

## EXPLANATORY MEMORANDUM TO

# THE SOCIAL SECURITY (RESTRICTIONS ON AMOUNTS FOR CHILDREN AND QUALIFYING YOUNG PERSONS) (AMENDMENT) REGULATIONS (NORTHERN IRELAND) 2017

2017 No. 79

### 1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Department for Communities (Northern Ireland) on behalf of the Department for Work and Pensions and is laid before Parliament by Command of Her Majesty.

### 2. Purpose of the Instrument

- 2.1 The Welfare Reform and Work (Northern Ireland) Order 2016 (“the 2016 Order”) amends the Welfare Reform (Northern Ireland) Order 2015 (“the 2015 Order”) to restrict the number of additional amounts of Universal Credit payable in respect of children or qualifying young persons (“QYPs”) to a maximum of two and remove the higher rate for the first child or QYP. The purpose of these Regulations is to prescribe exceptions, transitional arrangements and savings with regards to these changes, and to make consequential changes to other legislation.

### 3. Matters of special interest to Parliament

#### *Matters of special interest to the Joint Committee on Statutory Instruments*

- 3.1 None.

#### *Other matters of interest to the House of Commons*

- 3.2 As these Regulations are subject to negative resolution procedure and have not been prayed against, consideration as to whether there are other matters of interest to the House of Commons does not arise at this stage

### 4. Legislative Context

- 4.1 Section 87 of the [Northern Ireland Act 1998](#) (“the 1998 Act”) places a statutory duty on the Minister for Communities and the Secretary of State for Work and Pensions to consult with one another with a view to securing a single social security system for the United Kingdom. Section 88 of the 1998 Act makes provision for financial adjustments to support the maintenance of these parity arrangements.
- 4.2 Underpinning the parity principle is the argument that, as people in Northern Ireland pay the same rates of income tax and National Insurance contributions as people in Great Britain, they are entitled to the same rights and benefits paid at the same rates.
- 4.3 The [Welfare Reform Act 2012](#) (“the 2012 Act”) introduced a number of reforms which included the introduction of Universal Credit, Personal Independence Payment and a cap on the amount of benefits working age people can receive. This was to restrict the total amount of money a non-working household can receive to broadly the level of the average earned income of working households after tax and national insurance contributions are deducted.

- 4.4 The [Welfare Reform and Work Act 2016](#) (“the 2016 Act”) provided for the introduction of further reforms in Great Britain, including tiered reductions to the level of the benefit cap depending on where in Great Britain claimants lived, changes to the child element of Universal Credit and Child Tax Credits and the removal of the work-related activity group component in Employment and Support Allowance and the Limited Capability for Work element in Universal Credit.
- 4.5 On 17 November 2015 “[A Fresh Start: The Stormont Agreement and Implementation Plan](#)” was agreed by the main political parties in Northern Ireland. Included in this agreement was the approach agreed by the Executive and HM Government to implementing welfare reform in Northern Ireland. [The Northern Ireland \(Welfare Reform\) Act 2015](#) provided a time-limited power for Her Majesty to legislate on social security, child support and certain matters related to employment and training in Northern Ireland by Order in Council until 31 December 2016. Any such Order in Council could then confer power on the Secretary of State or a Northern Ireland department to make further provision regarding these matters by regulations or order. The [Welfare Reform \(Northern Ireland\) Order 2015](#) (“the 2015 Order”) was made on 9 December 2015 making provision corresponding to the 2012 Act. [The Welfare Reform and Work \(Northern Ireland\) Order 2016](#) (“the 2016 Order”) was made on 12th October 2016 making provision corresponding to the social security provisions of the 2016 Act, and regulations stemming from the 2016 Order are now being brought forward.
- 4.6 In order to maintain parity, these regulations implement for Northern Ireland the changes brought about in the equivalent GB regulations, The Social Security (Restrictions on Amounts for Children and Qualifying Young Persons) Amendment Regulations 2017 ([SI 2017/376](#)). These came into force on 6 April 2017.

## **5. Extent and Territorial Application**

- 5.1 The extent of these Regulations is Northern Ireland.
- 5.2 The territorial application of these Regulations is Northern Ireland.

## **6. European Convention on Human Rights**

- 6.1 As these Regulations are subject to negative resolution procedure and do not amend primary legislation, no statement is required.

