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Assembly Report

The Operation of The Welfare Reform (Northern Ireland) Order 2015

December 2018

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Department for Communities

Assembly Report on the Operation of
The Welfare Reform (Northern Ireland) Order 2015

Laid before the Northern Ireland Assembly by the Department for Communities in accordance with Article 139(2) of the Welfare Reform (Northern Ireland) Order 2015.

December 2018

Contents

Introduction

As part of “A Fresh Start, the Stormont Agreement and Implementation Plan” the Northern Ireland Executive agreed that Westminster would bring forward legislation to provide for the introduction in Northern Ireland of those welfare changes introduced in Great Britain[1]. It was further agreed that Westminster would bring forward the necessary primary legislation to provide for the introduction of the welfare benefit mitigation payments. This arrangement was formally agreed by the Assembly with the passing of a Legislative Consent Motion.

The introduction of welfare reforms was given effect through the Northern Ireland (Welfare Reform) Act 2015, which allowed Westminster to bring forward primary legislation in relation to welfare matters for a time limited period ending on 31 December 2016.

The Welfare Reform (Northern Ireland) Order 2015 was made on the 9 December 2015 and made provision for the delivery of Welfare Reform in Northern Ireland including the introduction of new benefits including Universal Credit and Personal Independence Payment. The Order also introduced other major changes to the existing welfare system including the Benefit Cap, Social Sector Size Criteria and the Northern Ireland specific Discretionary Support, which replaces elements of the discretionary Social Fund.

The Welfare Reform and Work (Northern Ireland) Order 2016 was made on 12 October 2016 and provided for a limited number of further welfare reforms including Loans for Mortgage Interest. This Order also introduced amendments to the Welfare Reform (Northern Ireland) Order 2015 including changes to the applicable amounts for the Benefit Cap.

Reporting Requirements

Article 139 of the Welfare Reform (Northern Ireland) Order 2015 requires the Department for Communities to publish a report on the operation of the Order no later than 3 years after it was made. The report is also to be laid before the Assembly. The Department has duly produced this report to comply with the requirement of Article 139.

Structure of Report

This report provides details of the implementation and operation of each of the main welfare provisions that have been introduced in Northern Ireland as a result of the Welfare Reform Order. They are listed in sequential order to correspond with the structure of the Order. A record of the various provisions and the commencement date for each is provided at **Appendix A**.

[1] The relevant provisions were contained in the Welfare Reform Act 2012 and the forthcoming Welfare Reform and Work Act 2016, which was completing its passage of Parliament at the time of the Agreement.

Universal Credit

Universal Credit is a new single payment for people who are looking for work or who are in work but on a low income. Universal Credit aims to improve work incentives, simplify the system and reduce fraud and error. It was introduced for new claimants on a roll out basis in postcode areas of Northern Ireland from 27 September 2017 with the last roll out of postcode areas completed on 5 December 2018. Further detail is provided at **Appendix B**.

Universal Credit will replace six current benefits/credits. These are:

- Income based Jobseeker's Allowance
- Income related Employment and Support Allowance
- Income Support (including Support for Mortgage Interest)
- Working Tax Credit
- Child Tax Credit
- Housing Benefit

Existing claimants in receipt of current benefits may need to move to Universal Credit if they experience a change of circumstances.

Subject to regulations being made at a future date, all other claimants on current benefits will be migrated to Universal Credit between July 2019 and March 2023. During this period all claimants receiving any of the six current benefits and credits which are being replaced by Universal Credit will move to Universal Credit.

The main differences between Universal Credit and the current welfare system are:

- Universal Credit is available to people who are in work and on a low income, as well as to those who are out of work
- Most people will apply online and manage their claim through an online account

During discussions on the implementation of Universal Credit in Northern Ireland, the then Minister for Social Development secured payment flexibilities under Universal Credit for claimants. These flexibilities have been introduced and include:

- Twice monthly payments are available to all households as the default, with monthly payments available on request

- Split payments (paid into separate bank accounts) are possible between parties in a household. This is possible on the basis of the main carer and children and will be determined by the Department. It is also possible for a split payment for a couple with no children

- Managed payment of the housing element of Universal Credit paid direct to the landlord is available to all claimants, with a direct payment to the household available to those who meet specified criteria

The work related requirements for Universal Credit form the 'conditionality framework'. This sets out the requirements for every claimant. The work related requirements which may be imposed on a claimant depend on which of the following groups the claimant falls into:

- No work related requirements
- Work-focused interview requirement only
- Work-focused interview requirement and work preparation requirements only
- All work related requirements

Where a Universal Credit benefit unit contains a joint claim (a couple), each person will be subject to their own set of requirements and each will be required to sign a 'claimant commitment'. Failure to meet commitments may lead to a financial sanction.

