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Welfare Supplementary Payments Discretionary Support Standards of Advice and Assistance Sanctions

Annual Report 2022 / 2023



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Welfare Supplementary Payments, Discretionary Support, Standards of Advice and Assistance, Sanctions

Laid before the Northern Ireland Assembly by the Department for Communities in accordance with Article 76 of the Social Security (Northern Ireland) Order 1998 as amended by Article 125(1)(b) and (c) of the Welfare Reform (Northern Ireland) Order 2015; Articles 135(6), 137(4) and 137A(8) of the Welfare Reform (Northern Ireland) Order 2015.

October 2023

Contents

1.	Introduction	5
2.	The Benefit Cap	7
3.	Changes to Employment and Support Allowance	9
4.	Personal Independence Payment	11
5.	Social Sector Size Criteria	15
6.	Universal Credit	17
7.	Discretionary Support	20
8.	Standards of Advice and Assistance	22
9.	Sanctions	25
10.	Forward Look	28
	Appendix 1	29
	Appendix 2	30
	Appendix 3	31
	Appendix 4	32

1. Introduction

- 1.1 As part of “A Fresh Start, the Stormont Agreement and Implementation Plan” the Northern Ireland Executive (the Executive) established the Welfare Reform Mitigations Working Group under the leadership of the late Professor Eileen Evason. This Group was tasked with bringing forward proposals to mitigate the impact of welfare arrangements in Northern Ireland within an agreed financial envelope.
- 1.2 In January 2016 the Executive accepted the recommendations in the Welfare Reform Mitigations Working Group Report¹ and allocated a total of £501 million² to ‘top up’ the United Kingdom welfare arrangements in Northern Ireland until 31 March 2020.
- 1.3 In the 2022/23 budget there was an allocation of £39.5 million to continue with the existing welfare mitigation payments which included an allocation of £4.9 million to cover associated administration costs until 31 March 2023 and a £2 million allocation to cover the Universal Credit Contingency Fund. A breakdown of the £32.6 million of welfare mitigation allocations is set out at **Appendix 1**.

Independent Advice Services

- 1.4 In recognition of the complexity of welfare changes, following an independent review of the provision

of additional independent advice services in 2019, the Minister agreed to extend this funding for three years committing an additional £1.82 million per annum which includes appeals representation. These additional services were to help and support people through the transitional period of change to the welfare system.

Welfare Supplementary Payments

- 1.5 A range of Welfare Supplementary Payment Schemes were developed to support people who may see their benefits reduced or ended following the introduction of:
- The Benefit Cap;
 - Time-Limiting of Contributory Employment and Support Allowance;
 - Personal Independence Payment which may also affect
 - Disability Payments and / or
 - Carer Payments;
 - Social Sector Size Criteria; and
 - Universal Credit.
- 1.6 Depending on their circumstances, people may have been eligible for more than one Welfare Supplementary Payment. People were not required to apply for Welfare Supplementary Payments, as the Department for Communities (the Department) identified all eligible people and made payments to them.

¹ Welfare Reform Mitigations Working Group Report (executiveoffice-ni.gov.uk)

² The initial allocation in the Fresh Start Agreement was £585 million. This amount was subsequently reduced as planned changes to Tax Credits were not introduced by the UK Government.

1.7 On 30 January 2022, the Northern Ireland Assembly (the Assembly) approved the Welfare Supplementary Payment (Extension) Regulations (Northern Ireland) 2022. This legislation extended the period for which most Welfare Supplementary Payments could be paid to 31 March 2025 and ensures that eligible people continue to receive appropriate payments. Separate legislation to extend the period for which Welfare Supplementary Payments are made in respect of the Social Sector Size Criteria received Royal Assent on 27 April 2022 and came into operation on 28 April 2022 and ensures that eligible people continue to receive these appropriate payments. This legislation has no end date for the payments.

Reporting requirements

1.8 The legislation set out in **Appendix 2** places a requirement on the Department to lay before the Assembly an Annual Report on the operation of the Discretionary Support Scheme, on Standards of Advice and Assistance provided, and on Benefit Sanctions. The Department is also reporting on the Welfare Supplementary Payments made during the financial year.

1.9 This is the seventh Annual Report, and it is laid before the Northern Ireland Assembly in accordance with Article 76 of the Social Security (Northern Ireland) Order 1998 as amended by Article 125(1)(b) and (c) of the Welfare Reform (Northern Ireland) Order 2015; Articles 135(6), 137(4) and 137A(8) of The Welfare Reform (Northern Ireland) Order 2015.

Expenditure

1.10 The tables at **Appendix 3** detail the programme costs for each of the Welfare Supplementary Payment schemes and the Universal Credit Contingency Fund in the 2022/23 financial year.

1.11 The figures in this report, unless stated otherwise, are taken from the Department's Annual Report and Accounts for 2022/23 and from Management Information Systems. All figures are rounded to the nearest ten to protect individual records and totals may not sum due to rounding.

2. The Benefit Cap

2.1 The Benefit Cap places an upper limit on the total amount of certain benefits a household can receive when a person, or their partner (if they have one), is of working age. If a person is affected by the Benefit Cap this will result in a reduction in the amount of Housing Benefit or Universal Credit payable. However, the Benefit Cap will not apply when certain benefits are in payment (for example Disability Living Allowance or Personal Independence Payment).

2.2 In Housing Benefit cases the Benefit Cap is administered through a reduction in Housing Benefit and affected people are informed of any reduction by way of a Housing Benefit award notification. This is issued by the Northern Ireland Housing Executive. The Department also publishes Benefit Cap Statistics and these are available at <https://www.communities-ni.gov.uk/articles/benefit-cap-statistics>

Benefit Cap Limits

2.3 With effect from 7 November 2016, the Benefit Cap limits were as follows:

- £384.62 per week (or £20,000 per year) for households made up of either a couple (with or without children) or a lone parent (who has children living with them that they are responsible for); and
- £257.69 per week (or £13,400 per year) for a single person (who has no children living with them).

