

EXPLANATORY MEMORANDUM TO
THE CHILD BENEFIT (GENERAL) (CORONAVIRUS) (AMENDMENT)
REGULATIONS 2021

2021 No. 630

1. Introduction

- 1.1 This explanatory memorandum has been prepared by Her Majesty's Revenue and Customs (HMRC) on behalf of Her Majesty's Treasury 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 This instrument makes an amendment to the Child Benefit regulations to protect a claimant's entitlement where a young person they are responsible for finishes education earlier than usual due to the national cancellation of examinations this year.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

- 3.1 It is with regret that this instrument is laid in breach of the 21-day rule which requires the laying of an instrument 21 days before its provisions take effect.
- 3.2 This instrument will come into force four days after laying. This is the date claimants would no longer be entitled to Child Benefit if the national cancellation of examinations this year results in a young person they are responsible for leaving education earlier than they would otherwise have done so had examinations taken place.
- 3.3 Although examinations were announced as being cancelled in January 2021, uncertainty around the duration and extent of the COVID-related lockdown, and the consequences for education, meant that guidance to schools in England on education provision for examination-year students beyond 31 May was not issued until April 2021, giving schools broad discretion. The government was therefore unable to make its assessment of the impact on Child Benefit entitlement and the need and basis upon which to legislate in time to meet the 21-day rule.
- 3.4 Breaching the 21-day rule will ensure claimants do not cease to be entitled to Child Benefit that they otherwise would have been entitled to were it not for the cancellation of national examinations this year.
- 3.5 This instrument needs to take effect on 31 May 2021.

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)

- 3.6 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 the United Kingdom.
- 4.2 The territorial application of this instrument is the United Kingdom.

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 This instrument changes regulation 7 of the Child Benefit (General) Regulations 2006 (S.I. 2006/223) “the Regulations”.
- 6.2 Section 141 of the Social Security Contributions and Benefits Act 1992 (c.4) (SSCBA) sets out that a person who is responsible for one or more children or qualifying young persons is entitled to Child Benefit.
- 6.3 Section 142 SSCBA provides that regulations prescribe the definition of a qualifying young person.
- 6.4 Regulations 3 to 7 of the Regulations prescribe the conditions that are to be satisfied for a person to be a qualifying young person.

7. Policy background

What is being done and why?

- 7.1 Child Benefit is a non-means tested social security benefit which provides a contribution to the cost of raising a child to millions of families.
- 7.2 Child Benefit can be paid to individuals responsible for a young person up to the age of 20, if the young person is in full-time non-advanced education.
- 7.3 In the final year of payment, provided the young person the claimant is responsible for is in education after 31 May, individuals continue to receive Child Benefit until 31 August unless another relevant change of circumstances occurs.
- 7.4 The national cancellation of examinations this year may mean some young persons finish education before 31 May when they would not have otherwise done so.
- 7.5 This instrument ensures an individual’s entitlement to Child Benefit is protected where a young person they are responsible for finishes education earlier than usual due to the national cancellation of examinations.

8. European Union Withdrawal and Future Relationship

- 8.1 This instrument does not relate to withdrawal from the European Union.

9. Consolidation

- 9.1 There are no plans to consolidate any of the regulations which are amended by this instrument.

10. Consultation outcome

- 10.1 No separate consultation exercise was conducted as this instrument makes changes to maintain the usual position following the national cancellation of examinations.

11. Guidance

- 11.1 Information relating to this change will be incorporated into forms and manuals where appropriate. Internal guidance and standard operating procedures will also be updated.
- 11.2 Guidance is provided for Child Benefit claimants online through the GOV.UK website - <https://www.gov.uk/child-benefit> - and through the Child Benefit helpline.

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 no, or no significant, impact on the private or voluntary sectors is foreseen.

13. Regulating small business

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

14. Monitoring & review

- 14.1 The approach to monitoring this legislation is that the changes made by this instrument are time limited to maintain the usual position following the national cancellation of examinations rather than a change in policy, and so will not be monitored further.
- 14.2 HMRC monitors awards of Child Benefit on an annual basis. The analysis is published at: <https://www.gov.uk/government/collections/child-benefit-geographical-statistics>.
- 14.3 The instrument does not include a statutory review clause as this regulation does not make regulatory provision in respect of a business.

15. Contact

- 15.1 Anthony Hignett at HMRC Telephone: 03000 587 348 or email: anthony.hignett@hmrc.gov.uk can be contacted with any queries regarding the instrument.
- 15.2 James Dunstan, Deputy Director for Tax Credit and Child Benefit policy at HMRC, can confirm that this Explanatory Memorandum meets the required standard.
- 15.3 The Rt Hon Steve Barclay MP, Chief Secretary to the Treasury, can confirm that this Explanatory Memorandum meets the required standard.