

Law Centre NI

Submission of evidence regarding the Universal Credit (Removal of the Two Child Limit) Bill and associated Legislative Consent Memorandum

January 2026

1. Introduction to LCNI and why we can provide expert evidence to the Committee on this matter.

- (i) Law Centre NI (LCNI) welcomes the opportunity to provide evidence to the Northern Ireland Assembly's Committee for Communities on the Universal Credit (Removal of the Two Child Limit) Bill and associated Legislative Consent Memorandum (LCM).
- (ii) LCNI provides free, independent and specialist legal advice, casework, and representation in the areas of social security, employment, and immigration law. Crucially, LCNI are a regional support organisation, which means that while we provide direct support to the public and civil society, at the heart of our work is our role in providing specialist legal support to and building capacity within the Advice Sector in Northern Ireland (NI). Services to the Advice Sector include – special legal support, policy advocacy, professional learning and legal education. The complexity and specialist nature of the issues we address, combined with our close professional relationships with frontline advice providers, give LCNI uniquely detailed insight into how policy and practice affect individuals and communities across NI. This vantage point ensures that our evidence is grounded in both specialist legal expertise and a deep, day-to-day understanding of the challenges experienced by the Advice Sector and the people it serves.
- (iii) Another key role of LCNI is undertaking strategic litigation and test cases to challenge and clarify the law. Throughout the years, we have mounted several legal challenges in social security law. This has provided us with a unique perspective on both the potential and limitation of existing legislative framework and policy in relation to social security law. Below are two examples of such strategic cases:

- *LCNI challenged a decision to deny our client, who is homeless, access to a Cost of Living payment. Our client would have been entitled to this payment had they not been homeless and living in temporary accommodation, resulting in different treatment from those who are in settled accommodation. We argued that this was unfair and unlawful and brought a Judicial Review to the High Court, to ensure vital payment for our client and for others who have been treated unfairly.¹*
- *LCNI was granted permission by the High Court in NI to challenge HM Revenue and Customs (HMRC) on how it applies rules on which a parent is awarded child benefit. HMRC's decision to award child benefit to the higher earner is that our client – who shared 50/50 custody of their child with their former spouse and is the lower earning parent with equal custody – loses out on vital financial support for their child. This successful Judicial Review decision helped clarify the rules on how Child Benefit should be applied in cases of joint custody.²*

(iv) In addition, through our policy advocacy work, LCNI has secured a number of significant policy successes aimed at strengthening fairness and resilience within the social security system. A central illustration of this impact is LCNI's role as convenor of the Cliff Edge Coalition—an alliance of over one hundred organisations across NI committed to safeguarding and enhancing welfare reform mitigations. Since its formation in 2018, the Coalition has campaigned for the protection and improvement of essential supports, **including the removal of the two-child limit as one of its key policy priorities.**

Working collectively, LCNI and Coalition partners have successfully influenced legislative change in the Northern Ireland Assembly, resulting in:

- The indefinite retention of mitigations for the Social Sector Size Criteria (commonly known as the Bedroom Tax)³;
- The closure of longstanding loopholes that had prevented many claimants from accessing mitigation payments, thereby expanding eligibility and ensuring more households receive the support to which they are entitled;
- The extension of Welfare Supplementary Payments until 31 March 2028, providing critical continuity and stability for those most affected by welfare reforms.

¹ <https://www.rightsnet.org.uk/welfare-rights/caselaw/item/northern-ireland-high-court-rules-that-exclusion-of-all-housing-benefit-only-claimants-from-cost-of-living-payment-was-justified>

² <https://www.lawcentreni.org/news/law-centre-ni-successfully-challenges-hmrc-allocation-of-child-benefit/>

³ <https://www.lawcentreni.org/news/coalition-welcomes-community-ministers-commitment-to-bedroom-tax-mitigation/>

These achievements demonstrate the effectiveness of sustained, evidence-based advocacy and highlight LCNI's leadership in shaping a more just and responsive social security landscape for people across NI.

