earnings over the repayment threshold. The repayment threshold for Postgraduate loans is £21,000 for FY22-23.
- Postgraduate loans are those loans taken out for Postgraduate level study.
- Plan 1 ICR loans, those loans taken out for a course starting before 1 September 2012 are not affected.

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1. 17 November 2022

Added updated announcement from the Department of Education (DfE). Interest rates for date ranges 1 September 2022 to 30 November 2022 added.

2. 9 November 2022

First published.

[Secretary of State for Northern Ireland – Statement on Executive Formation](#)

“Thank you Mr Deputy Speaker, with permission I would like to make a statement on the issues arising from the failure of the devolved government of Northern Ireland – the Northern Ireland Executive – to form.

“Mr Deputy Speaker, the overriding priority of this Government is to implement, maintain and protect the Belfast (Good Friday) Agreement.

“Northern Ireland is governed best when governed locally.

“Since May, that has not been possible. But our commitment remains absolutely

clear: this Government believes that this is the moment for the restoration of the devolved institutions and will work to that end as a matter of the utmost priority.

“My predecessors have all referred to critical times for Northern Ireland. And there have been many. But this year is indeed a critical one.

“Mr Deputy Speaker, I can see you are thinking that you might have heard that last section of my statement before. And that’s because you have – those words were spoken by a former Secretary of State, the former Member for Neath, at this dispatch box back in 2006.

“And whilst these times are different with different issues affecting Northern Ireland, I and this Government believe strongly that people in Northern Ireland deserve a functioning Assembly and Executive, where locally elected representatives can address issues that matter most to the people that elect them.

“That is why, back in May, people cast their votes in Northern Ireland – to give their communities a voice in Stormont.

“However, for six months the Parties have not come together and, on the 28th October, the deadline to form an Executive, set down in law passed. That was the Northern Ireland Ministers, Elections and Petitions of Concern Act 2022. This is hugely disappointing.

“As a result, Mr Speaker, I am bound by law to call new elections for the Northern Ireland Assembly, as set out in the New Decade, New Approach agreement, that have to take place within 12 weeks of the 28th October.

“Since 28th October I have been engaging widely in Northern Ireland, with the Parties, businesses, community representatives and members of the public. And I’ve also spoken with other international interlocutors.

“I think it would be fair to say, Mr Speaker, that the vast majority of those I have spoken to think that an election at this time would be most unwelcome.

“What people would welcome is having their devolved institutions up and running – because they are worried when they see a massive £660m black hole in this year’s public finances at the same time as their public services are deteriorating.

“They are worried that almost 187,000 people in Northern Ireland have been waiting for over a year for their first outpatient appointment.

“And they are worried that there is a higher share of working age adults in Northern Ireland with no formal qualifications than anywhere else in the United Kingdom.

“There is also, Mr Speaker, a legitimate and deep concern about the functioning of the Northern Ireland Protocol. This is felt across Northern Ireland and very strongly indeed in the Unionist community.

“The one thing that everyone agrees on is that we must try and find a way through this current impasse – where I have a legal duty to call an election that few want and everyone tells me will change nothing.

“Thus, I will be introducing legislation to provide a short, straightforward extension to the period for Executive formation – extending the current period by 6 weeks to 8th December, with the potential of a further six week extension to 19th January if necessary.

“This aims to create the time and space needed for talks between the UK Government and the EU Commission to develop and for the Northern Ireland Parties to work together to restore the devolved institutions as soon as possible.

“As I stand here, Mr Deputy Speaker, the Northern Ireland Executive has no Ministers in post.

“This means no Ministers to make choices that deliver the public services people rely on; to react to the budgetary pressures facing schools, hospitals and other key services; to deliver the energy support payments that have been made available by this Government to people across the rest of the United Kingdom.

“Before leaving his post, the Northern Ireland Finance Minister highlighted a £660 million in-year budget black hole, but there are no longer Ministers in the Executive to address this.

