2017 No. 142

SOCIAL SECURITY

The Universal Credit (Housing Costs Element for claimants aged 18 to 21) (Amendment) Regulations (Northern Ireland) 2017

Made - - - - 6th July 2017
Laid before Parliament 7th July 2017

Coming into operation in accordance with regulation 1

The Secretary of State makes the following Regulations in exercise of the powers conferred by Articles 16(5) and 48(2) of the Welfare Reform (Northern Ireland) Order 2015(a).

Those powers are exercisable by the Secretary of State by virtue of Article 4(1)(a) of the Welfare Reform (Northern Ireland) Order 2015.

Citation and commencement

1. These Regulations may be cited as the Universal Credit (Housing Costs Element for Claimants aged 18 to 21) (Amendment) Regulations (Northern Ireland) 2017 and come into operation immediately after the coming into operation of the Universal Credit Regulations (Northern Ireland) 2016(**b**).

Entitlement to Housing Costs Element

- **2.**—(1) The Universal Credit Regulations (Northern Ireland) 2016 are amended in accordance with paragraphs (2) and (3).
 - (2) In regulation 7(2) (rounding)—
 - (a) for "regulations" substitute "provisions"; and
 - (b) at the end of sub-paragraph (b) for "." substitute—
 - ": and
 - (c) paragraph 4C of Schedule 4 (persons to whom paragraph 4A does not apply periods of work)."
 - (3) In Schedule 4 (housing costs element for renters)—
 - (a) in the heading of Part 2 (exception to inclusion of housing costs element) for "exception" substitute "exceptions"; and
 - (b) after paragraph 4 (no housing costs element for 16 or 17 year old care leavers) insert—

⁽a) S.I. 2015/2006 (N.I. 1)

⁽b) S.R. 2016 No. 216

"No housing costs element for certain renters aged at least 18 but under 22

- **4A.** Article 16(1) of the Order (housing costs) does not apply to a renter who—
 - (a) is at least 18 but under 22 years old;
 - (b) falls within Article 27 of the Order (claimants subject to all work-related requirements); and
 - (c) is a single person (or a member of a couple claiming as a single person).

Persons to whom paragraph 4A does not apply - general

- **4B.**—(1) Paragraph 4A does not apply where—
 - (a) the renter is responsible for a child or a qualifying young person;
 - (b) the renter satisfies paragraph 28(2), (4)(a) or (c), or (5) (renters excepted from shared accommodation), whether or not the renter is a person to whom Part 4 (private rented sector and temporary accommodation) applies;
 - (c) the renter meets the occupational condition in respect of temporary accommodation (within the meaning of paragraph 20);
 - (d) the renter is unable to live with their parents because—
 - (i) the renter has no parent; or
 - (ii) neither parent occupies accommodation as their home in Northern Ireland;
 - (e) in the opinion of the Department it is inappropriate for the renter to live with each of their parents, including (but not limited to) in circumstances where there would be a serious risk to the renter's physical or mental health, or the renter would suffer significant harm, if the claimant lived with them;
 - (f) the renter's expected number of hours per week determined under regulation 87 (expected hours) is fewer than 35;
 - (g) regulation 97(6) or (7) (circumstances in which requirements must not be imposed) applies to the renter; or
 - (h) domestic violence has been inflicted on or threatened against the renter by the renter's partner or former partner or by a family member.
- (2) In this paragraph "domestic violence" and "family member" have the meanings given in regulation 96 (domestic violence).

Persons to whom paragraph 4A does not apply - periods of work

- **4C.**—(1) Paragraph 4A does not apply to a renter in an assessment period where the renter's earned income is equal to or exceeds the amount that a person would be paid at the hourly rate set out in—
 - (a) unless paragraph (b) applies, regulation 4A(1)(b) of the National Minimum Wage Regulations; or
 - (b) where the renter was employed under a contract of apprenticeship on the last day of the assessment period, regulation 4A(1)(d) of the National Minimum Wage Regulations,

for 16 hours per week, converted to a net monthly amount by multiplying by 52 and dividing by 12.

- (2) Paragraph 4A does not apply to a renter for a period of 6 consecutive months that begins on the most recent of the following days in respect of which the relevant condition in sub-paragraph (3) is met—
 - (a) the first day of the renter's first assessment period;
 - (b) the first day of an assessment period (which is not the renter's first assessment period) in which the renter's earned income is less than the threshold.

(3) The relevant condition is—

- (a) in the case of sub-paragraph (2)(a), the renter's earned income was equal to or exceeded the threshold in each of the 6 calendar months ending before the calendar month in which the claim for universal credit was made;
- (b) in the case of sub-paragraph (2)(b)—
 - (i) the renter's earned income was equal to or exceeded the threshold in each of the 6 assessment periods immediately preceding the day mentioned in subparagraph (2)(b); or.
 - (ii) where there are fewer than 6 assessment periods immediately preceding that day, the renter's earned income was equal to or exceeded the threshold in each of the 6 months comprised of—
 - (aa) the assessment periods immediately preceding the day mentioned in sub-paragraph (2)(b); and
 - (bb) the number of calendar months (ending before the calendar month in which the claim for universal credit was made) that are required to complete the 6 month period.