2. Scope of the evidence

- (i) LCNI's evidence is intentionally focused on the limited but significant question before the Committee, namely whether legislative consent should be granted for the relevant provisions of the Universal Credit (Removal of Two Child Limit) Bill to apply to NI.
- (ii) LCNI's evidence therefore concentrates on the themes of - necessity of policy alignment with Great Britain (GB), the impact on children and families in NI, practicalities which must be carefully considered when rolling out the removal of the policy and the equality and human rights implications of maintaining or removing the two-child limit. We present three key recommendations for the Committee's consideration. These recommendations are grounded in evidence of our client based and the expertise of our team. We trust you will find this helpful.
- (iii) LCNI wish to assert that while the consideration of a LCM is a technical matter, what must remain at the heart of any determination is the protection of children's rights across NI. It is paramount to ensure that they do not face disadvantage or unequal legislation due to legislative and policy differences when compared with GB.

3. The context of Northern Ireland and the impact of two child limit

- (i) **Poverty, and more specifically child poverty is at a crisis level in NI** - below is a data snapshot of the landscape in NI:
 - As of August 2025, there are 48,080 children living in 13,780 households impacted by the two-child limit, with 17,600 children not eligible for the child element of UC.⁴ This is a substantial increase upon August 2024, in which there were 40,220 children impacted across 11,590 households, with 14,370 children not eligible for the child element of UC.⁵
 - Statistics recently published by the Department for Communities (DfC) highlight that poverty levels are deepening across NI. At present 18% of people (approximately 335,000) and 25% of children (approximately 115,000) living in relative poverty and 15% of people (approximately

⁴ DfC, [dfc-ni-uc-stats-supp-tables-aug-2025.ods](#)

⁵ [Ibid.](#)

279,000) and 21% of children (approximately 95,000) live in absolute poverty (all statistics are after housing costs).⁶

(ii) How can we address these child poverty levels -

- Joseph Rowntree Foundation's (JRF), recently published report, 'Poverty in Northern Ireland 2025', highlighted that 'the most urgent priority must be to reduce child poverty now'.⁷ Noting, that some families are more at risk of poverty across NI, which includes those with three or more children⁸ and that the removal of the two-child limit, 'was the single most effective policy decision the Government could have taken to lift significant numbers of children out of poverty'.⁹
- The Child Poverty Action Group (CPAG) echo these findings, highlighting this policy 'is the main driver of rising child poverty', and that the abolition of the policy 'is the most cost-effective way of reducing child poverty'.¹⁰
- Research by the NI Audit Office has reported that the annual cost of child poverty in NI is between £825 million and £1 billion.¹¹
- Trussell reports that the removal of this policy 'would bring benefits of around £155 million and lift 18,500 people out of severe hardship by 2026/27'.¹²

(iii) The cost of inaction is too high - As convenor of the Cliff Edge Coalition, we have long called for the removal of the two-child limit. We are clear that if no action is taken to remove the two-child limit, this will result in a continued rise in child poverty in NI and the cost of poverty.

⁶ DfC, 2025, [dfc-ni-poverty-income-inequality-report-2324-c1-headline-poverty-figures.ods](#)

⁷ JRF, <https://www.jrf.org.uk/sites/default/files/pdfs/poverty-in-northern-ireland-2025-d9ac1158166706e2f44b218952f546ed.pdf>

⁸ [Ibid.](#)

⁹ JRF, <https://www.jrf.org.uk/uk-poverty-2026-the-essential-guide-to-understanding-poverty-in-the-uk>

¹⁰ CPAG, [Reducing child poverty role of two-child limit Sep 2025.pdf](#)

¹¹ Northern Ireland Audit Office, [NI Audit Office Report - Child Poverty in Northern Ireland.pdf](#)

¹² Trussell, [hunger in northern ireland 220925.pdf](#)

4. Summary of key recommendations to the Committee

- LCNI strongly recommends that the NI Assembly grant the LCM in order to allow the two-child limit to be removed;
- LCNI asks that the NI Assembly and DfC robustly plan for the effective implementation for the removal of the two-child limit. LCNI have identified the following practical considerations which will need to be addressed;
 - Timing and commencement in NI;
 - Practicalities of the roll out;
 - Interaction with NI specific Mitigation Schemes and Discretionary Support;
 - The residual Cliff Edges remain;
 - Equality impacts specific to NI.
- LCNI strongly asks that the advice sector is both engaged and supported in order to ensure the effective, sustainable and successful removal of the two-child limit.

