



Northern Ireland
Assembly

Committee for Communities

Report on Legislative Consent Memorandum for the Universal Credit (Removal of Two Child Limit) Bill

Ordered by the Committee for Communities to be published 5 February 2026

Report: NIA 143/22-27 Committee for Communities

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Powers and Membership

Powers

The Committee for Communities is a Statutory Departmental Committee established in accordance with paragraphs 8 and 9 of Strand One of the Belfast Agreement and under Assembly Standing Order No 48. The Committee has a scrutiny, policy development and consultation role with respect to the Department for Communities and has a role in the initiation of legislation.

The Committee has power to:

- consider and advise on Departmental budgets and Annual Plans in the context of the overall budget allocation;
- approve relevant secondary legislation and take the Committee Stage of relevant primary legislation;
- call for persons and papers;
- initiate enquiries and make reports; and
- consider and advise on matters brought to the Committee by the Minister of Communities.

Membership

The Committee has 9 members, including a Chairperson and Deputy Chairperson, and a quorum of five members. The membership of the Committee is as follows:

- Colm Gildernew MLA (Chairperson)

- Cathy Mason MLA (Deputy Chairperson)^{1&2}
- Andy Allen MBE MLA
- Kellie Armstrong MLA
- Maurice Bradley MLA
- Pam Cameron MLA³
- Mark Durkan MLA⁴
- Maolíosa McHugh MLA
- Sian Mulholland MLA

¹ Cathy Mason replaced Nicola Brogan on 24 November 2025

² Nicola Brogan replaced Ciara Ferguson on 3 February 2025

³ Pam Cameron replaced Brian Kingston on 23 September 2025

⁴ Mark Durkan replaced Daniel McCrossan on 8 September 2025

List of Abbreviations and Acronyms used in this Report

LCM: Legislative Consent Motion

DfC: Department for Communities

DWP: Department for Work and Pensions

UC: Universal Credit

LCNI: Law Centre Northern Ireland

NICCY: Northern Ireland Commissioner for Children and Young People

CEC : Cliff Edge Coalition

Background

1. The Universal Credit (Removal of Two Child Limit) Bill was introduced in the House of Commons on 8 January 2026. It is a single topic Bill that makes provision to remove the policy of paying for a maximum of two children in a household (subject to a limited number of exceptions) in Universal Credit (“UC”). This change will increase the amount of welfare support available to families on UC with three or more children and aims to reduce the number of children living in poverty.
2. To put this reform in place the Bill amends provisions in the Welfare Reform Act 2012, the Welfare Reform and Work Act 2016 and the Universal Credit Regulations 2013 for Great Britain.
3. For Northern Ireland the Bill makes corresponding amendments to the Welfare Reform (Northern Ireland) Order 2015, the Welfare Reform and Work (Northern Ireland) Order 2016 and the Universal Credit Regulations (Northern Ireland) 2016.
4. The purpose of the Legislative Consent Motion (“LCM”) is to seek agreement to the inclusion within the Bill of a number of provisions for Northern Ireland as set out in clauses 2 and 3.
5. The provisions which deal with a transferred matter relate to the two-child policy in the Welfare Reform (Northern Ireland) Order 2015, the Welfare Reform and Work (Northern Ireland) Order 2016 and the Universal Credit Regulations (Northern Ireland) 2016 that limit payment of the child element in UC to two children or qualifying young people. The amendments in the Bill remove this restriction and as a result an amount will be included in the UC calculation for all children or qualifying young people in the household.
6. The amending Northern Ireland provisions are at clause 2 –

- subsection (1) provides for the removal of the two-child limit (and the power to make exceptions to it) from Article 15 of the Welfare Reform (Northern Ireland) Order 2015;
 - subsection (2) provides for consequential amendments to Article 10 of the Welfare Reform and Work (Northern Ireland) Order 2016 and Regulation 25(1) of the Universal Credit Regulations (Northern Ireland) 2016;
 - subsection (3) notes the revocation of regulations 25A, 25B of, and Schedule 12 to, the Universal Credit Regulations (Northern Ireland) 2016. The revocation results from the repeal of the primary powers in relation to the two-child limit, but this subsection provides clarity for any reader of those Regulations as to how the law applies;
 - subsection (4) sets out when these changes will come into effect and defines “assessment period” by reference to Part 2 of the Welfare Reform (Northern Ireland) Order 2015. Additional child elements can be included in the calculation of entitlement for assessment periods starting on or after 6 April 2026.
7. Clause 3(2) and (3) set out the territorial extent of the provisions. Clause 3(4) sets out the coming into operation date for clause 2 as 6 April 2026. Clause 3(7) provides a delegated power for the Department for Communities (“DfC”) to make transitional or saving provision for clause 2.
 8. An LCM was consequently laid before the Assembly by the Minister for Communities under Standing Order 42A (2) on 19 January 2026.

