EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations amend the Housing Benefit Regulations (Northern Ireland) 2006 (S.R.2006 No.405) ("the Housing Benefit Regulations"), the Housing Benefit (Decisions and Appeals) Regulations (Northern Ireland) 2001 (S.R. 2001 No. 213), the Discretionary Financial Assistance Regulations (Northern Ireland) 2001 (S.R. 2001 No. 216), the Universal Credit Regulations (Northern Ireland) 2016 (S.R. 2016 No. 216) ("the Universal Credit Regulations") and the Universal Credit (Transitional Provisions) Regulations (Northern Ireland) 2016 (S.R. 2016 No. 216) ("the Universal Credit Regulations") and the Universal Credit (Transitional Provisions) Regulations (Northern Ireland) 2016 (S.R. 2016 No. 226). These Regulations make amendments in connection with the Welfare Reform and Work (Northern Ireland) Order 2016 (S.I. 2016/999 (N.I. 1)) ("the 2016 Order") and introduce a new exemption from the benefit cap.

Regulation 1 provides that regulations 1, 2, 4 and 6 come into operation on 7^{th} November 2016. It also provides for regulation 3 (which makes amendments to the Universal Credit Regulations) to come into force on the day on which Article 6 of the Welfare Reform (Northern Ireland) Order 2015 (S.I. 2015/2006 (N.I. 1)) (universal credit) comes into operation for all purposes in respect of the whole or any part of Northern Ireland.

Regulation 2 amends the Housing Benefit Regulations by:

- substituting regulation 73B (determination of whether a benefit cap applies), which makes
 provision about when a relevant authority determines whether a benefit cap applies;
- inserting a new regulation 73CA (relevant amount) which sets out how the relevant amount is determined. The relevant amount is the weekly level of benefit cap that will be applied in housing benefit. The annual limit is set out in Article 101 of the Welfare Reform (Northern Ireland) Order 2015 (S.I. 2015/2006 (N.I. 1)) as amended by the 2016 Order. Regulation 73CA sets out that the relevant amount is then calculated by dividing the applicable annual limit by 52 and rounding to the nearest penny;
- introducing a new exemption into regulation 73F (exception to the benefit cap: receipt of specified benefit) so that the benefit cap does not apply where the claimant, the claimant's partner or a young person for whom the claimant is responsible is entitled to guardian's allowance;
- making consequential amendments to regulation 73G (interpretation).

Regulation 3 makes similar amendments to the Universal Credit Regulations by:

- amending regulation 80 (manner of determining total entitlement to welfare benefits) so that, when determining entitlement to welfare benefits, no amount of housing benefit is to be included;
- inserting a new regulation 80A (relevant amount), which sets out how the relevant amount is determined. The relevant amount is the monthly level of the benefit cap that will be applied for universal credit. Regulation 80A sets out that the relevant amount is calculated by determining which annual limit applies to a claimant and dividing the annual limit that applies by 12;
- making consequential amendments to regulations 79 (circumstances where the benefit cap applies) and 81(3) (reduction of universal credit);
- making a small amendment to the exceptions set out in regulation 83(1) (exceptions: entitlement or receipt of certain benefits) so that the benefit cap does not apply where a claimant or a qualifying young person for whom they are responsible is entitled to carer's allowance.

Regulation 4 makes a consequential amendment to regulation 8 of the Housing Benefit (Decisions and Appeals) Regulations (Northern Ireland) 2001 (date from which a decision superseding an earlier decision takes effect).

Regulation 5 makes a consequential amendment to regulation 7 of the Universal Credit (Transitional Provisions) Regulations (Northern Ireland) 2016 (treatment of ongoing entitlement to certain benefits: benefit cap).

Regulation 6 amends the Discretionary Financial Assistance Regulations (Northern Ireland) 2001 to extend the use of discretionary housing payments to those tenants who may be affected by the introduction of the benefit cap.

An assessment of the impact of this instrument has been carried out. Copies of the impact assessment may be obtained from the Better Regulation Unit of the Department for Work and Pensions, 2D Caxton House, Tothill Street, London, SW1 9NA. It is also available alongside this instrument and the Explanatory Memorandum on www.legislation.gov.uk.