5. Key recommendations to the Committee

Recommendation 1

LCNI strongly recommends that the NI Assembly grant the LCM in order to allow the two-child limit to be removed.

- (i) LCNI are very encouraged to see and welcome the introduction of the Universal Credit (Removal of the two-child limit) Bill, and its aim which is 'to reduce the number of children living in poverty'.¹³ This is a critical intervention which is urgently required to ensure that children and families who are most in need are provided financial protections via the social security system.
- (ii) LCNI is pleased to see the commitment and cross-party support which our local elected representatives have shown in removing the two-child limit, both in the NI Assembly and in the UK Parliament, and we gratefully welcome consideration of the equivalent legislation via the LCM, to ensure this policy change will be implemented from 6 April 2026. The central issue

¹³ House of Commons, [Universal Credit \(Removal of Two Child Limit\)](#)

amidst the procedural technicalities of this LCM, is the protection of children's rights.

- (iii) LCNI have long stated that poverty violates human dignity and undermines the enjoyment of all other rights. We firmly believe that freedom from poverty must be seen as a foundational and interdependent right, and this right must be protected and upheld. The removal of the two-child limit would be a significant step in the right direction towards the realisation of this right and the eradication of poverty.
- (iv) Should this policy not be removed in NI from April 2026, there will be substantial adverse impacts to families and children here, pushing households deeper into poverty. This may lead to challenges on the grounds of human rights under equality and discrimination frameworks, should the principle of parity not be followed. At LCNI, we are acutely aware of the direct impact which legislative differences between NI and GB can have, despite following the principle of parity. The following case study highlights the adverse impact which this can have, and demonstrates the importance of seeking to establish legislative and policy change:

Law Centre NI Case Study

In NI, children who are born on or between 2 July or 31 August normally start school following their fifth birthday. This differs from England and Wales as children born within those dates normally start school following their fourth birthday. As a result, the child element of UC is not currently payable for a 19 year old that has a July or August birthday if they have to repeat a year. Whereas, it is payable for GB students.

We believe that children are more likely to repeat or miss a year of school if they have a long-term sickness or disability that interferes with their education. The law in GB has protections to provide parents with the financial support to enable their children to complete their educations. However, NI students miss out on these protections (they can claim UC in their own right but this will be at a lower rate).

LCNI are currently assisting a client in these circumstances, and have argued that the different treatment of the disabled NI student when compared with a disabled GB student is unlawful discrimination. In this case, we estimate the financial loss of benefit to the household as exceeding £3,700. Therefore, we are seeking a legal and policy solution to this matter, and have proactively engaged with the Departments for Communities and Education to seek a solution that will address this issue and result in the equal treatment of NI students.

- (v) LCNI recommend that the NI Assembly legislates to remove this policy from 6 April 2025 without delay.

Recommendation 2

LCNI asks that the NI Assembly and DfC robustly plan for the effective implementation for the removal of the two-child limit. LCNI have identified practical considerations for the roll-out which will need to be addressed.

LCNI contend that our social security system must be adequately resourced, accessible and available to those who are most in need. To ensure that barriers to the social security system are removed and that any potential errors resulting from this policy's removal are mitigated, there are several logistical matters prevalent to UC which must be considered. We highlight these issues below.

Timing and commencement in NI

- (i) LCNI seek assurance that the relevant legislation will be applied on 6th April 2026, and no later, to ensure parity in Great Britain. If there is a delay in the commencement date children in NI will face further disadvantage due to the increased risk of being impacted by the harmful effects of poverty.
- (ii) Additionally, it is essential that this the date as to which this takes effect is clearly communicated to eligible UC claimants at the earliest opportunity in an accessible format.