These benefit cap limits have since been increased from April 2023 and these changes will be reflected in the next Annual Report.

How Benefit Cap is calculated

2.4 Some of the benefits that are received by the person, their partner (if they have one) and any children who live with them for whom they are responsible are added together to determine whether their total benefit income is above the Benefit Cap. These benefits are listed at **Appendix 4**. The calculation does not include individuals living in the household for whom the person is not responsible.

Welfare Supplementary Payments

2.5 The Department was allocated a total of £4.3 million to mitigate the impact of the Benefit Cap on families in the period 2022/23.

2.6 The number of people who received a Welfare Supplementary Payment in 2022/23 decreased by 3% from 2021/22. As all families who are impacted by the Benefit Cap now receive a Welfare Supplementary Payment, while the current legislation is in place, this decrease may be due to a change in circumstances meaning the family is no longer impacted by the Benefit Cap.

2.7 Table 1 shows the total expenditure during the 2022/23 financial year on Welfare Supplementary Payments for people who were affected by the Benefit Cap.

Table 1: Expenditure in 2022/23 – Benefit Cap

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Benefit Cap	2,160*	£774,580**

*this figure includes those who received a Welfare Supplementary Payment while on Universal Credit.

**this figure includes payments made to those receiving a Welfare Supplementary Payment while on Housing Benefit and does not include Universal Credit.

Figures rounded to nearest 10.

3. Changes to Employment and Support Allowance

- 3.1 Time-limiting of contribution-based Employment and Support Allowance was introduced in Northern Ireland with effect from 28 November 2016. This change limited the time for which a person can receive Employment and Support Allowance to 365 days. This applies to people who are in the Work-Related Activity Group and receive Employment and Support Allowance based on National Insurance contributions they have paid. Any time spent in the Assessment Phase prior to being placed in the Work-Related Activity Group will also count towards the 365 days.
- 3.2 People who are placed in the Support Group of Employment and Support Allowance are exempt from the limit. Any time spent in the Support Group, or in the Assessment Phase before moving to the Support Group, will not count towards the 365-day time limit.
- 3.3 People who were in the Work-Related Activity Group when the changes came into effect and had already been receiving contribution-based Employment and Support Allowance for 365 days or more were the first to be affected by this change.

Welfare Supplementary Payments

- 3.4 The Department was allocated a total of £3.2 million to continue with the existing welfare mitigation schemes for Employment and Support Allowance and Personal Independence Payment in 2022/23. This included mitigation of the time-limiting of contribution-based Employment and Support Allowance.
- 3.5 Welfare Supplementary Payments are paid to people who were in receipt of contribution-based Employment and Support Allowance on the date that time-limiting was introduced and who subsequently lost benefit as a result of the change. The amount of the Welfare Supplementary Payment is equivalent to the actual loss of benefit, and payments are made for up to one year.
- 3.6 The number of people who received a Welfare Supplementary Payment in 2022/23 increased by 2% from 2021/22.
- 3.7 Table 2 shows the total expenditure during the 2022/23 financial year on Welfare Supplementary Payments for people who were affected by this change.

**Table 2: Expenditure in 2022/23 –
Employment and Support Allowance**

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Employment and Support Allowance	50*	£86,540**

*this figure includes those who received a Welfare Supplementary Payment while on Universal Credit.

**this figure includes payments made to those receiving a Welfare Supplementary Payment while on Employment and Support Allowance and does not include Universal Credit. There was also £121.4k of new debt raised during 2022/23, which results in a year-end position of -£34,820.

Figures rounded to nearest 10.

4. Personal Independence Payment

4.1 Personal Independence Payment was introduced in Northern Ireland on 20 June 2016 for new claims. It replaced Disability Living Allowance for people of working age (16-64 years old). Those of working age who were in receipt of Disability Living Allowance were assessed for Personal Independence Payment, this exercise was completed by Autumn 2019. Existing Disability Living Allowance child claims are invited to claim Personal Independence Payment on their 16th birthday and they can also qualify for Welfare Supplementary Payments in line with Disability Living Allowance adult cases.

Welfare Supplementary Payments

4.2 The Department was allocated a total of £3.2 million to continue with the existing welfare mitigation schemes for Personal Independence Payment and Employment and Support Allowance in 2022/23. This included mitigation payments for those people who are worse off financially following transition from Disability Living Allowance to Personal Independence Payment. Numbers are reduced as Disability Living Allowance is currently only paid to children who are invited to claim Personal Independence Payment on their 16th birthday.

4.3 There are three elements available within this Welfare Supplementary Payment Scheme. Two relate to people who are not awarded Personal Independence Payment, and the third is available to people who are awarded Personal Independence Payment but at

a reduced rate compared to that which they previously received under Disability Living Allowance.

Element 1 – Payment during Appeal

4.4 Disability Living Allowance recipients who are assessed for Personal Independence Payment and do not qualify, and subsequently appeal the decision, will receive Welfare Supplementary Payments equal to the weekly rate of their previous Disability Living Allowance payments until the Department is notified of the outcome of their appeal. Additionally, in cases where leave is granted to appeal to the Social Security Commissioners, Welfare Supplementary Payments will resume and continue until the Department has been notified of the outcome decision or until the scheme ends.

4.5 The number of people who received a Welfare Supplementary Payment in 2022/23 decreased by 39% from 2021/22. This decrease is due to individual appeals being finalised and entitlement coming to an end. Also, with the re-assessment of all adult Disability Living Allowance claims now complete new awards of Welfare Supplementary Payment will normally only be made to young people assessed for Personal Independence Payment after reaching their 16th birthday.

