

Draft Regulations laid before Parliament under section 97(4A) of the Welfare Reform Act 2012, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2023 No.

SOCIAL SECURITY

**The Benefit Cap (Annual Limit)
(Amendment) Regulations 2023**

Made - - - - *****
Coming into force - - *1st April 2023*

The Secretary of State has carried out a review as required by section 96A(1) of the Welfare Reform Act 2012(1), taking into account the matters specified in section 96A(3) of that Act, and considers it appropriate to amend section 96(5A) of that Act(2) so as to increase one or more of the sums specified in that section.

A draft of this instrument was laid before Parliament in accordance with section 97(4A) of the Welfare Reform Act 2012(3) and approved by resolution of each House of Parliament.

Accordingly, the Secretary of State makes the following Regulations in exercise of the powers conferred by sections 96(5) and (5B), 96A(4) and (5) and 97(1) of the Welfare Reform Act 2012(4).

In accordance with section 173(1)(b) of the Social Security Administration Act 1992(5), the Social Security Advisory Committee has agreed that the proposals in respect of regulations 3 and 4 should not be referred to it.

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Benefit Cap (Annual Limit) (Amendment) Regulations 2023.

(2) These Regulations come into force on 1st April 2023.

(1) 2012 c. 5. Section 96A(1) was inserted by section 7 of the Welfare Reform and Work Act 2016 (c. 7) and was amended by paragraph 21(a) of the Schedule to the Dissolution and Calling of Parliament Act 2022 (c. 11).
(2) Section 96(5A) was inserted by section 8 of the Welfare Reform and Work Act 2016 (c. 7).
(3) Section 97(4A) was inserted by section 9 of the Welfare Reform and Work Act 2016 (c. 7).
(4) Section 96(5) and (5B), and section 96A, were inserted by, and section 97(1) was amended by, sections 8 and 9 of the Welfare Reform and Work Act 2016 (c. 7).
(5) 1992 c. 5.

(3) The amendments made by regulations 2 and 3 apply in relation to an award of universal credit whenever made but only in relation to each assessment period⁽⁶⁾ in respect of that award which begins on or after 10th April 2023.

(4) The amendments made by regulations 2 and 4 apply only on and after 3rd April 2023 in relation to housing benefit in respect of rent payable at intervals of a week or any multiple of a week.

(5) In this regulation “housing benefit” means housing benefit under section 130 of the Social Security Contributions and Benefits Act 1992⁽⁷⁾.

(6) These Regulations extend to England and Wales and Scotland.

Amendment of the Welfare Reform Act 2012

2. In section 96(5A) of the Welfare Reform Act 2012 (benefit cap)—

- (a) in paragraph (a) for “£23,000 or £15,410” substitute “£25,323 or £16,967”;
- (b) in paragraph (b) for “£20,000 or £13,400” substitute “£22,020 or £14,753”.

Amendment of the Universal Credit Regulations 2013

3. In regulation 80A(2) of the Universal Credit Regulations 2013 (relevant amount) ⁽⁸⁾—

- (a) in sub-paragraph (a) for “£15,410” substitute “£16,967”;
- (b) in sub-paragraph (b) for “£23,000” substitute “£25,323”;
- (c) in sub-paragraph (c) for “£13,400” substitute “£14,753”;
- (d) in sub-paragraph (d) for “£20,000” substitute “£22,020”.

Amendment of the Housing Benefit Regulations 2006

4. In regulation 75CA(2) of the Housing Benefit Regulations 2006 (determination of the relevant amount) ⁽⁹⁾—

- (a) in sub-paragraph (a) for “£15,410” substitute “£16,967”;
- (b) in sub-paragraph (b) for “£23,000” substitute “£25,323”;
- (c) in sub-paragraph (c) for “£13,400” substitute “£14,753”;
- (d) in sub-paragraph (d) for “£20,000” substitute “£22,020”.

Signed by authority of the Secretary of State for Work and Pensions

Date

Name
Parliamentary Under Secretary of State
Department for Work and Pensions

⁽⁶⁾ Assessment period has the same meaning as in section 7(2) of the Welfare Reform Act 2012.

⁽⁷⁾ 1992 c. 4, to which there are amendments not relevant to these Regulations.

⁽⁸⁾ S.I. 2013/376. Regulation 80A was inserted by S.I. 2016/909.

⁽⁹⁾ S.I. 2006/213. Regulation 75CA was inserted by S.I. 2016/909.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made following a review under section 96A of the Welfare Reform Act 2012 (c. 5) and amend the sums specified as the annual limit for the purposes of the benefit cap.

Regulation 1 brings these Regulations into force for all purposes on 1st April 2023 subject to the provisions in regulation 1(3) and (4). The amended annual limits will only apply to an award of universal credit in relation to each assessment period commencing on or after 10th April 2023. For an award of housing benefit in respect of which rent is paid at intervals of a week or multiples thereof, the amended annual limits will only apply from 3rd April 2023.

Regulation 2 amends the annual limit as set out in section 96(5A) of the Welfare Reform Act 2012.

Regulation 3 makes a consequential amendment to the Universal Credit Regulations 2013 (S.I. 2013/376) as, in order to calculate and apply the benefit cap, the annual limit is also specified in the secondary legislation.

Regulation 4 makes a consequential amendment to the Housing Benefit Regulations 2006 (S.I. 2006/213) as, in order to calculate and apply the benefit cap, the annual limit is also specified in the secondary legislation.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.