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## EXPLANATORY NOTE

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

These Regulations bring into force provisions in the Welfare Reform and Work Act 2016 (c. 7) relating to employment and support allowance, universal credit and loans for mortgage interest. These Regulations also bring into force provisions in the Pensions Act 2014 (c. 19) relating to bereavement support payment.

Regulation 2 brings section 14(6) to (8) and section 15(4) to (7) (which contain regulation-making powers in relation to the child element of universal credit and the work-related activity component of employment and support allowance respectively) of the Welfare Reform and Work Act 2016 into force on the day after the day on which the Regulations are made.

Regulation 3 brings sections 15(1) to (3) (employment and support allowance: work-related activity component), 16 (universal credit: limited capability for work element), 17 (universal credit: work-related requirements), 18 (loans for mortgage interest etc), 19 (further provision) and 21 (transitional provision) of the Welfare Reform and Work Act 2016 into force on 3rd April 2017. Section 15(1) to (3) removes provision for the work-related activity component to be paid to employment and support allowance claimants with limited capability for work. Section 16 makes similar provision for universal credit claimants as section 15 for employment and support allowance claimants. It amends section 12 of the Welfare Reform Act 2012 (c. 5), which provides for an award of universal credit to include an amount in respect of such particular needs or circumstances as may be prescribed in regulations, so that the fact that a claimant has limited capability for work is no longer a need or circumstance that may be prescribed. Section 17 of the Welfare Reform and Work Act 2016 changes conditionality for responsible carers so that those with a child aged 3 or 4 should be subject to all work-related requirements and those with a child aged 2 should be subject to work-focused interview requirements and work preparation requirements. Section 18 of the Welfare Reform and Work Act 2016 makes provision for help with mortgage interest to be in the form of a loan rather than a benefit. Section 19 enables the Secretary of State to set out further detail about the loans scheme in the regulations made under section 18 and section 21 makes provision about the transition from the current provision of support for mortgage interest to the new loans scheme.

Regulation 4 brings section 14(1) to (5) (changes to child element of universal credit) of the Welfare Reform and Work Act 2016 into force on 6th April 2017. Section 14(1) to (5) limits the child element of universal credit to include amounts in respect of a maximum of two children or qualifying young persons for whom the claimant is responsible and removes the distinction between the first and subsequent children in the rate of the child element.

Regulation 5 brings section 31(5) (bereavement support payment: contribution condition and amendments) of the Pensions Act 2014, so far as it relates to paragraphs 20 and 33 of Schedule 16 (bereavement support payment: amendments) to that Act, paragraph 20 of Schedule 16 to that Act, so far as it relates to paragraph 33 of that Schedule, and paragraph 33 of Schedule 16 to that Act, into force on the day after the day on which the Regulations are made. These provisions amend the power in section 179 (reciprocal agreements with countries outside the United Kingdom) of the Social Security Administration Act 1992 (c. 5) so that it applies to bereavement support payment. The power in section 179 allows Her Majesty by Order in Council to give effect to social security reciprocal agreements with countries outside the United Kingdom by making provision modifying or adapting domestic legislation as it applies in cases affected by such agreements.