
DRAFT STATUTORY INSTRUMENTS

2016 No.

The Welfare Reform and Work (Northern Ireland) Order 2016

Loans for mortgage interest, etc.

Article 13: further provision

- 14.**—(1) This Article makes further provision about regulations under Article 13.
- (2) The regulations may make provision about—
- (a) circumstances in which a person is to be treated as liable or not liable to make owner-occupier payments;
 - (b) circumstances in which a person is to be treated as occupying or not occupying particular accommodation as a home.
- (3) The regulations may include—
- (a) provision about applying for a loan;
 - (b) provision requiring a person to satisfy prescribed requirements before a loan may be made under the regulations, including requirements about receiving financial advice;
 - (c) provision about entering into an agreement (which may contain such terms and conditions as the Department thinks fit, subject to what may be provided in the regulations);
 - (d) provision about the time when, and manner in which, a loan must be repaid;
 - (e) provision about other terms upon which a loan is made;
 - (f) provision about the payment of interest, including provision prescribing or providing for the determination of the rate of interest;
 - (g) provision enabling administrative costs to be charged;
 - (h) provision about adding administrative costs to the amount of a loan;
 - (i) provision about accepting substituted security.
- (4) The regulations may make provision—
- (a) requiring that, in prescribed circumstances, money lent in respect of a person's liability to make owner-occupier payments—
 - (i) is paid directly to the qualifying lender;
 - (ii) is applied by the qualifying lender towards discharging the person's liability to make owner-occupier payments;
 - (b) for the costs of administering the making of payments to qualifying lenders to be defrayed, in whole or in part, at the expense of the qualifying lenders, whether by requiring them to pay prescribed fees, by deducting and retaining such part as may be prescribed of the amounts that would otherwise be paid to them or otherwise;
 - (c) for requiring a qualifying lender, in a case where by virtue of sub-paragraph (b) the amount paid to the lender is less than it would otherwise have been, to credit against the liability in relation to which the amount is paid the amount of the difference (in addition to the payment actually made);

- (d) for enabling a body which, or person who, would otherwise be a qualifying lender to elect not to be regarded as a qualifying lender for the purposes of this Article (other than this sub-paragraph);
 - (e) for the recovery from any body or person—
 - (i) of any sums paid to that body or person by way of payment under the regulations that ought not to have been so paid;
 - (ii) of any fees or other sums due from that body or person by virtue of sub-paragraph (b);
 - (f) for cases where the same person is liable to make owner-occupier payments under more than one agreement to make such payments.
- (5) The regulations may provide for the Department to make arrangements with another person for the exercise of functions under the regulations.
- (6) The regulations may include—
- (a) provision requiring information and documents to be provided;
 - (b) provision authorising the disclosure of information.
- (7) The bodies and persons who are “qualifying lenders” for the purposes of this Article are—
- (a) a deposit taker;
 - (b) an insurer;
 - (c) other prescribed bodies or persons.
- (8) In this Article—
- “deposit taker” means—
- (a) a person who has permission under Part 4A of the Financial Services and Markets Act 2000 to accept deposits, or
 - (b) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to that Act which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to accept deposits;
- “insurer” means—
- (a) a person who has permission under Part 4A of the Financial Services and Markets Act 2000 to effect and carry out contracts of insurance, or
 - (b) an EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 to that Act which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to effect and carry out contracts of insurance.
- (9) The definitions of “deposit taker” and “insurer” in this Article must be read with—
- (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section;
 - (c) Schedule 2 to that Act.