4.6 Table 3 shows the total expenditure during the 2022/23 financial year on Welfare Supplementary Payments under Element 1 of the Loss of Disability Living Allowance scheme.

Table 3: Expenditure in 2022/23 – Loss of Disability Living Allowance, Element 1

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Loss of Disability Living Allowance – Element 1	1,290	£3,470,990*

*This figure represents the total amount paid for this welfare mitigation scheme during 2022/23. There was also £7.274 million of new debt raised during 2022/23, which results in a year-end position of -£3,803,290.

Figures rounded to nearest 10.

Element 2 – Lower Award

- 4.7 Disability Living Allowance recipients who are assessed for Personal Independence Payment and do not qualify, but at a reduced rate, and whose weekly loss is £10 or more, will receive Welfare Supplementary Payments equal to 75% of their loss of benefit for up to one year.
- 4.8 The number of people who received a Welfare Supplementary Payment in 2022/23 decreased by 11% from 2021/22. It is assumed that this decrease is due to the time-limited nature of payments under this scheme. Also, with re-assessment of all adult Disability Living Allowance claims now complete the only new people receiving a Welfare Supplementary Payment will be young people being assessed for Personal Independence Payment after reaching their 16th birthday.
- 4.9 Table 4 shows the total expenditure during the 2022/23 financial year on Welfare Supplementary Payments under Element 2 of the Loss of Disability Living Allowance scheme.

Table 4: Expenditure in 2022/23 – Loss of Disability Living Allowance, Element 2

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Loss of Disability Living Allowance – Element 2	240	£189,340*

*This figure represents the total amount paid for this welfare mitigation scheme during 2022/23. There was also £218.3k of new debt raised during 2022/23, which results in a year-end position of -£28,910.

Figures rounded to nearest 10.

Element 3 – Conflict-related Injury

- 4.10 Disability Living Allowance recipients who are assessed for Personal Independence Payment and do not qualify but have received at least four points in their Personal Independence Payment assessment and can show that their disability or illness is as a result of a Northern Ireland conflict-related injury may be entitled to Welfare Supplementary Payments. These payments are equal to the standard rate of the relevant Personal Independence Payment component and are paid for up to one year.
- 4.11 There were no payments made during the 2022/23 financial year on Welfare Supplementary Payments under Element 3 of the Loss of Disability Living Allowance scheme.

Loss of Disability-Related Payments

- 4.12 People who receive an income-related benefit, or Working Tax Credit, and also received Disability Living Allowance, may have automatically received additions to their benefit. These additions are known as Disability

Premiums (or Disability Elements in Tax Credits), and the amount payable depended on the rate of Disability Living Allowance in payment.

- 4.13 People who transitioned from Disability Living Allowance to Personal Independence Payment may have seen a reduction in, or total loss of, the disability additions they received. This may have occurred where a person received no award of Personal Independence Payment or is awarded a rate of Personal Independence Payment that is lower than their previous Disability Living Allowance award.

Welfare Supplementary Payments

- 4.14 Disability-related welfare mitigation payments include payments for people who are receiving an income-related benefit and lose any combination of Disability Premium, Enhanced Disability Premium or Severe Disability Premium. They are also available to people claiming Working Tax Credit who lose the Severe Disability Element.
- 4.15 Payments are equivalent to the rate of the disability-related payments that have been lost and are paid for a maximum period of one year.
- 4.16 Table 5 shows the total expenditure during the 2022/23 financial year on Welfare Supplementary Payments for loss of disability-related payments.

Table 5: Expenditure in 2022/23 – Personal Independence Payment, Loss of Disability-related Payments

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Personal Independence Payment – Loss of Disability-related Payments	*	£5,100**

Figures under 5 have been suppressed and represented by *
 **This figure represents the total amount paid for this welfare mitigation scheme during 2022/23. There was also £253k of new debt raised during 2022/23, which results in a year-end position of -£247,800.

Figures rounded to nearest 10.

Loss of Carer Payments

- 4.17 People who are in receipt of Carer’s Allowance or a Carer Premium on an income-related benefit may find that they lose their entitlement because the person they care for was not awarded the qualifying daily living component of Personal Independence Payment on transition from Disability Living Allowance.

Welfare Supplementary Payments

- 4.18 The Department was allocated a total of £0.7 million to mitigate this change in the period 2022/23.
- 4.19 Welfare Supplementary Payments are made for normally up to one year to people who lose entitlement to Carer’s Allowance and to those who lose entitlement to a Carer Premium received on the following income-related benefits:

- Income-based Jobseeker’s Allowance;
- Income-related Employment and Support Allowance;
- Income Support (also awarded on the basis of being a carer); and
- State Pension Credit.

4.20 The number of people who received a Welfare Supplementary Payment in 2022/23 decreased by 7% from 2021/22. It is assumed that this decrease is due to the time-limited nature of payments under this scheme. Also, with re-assessment of all adult Disability Living Allowance claims now complete the only new people receiving a Welfare Supplementary Payment will be people who were providing care for children who have been assessed for Personal Independence Payment after reaching their 16th birthday.

4.21 Table 6 shows the total expenditure during the 2022/23 financial year on Welfare Supplementary Payments for loss of carer payments.

Table 6: Expenditure in 2022/23 – Personal Independence Payment, Loss of Carer Payments

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Personal Independence Payment – Loss of Carer Payments	180*	£152,420**

*this figure includes those who received a Welfare Supplementary Payment while on Universal Credit.

**this amount is only payments made for those receiving a Welfare Supplementary Payment while not on Universal Credit.

Figures rounded to nearest 10.