“As civil servants do not have the legal authority to tackle these issues in the absence of an Executive, I must take limited but necessary steps to protect Northern Ireland’s public finances and the delivery of public services.

“So, as has been done before, the legislation I introduce will also enable Northern Ireland Departments to support public service delivery; make a small number of vital public appointments, like to the Northern Ireland Policing Board; and address the serious budgetary concerns I’ve already mentioned.

“And, when so many are concerned about the cost of living in Northern Ireland, I know the public there will welcome a further measure I intend to address – another matter addressed by the former Secretary of State who I quoted earlier.

“People across Northern Ireland are frustrated that their Members of the Legislative Assembly continue to draw a full salary whilst not performing all of the duties they were elected to do. I will thus be asking for this House’s support to enable me to reduce MLAs’ salaries appropriately.

“Mr Speaker, let me end by repeating that the overriding priority of this Government is to implement, maintain and protect the Belfast (Good Friday) Agreement.

“This has been the bedrock of so much of the progress in Northern Ireland over the last quarter century.

“There are some, Mr Speaker, who have called for “joint authority” of Northern Ireland in recent days and let me just say: this will not be considered. The UK Government is absolutely clear that the consent principle governs the constitutional position of Northern Ireland, under which Northern Ireland is an integral part of the United Kingdom. We will not support any arrangements that are inconsistent with that principle. In addition, we remain fully committed to the long established three stranded approach to Northern Ireland Affairs.

“As we approach the 25th Anniversary of the Belfast (Good Friday) Agreement, I’ve found myself reflecting on the fact that political progress in Northern Ireland has so often required courage, understanding and compromise.

“I hope the measures I have announced in my statement today allow some extra time for these qualities to be displayed once again, and I commend it to the House.”

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PM statement to the House of Commons on COP27: 9 November 2022

With permission, Mr Speaker, I will make a statement on COP27 which I attended in Sharm El Sheikh on Monday.

When the UK took on the UK Presidency of COP just one third of the global economy was committed to net zero.

Today that figure is 90 percent.

And the reduction in global emissions pledged during our Presidency is now equivalent to the entire annual emissions of America.

There is still a long way to go to limit global temperature rises to 1.5 degrees.

But the historic Glasgow Climate Pact kept that goal within reach.

And the whole House, I know, will want to join me in paying tribute to My Rt Hon Friend the Member for Reading West for his inspirational leadership as COP President.

The question at this Summit, Mr Speaker, was whether countries would deliver on their promises.

I'm pleased to say that our nation will.

We have already cut our carbon emissions faster than anyone else in the G7.

And we will fulfil our ambitious commitment to reduce emissions by at least 68 per cent by the end of the decade.

Now, I know that some have feared Putin's abhorrent war in Ukraine could distract from global efforts from tackling climate change.

But I believe it should catalyse them.

Climate security and energy security go hand in hand.

Putin's contemptible manipulation of energy prices has only reinforced the importance of ending our dependence on fossil fuels.

So we will make this country a clean energy superpower.

We will accelerate our transition to renewables which have already grown four-fold as a proportion of our electricity supply over the last decade.

We will invest in building new nuclear power stations for the first time since the 1990s.

And by committing £30 billion to support our green industrial revolution we will leverage up to £100 billion of private investment to support almost half a million high wage, high skilled green jobs.

Mr Speaker, there is also no solution to climate change without protecting and restoring nature.

So at COP27, the UK committed £90 million to the Congo Basin as part of £1.5 billion we are investing in protecting the world's forests.

And I co-hosted the first meeting of our Forests and Climate Leaders' partnership which will deliver on the historic commitment to halt and reverse forest loss and land degradation by 2030.

Now, central to all our efforts, is keeping our promises on climate finance.

So the UK is delivering on our commitment of £11.6 billion.

And to support the most vulnerable who are experiencing the worst impacts of climate change we will triple our funding on adaptation to reach £1.5 billion a year in 2025.

In Glasgow, the UK pioneered a new global approach using aid funding to unlock billions of pounds of private finance for new green infrastructure.