Evidence submitted to the Committee

9. The Committee wrote directly to a list of stakeholders to seek their views on the proposed legislative change. Of the seven stakeholders contacted, four submitted written evidence and three provided oral evidence to the Committee. Department Officials also provided oral evidence to the Committee.
10. The written evidence submitted to the Committee is included at Appendix 1.
11. Links to the oral evidence presented to the Committee can be found in Appendix 2.
12. During oral evidence, Departmental officials indicated that Royal Assent to the Bill was anticipated in mid to late March 2026. Upon enquiry by a Member, the Department also confirmed it was their understanding that the child element would automatically be applied to existing UC claimants.
13. In response to a Member's concern about how the proposed changes would be communicated to recipients, Officials stated that operational colleagues were speaking to DWP about that and their understanding was that individuals would be notified of any changes through their Universal Credit assessment notice. This notice would also set out any welfare supplementary payments to which claimants are entitled. Officials advised that matters were moving extremely quickly and they did not yet have details of the communication approach prior to April but undertook to engage with counterparts on the operational aspects.
14. Concerns were also raised about the potential limits of welfare mitigation payments. The Department reiterated that it has a statutory obligation to make the mitigation payments, confirmed that mitigations are in place until March 2028 and stated that plans are underway to extend the scheme beyond that date.

15. Several Members and stakeholders expressed concern about comments made by the Minister at his quarterly meeting with the Committee, in which he warned that discretionary support could be significantly curtailed as a result of the Department's extensive statutory obligations. Whilst the Minister stated that no decisions had yet been taken in relation to discretionary payments, these comments nonetheless raised apprehension about the future availability of additional support via this route.
16. On enquiry by the Committee Chairman, Officials confirmed that there was ongoing work in respect of the Equality Impact Assessment and it would be made available to Committee when completed.
17. In both written and oral evidence, stakeholders expressed broad consensus that Legislative Consent should be provided by the Assembly. While the removal of the two-child limit was widely welcomed, stakeholders consistently highlighted a number of key issues that require careful consideration to ensure effective implementation of the policy and to avoid unintended consequences in the Northern Ireland context.

Advice NI

18. In its written briefing, Advice NI highlighted that Northern Ireland is disproportionately affected by the two child limit due to the higher prevalence of larger families stating *"Around 21% of families in Northern Ireland have three or more children, compared to just under 15 per cent of families in the UK as a whole"* they further stated that *"almost half of children in relative poverty in Northern Ireland live in families where there are three or more children"*.
19. Advice NI indicated that removal of the two child limit would increase Universal Credit entitlement for affected families, potentially lifting household incomes but cautioned that this increase could interact with other welfare restrictions.

20. Concerns were raised about the interaction with the Benefit Cap. Advice NI explained that the removal of the two child limit could increase entitlement for some households, potentially pushing more families over the Benefit Cap threshold. Although no published statistics are available, figures from August 2025 indicate that 440 households with three or more children in Northern Ireland, would currently be subject to the Benefit Cap.
21. They advised that where the Benefit Cap applies, additional Universal Credit entitlement would not be received by households unless mitigated through Welfare Supplementary Payments or through an increase to an existing payment.
22. Advice NI estimated that this interaction could lead to increased demand for Benefit Cap mitigation, with an associated cost to the Northern Ireland Executive, and stressed that the Executive has an obligation to fund such mitigations.
23. The organisation further emphasised the importance of adequate budgetary provision and advance planning to ensure that the intended benefits of the policy change are realised in Northern Ireland.
24. Advice NI also drew attention to potential issues for households undergoing managed migration to Universal Credit, noting that transitional protection arrangements may limit the practical impact of the policy change for some families. It noted that no provision has been included in the Bill to protect existing claimants to address this issue and suggested that amendments to the Universal Credit (Transitional Provisions) Regulations may be required. This concern was reinforced during oral evidence and Advice NI indicated that it was not aware of the issue having been discussed in GB, albeit the Bill had yet to progress to the second stage. They indicated that the issue should not prevent the Assembly providing its consent, but it should be flagged up with Westminster.

25. Finally, Advice NI highlighted the need for clear communication and awareness raising to ensure that eligible households understand any changes to entitlement arising from the removal of the two child limit.

Law Centre NI

26. LCNI (Law Centre Northern Ireland) is also the convenor of the Cliff Edge Coalition—an alliance of over one hundred organisations across NI committed to safeguarding and enhancing welfare reform mitigations. The removal of the two-child limit is one of its key policy priorities.
27. LCNI's written evidence focused on several key themes: the necessity of policy alignment with Great Britain, the impact on children and families in Northern Ireland, practical considerations for implementation, and the equality and human rights implications of maintaining or removing the two-child limit.
28. LCNI emphasised the need for robust planning by the Northern Ireland Assembly and DfC to ensure effective implementation. It highlighted a number of practical considerations, including the need for assurance that the relevant legislation will apply from 6 April to ensure parity with Great Britain, and that this date is clearly communicated to eligible UC claimants in an accessible format.
29. LCNI also raised concerns regarding the administration of the additional child element, noting uncertainty as to whether it would be applied automatically or require a new UC application. LCNI stressed that claimants should not be required to submit a new claim, as this would (re-)trigger the five-week wait for payment. It recommended that DfC proactively identify eligible claimants and issue clear, targeted communications explaining eligibility, entitlement, and how the additional child element will be applied.

