## 2021 No. 249

## SOCIAL SECURITY

# The Universal Credit (Childcare Costs) (Amendment) Regulations (Northern Ireland) 2021

Made	-	-	-	-	9th September 2021
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*Coming into operation in accordance with regulation 1* 

The Department for Communities (a) makes the following Regulations in exercise of the powers conferred by Articles 17(1) and 48(1) and (2) of the Welfare Reform (Northern Ireland) Order  $2015(\mathbf{b})$  and now vested in it( $\mathbf{c}$ ).

The Powers are exercisable by the Department for Communities by virtue of Article 2 the Welfare Reform (Northern Ireland) Order 2015 (Cessation of Transitory Provision) Order 2020(**d**).

## **Citation and Commencement**

**1.**—(1) These Regulations may be cited as the Universal Credit (Childcare Costs) (Amendment) Regulations (Northern Ireland) 2021 and come into operation on 4<sup>th</sup> October 2021.

(2) The Interpretation Act (Northern Ireland) 1954(e) shall apply to these Regulations as it applies to an Act of the Assembly.

### **Childcare Costs Amendment**

2.--(1) The Universal Credit Regulations (Northern Ireland) 2016(f) are amended as follows-

(2) In regulation 35 (Amount of childcare costs element), after paragraph (3), insert-

"(3A) in determining the amount of charges paid for relevant childcare pursuant to regulation 35(2) of the Universal Credit Regulations (Northern Ireland) 2016, the Department must not leave out of the account a payment for childcare costs from the Adviser Discretion Fund(g)."

Sealed with the Official Seal of the Department for Communities on 9th September 2021

<sup>(</sup>a) The Department for Social Development was renamed the Department for Communities in accordance with section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5 (N.I.))

<sup>(</sup>b) S.I 2015/2006 (N.I. 1)
(c) See Article 8(b) of S.R. 1999 No. 481

<sup>(</sup>d) S.I 2020 No. 927

<sup>(</sup>e) 1954 c. 33 (N.I)

<sup>(</sup>f) S.R. 2016 No. 216

<sup>(</sup>g) The Adviser Discretion Fund is a discretionary support scheme under Part 1 of the Employment and Training (Northern Ireland) Act 1950. It is a financial incentive scheme designed to assist Jobs and Benefits customers in removing barriers towards and into employment, retaining employment, increasing hours of employment, progressing within employment so as to increase earnings, assisting with commencing self-employment or re-commencing former self-employed businesses.

#### **Explanatory Note**

### (This note is not part of the Regulations)

Regulation 2 of these Regulations amends the Universal Credit Regulations (Northern Ireland) 2016 (S.R 2016 No. 216) ("the Universal Credit Regulations") in response to the continuing outbreak of the Coronavirus disease in Northern Ireland and the affect that the outbreak has on those who are unemployed and are unable to return or remain in employment due to the non-affordability of childcare costs.

For many parents, childcare is essential to support their return to work and their progression in work. Within Universal Credit, support for childcare is provided in the form of an additional childcare element. The element is to be available to all lone parents and couples where both members are in work (with certain exceptions), and is not dependent on a claimant working a specific number of hours. Where a child is in registered childcare, families are able to recover 85% of actual childcare costs in Universal Credit up to a limit set in the regulations.

Regulation 35 of the Universal Credit Regulations includes provision for the calculation of the amount of the childcare costs element. Where the Department provides non-repayable financial support under the Adviser Discretion Fund for upfront childcare costs, the amount provided is deducted from the person's Universal Credit account which has an adverse impact on the calculation of the childcare costs element.

Regulation 2 of these regulations amends Regulation 35 to ensure that an Adviser Discretion Fund payment for upfront childcare costs is included in a person's account when calculating the childcare costs element of Universal Credit.



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