Universal Credit includes a reformed sanction regime and the amounts sanctioned are fixed. Failure to comply with the most important commitments by job seekers may result in sanctions being imposed for at least 3 months, rising to 6 months and subsequently 18 months.

Further information on the reformed sanctions regime can be found in the Department's report on Welfare Supplementary Payments, Discretionary Support, Standards of Advice & Assistance and Sanctions. This is an annual report and can be viewed at

https://www.communities-ni.gov.uk/publications/welfare-supplementary-payments-discretionary-support-standards-advice-assistance-and-sanctions.

Two Child Policy

The Welfare Reform and Work (Northern Ireland) Order 2016 amended the Welfare Reform (Northern Ireland) Order 2015 to make changes to the child element of Universal Credit. This was commenced in Northern Ireland on 11 March 2017.

The existing entitlement of families who remain in receipt of tax credits and Universal Credit were unaffected by the "two child policy" and the abolition of the family element. Families with more than two children will continue to claim legacy benefits up to February 2019 at which date they will be able to claim Universal Credit. There are a number of exceptions to the "two child policy" and further detail is provided at **Appendix C**.

Key Facts

As with other social security benefits, a single Department for Work and Pensions (DWP) system is used to collect and store Universal Credit claimant data throughout the UK. The Department for Communities have worked closely with DWP to secure access to the Universal Credit data held on Northern Ireland claimants to facilitate the production of official statistics. Whilst access has been secured, a substantial period of testing and quality assurance is required before any figures can be published. As a result, official statistics on Universal Credit are not currently available.

Jobseeker's Allowance

Changes to Sanctions

The introduction of a new benefit sanction regime in Northern Ireland took effect from 27 September 2017. The revised regime also applies to claims to Employment and Support Allowance.

The consequences of failing to meet responsibilities are clearer under the new regime as there are three levels of sanction: higher, medium and lower. No Employment and Support Allowance claimant will be required to search for or be available for work, therefore a higher-level sanction cannot be applied to an Employment and Support Allowance claimant who fails to meet their responsibilities. There is also progression to tougher sanctions for those who repeatedly fail to meet their responsibilities. Further detail of the revised sanctions regime and the latest data on the number of affected claimants is included in the annual Welfare Mitigations report[2].

[2] The Welfare Supplementary Payments, Discretionary Support, Standards of Advice & Assistance and Sanctions report.

Employment and Support Allowance

Time limiting of the Contributory Allowance

Time limiting of contribution-based Employment and Support Allowance was introduced in Northern Ireland with effect from 28 November 2016. This change limits the time for which a claimant can receive Employment and Support Allowance to 365 days. This applies to claimants who are in the work-related activity group and receive Employment and Support Allowance based only on National Insurance contributions they have paid or been credited with in the last 2 complete tax years.

Claimants who are placed in the Support Group of Employment and Support Allowance are exempt from the time 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. Claimants 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.

Removal of Special Conditions Relating to Youth

The special concessions that allow certain young people to qualify for contribution-based Employment and Support Allowance without meeting the usual paid National Insurance conditions that apply to all others were abolished in Northern Ireland with effect from 17 February 2016.

Young people must now qualify under the same conditions as others applying for Employment and Support Allowance and if they have not met the National Insurance conditions they can apply for income-related Employment and Support Allowance.

Income Support

Entitlement of Lone Parents

The age for withdrawal of Income Support on the grounds of lone parenthood alone was reduced from 7 to 5 in Northern Ireland from 16 January 2017.

Lone parents where the youngest child is aged 5 or over are no longer entitled to Income Support solely on grounds of lone parenthood. Support for these lone parents is available through Jobseeker's Allowance or Employment and Support Allowance if they meet the relevant conditions of entitlement, or through Income Support if they qualify on grounds other than lone parenthood, notably if they are carers[3].

Industrial Injuries Benefit

Articles 70 to 74 of the Order provide high level powers to simplify and rationalise the provision of industrial injuries benefits, making it easier for claimants to understand and for the Department to administer by consolidating existing schemes into the main Industrial Injuries Disablement Benefit scheme.