(4) In this paragraph—

"earned income" does not include income a person is treated as having by virtue of regulation 63 (minimum income floor);

"threshold" is the amount that a person would be paid at the hourly rate set out in—

- (a) unless paragraph (b) applies, regulation 4A(1)(b) of the National Minimum Wage Regulations;
- (b) where the renter was employed under a contract of apprenticeship for the duration of the 6 month period applicable under sub-paragraph (3), regulation 4A(1)(d) of the National Minimum Wage Regulations,

for 16 hours per week, converted to a net monthly amount by multiplying by 52 and dividing by 12.".

Saving for those in receipt of housing benefit

- **3.**—(1) These Regulations do not apply to an award of universal credit if, immediately before the first day on which they would otherwise apply, the claimant was entitled to an award of housing benefit under section 129 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(a).
- (2) Paragraph (1) does not apply to an award with effect from the day after the day on which it ceases to include the housing costs element.
- (3) In this regulation, "housing costs element" has the meaning in regulation 26 of the Universal Credit Regulations (Northern Ireland) 2016 (the housing costs elements).

Signed by authority of the Secretary of State for Work and Pensions

Caroline Dinenage
Minister of State
Department for Work and Pensions

6th July 2017

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Universal Credit Regulations (Northern Ireland) 2016 (S.R. 2016 No. 216) ("the 2016 Regulations") so that certain claimants aged 18 to 21 are not entitled to the housing costs element of universal credit.

Regulation 2(2) amends regulation 7 (rounding) of the 2016 Regulations to provide that, when calculating the level of the threshold in paragraph 4C of Schedule 4 of the 2016 Regulations (which is inserted by regulation 2(3)(c)), that amount is to be rounded down to the nearest whole pound. It also makes a technical amendment to that provision.

Regulation 2(3)(a) makes a minor technical amendment.

Regulation 2(3)(b) inserts new paragraphs 4A to 4C into Schedule 4 of the 2016 Regulations. Schedule 4 makes provision for the housing costs element of universal credit and applies to "renters".

Article 16(1) of the Welfare Reform (Northern Ireland) Order 2015 (S.I. 2015/2006 (N.I. 1)) provides for an amount to be included in an award of universal credit for housing costs. Paragraph 4A provides that Article 16(1) does not apply to a renter who: is aged 18 to 21; falls within Article 27 of the Welfare Reform (Northern Ireland) Order 2015 (claimants subject to all work-related requirements); and is a single person.

Paragraph 4B prescribes a number of circumstances in which paragraph 4A does not apply (and so where a claimant will be entitled to housing costs). The circumstances include where, in the opinion of the Department, it is inappropriate for the renter to live with each of his or her parents, including (but not limited to) where there would be a serious risk to the renter's physical or mental health, or the renter would suffer significant harm, if the renter lived with them (paragraph 4B(1)(e)).

Paragraph 4C prescribes additional circumstances in which Paragraph 4A does not apply. Paragraph 4C(1) provides that it does not apply to a renter in an assessment period in which the renter's earned income is equal to or exceeds a prescribed amount. The prescribed amount is the monthly amount a person would earn whilst working 16 hours per week at the National Minimum Wage (at the rate for 18 to 20 year olds (paragraph 4C(1)(a)) or, where the renter is employed under a contract of apprenticeship, the rate for apprentices (paragraph 4C(1)(b)).

Paragraph 4C(2) provides for a 6 month exemption during which paragraph 4A does not apply. The exemption applies where a renter's earnings in each of the 6 months set out in paragraph 4C(3) are equal to or more than the threshold. The exemption begins on the date set out in paragraph 4C(2). The threshold is, similarly to paragraph 4C(1), the monthly amount a person would earn whilst working 16 hours per week at the National Minimum Wage (at the rate for 18 to 20 year olds or, where the renter was employed under a contract of apprenticeship for the duration of the relevant 6 month period, the rate for apprentices).

Regulation 3 is a further saving provision with effect that, the Regulations do not apply if the claimant was entitled to housing benefit immediately before the day on which the Regulations would otherwise apply. The saving ceases to apply to an award with effect from the day after the day on which it ceases to include the housing costs element.

An impact assessment has not been produced as this instrument has no impact on business or civil society organisations.

© Crown copyright 2017

Printed in the UK by The Stationery Office Limited under the authority and superintendence of the Controller of Her Majesty's Stationery Office being the Government Printer for Northern Ireland and the Officer appointed to print Acts of the Northern Ireland Assembly.

1SBN 978-0-33-800829-1

£4.25

NI201707066 07/2017 19585