So I was delighted to join President Ramaphosa to mark the publication of his investment plan which delivers on this new model.

South Africa will benefit from cheaper, cleaner power cutting emissions while simultaneously creating new green jobs for his people.

And we will look to support other international partners in taking a similar approach.

We also made further commitments to support clean power in developing countries.

This included investing a further £65 million in commercialising innovative clean technologies and working with the private sector to deliver a raft of green investment projects in Kenya.

Now Mr Speaker, the Summit allowed me to meet many of my counterparts for the first time.

With the Egyptian President, I raised the case of the British-Egyptian citizen Alaa Abd el-Fattah.

And I know the whole House will share my deep concern about his case, which grows more urgent by the day.

And we will continue to press the Egyptian government to resolve the situation.

We want to see Alaa freed and reunited with his family as soon as possible.

With President Macron, we discussed our shared determination to crack down on criminal smuggling gangs.

And I also discussed illegal migration with other European leaders too.

We are all facing the same shared challenge – and we agreed to solve it together.

And finally, I had good first meetings with the new Prime Minister of Italy, the German Chancellor, the President of the EU, the President of Israel, and the leaders of UAE, Kenya and Norway, as well as the UN Secretary General.

In all of these discussions, the UK is acting with our friends to stand up for our values around the world and to deliver stability and security at home.

Tackling climate change and securing our energy independence is central to these objectives.

So even though we may now have handed over the Presidency of COP, the United Kingdom will proudly continue to lead the global effort to deliver net zero.

Because this is the way to ensure the security and prosperity of our country for today and for generations to come.

And I commend this statement to the House.

New National Cyber Advisory Board meets to protect UK's interests

Co-chaired by the Chancellor of the Duchy of Lancaster, Oliver Dowden, and Chief Information Officer at Lloyds Banking Group, Sharon Barber, the Board, which met yesterday (Tuesday, 8 November), ensures that senior leaders from the private and third sectors challenge, support and inform the UK's strategic approach to cyber.

This includes making the UK a more secure and resilient nation better prepared for evolving threats and risks and using cyber capabilities to protect the public against crime, fraud and hostile state threats.

The meeting comes in the wake of new [official figures](#) which reveal that in the 12 months to March 2022 there have been 2.7m cyber-related frauds to individuals and businesses. The UK is now the third most targeted nation for cyber attacks, behind the USA and Ukraine.

The Board champions a 'whole of society' approach to building the UK's cyber future established as part of the UK's National Cyber Strategy – which is backed by £2.6bn of funding and aims to make the UK a leading and democratic cyber power by 2030.

Chair of the Board and Chancellor of the Duchy of Lancaster, Oliver Dowden, said:

Protecting and promoting the UK's interests in cyberspace cannot be achieved in isolation, it must be a shared endeavour between government and all parts of the economy and society. We have seen how cyber attacks are increasing, putting the UK and our businesses and services on the frontline of global threats.

That's why this new National Cyber Advisory Board is so important, bringing leaders from across industry, the third sector and academia to share information and expertise on how to build and protect our digital economy and services.

Co-chair and Chief Information Officer at Lloyds Banking Group, Sharon Barber, commented:

The digital world is ever changing and businesses and the Government must continue to adapt, innovate and invest in order to protect ourselves, the public, and our data – that's why we need everyone around the table through the Board working together to help keep individuals and businesses safe online.

Only if we ensure everyone plays their part in the UK's cyber future will we prosper from the opportunities that the online world brings.

The new Board will work closely with the Government's National Cyber Security Centre, which is already running campaigns and training for business, Government and consumers to build cyber resilience.

This month the NCSC and the City of London Police will be launching a new 'Cyber Aware' campaign to help people reduce the risk of cyber fraud in the run-up to Christmas by helping shoppers to reduce their vulnerability to fraud.

The National Cyber Advisory Board will meet every quarter, with the next meeting expected to take place in the first quarter of 2023.