Changes were implemented through two sets of Regulations:

- The Industrial Injuries Benefit (Employment Training Schemes and Courses) Regulations (Northern Ireland) 2016 extend the provision of industrial injuries benefits to people participating in certain employment training schemes and courses and
- The purpose of the Industrial Injuries Benefit (Injuries arising before 5 July 1948) Regulations (Northern Ireland) 2016 is to enable claimants who were entitled to receive payments under the Workmen's Compensation (Supplementation) Scheme 1982 to instead be paid under the main Industrial Injuries Disablement Benefit scheme

The changes also allowed the removal of old and redundant legislation and abolished the lower rates for persons under 18.

Key Facts

The number of cases impacted by the introduction of these changes was expected to be low and to date has been minimal.

[3] Carer as defined in paragraph 4 of Schedule 18 of the Income Support (General) Regulations (Northern Ireland) 1987.

Housing Benefit

Determination of Appropriate Maximum

As part of the changes to the welfare system, an amendment to the Housing Benefit Regulations (Northern Ireland) 2006[4] introduced size criteria into Housing Benefit for working-age claimants 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. Equivalent provisions apply to the Housing Costs Element of Universal Credit.

For those Housing Executive and Housing Association tenants who are found to be under-occupying their properties, an appropriate percentage reduction will be made to the eligible rent when calculating entitlement to Housing Benefit.

Households not affected by the Social Sector Size Criteria

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

- they, or their partner, 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

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

Key Facts

Claimants who are affected by the Social Sector Size Criteria are normally eligible for a welfare mitigation payment equivalent to their actual loss and this will be payable until 31 March 2020. In the 2017/18 financial year 38,900 Housing Benefit and Universal Credit claimants were affected by the Social Sector Size Criteria and received a mitigation payment.

[4] The Housing Benefit Regulations (Northern Ireland) 2006 were amended by Article 137A of the Welfare Reform (Northern Ireland) Order 2015.

Social Fund

Articles 76 to 79 provided for the ending of discretionary payments under the Social Fund. Community Care Grants and Crisis Loans were replaced by the Discretionary Support Scheme on 28 November 2016. Crisis Loans for 'Alignment to benefit' living expenses were replaced with Short-term Benefit Advances. Budgeting loans are the only elements of the Discretionary Social Fund still in existence. Under the roll out of Universal Credit, Budgeting Advances will gradually replace Budgeting Loans.

An Annual Report on the Social Fund is published every year and is available on the Departmental website. The Annual Reports on the Social Fund can be viewed here:

https://www.communities-ni.gov.uk/social-security-annual-reports

The Annual Report on the Social Fund 2017/18 is currently being completed and will be published on the Departmental website once finalised.

State Pension Credit

The Welfare Reform (Northern Ireland) Order contains amendments to the State Pension Credit Act (Northern Ireland) 2002 to change the entitlement conditions for the additional amount of the guarantee credit in respect of caring responsibilities by removing the explicit link to Carer's Allowance in that Act and it also provides for a capital limit to be applied to Pension Credit. These provisions have not yet been commenced in Northern Ireland as the equivalent provisions in Great Britain have not been commenced.

Personal Independence Payment

Personal Independence Payment is a new disability benefit, which aims to target support on those disabled people who face the greatest barriers to leading full, active and independent lives. Entitlement depends on the effects a disability or long-term health condition has on a person's ability to carry out a range of everyday activities rather than on a specific medical diagnosis. It is currently replacing Disability Living Allowance for those of working age (16–64).

Personal Independence Payment is made up of two components – one to help with daily living needs and one for mobility. Each component is payable at a standard or enhanced rate. To determine entitlement to the two components and the level of benefit award, individuals are assessed on their ability to complete a number of key everyday activities (ten under the daily living component and two under the mobility component). This looks at how well individuals can complete activities, whether they need to use aids and appliances to do so and whether they need help from another person. Within each activity there are several descriptors, each representing a varying level of ability to carry out the activity. The total score received for each activity under the daily living and mobility components will determine the level of award a person is entitled to.

Personal Independence Payment was introduced in Northern Ireland from 20 June 2016 for the following:

- New claimants (aged 16–64)
- Disability Living Allowance claimants reaching 16 years of age
- Disability Living Allowance claimants reporting a change of circumstances
- Disability Living Allowance claimants whose fixed term Disability Living Allowance award expired

From December 2016 the Department began a phased approach to randomly reassessing existing Disability Living Allowance claimants who had an indefinite award. By the end of December 2018 it is intended that all working age Disability Living Allowance claimants will have received an invite to claim Personal Independence Payment with reassessments completed by spring 2019.