5. Social Sector Size Criteria

5.1 As part of the changes to the welfare system, an amendment to the Housing Benefit Regulations (Northern Ireland) 2006 introduced the Social Sector Size Criteria into Housing Benefit for people of working-age in the social rented sector with effect from 20 February 2017. This means that Housing Benefit is now restricted and is based on the number of bedrooms a household requires.

5.2 For those Northern Ireland Housing Executive and Housing Association tenants who are under-occupying their properties, an appropriate percentage reduction will be made to the eligible rent when calculating entitlement to Housing Benefit or the housing element in Universal Credit.

Households not affected by the Social Sector Size Criteria

5.3 People will not be affected by the Social Sector Size Criteria if:

- they, or their partner (if they have one), have reached state pension age;
- they live in supported accommodation;
- they live in non-mainstream accommodation, for example, houseboats, caravans or mobile homes;
- they live in a shared co-ownership scheme; or
- they live in temporary accommodation.

Rates of Reduction

5.4 Households that are considered to be under-occupying their accommodation will see a reduction in their Housing Benefit of:

- 14% of the total eligible rent for under-occupation by one bedroom; or
- 25% of the total eligible rent for under-occupation by two or more bedrooms.

Welfare Supplementary Payments

5.5 The Department was allocated a total of £24.4 million to mitigate the impact of Social Sector Size Criteria in the period 2022/23. As legislation³ did not come into operation until 28 April 2022 to extend these payments, there was a short period where Social Sector Size Criteria Welfare Supplementary Payments were paid under the sole authority of the relevant Budget Act.

5.6 A Welfare Supplementary Payment is normally available to anyone affected by the Social Sector Size Criteria and there is no end date for these payments. Payments are equal to the amount of the deduction.

5.7 The number of people who received a Welfare Supplementary Payment in 2022/23 decreased by 2% from 2021/22.

5.8 Table 7 shows the total expenditure during the 2022/23 financial year on Welfare Supplementary Payments for people affected by the Social Sector Size Criteria.

³ Welfare Supplementary Payments (Amendment) Act (Northern Ireland) 2022

Table 7: Expenditure in 2022/23 – Social Sector Size Criteria

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Social Sector Size Criteria	37,390*	£15,797,620**

*this figure includes those who received a Welfare Supplementary Payment while on Universal Credit.

**this figure includes payments made to those receiving a Welfare Supplementary Payment while on Housing Benefit and does not include Universal Credit.

Figures rounded to nearest 10.

6. Universal Credit

- 6.1 Universal Credit was introduced in Northern Ireland for new claims with effect from 27 September 2017. It was rolled out on a phased geographical basis to all front-office locations across Northern Ireland by December 2018.
- 6.2 People in receipt of existing benefits, who have a change of circumstances that would have previously led to a new claim to a different benefit, now make a claim to Universal Credit. Universal Credit replaces the following:
- Jobseeker’s Allowance (Income-based)
 - Employment and Support Allowance (Income-related)
 - Income Support
 - Working Tax Credit
 - Child Tax Credit
 - Housing Benefit (Rental)
- 6.3 The final stage of Universal Credit implementation, known as “Move to UC” involves the managed migration of those customers who remain in receipt of the legacy benefits and tax credits being replaced by Universal Credit. Starting from 17 April 2023, 500 people claiming tax credits only and no other benefit, who live in the Andersonstown and Enniskillen areas, will receive a letter advising them to claim Universal Credit. Transitional Protection will ensure that no one receives a lower award at the point when they are moved to Universal Credit from legacy benefits. Planning for the further rollout of managed migration is underway with the intention to complete in line with Great Britain by the end of 2024.

Administrative Welfare Supplementary payments

- 6.4 The Welfare Reform Mitigations Working Group did not recommend mitigation for people who migrate to Universal Credit. This means that any person who experiences a financial loss as a direct result of their move from an existing benefit to Universal Credit will not receive mitigation payments to cover their loss of benefit.
- 6.5 Those people who were already in receipt of Welfare Supplementary Payments (before migrating to Universal Credit) because they had been affected by other welfare reforms, will continue to receive mitigation payments after they migrate to Universal Credit.
- 6.6 Administrative Welfare Supplementary Payments may also be made to people newly entitled to Universal Credit if they are subsequently affected by the Benefit Cap and/or the Social Sector Size Criteria. These payments are made to eligible people as the mitigation of these welfare changes was recommended by the Working Group.
- 6.7 In each case, people will be advised as to how long they will continue to receive Administrative Welfare Supplementary Payments.
- 6.8 The Department aims to bring forward legislation to provide for Welfare Supplementary Payments for people receiving Universal Credit. However, pending approval of the necessary legislation and to ensure that mitigation

payments are made to people eligible for Universal Credit, the Department has continued to issue administrative payments under the authority of the relevant Budget Act.

6.9 During 2022/23 a total of 15,970 Universal Credit recipients received an Administrative Welfare Supplementary Payment. This includes people who were previously in receipt of Welfare Supplementary Payments in respect of Social Sector Size Criteria, Employment and Support Allowance, Benefit Cap and Carers before they moved to Universal Credit. Recipients may receive more than one type of Administrative Welfare Supplementary Payment.

6.10 Table 8 shows the total expenditure during the 2022/23 financial year on Administrative Welfare Supplementary Payments for people receiving Universal Credit.