Practicalities of the rollout

- (i) We have identified practical matters regarding the roll out, which we ask the Committee to be mindful of to ensure that there is a seamless rollout upon the commencement of the legislation.
- (ii) **New claim or automatically applied?** - For UC claimants who have been impacted by the two-child limit, it is unclear if the child element will automatically be awarded to their claim, or if a claimant will have to submit a new application. As society moves towards an increasingly digitalised context, it is important to note that NI has the highest proportion of non-internet users at 14.2%, presenting a further barrier for many in accessing the social security system.¹⁴ Additionally, there may be additional

¹⁴ Northern Ireland Assembly Research and Information Service, [An overview of the Digital Divide in Northern Ireland - Research Matters](#)

challenges for vulnerable clients, in which safeguarding and protections must be detailed. LCNI believe that claimants should not have to submit a new UC claim, as this will result in a claimant being impacted by the five week wait for their UC payment. Therefore, LCNI recommend that DfC identify eligible claimants and deliver clear, accessible and targeted communication in advance of 6th April to provide clarification on the eligibility and entitlement process, in addition to detail as to how an additional child element will be applied to a UC claim.

- (iii) LCNI note that consideration must be given to **the interaction between a UC claimant's transitional protection, and the removal of the two-child limit**. As of October 2024, NI claimants in receipt of legacy benefits have been invited by DfC to move to UC, through a process known as 'managed migration'. The current move rate for legacy benefits to UC is 80%, and these claimants should be entitled to 'transitional protection'.¹⁵ This means a claimant will not be worse off on their UC claim, as this provides additional support to ensure their benefit award remains the same at their point of transfer. However, LCNI draw attention to the instance that some claimants in this cohort will not receive the full payment of both transitional protection and UC child element. Clear communication is critical for these claimants. Therefore, we recommend that DfC identifies the claimants in receipt of transitional protection who will be affected by the removal of the two-child limit, and provides individual correspondence to highlight how this will impact upon their claim. **Our addendum on page 13 provides further considerations on this which much be provided.**
- (iv) LCNI highlight that consideration must be given to **the interaction between a UC claimant's assessment period, and the removal of the two-child limit.** For example, for a UC claimant whose assessment period begins prior to the introduction of this legislation, the claimant will not receive additional child element until the following assessment period. This cannot be backdated. LCNI recommend that DfC outline the specific steps they will take in relation to informing claimants as to when their income may be affected.

Interaction with NI specific Mitigation Schemes and Discretionary Support

- (i) Whilst the removal of the two-child limit is a positive intervention to eradicate poverty, LCNI are clear that the removal of the two-child limit should not be viewed as a remedy to wider concerns around the social security system. There should be no quiet rolling back of existing schemes. The NI Assembly and DfC should continue to progress positive

¹⁵ DfC, [dfc-ni-uc-stats-supp-tables-aug-2025.ods](#)

policy and legal interventions that will futureproof a robust and fair social security system that prevents people from facing further hardship and poverty.

- (ii) Welfare Mitigations and Discretionary Support are the safety net below the safety net and must be sufficiently resourced to provide this critical lifeline to many. Whilst consideration must be granted to the resourcing and longevity of these Schemes, they provide essential financial protections to those who are living in poverty.
- (iii) Following successful campaigning by the Cliff Edge Coalition, a mitigation has been put in place for the Benefit Cap via a Welfare Supplementary Payment until 31st March 2028. Currently, there are 1,140 households in NI impacted by the Benefit Cap, of which 440 have three children or more, and there are 1,380 people receiving a Benefit Cap Administrative Welfare Supplementary Payment (UC).¹⁶ LCNI respectfully recommend consideration is given towards the interaction of the Benefit Cap with the removal of the two-child limit as there will be an increased number of households who are impacted. We continue to call for extension of the Benefit Cap beyond 2028 to ensure that those who are most in need can continue to receive this critical protection.