Key Facts

The Department has produced a range of data on claims to, and awards of, Personal Independence Payment. Details are included at **Appendix D**.

Independent Review

Under Article 94 of the Order the Department must commission an independent report on the operation of assessments within two and four years from the date of introduction of Personal Independence Payment. The first independent review was undertaken by Walter Rader and published in June 2018:

https://www.communities-ni.gov.uk/news/independent-review-pip-assessment-published

The Department's interim response to the recommendations made by the review was published in November 2018:

https://www.communities-ni.gov.uk/publications/independent-review-personal-independence-payment-pip-assessment-process-northern-ireland-report

Benefit Cap

The Benefit Cap places an upper limit on the total amount of certain benefits a household can receive when a claimant, or their partner if they have one, is of working age.

If a claimant 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) or the household is claiming Universal Credit and earns above a specified amount (currently £542 per month after tax and National Insurance).

With effect from 7 November 2016,
the Benefit Cap limits are 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)

Key Facts

The Department has published data on the impact of the Benefit Cap in Northern Ireland. The latest data shows that there were 1,580 households capped at July 2018 for an average amount of £48 per week. There have been 2,970 households capped in total since June 2016.

The Benefit Cap statistics are available at:

https://www.communities-ni.gov.uk/publications/benefit-cap-statistics-july-2018

Claims and Awards / Payments

The Order provides for general amendments to the Social Security Administration (Northern Ireland) Act 1992 setting out provisions to provide payments to joint claimants, increase available powers to require information and further provisions for payments on account of benefit, which can be made where the Department is satisfied that a person is in financial need, would be entitled to a benefit and has claimed such a benefit but the claim has not been determined. These provisions came into operation on 2 May 2016.

Mandatory Reconsideration and Appeals

Provision was brought forward to enable a person who disagrees with a decision in relation to a social security benefit, child support or the recovery of benefits to request consideration of revision before they may appeal against the decision. The aim is to resolve more disputes through the reconsideration process without the need for an appeal to the tribunal, but does not alter a person's right of appeal.

Consideration of revision before appeal, also referred to as 'mandatory reconsideration', is the process that claimants need to follow when they dispute a decision on their benefit claim. Claimants are unable to appeal until they have asked the Department to look at the decision again.

When an individual asks for a decision to be reconsidered, the Department will contact them to provide an explanation of the decision and to establish whether any additional information is available that may allow the decision to be revised.

In Northern Ireland it applied to any decisions made on or after 23 May 2016 (11 July 2016 in relation to child support decisions). After receiving the outcome of the mandatory reconsideration a person is able to appeal the decision to an appeal tribunal if they are still dissatisfied.

Key Facts

The number of mandatory reconsideration requests received (for social security benefit and compensation recovery decisions) during the period 23 May 2016 to 30 September 2018 was 47,373. The number of decisions revised during this period was 10,472. However, it should be noted that not all of the mandatory reconsiderations requested during this period will have been determined in the same period.

Recovery of Benefits

The introduction of welfare reform has led to the current operation of a two-tier overpayment recovery system with different legislation, policies and procedures governing recovery of overpayments from ‘new world’ and legacy benefits. However, overpayment recovery is subject to various legislative limitations and safeguards designed to ensure that claimants and their families do not suffer undue hardship.

The Order introduced a number of changes to the management and recovery of overpayments and other debt. In particular the reforms bring together three different overpayment tests where the starting point is that, for working age benefits, all overpayments are deemed recoverable. Amendments also provide for four specific methods of recovery: deduction from ongoing benefit, court action and adjustment of benefit, all of which exist currently; plus attachment of earnings.

Those benefits that remain subject to the current recoverability test of whether a failure to disclose or misrepresentation by the claimant has led to the overpayment (e.g. State Pension Credit (other than housing credit)) do so in order to give greater reassurance to more vulnerable claimants as to the circumstances in which overpayments will not be recoverable.

The Order has also provided for the introduction of other recovery provisions depending on the benefit in payment. These include:

- Deductions from earnings
- Recover of costs associated with the recovery of amounts of benefit
- The recovery of certain hardship payments

The provisions in respect of recovery have been commenced at various dates but have all been in operation from 27 September 2017.

Investigation and Prosecution of Offences

Power to Require Information

This provision was commenced on 17 February 2016 and it enables the Department to add to the list of people required to provide information relating to investigations. The power will be used to require third parties, such as childcare providers, to disclose information associated with childcare costs paid as an element of Universal Credit.