## **7. Policy background**

### ***Background***

- 7.1 In Universal Credit a person is deemed responsible for a child or QYP who is normally living with them. For Universal Credit purposes, a "child" means someone under the age of 16, while a QYP is a young person aged 16 or over and below the age of 20, who has enrolled, accepted or started in full-time, non-advanced education (e.g. A-levels) or approved training before the age of 19.
- 7.2 The Child Element in Universal Credit largely mirrors Child Tax Credit. Prior to the restrictions provided for by the 2016 Order, which will take effect when Universal Credit is commenced in Northern Ireland (anticipated to be on 25 September 2017), Article 15 of the 2015 Order provided for an amount to be payable for each child or QYP for whom a claimant is responsible (which reflects the individual element in Child

Tax Credit), with a higher amount payable for the first child or QYP (reflecting the family premium in Child Tax Credit).

- 7.3 An additional amount is payable for each child or QYP who is disabled (reflecting the increase for a disabled child or QYP in Child Tax Credit) and this is not changed by the new restrictions introduced by the 2016 Order.

*What is being done and why*

- 7.4 The restrictions introduced by the 2016 Order mean that in Northern Ireland, once Universal Credit is introduced (which is expected to be from 25 September 2017), the child element in Universal Credit will not be awarded in respect of third or subsequent children for whom the claimant is responsible. In recognition of the fact that some parents or carers for children are not in the same position as others to make choices about the number of children in their family, the Regulations amend the Universal Credit Regulations (Northern Ireland) 2016 ([S.R. 2016 No. 216](#)) to provide for exceptions to this restriction on entitlement to the child element. There are 4 main exceptions in respect of third and subsequent children or QYPs who are:

- born to the claimant in a multiple birth, other than the first child in that birth;
- adopted from Authority care;
- living long term with family or friends in a formal caring arrangement or because they would otherwise be likely to be looked after by an Authority, or alternatively, the child of a child for whom the claimant is also responsible; or
- likely to have been born as a result of sexual intercourse to which the claimant did not or could not consent, or conceived at a time when the claimant was in a controlling or coercive relationship.

*Determining third or subsequent children*

- 7.5 The Regulations include an ordering provision to determine, where the claimant is responsible for more than two children or QYPs, which of them are first and second (for whom the Child Element is payable) and which are third and subsequent. The children and QYPs in an award are each assigned a date, which are then put into chronological order. Where the claimant (or their partner, if they are in a couple) is the natural parent or step-parent of the child or QYP, that date will be their date of birth. However, if the claimant (or their partner, if they are in a couple) is not a natural parent or step-parent (e.g. when the child is adopted or in a non-parental care arrangement), that date is the date on which the claimant or their partner became responsible for the child.
- 7.6 Where the date is the same for 2 or more children or QYPs in the household (e.g. in the case of a multiple birth or group adoption), the Regulations give the Department discretion to determine the order of those children and QYPs as between themselves. In the majority of these cases, how they are ordered will not make a material difference in entitlement, but the provision is necessary to establish an order for effective administration of the claim.
- 7.7 Similar discretion is provided for in the case where a claimant gave birth to a child less than 10 months after becoming responsible for a child or QYP who meets the conditions for the non-parental care exception. In that case, the order, as between those two children or QYPs, must be that which maximises the number of child elements that the claimant will receive - therefore, where they are second and third in the household,

the children may be re-ordered so that the claimant is entitled to the child element for both the natural child (as the second child in the order) and the additional child or QYP (as the third child in the order, under the non-parental care exception).

- 7.8 On the basis that, beyond establishing whether a child was born before or on or after 6 April 2017, it is not operationally feasible to consider the historic circumstances in which children were born, eligibility for the child element will be based on the claimant's circumstances and composition of the household at the point at which they claim (and re-assessed when there is a relevant change of circumstance). For example, if one of the first two children in a three child household left the household, the third child would become the second child, and the claimant would receive the child element in respect of that child.

***Exception for children born as part of a multiple birth (Paragraph 2 of new Schedule 12)***

- 7.9 Ordinarily, families will not be able to plan for a multiple birth when considering whether they can afford to look after an additional child. In recognition of this, the exception will apply to all third or subsequent children or QYPs in a household who are born to a claimant as part of a multiple birth, apart from one child or QYP in that birth (i.e. it will apply only to the additional children/QYPs in that birth).

