EXPLANATORY MEMORANDUM TO

THE UNIVERSAL CREDIT (CHILDCARE) (AMENDMENT) REGULATIONS (NORTHERN IRELAND) 2023

S.R. 2023 No. 90

1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Communities to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2 The Statutory Rule is made under Articles 17(1) and (3), 48(1) and (5) of the Welfare Reform (Northern Ireland) Order 2015.

2. Purpose

2.1 This Statutory Rule amends the Universal Credit Regulations (Northern Ireland) 2016 (S.R. 2016 No. 216) ("the 2016 Regulations") to increase the maximum amount which can be paid in each assessment period in respect of childcare costs in Universal Credit.

3. Background and detail

3.1 Support for the costs of childcare within UC is available to lone parents and to couples, where all members are either in work or are treated as in work, regardless of the number of hours they work. A claimant's maximum amount of Universal Credit will include a specific additional element where at least one dependent child requires registered childcare.

3.2 Under the 2016 Regulations a claimant can have an amount included in their Universal Credit award in respect of childcare costs if they meet the relevant entitlement conditions for that additional amount.

3.3 Regulation 38 of the 2016 Regulations provides for the amounts of the childcare costs elements of Universal Credit which are to apply in respect of each assessment period. These amounts are currently capped at £646.35 for one child or £1108.04 for two or more children, per assessment period.

3.4 Regulation 2 of this Statutory Rule amends regulation 38 of the 2016 Regulations to increase the maximum amount of the childcare cost element to £950.92 for one child and £1630.15 for two or more children, per assessment period.

4. Consultation

4.1 There is no requirement to consult on these Regulations.

5. Equality Impact

5.1 In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department has conducted a screening exercise on the legislative proposals. The Department has concluded that the proposals would not have significant implications for equality of opportunity although, they would impact positively on those claimants with dependents. The Department considers that an Equality Impact Assessment is not necessary.

6. Regulatory Impact

6.1 There is no impact on business, charities or voluntary bodies or on the public sector.

7. Financial Implications

7.1 None Anticipated

8. Section 24 of the Northern Ireland Act 1998

8.1 The Department has considered section 24 of the Northern Ireland Act 1998 and is satisfied that the Rule complies with that provision.

9. EU Implications

9.1 Not Applicable

10. Parity or Replicatory Measure

10.1 These Regulations replicate provision made under regulation 2(3) of the Universal Credit (Childcare) (Amendment) Regulations 2023 (2023/593) in Great Britain which come into force on 28th June 2023.

11. Additional Information

11.1 Guidance will be issued to Department for Communities staff prior to this Statutory Rule becoming operational.