Available data indicates this provision has had a limited impact to date in view of the rollout schedule of Universal Credit.

Administrative Penalties for Attempted Fraud

This provision provides the Department with the option to offer a £350 Administrative Penalty for attempted benefit fraud that does not result in an overpayment. This provision came into operation from 4 April 2016 but has had a limited practical impact and is considered to be more relevant as more people claim Universal Credit.

Administrative Penalties

This provision was introduced from 4 April 2016 and provides for the following changes:

- Increases the amount of an Administrative Penalty to 50% of the total amount of a benefit fraud overpayment
- A new minimum penalty of £350 up to a maximum of £2,000
- Permits the Department (by Order) to amend the Administrative Penalty percentage, minimum, and maximum amounts – the Department has not yet sought any such Order

The latest available data shows that the Department issues around 500 Administrative Penalties per year.

Loss of Benefit: Period of Sanction

This provision was introduced from 3 October 2016 and provides for the following changes in cases where there is a conviction, penalty or caution for a benefit offence:

- For a first conviction the Loss of Benefit is extended from 4 weeks to **13 weeks**
- A conviction for organised fraud or identity fraud will attract a Loss of Benefit period of **3 years**, even if it is a first offence

Loss of Benefit: Repeated Benefit Fraud

This provision also came into operation on 3 October 2016 and provides for:

- The linking period of offences increases from 3 years to **5 years**
- The Loss of Benefit period for a second offence, which results in a conviction, is extended to **26 weeks**
- The Loss of Benefit period for a third offence, which results in a conviction, is extended to **3 years**
- The number of benefit offences (including Administrative Penalties) will be taken into account in determining whether a 2nd or 3rd penalty period applies (as well as the number of convictions)

The most recent data on benefit sanctions is included in the annual Welfare Mitigations Report[5].

[5] The Welfare Supplementary Payments, Discretionary Support, Standards of Advice & Assistance and Sanctions report.

Loss of Benefit: Cautions

This provision will remove Cautions as a qualifying event for a Loss of Benefit penalty. To maintain parity with Great Britain the Department has not yet commenced Article 119. This position is kept under review by the Department.

Information Sharing

An information sharing gateway, in relation to the provision of a welfare service, already exists by virtue of section 39 of the Welfare Reform Act (Northern Ireland) 2007. The Welfare Reform (Northern Ireland) Order 2015 broadens the scope of data sharing that is provided for under the existing section. It will allow relevant information to be shared between the Department, relevant bodies, the Housing Executive, Land & Property Services and other service providers to help make front line public services more efficient. This took effect in Northern Ireland from 4 April 2016.

These measures will help to ensure that people receive the right amount of benefit at the right time. They will reduce the amount of benefit that is overpaid to people who go into hospital or care, and ensure people who need an overnight carer at home can receive extra help with housing costs. The measures will allow the Department to supply information to other bodies to help them decide if a person is eligible for a welfare service, or whether they should pay towards its cost; and allow other bodies to supply information to the Department to help it administer certain social security benefits and mitigation payments. This power will expand that to cover many more types of services, for example domiciliary and residential or nursing care. The provision also makes it an offence if social security information is provided to a person, for welfare services purposes, is disclosed without lawful authority.

In relation to information sharing for Social Security or employment purposes, the Department can now designate by description as well as retaining the ability to specify individual organisations to share social security and employment and training information with other government departments and their service providers. As a result, claimants can receive help from new suppliers more quickly. This took effect in Northern Ireland from 17 February 2016.

Child Support Maintenance

Articles 126 to 131 of the Order made miscellaneous amendments to Child Support legislation. While amendments relating to Child Support legislation were carried in the Welfare Reform Order, the ongoing reforms to Child Maintenance did not constitute part of Welfare Reform.

Under the Child Maintenance Reform Programme the Northern Ireland Child Maintenance Service introduced a new child maintenance system in December 2012. The Reform Programme also introduced a number of changes to the way child maintenance would be delivered, including the introduction of fees in June 2014.

Article 130 introduced a requirement for the Department to carry out a review of the impact of fees no later than 30 months after its implementation. The Department decided to take the opportunity presented by the 30 month review to also investigate the wider impacts of the Child Maintenance Reform Programme. This report is available at:

https://www.communities-ni.gov.uk/publications/northern-ireland-child-maintenance-reform-programme-30-month-review

Employment and Training / Reduced Dog Licence Fees

The Order includes amending provisions to place restrictions on the provision of assistance in relation to employment for sexual purposes.