***Exception for children adopted from local authority care (Paragraph 3 of new Schedule 12)***

- 7.10 In order to support families who adopt vulnerable children from authority care, the Regulations provide an exception in respect of all third or subsequent children who are adopted by a claimant from authority care.
- 7.11 The exception will apply from the date the claimant becomes responsible for the adopted child or QYP. This could be the date of formal adoption, or the date of placement, depending on when legal parental responsibility for the child or QYP passes to the claimant. The exception will not apply to adoptions directly from abroad, or where the claimant or their partner was, immediately prior to the adoption, a step-parent of the child or QYP, as this would not be a net benefit to the public sector (such children would not otherwise be in authority care).

***Exception for children in non-parental care arrangements (Paragraph 4 of new Schedule 12)***

- 7.12 Sometimes children or QYPs are cared for by family or close friends in what are informally referred to as "kinship care arrangements". Claimants in these situations may be entitled to receive the child element of Universal Credit in respect of those children or QYPs and might therefore be affected by the new restriction.
- 7.13 It is recognised that it is often better for the welfare of children or QYPs to be living with family and friends than to be looked after by an authority and that family and friends carers in this situation may not be in the same position to make a choice about the number of children in their family as others.
- 7.14 The exception will apply where a formal caring arrangement is in place, such as where the claimant is appointed by a court as legally responsible for the child or QYP, and/or as a person with whom the child or QYP is to live, and where the caring arrangement is made on an informal basis. In the case of informal caring arrangements, the exception will only apply if it is likely that the child would otherwise be looked after by an authority. The claimant will need to provide supporting evidence from a social worker.

- 7.15 This exception will also apply to third or subsequent children or QYPs who are born to a child aged under 16, for whom the claimant is also responsible. This exception will remain in place until the young parent turns 16 and is able to claim UC on their own (see regulation 8(1)(d) of the Universal Credit Regulations (Northern Ireland) 2016), or if the claimant ceases to be responsible for them before they reach the age of 16.
- 7.16 The teenage pregnancy rate is at its lowest for over 40 years. Where a child does become a parent it is generally in their best interests to continue to live with their parents or carers. It is for this reason that there is support for claimants in these circumstances and to make an exception for the new child, where that child is the third or subsequent child in the claimant's household.

***Exception for children born as a result of non-consensual conception (Paragraph 5 of new Schedule 12)***

- 7.17 This exception will apply to a natural parent in respect of a third or subsequent child or QYP who is likely to have been conceived as a result of sexual intercourse to which they did not or could not consent. This also means that it will apply to a claimant in respect of a child who is likely to have been conceived at or around a time when the claimant was subject to ongoing control or coercion by the other parent of the child.
- 7.18 This exception deals with an extremely sensitive issue and care has been taken to design the policy to strike the right balance between ensuring claimants get the support they need in a not overly intrusive manner whilst at the same time ensuring that the additional support is going to those for whom it is intended.
- 7.19 Eligibility for this exception will normally be determined by using a third party evidence model, whereby a claimant requests the exception and engages with a third party - a specified professional – to provide evidence which demonstrates to the Department that the claimant has been in contact with them (or another approved professional) and that their circumstances are consistent with those of a person who meets the conditions of the exception. Thus claimants are not placed in the position of having to give details about the circumstances of the conception to Departmental officials and the eligibility criteria for the exception can be met without a conviction or any judicial finding.
- 7.20 In Northern Ireland, if the third party knows or believes that a relevant offence (such as rape) has been committed, the third party will normally have a duty to inform the police of any information that is likely to secure, or to be of material assistance in securing, the apprehension, prosecution or conviction of someone for that offence. However, an approved professional will not have to determine whether the incident actually occurred - the focus will be on whether the claimant's circumstances are consistent with the veracity of the claim. Nobody will be required to reach a view about whether a criminal offence has actually been committed. In that regard, it may also be noted that the perpetrator's own state of mind, which is relevant to whether an offence has been committed, will be wholly irrelevant to this exception which is victim-focussed on lack of consent, or freedom and capacity to consent.
- 7.21 The exception will also apply where there has been a conviction for the criminal offence of rape or a relevant criminal injuries compensation award.
- 7.22 Where evidence is provided from a third party professional, the Regulations allow the Department to determine that the test for the exception has been met, in reliance on that third party evidence, on the balance of probabilities (as opposed to "beyond reasonable

doubt"). As such, the Department (and any approved third party professionals whom claimants may ask to provide evidence for the purpose of this exception) will not be making a judgment on the criminal guilt of the other party to the sexual intercourse, where there has not been a judicial determination. Northern Ireland-specific [guidance](#), including guidance for approved third parties who may be asked to provide evidence for the purposes of the non-consensual conception exemption, has been produced by Her Majesty's Revenue and Customs (HMRC) on this issue in relation to Child Tax Credit and similar guidance will be produced by the Department in advance of implementation.