The residual Cliff Edges remain

- (i) As convenors of the Cliff Edge Coalition, we would like to take the opportunity to our remaining key asks, 'Resolve the five week wait in UC' and 'Provide support to private renters affected by the Local Housing Allowance'.
- (ii) *Resolve the five week wait to UC:* For new claimants, the first UC payment is made five weeks after a claim is made. To mitigate this week five week wait an advance is available to help, however this is paid in the form of a loan. This can be repaid over a period of up to 24 months. This results in a claimant effectively starting their claim off in debt, as their income is reduced due to the repayment of the debt for up to two years.¹⁷ Whilst the Coalition are pleased that the Universal Credit Contingency Fund has been renamed to the Universal Credit New Claims Grant, there are further measures which should be actioned. We endorse the additional recommendations made within The Mitigations Independent Review Panel

¹⁶ DfC, [dfc-ni-uc-stats-supp-tables-aug-2025.ods](#)

¹⁷ NI Direct, [Universal Credit: advance payments | nidirect](#)

Report (The Review Report), which provides interim and longer-term solutions to the five week wait.¹⁸

- (iii) *Provide support to private renters affected by the Local Housing Allowance (LHA)*: LHA is used to calculate the maximum amount of housing costs allowed for benefit claimants in the private rented sector. Whilst some temporary support is available via Discretionary Housing Payments, this is discretionary and not often sufficient to cover the shortfall. This can increase a tenants risk of eviction. We endorse the recommendations outlined in the Review Report for the establishment of Financial Inclusion Service.¹⁹
- (i) LCNI note that it is important to consider the current context of the ongoing cost-of-living crisis and increasing costs, such as childcare and housing, amidst deepening poverty levels across NI. These costs cause additional financial pressures upon families, particularly those who are living in poverty.

Equality impacts specific to NI

- (i) LCNI recommend that the Committee provides specific consideration to equality impacts which are specific to NI in respect of gender and disability. This is critical as the two-child limit has a disproportionate impact upon households across NI due to larger family sizes in this jurisdiction - 21.4% of families in NI have three or more children compared to 14.7% in the UK.²⁰
- (ii) Statistics highlight that as of August 2025 there were 140,730 female and 92,310 UC claimants.²¹ This resulted in 187,980 households in payment of UC, of which 20,550 were couples with child(ren) and 71,440 were lone parents. Across these households, 91,990 received the child element for UC.²² These statistics indicate that due consideration must be given towards female UC claimants, who are more likely to be impacted by the two-child limit, than male claimants.

¹⁸ DfC, <https://www.communities-ni.gov.uk/sites/default/files/publications/communities/dfc-welfare-mitigations-review-independent-advisory-panel-report-2022.pdf>

¹⁹ [Ibid.](#)

²⁰ Office for National Statistics – Families with dependent children by UK countries and English regions 2015.

²¹ DfC, [dfc-ni-uc-stats-supp-tables-aug-2025 ods](#)

²² [Ibid.](#)

- (iii) Across NI, 243,000 (1 in 5) people have a disability.²³ The United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) states that ‘most disabled people using food banks are in employment, indicating disproportionately prominent levels of poverty arising from insecure employment, low wages, and a high cost of living’.²⁴ Therefore, consideration must also be granted towards the impact of changes to the social security system upon people with disabilities.
- (iv) LCNI recommends DfC to establish mechanisms that will secure post-implementation monitoring. This will establish the impact of these changes upon specific these specific groups, and will ensure that there is no regression on human rights for people living in NI.

Recommendation 3

LCNI strongly asks that the advice sector is both engaged and supported in order to ensure the effective, sustainable and successful removal of the two-child limit.

- (i) As a regional support organisation, we acknowledge that the advice sector provides vital support to many individuals and communities across NI, and the demand upon these services remains high. LCNI anticipates that the advice sector will play a key role in assisting clients who have been impacted by the removal of the two-child limit, which will increase demand upon organisations. Therefore, LCNI continue to call for increased support and funding for the advice sector to ensure that increased number of claimants can successfully be supported to make claims for their entitlements, challenge incorrect decisions, and ensure there is accurate legal and policy interpretation.
- (ii) Through our strategic casework, LCNI’s legal team continues to demonstrate the importance of free, accessible and specialist advice as they continue to secure positive outcomes for people across NI. This resulted in the following achievements across 2024/25 for LCNI’s social security team:
- £1,902,499 was secured as a direct result of LCNI representation and casework;
 - 756 instances of specialist legal advice provided;

²³ Ulster University, <https://www.ulster.ac.uk/epc/pdf/2022/disability-and-the-labour-market/Disability-and-the-labour-market.pdf>