Also, to allow for reduced fees for dog licences. Both provisions were commenced on 17 February 2016 and are now in operation.

Rate Relief Schemes: Application of Housing Benefit Law

The Order also amended Article 30A of the Rates (Northern Ireland) Order 1977, which is an existing enabling power that allows the Department of Finance to make regulations necessary to provide support schemes for domestic ratepayers. The amendment allows that power to be extended to replace the rates element of Housing Benefit, when it ceases. In Northern Ireland this took effect from 27 September 2017 for working-age claimants.

Discretionary Support

The Department for Communities 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 from 28 November 2016 to provide a fast, responsive and effective quality service that ensures claimants receive immediate short-term financial support in times of emergency or crisis.

Those on low incomes (working and non-working) may access this short-term financial help by making an application for Discretionary Support or for a short-term benefit advance 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. Discretionary Support is unique to Northern Ireland.

General Eligibility Conditions for Discretionary Support

The eligibility conditions for Discretionary Support are as follows:

- The need has arisen as a consequence of an extreme, exceptional or crisis situation which presents a significant risk to the health, safety or well-being of the claimant or a member of their immediate family
- The claimant is ordinarily resident and present in Northern Ireland
- The need cannot be met from another source
- The claimant is at least 18 years old or a minimum of 16 years old in the case of a young person without parental support
- The need for Discretionary Support occurs in Northern Ireland
- The need is satisfied in Northern Ireland and

- The claimant’s income, or in the case of a couple their joint income, does not exceed the income threshold currently set with reference to the national minimum wage for a person over the age of 25

In addition:

- A living expenses award in respect of a period for which an award has already been made to either the claimant or their partner will not be considered except in the event of a disaster
- A claim made within 12 months of a previous claim by the same person for the same goods for which an award has already been made will not be considered except in the event of a disaster
- The claimant’s and, where appropriate, their partner’s debt level, including any existing government debt, does not exceed £1000
- Discretionary Support assistance provided will normally be the lowest cost to meet the need and
- The claimant has made use of any available capital before applying for Discretionary Support

Key Facts

In the 2017/18 financial year the total amount of Discretionary Support awarded was:

- Discretionary Support Loans – £3.8 million
- Discretionary Support Grants – £6.8 million

The Department publishes comprehensive details of Discretionary Support performance and expenditure as part of the annual Welfare Mitigations report[6]. A summary of the key data for 2017/18 is also included at **Appendix E**.

[6] The Welfare Supplementary Payments, Discretionary Support, Standards of Advice & Assistance and Sanctions report.

Payment to Persons Suffering Financial Disadvantage

As part of the Fresh Start Agreement the Northern Ireland Executive allocated a total of £585 million to 'top up' the United Kingdom welfare arrangements in Northern Ireland until 31 March 2020. The Welfare Reform Mitigations Working Group subsequently produced a report recommending the provision of a range of welfare mitigation schemes. These recommendations were accepted in full by the Executive.

Welfare Supplementary Payments

A range of Welfare Supplementary Payment Schemes have been developed to support claimants 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

Depending on their circumstances, claimants may be eligible for more than one Welfare Supplementary Payment. Claimants are not required to apply for Welfare Supplementary Payments, as the Department for Communities identifies all eligible claimants and makes payments to them.

Key Facts

In the 2017/18 financial year the Department made welfare mitigation payments of approximately £53.4 million to almost 61,000 claimants.

The Department publishes comprehensive details of all Welfare Supplementary Payment expenditure as part of the annual Welfare Mitigations report[7]. A summary of the key data for 2017/18 is also included at **Appendix F**.

[7] The Welfare Supplementary Payments, Discretionary Support, Standards of Advice & Assistance and Sanctions report.

Duties of the Department

Duty to Ensure Availability of Advice and Assistance

The Welfare Reform Mitigations Working Group recommended that additional independent advice services should be put in place to help and support claimants through the transitional period of changes to the welfare system. The Executive made a commitment to provide a total of £8 million of funding until 31 March 2020 for these additional services. This provision is in addition to the Department's existing generalist advice funding of £1.8m per year paid to local Northern Ireland Councils via the Community Support Programme for front line advice provision.

A contract was awarded on 27 September 2016 providing initial funding of £2.5 million for additional advice services until March 2018. The new free Independent Welfare Changes Helpline (0808 802 0020) and additional face-to-face front-line services went live from 1 November 2016. These services continue to be provided by Citizens Advice Bureaux, Advice NI and the Law Centre (NI) offering help and assistance to claimants affected by welfare changes and include the provision of specialist advice, appeals representation and advice on money management.

