

EXPLANATORY MEMORANDUM TO

The Rate Relief (Amendment) Regulations (Northern Ireland) 2018

SR 2018 No. 109

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of Finance ("the Department") to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under Article 30A of the Rates (Northern Ireland) Order 1977 (S.I. 1977/2157 (N.I. 28) ("the 1977 Order") and is subject to the negative resolution procedure.

2. Purpose

- 2.1. This draft Rule amends the Rate Relief Regulations (Northern Ireland) 2017 (S.R.2017 No. 184) ("the 2017 Regulations"). It provides for consequential amendments to the 2017 Regulations identified as a result of policy changes made to Universal Credit ("UC") in Northern Ireland and are necessary to ensure the rate rebate scheme can continue to operate as intended.
- 2.2. The Universal Credit (Persons Required to Provide Information, Miscellaneous Amendments and Saving and Transitional Provision) Regulations (Northern Ireland) 2018 (S.R. 2018 No. 92) ("the 2018 Regulations") provide for a number of changes to UC policy in NI.
- 2.3. From 8 May 2018 all UC claims in Northern Ireland by people in temporary accommodation will have their housing support met through Housing Benefit, in a similar manner to people in specified housing. Also from this date new UC claimants in Northern Ireland in receipt of Housing Benefit will be able to continue to receive the rent element of Housing Benefit for a period of two weeks from the date the claimant first becomes entitled to UC. The 2018 Regulations also make provision for cases where there is a change in the first date of a claimant's entitlement to UC after the assessment period cycle for the award has been established.
- 2.4. Regulation 2(2)(b) amends the 2017 Regulations to provide that the UC data to be used to calculate entitlement to the new rate rebate scheme is not apportioned.

- 2.5 Regulation 2(5)(a) and 2(5)(b) provide for a rate rebate to be paid at the same time as Housing Benefit for certain temporary accommodation in the limited circumstances where rate rebates can be paid for more than one dwelling.
- 2.6 Regulation 2(5)(c) amends the 2017 Regulations to ensure that those in receipt of the UC transitional housing payment can still apply to the rate rebate scheme.
- 2.7 A number of minor amendments which aim to clarify the 2017 Regulations and address a small number of minor drafting matters are also included in this Rule.
- 2.8 Regulation 2(2)(a) inserts a definition of “partner” into the 2017 Regulations.
- 2.9 Regulations 2(2)(d), 2(3)(b) and 2(3)(c) amend regulation 3 of the 2017 Regulations to provide that the policy position for those in a polygamous marriage in UC also applies to the rate rebate scheme. It ensures that members of a polygamous marriage can make a claim to rate rebate as either a couple or as a single person as appropriate.
- 2.10 Regulation 2(4) amends regulation 5 in the 2017 Regulations to clarify that the three month period in which to make a claim only applies if the claimant would be entitled to rate relief.
- 2.11 Regulation 2(5)(d) amends Regulation (10)(5) of the 2017 Regulations to clarify that those who are administering the rate rebate scheme can seek clarification from the Department for Communities in respect of UC information they receive.
- 2.12 Regulations 2(2)(c), (3)(a), 2(6) and 2(7) address a number of drafting matters in the 2017 Regulations.

3. Background

- 3.1. The development of a new scheme to administer rate rebates in Northern Ireland was required to ensure that support towards rates continued to be provided for claimants no longer entitled to claim Housing Benefit as a consequence of the phasing out of Housing Benefit in conjunction with the introduction of UC in Northern Ireland.
- 3.2. The Rate Relief Regulations (NI) 2017 came into operation on 27 September 2017 in line with the phased introduction of UC in Northern Ireland. The Regulations provide that the new rate rebate scheme is only available to claimants in receipt of UC and will rely on UC information to enable rate rebate entitlement to be calculated.
- 3.3. Changes made to UC policy have necessitated consequential amendments to the rate rebate scheme. Those changes are made by this statutory rule.

- 3.4. This statutory rule also makes other minor amendments which aim to clarify the legislation and address some minor drafting matters.

4. Consultation

- 4.1. The then Department of Finance and Personnel (DFP) undertook two consultations during 2013 to consider modifications to the rate rebate rules that operate under Housing Benefit so that UC claimants would not be disadvantaged as a result of the introduction of UC in Northern Ireland and the consequential phasing out of Housing Benefit. Following the delay in the introduction of UC in Northern Ireland a third consultation, which was informed by the two earlier consultations, was undertaken in November 2014 to seek views on proposed options for a long term rate rebate scheme.
- 4.2. Following careful consideration of the responses to the consultation the policy position for the long term rate rebate scheme was finalised. Executive agreement to consequential adjustments to rate support arrangements for low income households of working age was obtained on 25 February 2016. This agreement allowed the Department to bring forward the necessary legislation to provide for the new rate rebate replacement scheme to be introduced at the same time as the introduction of UC in Northern Ireland.
- 4.3. The 2017 Regulations came into operation on 27 September 2017 in line with the phased introduction of UC. As the rate rebate scheme runs in conjunction with UC a number of amendments to take account of changes to UC policy are now required to ensure compatibility between the two and further consultation is not deemed appropriate.

5. Equality Impact

- 5.1. This is a locally based scheme and the Department considers that there should be no disproportionate impact on any of the section 75 subgroups.
- 5.2. A full equality impact assessment was taken forward and published as part of the final consultation process.
- 5.3. The changes being made by this Rule are consequential to wider changes to UC policy. This Rule only serves to facilitate the effective operation of the scheme and it is the Department's assessment that no distinct equality impact is required in respect of the provision.

6. Regulatory Impact

- 6.1. There is no impact on business, charities or voluntary bodies.

7. Financial Implications

- 7.1. There are no financial implications.

8. Section 24 of the Northern Ireland Act 1998

8.1. The Department considers the Regulations to be compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1 There are no EU implications associated with this Rule.

10. Parity or Replicatory Measure

10.1. Not applicable; this scheme is unique to Northern Ireland.

11. Additional Information

11.1. Not applicable.