Table 8: Expenditure in 2022/23 – People in receipt of Universal Credit*

Welfare Supplementary Payment Scheme	Number of people who received Administrative Welfare Supplementary Payments	Total Amount Paid
Benefit Cap	1,770	£1,638,100
Carers	10	£12,070
Employment and Support Allowance Time-Limiting	10	£22,690
Social Sector Size Criteria	14,230	£7,233,180
Total	15,970	£8,906,040

*Persons who received more than one Administrative Welfare Supplementary Payment were counted as a unique recipient against each type of payment they received. The total refers to the number of Universal Credit recipients receiving an Administrative Welfare Supplementary Payment; some of these individuals may receive more than one type of Administrative Welfare Supplementary Payment.

All figures are rounded to the nearest 10 to protect individual records and totals may not sum due to rounding.

Universal Credit Contingency Fund

- 6.11 The Welfare Reform Mitigations Working Group recommended⁴ that £2 million per year be made available for the provision of a Universal Credit Contingency Fund to make emergency payments where hardship occurs as a result of difficulties which are not due to any fault on the part of the claimant. These emergency payments provide financial support to people new to claiming Universal Credit who continue to experience financial difficulties and are awaiting their first full payment of Universal Credit.
- 6.12 The Universal Credit Contingency Fund Scheme was introduced with effect from 1 November 2017 and payments are made through the Discretionary Support Scheme in the form of non-repayable grants.
- 6.13 In order to receive a Universal Credit Contingency Fund payment, a person must be able to demonstrate that they are experiencing financial difficulties. A person is not required to have made a claim for a Universal Credit Advance Payment prior to making their application. A Discretionary Support grant for living expenses (other than for COVID-19) should not have been awarded to the person claiming Universal Credit within the previous 12 months.

- 6.14 A Universal Credit Contingency Fund payment is a grant and as such does not need to be repaid. The period of the payment is from the date of application to the day before the person's next income is due, provided that income, or any subsequent income, is deemed sufficiently adequate to meet the person's needs. This could be the first or second payment of Universal Credit if the person is paid twice monthly or the first payment if the person is paid monthly.
- 6.15 Table 9 shows the total expenditure during the 2022/23 financial year from the Universal Credit Contingency Fund.

Table 9: Expenditure in 2022/23 – Universal Credit Contingency Fund

Universal Credit Contingency Fund	Number of people who received payments	Total Amount Paid
	9,740	£2,812,390*

*Figure rounded to nearest £10.

⁴ Welfare Reform Mitigations Working Group Report ([executiveoffice-ni.gov.uk](https://www.executiveoffice-ni.gov.uk))

7. Discretionary Support

- 7.1 The Department is committed to ensuring that the most vulnerable in society can access appropriate help and support in times of emergency or crisis. In support of this aim, the Finance Support Service was introduced in Northern Ireland in November 2016 to provide a fast, responsive and effective quality service that ensures people receive immediate short-term financial support in times of emergency or crisis.
- 7.2 Those on low incomes (working and non-working) may access this form of quick, short-term financial support in the form of a loan or grant by making an application for Discretionary Support when an extreme, exceptional or crisis situation arises which presents a significant risk to the health, safety or well-being of either the person making the claim or of their immediate family.
- 7.3 Additional provisions for those awaiting their first payment of Universal Credit and those who have been financially impacted because of self-isolating due to COVID-19 continue to be available.
- 7.4 The Office of the Discretionary Support Commissioner provide ongoing monitoring and quality support of Discretionary Support claims. This function provides valuable feedback to staff to assist in the decision making process and promote accuracy of claims. In turn this supports positive customer experiences when making claims to the scheme and provides staff with continuous improvement opportunities.

Statistics

- 7.5 The figures below represent Discretionary Support performance and expenditure during the 2022/23 financial year.

Table 10: Performance and Expenditure in 2022/23 – Discretionary Support

Discretionary Support Performance and Expenditure 2022/23	
Total number of claims processed	136,240
Total number of awards made	98,220
Total number of disallowances	38,020
Total amount awarded	£52.434 million
Average award	£530
Claims cleared within 4 days	40,590
Total loan recovery	£6.298 million
Total review requests	2,440
Total number of awards changed following review	690

Figures rounded to nearest 10.

- 7.6 The total amount awarded in 2022/23 breaks down as follows –
- Discretionary Support Loans
£9.337 million
 - Discretionary Support Grants
£43.097 million (of this £43.097 million, £2.812 million relates to Universal Credit Contingency Fund payments and £0.241 million relates to Self-Isolation payments).

7.7 The figures below represent the Discretionary Support Self-Isolation Grant performance and expenditure during the 2022/23 financial year.

Table 11: Performance and Expenditure in 2022/23 - Discretionary Support Self-Isolation Grant

Discretionary Support Self-Isolation Grant 2022/23	
Number of awards made	1,450*
Total amount awarded	£0.241 million

*Figure rounded to nearest 10.

8. Standards of Advice and Assistance

- 8.1 The Welfare Reform Mitigations Working Group recommended⁵ that additional independent advice services should be put in place to help and support people through the transitional period of changes to the welfare system. The Executive made a commitment to provide a total of £8 million of funding over four years, from 2016 until 31 March 2020 for these additional services. A further £2.7 million was provided (to cover the same four year period) to target food poverty and to equip citizens with financial capability skills.
- 8.2 The Welfare Reform Support Project provided the free Independent Welfare Changes Helpline (0800 915 4604), additional face-to-face front-line services and legal adviser services in the Law Centre NI from 1 November 2016. The helpline is now known as the Advice NI Helpline.
- 8.3 A 12-month review carried out in February 2018 clearly showed, both from the customer survey and from feedback supplied by the Advice Sector (via Management Information statistics), that the Project had met its objectives. The Department was therefore provided with the assurance and justification to continue the delivery model for the additional face-to-face advice service and telephony helpline until 2020. Key information from the review demonstrated that 17% of people availed of the free Independent Welfare Changes Helpline and 83% visited their local advice office with 95% of participants satisfied with service delivery.
- 8.4 Contracts to continue delivery of the additional independent advice service were in place until 31 March 2023. During 2022/23, 7,883 callers have been supported through Welfare Reform by the free Independent Helpline with 17,943 enquiries. Additional Welfare Reform advisers in front-line advice organisations have supported an additional 32,409 citizens with 66,143 issues. This figure was provided by the Advice Sector.
- 8.5 Following an independent review in 2019, Minister Hargey agreed in March 2020 to the extension of the additional advice provision for three years of £1.82 million per annum. This additional provision will continue until 2024, to enable the Department to undertake the development of a refreshed advice and policy framework.