Appendices

Appendix A

Commencement of Provisions in the Welfare Reform (Northern Ireland) Order 2015

Provision	Date Commenced
Universal Credit	For new claims based on postcode areas from 27 September 2017 to 5 December 2018
Jobseeker’s Allowance – changes to sanctions	27 September 2017
Employment and Support Allowance – time-limiting contributory allowance	28 November 2016
Employment and Support Allowance – removal of special conditions relating to youth	17 February 2016
Income Support – entitlement of lone parents	16 January 2017
Industrial Injury Benefit changes	1 June 2016 and 31 October 2016
Housing Benefit – determination of appropriate maximum	9 September 2016
Social Fund – discretionary payments	17 February 2016
State Pension Credit – carers and capital limit	Not yet commenced
Personal Independence Payment	20 June 2016
Benefit Cap	17 February 2016
Claims and awards,	2 May 2016
Payments	2 May 2016

Provision	Date Commenced
Appeals	17 March 2016
Recovery of benefit payments	20 June 2016 and 27 September 2017
Investigation and prosecution of offences	17 February 2016, 4 April 2016 and 9 September 2016
Information sharing	17 February 2016 and 4 April 2016
Reports by Department	17 February 2016
Child support maintenance	17 February 2016
Use of jobcentres by sex industry	17 February 2016
Reduced fee for dog licences	17 February 2016
Rate relief schemes: application of housing benefit law	27 September 2017
Discretionary Support	17 February 2016
Payments to persons suffering financial disadvantage	17 February 2016
Duty to ensure availability of advice and assistance	17 February 2016
Duty to report on operation of this Act	17 February 2016

Appendix B

Universal Credit Roll-Out Schedule

Universal Credit was rolled out on a phased geographical basis to all front-line office locations from 27 September 2017 to 5 December 2018 as follows:

Date	Office
27 September 2017	Limavady
15 November 2017	Ballymoney
13 December 2017	Magherafelt, Coleraine
17 January 2018	Strabane, Lisnagelvin
7 February 2018	Foyle, Armagh
21 February 2018	Omagh, Enniskillen
7 March 2018	Dungannon, Portadown
16 May 2018	Newry, Downpatrick
30 May 2018	Lurgan, Newcastle, Kilkeel
13 June 2018	Falls, Shankill
27 June 2018	Andersonstown, Banbridge
5 September 2018	Holywood Road, Ballynahinch
19 September 2018	Newtownabbey, Newtownards
3 October 2018	Shaftesbury Square, Carrickfergus
17 October 2018	Knockbreda, Bangor
31 October 2018	Lisburn, Larne
14 November 2018	North Belfast, Cookstown
5 December 2018	Ballymena, Antrim

Appendix C

Two Child Policy

The policy operates to limit the child element of tax credits, Universal Credit, Jobseeker's Allowance and Income Support to two children for new claims from April 2017 and abolishes the family premium. Existing entitlement of families who remain in receipt of tax credits and Universal Credit are unaffected by these changes.

The disabled child premia in tax credits and Universal Credit will continue to be paid to all children with a disability.

There are a number of exceptions to the "two child" policy. These include:

- a child born to a claimant in a multiple birth, other than the first child born in that multiple birth
- a child or qualifying young person (QYP) who has been adopted or placed with the claimant for adoption
- a child who has been living long term with family or friends in a formal caring arrangement or would otherwise be looked after by a Health & Social Care Trust
- a child born to a child aged under 16 years that the claimant is responsible for, for example, a grandchild
- a child likely to have been born as a result of non-consensual conception

From 28 November 2018 children who are adopted or in non-parental caring arrangements will be disregarded when determining the order of children. Therefore, a parent or a carer will be able to receive a child element for any children in these arrangements, plus the first and second child in their household, as well as for any other children who qualify for the other exceptions (non-consensual conception or multiple birth).

Families with more than two children will continue to claim legacy benefits up to February 2019 at which date they will be able to claim Universal Credit.

In Northern Ireland, under section 5 of the Criminal Law (NI) Act 1967, if a third party knows or believes that a relevant offence (such as rape) has been committed, the third party will normally have a duty to inform the police of any information that is likely to secure, or to be of material assistance in securing the apprehension, prosecution or conviction of someone for that offence. However, an approved professional will not have to determine whether the incident actually occurred – the focus will be on whether the claimant's circumstances are consistent with the veracity of the claim. Nobody will be required to reach a view about whether a criminal offence has actually been committed.

