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## EXPLANATORY NOTE

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

These Regulations provide for the changes to the work allowance and taper rate in universal credit announced by the Chancellor of the Exchequer on 27th October 2021.

In accordance with regulation 1, the changes have effect for new awards of universal credit beginning on or after 24th November 2021 and, for claimants entitled to universal credit on that date, for any assessment period that ends on or after that date.

Regulation 2 provides for the reduction of the taper rate from 63% to 55%. It also provides for a consequential change in relation to the formula for calculating surplus earnings under regulation 54(6) of the Universal Credit Regulations.

Regulation 3 provides for the increase to the work allowance.

These Regulations make in relation to Northern Ireland only provision corresponding to provision contained in Regulations made by the Secretary of State for Work and Pensions in relation to Great Britain and accordingly, by virtue of Section 149(3) of, and paragraph 10 of schedule 5 to, the Social Security Administration (Northern Ireland) Act 1992 (c.8), are not subject to the requirement of section 149(2) of that Act for prior reference to the Social Security Advisory Committee.

A full impact assessment has not been produced for these Regulations as no, or no significant, impact on the private, public or voluntary sectors is foreseen.

**Changes to legislation:**

There are currently no known outstanding effects for the The Universal Credit (Work Allowance and Taper) (Amendment) Regulations (Northern Ireland) 2021.