Standards of Advice

- 8.6 The Department in collaboration with its co-funders, the eleven local Councils as well as the regional advice support organisation, Advice NI, are continuing to work to Northern Ireland Advice Quality Standard (NIAQS) in addition to ensuring all staff receive appropriate ongoing learning and development in welfare reform and related areas. For those providers who have attained the standard, this will be verified by the completion of an independent audit.

⁵ Welfare Reform Mitigations Working Group Report (executiveoffice-ni.gov.uk)

8.7 Regional advice organisations have individual quality standards and processes in place as follows:

- **Advice NI** - has achieved Investors in People gold accreditation, which lasts for three years and is reviewed every 18 months. It has also received the Advice NI Money and Debt Advice Standard, which is accredited by the Money Advice Service Quality Framework.
- **Law Centre NI** – is required to meet Lexcel, which is the Law Society's legal practice quality mark for excellence in client care. This is audited annually.

8.8 In addition to the above, each organisation has internal processes in place to check the standards of advice being provided, which includes daily case-checking by senior supervisors and case-file reviews. Despite these actions having been paused due to the COVID-19 pandemic, the NIAQS assessment resumed from 2022/23.

Independent advice and debt policy and delivery framework

8.9 The Department has commenced the development of a refreshed independent advice and debt policy and delivery framework which will include welfare related advice. This framework will include a focus on the future commissioning of quality advice services to allow for a more strategic integrated approach, in which the debt levy funding will also be a key element. A review of independent advice and debt sectoral needs will inform how the Department can better support the

sector to deliver outcomes set out in any future Programme for Government. It will focus on achieving the right balance between supporting regional infrastructures and the delivery of front-line community based advice. The work will review the nature and scope of advice services to ensure access to Independent Advice provision across all council areas ensuring we fund effective advice delivery models, whilst considering urban and rural needs. Quality standards will be a key element in the refreshed policy and delivery framework for independent advice.

Tackling Food Poverty – Social Supermarket Pilot Programme

8.10 The Welfare Reform Mitigations Working Group recommended⁶ improving access to affordable food through a network of community food shops and social stores / supermarkets.

8.11 A Social Supermarket pilot programme commenced on 1 October 2017 at five sites across Northern Ireland concluding in March 2020. Following a positive evaluation Ministerial approval was given to roll social supermarket models out on a co-design basis across the eleven Council areas. This has enabled each area to consider the needs of the local population, existing infrastructure and accessibility. The guiding principle for all models is that they cannot simply provide food but they also must seek to engage with the individual and ensure wraparound support is accessed to address the root causes of food insecurity. This support is based on the clients' needs and can include, but is not

⁶ Welfare Reform Mitigations Working Group Report (executiveoffice-ni.gov.uk)

limited to, benefits and debt advice, cooking on a budget and training and volunteering opportunities to enhance future employability.

- 8.12 A budget of £1.5 million was allocated to this work in 2022/23 and progress has been made in all Council areas towards designing and implementing a long-term model to provide a sustainable response to food insecurity. In areas not yet at full implementation stage, the funding has supported short-term projects that meet the high-level principles of social supermarket models or to enhance those that already did. This ensured people in all areas had access to holistic support with food at a time that the cost of living crisis seen an increase in demand. The five original pilots have also continued to operate in the interim period while the four Councils concerned are working through the co-design process to ensure continuity of service.

9. Sanctions

- 9.1 A sanction is a reduction of a person's benefit standard allowance imposed by a decision-maker where a person fails, without good reason, to fulfil the responsibilities they have agreed to undertake to prepare for and look for work (when appropriate) in order to continue to receive their benefit. These responsibilities will be based on the person's circumstances, taking into account their health and will be reviewed and updated on an ongoing basis.
- 9.2 Given the potential to cause hardship, the Department believes that any decision to reduce or stop a person's benefit should be an option of last resort. The Department is therefore committed to a preventative approach which is rooted in a desire to avoid hardship whilst promoting work and well-being.
- 9.3 The Welfare Reform (Northern Ireland) Order 2015 provided for the introduction of new benefit sanction legislation in Northern Ireland with effect from 27 September 2017.
- 9.4 In advance of implementing the sanction elements of the Welfare Reform (Northern Ireland) Order 2015, the Department undertook a review of existing processes and communications. Additional steps were introduced with the aim of reducing the risk of people facing sanctions.
- 9.5 This approach, which includes additional personal touch points, was implemented with effect from 29 January 2018 in respect of Jobseeker's Allowance, Employment and Support Allowance and Income Support. This was implemented for Universal Credit from the date it was introduced in Northern Ireland, 27 September 2017.
- 9.6 From 27 November 2019, the Jobseeker's Allowance and Universal Credit (Higher-Level Sanctions) (Amendment) Regulations (Northern Ireland) 2019 amended the Jobseeker's Allowance Regulations (Northern Ireland) 1996, the Universal Credit Regulations (Northern Ireland) 2016 and the Jobseeker's Allowance Regulations (Northern Ireland) 2016 to reduce the duration for the maximum length of a higher-level sanction from 546 days or 78 weeks to 182 days or 26 weeks.
- 9.7 Higher-level sanctions are imposed for the most serious failures such as not taking up an offer of paid work or losing or ceasing paid work voluntarily and for no good reason, or through misconduct. If sanctioned for eighteen months, it was felt that there was a risk that people may decide to disengage entirely from the employment support on offer. This increases the likelihood of financial hardship for these people, for the duration of the sanction and beyond.
- 9.8 Article 125 of the Welfare Reform (Northern Ireland) Order 2015 amended Article 76(1) of the Social Security (Northern Ireland) Order 1998 to require the Department to report on sanctions either annually or at such times or

intervals as may be prescribed. This legislation defines a sanction as the loss of, or reduction in the amount of, any sanctionable benefit under the Social Security Fraud Act (Northern Ireland) 2001. The Department is required to report on the following:

- a) the number of people affected by sanctions;
- b) the periods for which such people are affected;
- c) the reasons for which sanctions are imposed; and
- d) the benefits or allowances which are reduced or lost.

9.9 As part of the wider publication on Universal Credit the Department publishes data on Universal Credit sanctions and these are available at <https://www.communities-ni.gov.uk/articles/universal-credit-statistics>.

9.10 References below to “ongoing sanctions” refer to a sanction that has been imposed throughout 2022/23 for an open-ended duration and the person has yet to fulfil their conditionality responsibilities to have the sanction ended.

9.11 Please note that all sanctions figures in this report are rounded to the nearest ten and therefore may not sum due to rounding.

Jobseeker’s Allowance

9.12 During the 2022/23 financial year there were 21 sanctions imposed.

Table 12: Period of sanctions imposed in Jobseeker’s Allowance during 2022/23

1-5 weeks	6-10 weeks	11-15 weeks	Ongoing
10	0	10	0

Figures rounded to nearest 10.

Income Support

9.13 During the 2022/23 financial year there were no sanctions imposed.

Employment and Support Allowance

9.14 During the 2022/23 financial year, fewer than 5 sanctions were imposed.

Period of Employment and Support Allowance sanctions 2022/23

9.15 The table below details the period of sanctions imposed in Employment and Support Allowance during 2022/23.

Table 13: Period of sanctions imposed in Employment and Support Allowance during 2022/23

1-5 weeks	6-10 weeks	11-15 weeks	Ongoing
0	*	0	0

Figures under 5 have been suppressed and represented by *

Reason for Employment and Support Allowance sanctions during 2022/23

9.16 No Employment and Support Allowance sanctions were applied due to failure to attend Work-focused Interviews, none were applied for failure to participate in Steps 2 Success and fewer than 5 one strike fraud penalties were imposed.

Universal Credit

9.17 During the 2022/23 financial year, a total of 3,720 sanctions were imposed on 3,200 recipients of Universal Credit. This includes instances where a sanction began / had a decision date prior to April 2022, but were still in place during 2022/23.

Period of Universal Credit sanctions 2022/23

9.18 The table below details the period of sanctions imposed in Universal Credit during 2022/23.

Table 14: Period of sanctions imposed in Universal Credit during 2022/23

5 weeks or less	6-10 weeks	11-15 weeks	16-20 weeks	21-25 weeks	Over 25 weeks	On going
910	660	420	160	90	90	1,390

Total figures may not sum as figures have been rounded to the nearest 10.

Reason for Universal Credit sanctions during 2022/23

9.19 The reason for Universal Credit sanctions being imposed during 2022/23 is detailed in the table below.

Table 15: Reasons for applying sanctions to Universal Credit during 2022/23

Reasons for applying Sanctions	Number of sanctions imposed
Failure to comply with work focused interview requirements	3,580
Failure to comply with availability for work	100
Failure to comply with employment programmes	10
Failure to comply with previous employment	30
Other	10

Total figures may not sum as figures have been rounded to the nearest 10.

9.20 There were 3,640 new sanctions imposed on Universal Credit claimants during the period April 2022 to March 2023.

10. Forward Look

- 10.1 The welfare mitigation schemes, administered by the Department are specific to Northern Ireland and the Department has sole responsibility for the development and implementation of the policy and operational delivery.
- 10.2 The “New Decade, New Approach” deal committed to a priority review of the welfare reform mitigation measures. To take forward this work an Independent Advisory Panel (the Panel) was appointed on 16 November 2021 to:
- review the welfare mitigation measures;
 - examine the effectiveness of the existing welfare mitigation schemes;
 - consider if there is continuing need for those schemes; and
 - to identify the need for a future mitigation package to be considered by the Executive.
- The Panel was also tasked to produce a report detailing their recommendations for consideration by the Executive.
- 10.3 The independent Panel presented its report⁷ to the Department on 4 March 2022. The report, which includes a number of recommendations for additional financial support that would be targeted at carers, children and young people has now been published.
- 10.4 In the absence of a functioning Assembly, direction from a Minister and agreement from the Executive on funding and which recommendations should be implemented, the Department is unable to progress work to implement any of the recommendations at this stage. Without an Executive the ability of departments to introduce significant new policies, particularly those that involve considerable public expenditure, is severely limited. Therefore, the Department is currently not progressing work to develop any policies or strategies related to the recommendations in the welfare mitigations review.

⁷ Welfare Mitigations Review (communities-ni.gov.uk)

Appendices

Appendix 1

Mitigation Scheme Funding 2022/23

Welfare Supplementary Payment Scheme	Allocation
	£'000s
Benefit Cap	4,295
Social Sector Size Criteria	24,398
Employment and Support Allowance and Personal Independence Payment including: <ul style="list-style-type: none">• Employment and Support Allowance Time-Limiting• Personal Independence Payment Disallowed• Personal Independence Payment Reduction	3,216
Adult Disability Premium	NIL
Carers	702
Total	32,611*

*The 2022/23 allocation was £39.5 million which included £2 million to cover the costs of the Universal Credit Contingency Fund and £4.9 million to cover associated administrative costs of the Welfare Supplementary Payment schemes.