Where evidence is provided from a third party professional (specifically, a healthcare professional, a specialist support worker from an approved organisation or a registered social worker), the legislation allows the Department to determine that the test for the exception has been met, in reliance on that third party evidence, on the balance of probabilities (as opposed to "beyond reasonable doubt"). Guidance has been produced by the Department on this issue for staff and approved third party professionals.

The Attorney General for Northern Ireland has separately published guidance[8] which emphasises that:

…in the vast majority of cases in which disclosures are not drawn to the attention of police, no offence will have been committed. Even when the section 5 offence can be said to have been committed, the primary public interest in bringing perpetrators of rape to justice and protecting the public means that any penalisation of victims (and those to whom they make disclosures) for failing to come forward with information is likely to create future barriers to victim support, to undermine confidence in the criminal justice system and to damage the willingness of victims and witnesses to cooperate with the criminal justice system.

In summary, even where information about rape is not passed on to the police by a victim or a person to whom she makes disclosure, the existence of a reasonable excuse will mean that the section 5 offence has not been committed. Even where no reasonable excuse exists, the public interest points away from prosecuting the victims of rape or those to whom victims make disclosures of rape.

[8] Attorney General for Northern Ireland, "Human Rights Guidance for the Public Prosecution Service: The Application of Section 5 of the Criminal Law Act (Northern Ireland) 1967 to rape victims and those to whom they make disclosures in connection with a claim for social security, child tax credit or anonymous registration on the electoral roll," 20 April 2018, at https://www.attorneygeneralni.gov.uk/human-rights-guidance

Appendix D

Personal Independence Payment Key Facts

As at August 2018, 156,430 PIP claims had been registered. There were 133,670 claims cleared to August 2018, of which 66% were awarded PIP at the initial decision.

In June 2016 there were approximately 126,000 existing working age DLA claimants eligible to be reassessed for PIP. At August 2018 just over 86,000 of these have been reassessed.

For all new claimants, 47% have received an award for PIP based on initial decision (this does not include awards given as a result of mandatory reconsiderations or appeals). For those claimants who have been reassessed from DLA to PIP, 76% have received an award based on initial decision. The overall award rate is currently 66%.

Approximately 84,660 claimants were in receipt of PIP at August 2018. The volume of DLA reassessed claimants in receipt of PIP was 63,710 at August 2018.

The most recently published information by the Department (August 2018) shows that 38% of PIP claimants are getting the highest level of benefit (the enhanced rate for both the daily living and mobility components) compared to 16% of working age DLA claimants (on highest rates for both care and mobility) prior to the introduction of PIP (June 2016).

More statistics on the implementation of PIP, including a DLA to PIP Reassessment Summary, Mandatory Reconsiderations and detailed tables can be found at:

https://www.communities-ni.gov.uk/articles/personal-independence-payment-statistics

Appendix E

Discretionary Support Key Facts

The figures below represent Discretionary Support performance and expenditure during the 2017/18 financial year. There were no Social Fund Crisis Loans or Community Care Grants issued in 2017/18.

Performance and Expenditure in 2017/18 – Discretionary Support

Discretionary Support	
Total number of claims made	67,010
Total number of awards made	44,440
Total number of disallowances	22,570
Total amount awarded	£10.6 million
Average award	£240
Claims cleared within 1–2 days	98.5%
Total loan recovery	£3.5 million
Total review requests	2,980
Total number of awards changed following review	940 (31%)

Appendix F

Welfare Supplementary Payments Key Facts

Programme costs for each Welfare Supplementary Payment Scheme in the 2017/18 financial year[9].

Welfare Supplementary Payment Scheme	Number of claimants who received Welfare Supplementary Payments 2017/18	Total Amount Paid 2017/18
Benefit Cap	2,480	£3,861,700
Contributory Employment and Support Allowance	2,610	£5,971,330
Personal Independence Payment	13,980	£16,731,080
Loss of Disability-Related Payments	1,280	£2,437,150
Loss of Carer Payments	1.530	£2,254,160
Social Sector Size Criteria	38,700	£22,088,980
Administrative Payments		
Universal Credit claimants	160	£20,530
TOTAL	**60,740**	**£53,364,930**

[9] Figures are rounded to the nearest ten to protect individual records and totals may not sum due to rounding.

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