²⁴ UNCRPD, tinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=CRPD/C/GBR/FUIR/1&Lang=en

- Across multiple contacts, 51 separate frontline advice organisations across NI received direct advice/casework assistance with complex matters.²⁵

Conclusion

LCNI strongly recommend that the NI Assembly grant the LCM. Removal of the two-child limit is to be welcomed and will undoubtedly have a positive impact upon thousands of children and families across NI. LCNI believe that the removal of the two-child limit policy will be a positive step towards the eradication of poverty and ensuring that children's rights are protected. It is time for the NI Assembly to prioritise futureproofing a fairer and robust social security system that protects those who are most vulnerable.

While LCNI urge the Committee to grant approval of the LCM, we identify a number of key matters that will need to be carefully addressed to ensure effective removal of this policy.

Due to our expertise and specialist knowledge, LCNI welcome further engagement on this matter and we would like to thank the Committee for the opportunity to provide this evidence on this critical matter.

For further information on this briefing please contact:

[Redacted]



[Redacted]



[Redacted]



Law Centre NI, State Building, 2 Arthur Place, Belfast, BT1 1HG.

²⁵ LCNI, [Impact Report | PDF to Flipbook](#)

Addendum: The impact of Transitional Protection

Managed Migration to UC

- (i) From October 2024, NI claimants who are in receipt of legacy benefits have been invited by DfC to officially make the move to UC – which is known as ‘managed migration’. Claimants that go through the managed migration process should be entitled to ‘transitional protection’.
- (ii) Transitional protection is a key component of the managed migration process. It means that a claimant moving via managed migration will not be immediately worse off in their claim. Instead, they will be entitled to receive additional support to ensure that their benefit award remains at the same level from the point of when they transfer.

The context of the Transitional Element

- (i) Specifically, the transitional element is an additional element that can be included in a claim to ensure that a claimants UC award is topped up to the level of their previous legacy benefit. This compares a claimants entitlement of existing legacy benefits with that of their UC entitlement, based on their circumstances on the day before their award begins.
- (ii) Where the total legacy amount is higher than the claimants UC indicative amount, the difference will be included in their UC award – this is known as the transitional element. However, where a claimant’s UC entitlement is higher than their legacy award, then no transitional element will be included. When a claimant’s UC award increases because of a change in circumstances (for example, the addition or increase of another element), their transitional element will be reduced (‘eroded’) by the same amount of increase or transitional element.
- (iii) Once a claimant’s Universal Credit Transitional Element has been eroded (unless this has occurred wrongfully), it cannot be reinstated. The calculation of this transitional element is complex, and LCNI have produced a guide to assist advisors on this process.²⁶

Interactions between Transitional Protection and the removal of the two-child limit

- (i) LCNI highlight the following example to draw attention to the interaction of Universal Credit, transitional protection and the removal of the two-child limit. The following example highlights a couple who have three children: 2

²⁶ LCNI, [An-Advisers-Guide-to-Managed-Migration-March-2025-Published-CP-compressed.pdf](#)

were born before April 2017, and one was born after April 2017. Scenario A highlights the current context in which only two child elements can be included in a UC claim, and Scenario B highlights the implications of the future context in which a third child element can be included in a UC claim:

UC entitlement if there is no transitional protection applied to a claim:	
A) The couple's two children are included in their claim:	
Standard Allowance	£628.10
Child Element for two children	£631.81
UC Entitlement	£1259.91
B) The couple's third child is now included in their claim:	
Standard Allowance	£628.10
Child Element for three children	£924.62
UC Entitlement	£1552.72
<i>The family are better off by the additional child element £292.81</i>	

UC entitlement if there is transitional protection applied to a claim:	
A) The couple's two children are included in their claim:	
Standard Allowance	£628.10
Child Element for two children	£631.81
Transitional Element	£292.81
UC Entitlement	£1552.72
B) The couple's third child is now included in their claim:	
Standard Allowance	£628.10
Child Element for three children	£924.62
Transitional Element	£0 (eroded because of an increase in Child Element)
UC Entitlement	£1552.72
<i>The family's income stays the same despite the additional Child Element received.</i>	