- 7.23 The third parties from whom evidence will be accepted will be professionals within categories approved by the Department, acting in their official capacity. These are not specified in the Regulations, but will instead be set out in guidance, in order to retain flexibility to adjust the list in the future. The initial list will include health professionals, registered social workers and relevant approved specialist charities.
- 7.24 In order to qualify for this exception, the claimant must not be living with the other party to the sexual intercourse. This condition is to be fulfilled by the self-reporting of the claimant (who will not be required to disclose the identity of that other party), unless there is evidence to the contrary. Each victim's circumstances differ and the intention is to minimise the risk of harm to the victim, whilst acknowledging that not all victims will feel able to leave the perpetrator, and that some victims may return to the perpetrator later in time. However, paying the child element to claimants for third and subsequent children or QYPs born in these circumstances, where they have not left the alleged perpetrator, could allow the alleged perpetrator to financially benefit from the abuse (as Universal Credit is paid to couples on a joint basis). It would also put them in an advantageous position in comparison to other families who would be limited to support for two children or QYPs.

*Continuation of existing exception in a subsequent award*

- 7.25 Ordinarily, 'step-parents' will be excluded from claiming the exceptions in their own right. The non-consensual conception exception and the multiple birth exceptions recognise the original lack of choice in relation to the number of children and therefore apply only where the claimant, or one or both joint claimants, is the natural parent (i.e. a step-parent can only gain entitlement to either of these exceptions as part of a joint award with the natural parent).
- 7.26 In the case of the adoption and friend or family carer exceptions, step-parents are excluded from entitlement entirely to prevent abuse of the system (e.g. where a step-parent could deliberately separate from the child's parent in order to gain an exception in a new, separate claim, for a child who would not have been exempt had the couple not separated) and to ensure these exceptions are only available where the child or QYP is already, or would otherwise be likely to be looked after by an authority.
- 7.27 While step-parents cannot claim the exceptions in their own right, the Regulations allow for an exception that was in place in a previous joint award (with a natural or adoptive parent) to continue to be applied in a subsequent award made to step-parent where they remain responsible for the relevant child or QYP (paragraph (6) of the new Schedule 12). This is to avoid a cash loss for the step-parent as a result of the exception conditions no longer being fulfilled in the case where the joint claimant (the natural or adoptive parent) dies or otherwise leaves the household. The continuation provision will apply in respect of the multiple birth, adoption and non-consensual conception

exceptions only; it is not needed in respect of the 'friend or family' exception, because the claimant would not be a 'step-parent' of the child or QYP in that scenario and could continue to claim it in their own right.

- 7.28 This continuation provision will apply until either the step-parent is no longer responsible for the relevant child or QYP (i.e. no longer a 'step-parent'), or there is a break in entitlement to Universal Credit of over 6 months.

*Transitional arrangements and savings*

- 7.29 The Regulations introduce a transitional "Interim Period", from the introduction of Universal Credit until 31 October 2018, during which first time claims to Universal Credit (or those made more than 6 months after the end of a previous award) from families with more than two children or QYPs will not be accepted. These families will be directed to claim legacy benefits (i.e. those being replaced by Universal Credit, such as Tax Credits, Jobseeker's Allowance, or Housing Benefit).
- 7.30 This policy is to ensure that the Universal Credit rollout for all claimant types is delivered in an orderly and successful manner; that claimants receive the support they need in a timely fashion; and that welfare reforms are delivered safely as the roll out continues. The Regulations also give the Department discretion to extend the interim period where necessary to protect the efficient administration of Universal Credit.
- 7.31 The Regulations also introduce transitional arrangements to ensure that, during the Interim Period, claimants in Universal Credit will never receive fewer Child Elements than the number of children and QYPs in their household born before 6 April 2017. This will ensure parity with claimants who are directed to Child Tax Credits during this period.
- 7.32 After the Interim Period ends, new claims from families with more than 2 children or QYPs will be taken through Universal Credit and the restriction on entitlement to the Child Element will also apply to all third or subsequent children or QYPs (not only those born on or after 6 April 2017). In order to protect claimants against cash losses and to maintain the incentive for them to take short-term work, the Regulations introduce transitional provisions to protect the number of Child Elements being paid where children and QYPs born before 6 April 2017 have been part of a Child Tax Credit or Universal Credit award in the last 6 months.
- 7.33 Claimants who were entitled to an award of Universal Credit (or were within the 6 month reclaim/re-award period) at the end of the interim period will be entitled to transitional provision in respect of children and QYPs, born before 6 April 2017, who were part of that claim. Similarly, claimants who begin a new Universal Credit claim, or join an existing one, within 6 months of receiving a payment of the individual element of Child Tax Credit (or support for children in Income Support or Jobseeker's Allowance) are entitled to transitional provision in respect of third and subsequent children or QYPs, born before 6 April 2017, who were part of that claim.
- 7.34 Claimants will remain entitled to transitional provision for a third or subsequent child or QYP for as long as they remain responsible for them and do not have a break in Universal Credit entitlement of more than 6 months. Transitional provision is also maintained through family formation changes, such as splitting from a partner in a joint claim, or coupling to form a new joint claim.
- 7.35 The effect of the transitional arrangements is that, wherever an award of Universal Credit includes children or QYPs to whom transitional provision applies, the household