Appendix 2

REPORTS REQUIRED UNDER THE SOCIAL SECURITY (NORTHERN IRELAND) ORDER 1998	
Article 76 (as amended by Article 125 of the Welfare Reform (Northern Ireland) Order 2015)	Scheme covered
(1) The Department shall prepare, either annually or at such times or intervals as may be prescribed, a report on— (b) the standards of advice and assistance provided under Article 138 of the Welfare Reform (Northern Ireland) Order 2015;	Standard of advice and assistance for people making a claim under the Order in connection with that claim.
(c) the operation of sanctions. (1A) For the purposes of paragraph (1)(c) a sanction is— (a) the reduction in the amount of an award of universal credit, a jobseeker's allowance, income support or an employment and support allowance on account of a failure by a person to comply with any requirement or any other conduct of a person; (b) the loss of, or reduction in the amount of, any sanctionable benefit under the Social Security Fraud Act (Northern Ireland) 2001. (1B) A report under paragraph (1)(c) must contain details of— (a) the number of people affected by sanctions; (b) the periods for which such persons are affected; (c) the reasons for which sanctions are imposed; (d) the benefits or allowances which are reduced or lost.	Operation of sanctions.
REPORTS REQUIRED UNDER THE WELFARE REFORM (NORTHERN IRELAND) ORDER 2015	
Article 135	Scheme covered
(6) The Department shall, in respect of each financial year, prepare and lay before the Assembly a report on the operation of regulations made under this Article.	Discretionary Support – operation of regulations
Article 137	Scheme covered
(4) The Department shall, in respect of each financial year in which payments are made, prepare and lay before the Assembly a report on the payments made in that year.	Welfare Supplementary Payment Schemes – payments made
Article 137A	Scheme covered
(8) The Department shall, in respect of each financial year in which payments are made, prepare and lay before the Assembly a report on the payments made in that year.	Welfare Supplementary Payment Schemes – payments made

Programme costs for each Welfare Supplementary Payment Scheme in the 2022/23 financial year

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	UC related payments	Non UC related payments	Total amount paid
Benefit Cap	2,160	£1,638,100	£774,580	£2,412,680
Contributory Employment and Support Allowance	50	£22,690	-£34,820*	-£12,130
Personal Independence Payment	1,530	NIL	-£3,832,200**	-£3,832,200
Loss of Disability-Related Payments	****	NIL	-£247,800***	-£247,800
Loss of Carer Payments	180	£12,070	£152,420	£164,490
Social Sector Size Criteria	37,390	£7,233,180	£15,797,620	£23,030,800
Total	41,080	£8,906,040	£12,609,800	£21,515,840

*There was also £121.4k of new debt raised during 2022/23 which results in a year-end position of -£34,820. **There was £7.274 million of new debt raised during 2022/23 which results in a year-end position of -£3,832,200. ***There was also £253k of new debt raised during 2022/23, which results in a year-end position of -£247,800. The total refers to the number of people receiving an Administrative Welfare Supplementary Payment; some of these individuals may receive more than one type of Administrative Welfare Supplementary Payment. **All figures are rounded to the nearest 10 to protect individual records and totals may not sum due to rounding.** Figures under 5 have been suppressed and represented by ****

Universal Credit Contingency Fund costs in the 2022/23 financial year

Universal Credit Contingency Fund	Number of people who received payments	Total Amount Paid
	9,740	£2,812,390*

*Figure rounded to nearest £10.

Benefits included in the Benefit Cap calculation

The Benefit Cap will apply to the combined income from the following benefits:

- Bereavement Allowance;
- Child Benefit;
- Child Tax Credit;
- Employment and Support Allowance (contribution-based and income-related) except where the support component has been awarded;
- Housing Benefit;
- Incapacity Benefit;
- Income Support;
- Jobseeker's Allowance (contribution-based and income-based);
- Maternity Allowance;
- Severe Disablement Allowance;
- Universal Credit;
- Widowed Mother's Allowance;
- Widowed Parent's Allowance;
- Widow's Pension; and
- Widow's Pension (age-related).

Households not affected by the Benefit Cap

The Benefit Cap does not apply in the following circumstances:

- households living in Supported Exempt Accommodation;
- if you're over State Pension age. If you're part of a couple and one of you is under State Pension age, the Benefit Cap may apply;
- Universal Credit claims where household earnings are equal to or greater than the equivalent earnings of someone working for 16 hours at the hourly rate set out in the National Minimum Wage Regulations;

- Universal Credit claims where limited capability for work and work-related activity has been awarded;
- Universal Credit claims where the carer element has been awarded;
- if the person or their partner (if they have one) qualify for Working Tax Credit;
- if the person, their partner (if they have one) or any children they are responsible for, and who live with them, receive one of the following benefits:
 - Adult Disability Payment;
 - Armed Forces Compensation Scheme (Guaranteed Income Payments);
 - Armed Forces Independence Payment;
 - Attendance Allowance;
 - Carer's Allowance;
 - Child Disability Payment;
 - Disability Living Allowance;
 - Employment and Support Allowance (contribution-based and income-related) where the support component has been awarded;
 - Guardian's Allowance;
 - Industrial Injuries Benefit;
 - Personal Independence Payment; and
 - War Pensions (this includes the War Widow's/Widower's pension and War Disablement Pension).

Payments including Bereavement Support payments, Cold Weather payments, Winter Fuel payments and Discretionary Support scheme payments are not included in the calculation.

This list is not exhaustive.



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