EXPLANATORY MEMORANDUM TO

THE UNIVERSAL CREDIT (MANAGED MIGRATION PILOT AND MISCELLANEOUS AMENDMENTS) (AMENDMENT) REGULATIONS 2020

2020 No. 826

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Department for Work and Pensions and is laid before Parliament by Command of Her Majesty.
- 1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Purpose of the instrument

- 2.1 The purpose of this instrument is to correct a defect in regulation 5 of the Universal Credit (Managed Migration Pilot and Miscellaneous Amendments) Regulations 2019 ("the 2019 Regulations"). These regulations intended to introduce, from 22nd July 2020, a two-week run-on of Income Support (IS), income-based Jobseeker's Allowance (JSA(IB)) and income-related Employment and Support Allowance (ESA(IR)) for those whose awards of those benefits terminate as a result of their claim for Universal Credit (UC).
- 2.2 This run-on is intended to be achieved in respect of JSA(IB) or ESA(IR) by delaying, by two weeks, the date on which the awards of those benefits are abolished in these circumstances. However, we have identified that regulation 5 of the 2019 Regulations abolishes awards of JSA(IB) or ESA(IR) on the last day of the proposed run-on period rather than on the day after the last day of the run-on period.
- 2.3 The effect is that the period of the run-on for JSA(IB) or ESA(IR) is currently limited to a maximum of 13 days, rather than 14 days as intended. This amendment corrects the error and thereby restores the original policy intent as clearly set out to Parliament. Given that the fourteenth day after 22nd July 2020 (inclusive) is 4th August 2020, bringing into force the current amendment on that date ensures that there is statutory authority to pay benefit for the full period of the run-on for JSA(IB) and ESA(IR) claimants.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

- 3.1 To ensure that there is statutory authority to pay all claimants for the full period of the run-on, as originally intended, so that no one will have been disadvantaged by the defect, these Regulations invoke the urgency provisions whereby they may be made without first being submitted to the Social Security Advisory Committee.
- 3.2 This instrument will breach the 21-day rule as it will come into force on 4th August 2020.

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¹ https://www.legislation.gov.uk/uksi/2019/1152/contents/made

- 3.3 The instrument is being made at the first opportunity following recognition of the defect it is correcting, which came to light upon the coming into force of the relevant provision on 22nd July 2020. It is being laid without delay, on the day of being made.
- 3.4 The Department is bringing the instrument into force on 4th August 2020, the day on which, for a claim to UC made on 22nd July 2020, ESA(IR) and JSA(IB) would be abolished, so that in relation to such a claim the appointed day is moved to the 5th August 2020 and the claimant is entitled to those benefits for the full 14 days originally intended.

Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)

3.5 As the instrument is subject to negative resolution procedure there are no matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business at this stage.

4. Extent and Territorial Application

4.1 The territorial extent of this instrument is England, Wales and Scotland only.

5. European Convention on Human Rights

5.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

6. Legislative Context

- 6.1 The Welfare Reform Act 2012 provides for the introduction in Great Britain of a new working-age income-related benefit, UC, and the abolition of JSA(IB), ESA(IR), IS, Housing Benefit, Working Tax Credit and Child Tax Credit.
- 6.2 The UC (Transitional Provisions) Regulations 2013² ("the 2013 Regulations") came into force on 29th April 2013 and provided for the introduction of UC to limited categories of claimants. A series of Commencement Orders also brought into force provisions relating to UC, and repealed the legislation relating to JSA(IB) and ESA(IR) for UC claimants in specified postcodes.
- 6.3 The UC (Transitional Provisions) Regulation 2014³ ("the 2014 Regulations") came into force on 16th June 2014 and revoked and replaced the 2013 Regulations, subject to certain savings, as part of the Department's reconfiguration of the legislation relating to the rollout of UC. They deal with the effects of transition from existing benefits to UC.
- 6.4 The UC 2019 Regulations added provision to the 2014 Regulations to allow for the movement of claimants from existing benefits to UC by the Department. They also revised provisions for former recipients of the severe disability premium.
- 6.5 As part of the 2019 Regulations, a two-week run-on of JSA(IB), ESA(IR) and IS was introduced for all claimants who were entitled to these benefits prior to their awards being terminated as a result of making a new UC claim.

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² http://www.legislation.gov.uk/ukdsi/2013/9780111531549/contents

³ https://www.legislation.gov.uk/uksi/2014/1230/contents/made

7. Policy background

What is being done and why?

- 7.1 This amendment corrects a defect in the 2019 Regulations in relation to the two-week run-on of JSA(IB) and ESA(IR) to restore the original policy intent.
- 7.2 The run-on was first introduced on 22nd July 2020. The fourteenth day after 22nd July (inclusive) is 4th August 2020. As this coincides with the coming-into-force date of the current amendment, this means that there is appropriate statutory authority to pay all claimants for the full period of the run-on for JSA(IB) and ESA(IR).

8. European Union (Withdrawal) Act/Withdrawal of the United Kingdom from the European Union

8.1 This instrument does not relate to withdrawal from the European Union / trigger the statement requirements under the European Union (Withdrawal) Act.

9. Consolidation

9.1 As this corrects an error in the original regulations to restore the policy intent, consolidation is not being undertaken.

10. Consultation outcome

10.1 Given the urgency of these regulations, no consultation has been undertaken.

11. Guidance

11.1 Guidance for DWP will not change, as this measure restores the original policy intent which is already reflected in guidance.

12. Impact

- 12.1 There is no, or no significant, impact on business, charities or voluntary bodies.
- 12.2 There is no, or no significant, impact on the public sector.
- 12.3 An Impact Assessment has not been prepared for this instrument because there is no significant impact on business, or the private, voluntary or public sector.

13. Regulating small business

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

14. Monitoring & review

14.1 There are no plans to review the impacts of this regulation as it corrects a defect in the Universal Credit (Managed Migration Pilot and Miscellaneous Amendments) Regulations 2019.

15. Contact

15.1 Beatrice Fannon at the Department for Work and Pensions Telephone: 0208 970 7245 or email: beatrice.fannon@dwp.gov.uk can be contacted with any queries regarding the instrument.

- 15.2 John Ward, Deputy Director for Government Legal Department, at the Department for Work and Pensions can confirm that this Explanatory Memorandum meets the required standard.
- 15.3 Thérèse Coffey, Secretary of State at the Department for Work and Pensions can confirm that this Explanatory Memorandum meets the required standard.