will receive the Child Element for at least that number of children or QYPs. For example, a household where transitional provision applies to 2 children would receive the Child Element for 2 children, but not for any more children (unless an exception applies).

- 7.36 The transitional arrangements do not apply to exceptions, as these will continue to apply in future awards, for as long as the conditions are met. For example, an exception for non-parental care or adoption would cease to apply if the claimant subsequently partnered with the child's parent.
- 7.37 The Regulations introduce a savings provision such that the policy to remove the higher rate of Child Element for the first child in Universal Credit will only apply where the eldest child is born on or after 6 April 2017, aligning the treatment of families within Universal Credit to that in Tax Credits.

### *Consequential changes*

- 7.38 These Regulations make consequential changes (by way of standalone provisions in these Regulations) in relation to those claimants in receipt of Income Support or Jobseeker's Allowance who continue to receive an amount ("the Child Element") for each child or young person in their family as part of their award. These changes are being made to mirror Child Tax Credit for the small number of claimants who have not had their support for children transferred to Child Tax Credit and who have been in continual receipt of a Child Element since before April 2004.
- 7.39 The effect is that no additional Child Element will be awarded for third and subsequent children or young persons who are born on or after 6th April 2017, except for those who meet the exceptions set out in new Schedule 12 of the Universal Credit Regulations (Northern Ireland) 2016.
- 7.40 The Regulations will also disregard Child Benefit paid for a child or young person for whom an Income Support or Jobseeker's Allowance claimant will not receive the Child Element due to the maximum limit being applied.
- 7.41 The Regulations also make consequential changes to Housing Benefit (HB). They amend the Housing Benefit Regulations (Northern Ireland) 2006 ([S.R. 2006 No. 405](#)) and the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations (Northern Ireland) 2006 ([S.R. 2006 No. 406](#)). The changes to HB are required so that claimants would not receive a higher award of HB as a result of the limitation of support via Child Tax Credit to a maximum of two children. Child Tax Credit is taken into account as income in working age HB, but is offset by an equivalent increase in the HB applicable amount. If claimants were to continue to receive an addition to the applicable amount for each extra child, despite being limited to a maximum of two children for Child Tax Credit purposes, their Housing Benefit award would be higher than it should be.
- 7.42 This restriction in HB will only apply to the additions made to the applicable amount in respect of each child. Every child in the household will continue to be taken into account for the purposes of other elements of HB entitlement, such as determining the number of rooms a claimant is deemed to need.
- 7.43 The Regulations prescribe that the Northern Ireland Housing Executive will use the Child Tax Credit decision to base their decision on whether to include a third or subsequent child in the HB applicable amount (i.e. whether the third or subsequent child(ren) count as exceptions to the general rule). This is intended to avoid the need

for different decision makers having to consider whether such an exception applies. For the case in which a person does not claim Child Tax Credit, the Regulations provide for a default rule, which is that a maximum of two amounts for children or young persons will be included in the applicable amount.

- 7.44 The Regulations provide a transitional provision, which protects the position of a person who is entitled to HB on 5th April 2017 and who is responsible for more than two children or young persons ("protected individuals"). The regulation provides that the amendments to HB do not apply until the person makes a new claim for housing benefit or becomes responsible for a new child or young person, whichever occurs first. It also provides for the way in which the above default rule is to apply where a family consists of both a new child or young person and protected individuals, and a new claim for housing benefit has not been made.

