

EXPLANATORY MEMORANDUM TO THE
CHILD BENEFIT AND GUARDIAN'S ALLOWANCE UP-RATING ORDER
(NORTHERN IRELAND) 2005

2005 No.

1. This explanatory memorandum has been prepared by the Inland Revenue and is laid before Parliament by Command of Her Majesty.

2. Description

This Order increases, from 11 April 2005, the main rates of Child Benefit and Guardian's Allowance as set out in the Pre-Budget Report on 2 December 2004.

3. Matters of special interest to the Joint Committee on Statutory Instruments.

None

4. Legislative Background

A draft of this Order is laid before Parliament in accordance with the provisions of section 132 of the Social Security Administration (Northern Ireland) Act 1992 for approval by resolution of each House of Parliament. This Order is made in exercise of the powers conferred by sections 132(1), 165(4) and 166(10A) of the Social Security Administration (Northern Ireland) Act 1992.

5. Extent

This instrument applies to Northern Ireland.

6. European Convention on Human Rights

The Paymaster General, Dawn Primarolo has made the following statement under section 19(1)(a) of the Human Rights Act 1998:

In my view the provisions of the Child Benefit and Guardian's Allowance Order (Northern Ireland) 2005 are compatible with the Convention rights.

7. Policy background

7.1 Section 150(1)(a)(i) of the Social Security Administration Act 1992 ("the Great Britain Administration Act"), in so far as it concerns Guardian's Allowance, and under paragraph (i) of that subsection in so far as it concerns Child Benefit, requires the Treasury to review the weekly rate of Child Benefit

and Guardian's Allowance. Section 150(2) of this Act requires Guardian's Allowance to be increased in line with prices.

- 7.2 Child Benefit and Guardian's Allowance are increased by 3.1%, in line with the increase in the Retail Price Index.
- 7.3 Section 132(1) of the Social Security Administration (Northern Ireland) Act 1992, provides that, whenever the Treasury make an Order under section 150 of "the Great Britain Administration Act", they may make corresponding provision in respect of Northern Ireland.
- 7.4 The Order provides for increases to take effect in the week commencing 11 April 2005.

8 Impact

- 8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.
- 8.2 The cost of the provisions in this Order is estimated to be £10.16m.

9. Contact

Anne Berriman at the Inland Revenue [tel: 020 7147 2493 or e-mail: Anne.Berriman@ir.gsi.gov.uk] can answer any queries regarding the instrument.