30. LCNI recommended that DfC identify claimants in receipt of transitional protection who will be affected by the policy change and issue individual correspondence outlining the impact on their claims. This recommendation was reiterated during oral evidence, where LCNI emphasised that tailored communication is vital in these circumstances. Many families in receipt of transitional protection may assume they will benefit from additional payments following the lifting of the cap, however, this may not be the case, as their awards are already protected through transitional arrangements.
31. A Member asked whether this issue could be addressed if Westminster were to make a minor amendment to the Bill so that the removal of the two-child limit is disregarded for the purposes of transitional protection (for Northern Ireland claimants). LCNI advised that the issue may not be that straightforward and undertook to check the legal complexities with their legal team. They also committed to providing illustrative examples and to reverting to the Committee in due course.
32. LCNI further highlighted issues arising from the interaction between UC assessment periods and the implementation date. For example, where an assessment period begins prior to the removal of the two-child limit, claimants would not receive the additional child element until the following assessment period, and this cannot be backdated. LCNI recommended that DfC clearly outline how and when claimants' incomes will be affected.
33. LCNI emphasised that welfare mitigations and discretionary support schemes represent a "safety net below the safety net" and must be adequately resourced and sustained to provide essential financial protection for those living in poverty.
34. LCNI also highlighted concerns relating to the five-week wait for new UC claimants. While advance payments are available, these are repayable loans and result in claimants beginning their UC claim in debt. Although the

Universal Credit New Claims Grant provides some support, LCNI urged that further mitigating measures be considered.

35. LCNI highlighted equality impacts specific to Northern Ireland, particularly in relation to gender and disability. It noted that female UC claimants are more likely to be affected by the two-child limit than male claimants and recommended post-implementation monitoring to assess impacts on these specific groups.
36. LCNI stressed the importance of engaging and supporting the advice sector, anticipating increased demand as claimants seek assistance following the policy change. It called for additional resourcing to ensure the advice sector can play its role effectively.
37. LCNI concluded that, while the removal of the two-child limit is welcome, it should not be viewed as a remedy for wider systemic issues within the social security system. It strongly recommended that the Assembly provide Legislative Consent while addressing the key implementation issues identified.

Cliff Edge Coalition

38. In its written evidence, the Cliff Edge Coalition urged the Assembly to provide Legislative Consent and echoed concerns raised by other stakeholders. It highlighted the disproportionate impact of the two-child limit in Northern Ireland, where family sizes are larger and poverty rates are higher. Approximately one in ten children in Northern Ireland live in households affected by the policy, rising to one in five in some constituencies.
39. CEC stated that failure to remove the two-child limit would drive further increases in child poverty, identifying it as a key driver of rising child poverty with significant long-term social and economic costs.

40. It stated that removing the two-child limit represents a cost effective anti-poverty measure that would lift thousands of people out of severe hardship and deliver substantial economic benefits to Northern Ireland.
41. CEC stressed that implementation and clear communication are essential, particularly around impacts on Universal Credit transitional protection and interactions with existing NI specific mitigations such as the Benefit Cap.
42. They urged the Committee to seek assurance from the Department for Communities that mitigation measures, including the Benefit Cap mitigation, remain adequate and are extended beyond 2028 to prevent unintended negative impacts following the policy change.

NICCY

43. In its written evidence, NICCY (Northern Ireland Commissioner for Children and Young People) strongly supported the removal of the two child limit, citing evidence that it has a significant negative impact on children in low income households in Northern Ireland.
44. They stated that in 2023, it was estimated that around 45,000 children in Northern Ireland (approximately one in ten) were adversely affected by the two child limit, with losses of up to £3,235 per child per year for affected families.
45. The Commissioner agreed with the Department's assessment that failure to implement equivalent provisions in Northern Ireland at the same time as Great Britain could have adverse effects on children in NI and advised that the Assembly should provide Legislative Consent for the specified provisions of the Bill to apply in Northern Ireland.

Consideration of the Legislative Consent Memorandum by the Committee

Committee Meeting on 29 January 2026

46. At its meeting on 29 January 2026, the Committee was formally briefed by the Department, Advice NI, Law Centre NI and Cliff Edge Coalition. The Committee also considered the written evidence of Advice NI, Law Centre NI, Cliff Edge Coalition and NICCY.

Conclusion

Committee Meeting on 5 February 2026

47. Overall, the Committee is content with the LCM and recognises the changes are based on the evidence received by the Committee, beneficial to the people of Northern Ireland.

Links to Appendices

Appendix 1: Written Submissions

[View written submissions received in relation to the report](#)

Appendix 2: Minutes of Evidence

[View Minutes of Evidence from evidence sessions related to the report](#)