### ***Consolidation***

- 7.45 This instrument will be informally consolidated in the Law Relating to Social Security Northern Ireland (or "Blue Volumes"). It will be available to the public at no cost via the internet at: <https://www.communities-ni.gov.uk/services/law-relating-social-security>.

## **8. Consultation outcome**

- 8.1 As this is a consequence of wider welfare reforms the Department for Communities has not consulted on it specifically. The Department consulted extensively about the implications of those wider reforms as part of the [Welfare Reform Bill](#).
- 8.2 The Department for Work and Pensions (DWP) and Her Majesty's Revenue and Customs (HMRC) formally consulted on the exceptions to the policy to limit the individual Child Element of Child Tax Credit and the Child Element of Universal Credit to a maximum of two children. This consultation formally covered Northern Ireland in respect of Child Tax Credit. The consultation ran from the 21 October 2016 to 27 November 2016. The Department for Communities advised relevant stakeholders in Northern Ireland of the DWP/HMRC consultation to give them the opportunity to respond to the DWP/HMRC consultation, given that there is no difference between the policy in GB and Northern Ireland. A summary of the responses to the specific questions of the consultation can be found in the Government's response, published on 20 January 2017<sup>1</sup>.
- 8.3 DWP also conducted initial discussions with a wide range of stakeholders, including charities, Government departments, and groups involved in supporting victims of rape, to help formulate the initial proposals.

## **9. Guidance**

- 9.1 Guidance will be available for claimants, stakeholders and staff (including decision makers). For Universal Credit, guidance will be available in advance of the date on which Universal Credit comes into operation in Northern Ireland. Guidance regarding the consequential changes to Income Support, Jobseeker's Allowance and Housing Benefit will be amended in advance of this instrument becoming operational. This guidance will follow closely, [guidance](#) issued by HMRC regarding the operation of the

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<sup>1</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/584802/government-response-to-universal-credit-and-child-tax-credit-exceptions-to-the-2-child-limit-consultation.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/584802/government-response-to-universal-credit-and-child-tax-credit-exceptions-to-the-2-child-limit-consultation.pdf)

related changes to Child Tax Credit in Northern Ireland. Guidance for claimants and stakeholders will be available at [www.nidirect.gov.uk](http://www.nidirect.gov.uk).

## **10. Impact**

- 10.1 There is no impact on business, charities or voluntary bodies. The Regulations do not impose any regulatory requirements on persons or organisations outside government. Nevertheless, as a result of using a third party evidence model to determine eligibility to the non-consensual conception exception there will be some indirect impact on charitable and voluntary organisations listed as approved third parties by the Department. Certain charities or voluntary bodies which provide support to women in cases of alleged rape may become eligible to provide evidence in support of a claim to the relevant exception (see paragraphs 7.19 to 7.24 above), but no particular body or charity is placed under an obligation to do so. Charities and voluntary bodies will also wish to update their guidance to advisers and claimants to reflect the exceptions set out in these amending Regulations. The scale of this impact will depend on which organisations claimants choose to seek third party evidence from, as they may choose to seek evidence from other non-charitable organisations e.g. health care professionals.
- 10.2 The impact on the public sector is estimated to be around £10m in respect of increased Universal Credit expenditure, once Universal Credit is fully rolled out and the policies are applied to all households (which could take up to 20 years). Over half of the cost comes from the multiple births exception. The changes introduce additional complexity into the design of Universal Credit, Child Tax Credit, Housing Benefit, and potentially to a limited extent Jobseeker's Allowance and Income Support. The Government considers that these costs and the increased UC expenditure are justified by the benefits of ensuring that those parents or carers of children who are not in the same position to make choices about the number of children in their family as others are, will be exempted from new restrictions introduced by the 2016 Order, and that there will be no cash losers as a direct result of the introduction of the new restrictions.
- 10.3 An Impact Assessment has not been prepared for this instrument.

## **11. Regulating small businesses**

- 11.1 The legislation does not apply to activities that are undertaken by small businesses.

## **12. Monitoring and review**

- 12.1 The operation of these Regulations will continue to be reviewed through the normal avenues of guidance enquiries received from the Department's offices and correspondence from members of the public.
- 12.2 Northern Ireland social security legislation normally retains parity with changes made by the Department for Work and Pensions

## **13. Contact**

- 13.1 Anne McCleary at the Department for Communities can answer any queries regarding the instrument – telephone: 028 90823332 or email: [anne.mccleary@communities-ni.gov.uk](mailto:anne.mccleary@communities-ni.gov.uk)