*This Statutory Instrument has been printed to correct an error in S.I. 2018/307 and is being issued free of charge to all known recipients of that Statutory Instrument.*

STATUTORY INSTRUMENTS

# 2023 No. 226

# SOCIAL SECURITY

## The Loans for Mortgage Interest (Amendment) Regulations 2023

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| *Made - - - -* | *27th February 2023* |
| *Laid before Parliament* | *1st March 2023* |
| *Coming into force - -* | *3rd April 2023* |

The Secretary of State, in exercise of the powers conferred by sections 18(1), (2), (3) and (9) and 19(1), (3)(b) and (e) of the Welfare Reform and Work Act 2016(**a**), makes the following Regulations.

In accordance with section 173(1)(b) of the Social Security Administration Act 1992(**b**), the Social Security Advisory Committee has agreed that the proposals in respect of these Regulations should not be referred to it.

**Citation, commencement and extent**

**1.**—(1) These Regulations may be cited as the Loans for Mortgage Interest (Amendment) Regulations 2023 and come into force on 3rd April 2023.

(2) These Regulations extend to England and Wales and Scotland.

**Amendments to the Loans for Mortgage Interest Regulations 2017**

**2.**—(1) The Loans for Mortgage Interest Regulations 2017(**c**) are amended as follows.

(2) In regulation 2(1) (interpretation), in sub-paragraph (a) of the definition of “qualifying period”, for “nine” substitute “three”.

(3) In regulation 3 (the offer of loan payments)—

(a) in paragraph (1), omit “, unless paragraph (4) applies”;

(b) omit paragraph (4).

(4) In regulation 8 (period covered by loan payments)—

(a) in paragraph (1)—

(**a**) 2016 c. 7.
(**b**) 1992 c. 5.
(**c**) S.I. 2017/725. The relevant amending instrument is S.I. 2018/307.

(i) in sub-paragraph (b), after "in the case of a UC claimant", insert ", except where sub-paragraph (ba) or (bb) applies,";

(ii) after sub-paragraph (b), insert—

"(ba) in the case of a couple where one member is an SPC claimant receiving loan payments, the first day of entitlement to universal credit as a couple;

(bb) in the case of a couple where one member was formerly an SPC claimant receiving loan payments, the first day of entitlement to universal credit as a couple, if the first day of that entitlement is within the period of one month beginning with the day on which the entitlement to state pension credit ended;";

(iii) in sub-paragraph (c), for "SPC claimant", substitute "SPC claimant (who is not in a couple)";

(b) in paragraph (2), for "paragraph (1)(a) to (c) and (e)", substitute "sub-paragraphs (a), (b), (c) and (e) of paragraph (1)";

(c) after paragraph (2), insert—

"(3) In this regulation, "couple" means a couple entitled to universal credit as joint claimants under regulation 3(2)(a) of the UC Regulations(**a**).".

(5) In regulation 9 (duration of loan payments)—

(a) in paragraph (3), omit sub-paragraph (e);

(b) for paragraph (7), substitute—

"(7) If a legacy benefit claimant ceases to be entitled to, or treated as entitled to, a legacy benefit ("the old entitlement") but becomes entitled, or treated as entitled, again to the benefit ("the new entitlement") within the period of 52 weeks beginning with the day on which the claimant ceased to be entitled, or treated as entitled, to the old entitlement, and the claimant wishes to receive loan payments on the basis of the new entitlement, there is no requirement for the claimant to serve a new qualifying period.

(8) If a UC claimant ceases to be entitled to universal credit ("the old entitlement") but becomes entitled again to universal credit ("the new entitlement") within the period of 6 months beginning with the day on which the claimant ceased to be entitled to the old entitlement, and the claimant wishes to receive loan payments on the basis of the new entitlement, there is no requirement for the claimant to serve a new qualifying period.".

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

*Mims Davies*
Parliamentary Under Secretary of State
Department for Work and Pensions

27th February 2023

## EXPLANATORY NOTE

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

These Regulations amend the Loans for Mortgage Interest Regulations 2017 (S.I. 2017/725) ("the 2017 Regulations").

Regulation 2(2) reduces the length of the qualifying period for universal credit claimants from nine consecutive assessment periods to three consecutive assessment periods.

Regulation 2(3) and 2(5)(a) removes the condition that a universal credit claimant must not have any earnings in order to be eligible to receive loan payments.

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(**a**) S.I. 2013/376.

Regulation 2(4) provides that a couple is not required to re-serve the qualifying period where one member of the couple is still a state pension credit claimant receiving loan payments when the joint entitlement to universal credit begins, and also where one member of the couple was formerly a state pension credit claimant receiving loan payments, provided their entitlement to universal credit begins within one month of the end of the entitlement to state pension credit. The former is included because termination of the state pension credit entitlement can take place after the joint entitlement to universal credit begins. Regulation 2(4) also operates to ensure that the qualifying period of three consecutive assessment periods applies for all other couples which do not fall within the two circumstances specified. Regulation 2(4)(c) inserts a definition of a couple for the purposes of regulation 8 of the 2017 Regulations.

Regulation 2(5)(b) inserts a new paragraph (8) into regulation 9 of the 2017 Regulations providing that, for claimants who return to universal credit within six months, and wish to start receiving loan payments, there is no requirement to serve a new qualifying period.

Regulation 2(5)(b) also substitutes a revised paragraph (7) of regulation 9 for the existing paragraph (7) with a view to ensuring that the wording of paragraph (7) is consistent with the wording of the new paragraph (8) of regulation 9.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary, or public sector is foreseen.

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