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Annual Report 2019/2020

Welfare Supplementary Payments

Discretionary Support

Standards of Advice and Assistance

Sanctions

January 2021



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**Department for Communities
Assembly Report 2019/20**

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.

January 2021



Contents

1. Introduction.....	6
2. Benefit Cap	8
3. Changes to Employment and Support Allowance	10
4. Personal Independence Payment.....	11
5. Social Sector Size Criteria.....	15
6. Universal Credit	17
7. Cost of Work Allowance.....	20
8. Discretionary Support	21
9. Standards of Advice and Assistance.....	23
10. Sanctions	27
11. Forward Look.....	31
Appendix 1	33
Appendix 2.....	34
Appendix 3.....	35
Appendix 4.....	36
Appendix 4A	37
Appendix 5.....	38

1. Introduction

1.1 As part of “A Fresh Start, the Stormont Agreement and Implementation Plan” the NI Executive established the Welfare Reform Mitigations Working Group under the leadership of 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. A breakdown of this funding is set out at **Appendix 1**.

Independent Advice Services

1.3 In recognition of the complexity of welfare changes, the Executive also committed a further £8 million of funding for the provision of additional independent advice services until 31 March 2020. These additional services were to help and support people through the transitional period of change to the welfare system.

Welfare Supplementary Payments

1.4 A range of Welfare Supplementary Payment Schemes have been 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
 - Carer Payments
- Social Sector Size Criteria
- Universal Credit

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

1.6 Mitigation payments made to people in receipt of Universal Credit are known as administrative payments and details are included at Chapter 6 of this report.

Reporting requirements

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

¹ www.executiveoffice-ni.gov.uk/sites/default/files/publications/ofmdfm/welfare-reform-mitigations-working-group-report.pdf

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.

1.8 This is the fourth 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

1.9 The tables at **Appendix 3** detail the programme costs for each Welfare Supplementary Payment Scheme, Universal Credit Administrative Payments and the Universal Credit Contingency Fund in the 2019/20 financial year. The table at **Appendix 4** details the programme costs for each of the

schemes across the 4-year period, 2016 to 2020 and shows the individual number of people who have benefitted from the schemes, the budget allocated and cost of the schemes. The table at **Appendix 4A** details the programme costs for the Universal Credit Contingency Fund from the date the scheme was implemented in November 2017 to 2020.

1.10 The figures in this report, unless stated otherwise, are taken from the Department for Communities Annual Report and Accounts for 2019/20 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 During the period of this report, affected people will have been in receipt of Housing Benefit. As the Benefit Cap is administered through a reduction in Housing Benefit affected people are informed of any reduction in their Housing Benefit 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

www.communities-ni.gov.uk/articles/benefit-cap-statistics

Benefit Cap Limits

2.3 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)
- £257.69 per week (or £13,400 per year) for a single person (who has no children living with them)

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 5**. The calculation does not include individuals living in the household for whom the person is not responsible.

Welfare Supplementary Payments

2.5 The Northern Ireland Executive allocated a total of £25 million to mitigate the impact of the Benefit Cap on families until 31 March 2020.

2.6 Welfare Supplementary Payments are available for households with children that are affected by the Benefit Cap. Payments are equivalent to the amount of Housing Benefit reduction on the date when the Benefit Cap was first applied. Payments are made, where possible, to the person who receives the Housing Benefit - this could be the person, their landlord, or a letting agent acting on the landlord's behalf.

2.7 To be eligible for a Welfare Supplementary Payment a household has to have been in receipt of a relevant benefit since the date the lower Benefit Cap limit was applied, 7 November 2016. If a Welfare Supplementary payment stops, for whatever reason, it does not recommence.

2.8 Any people affected by the Benefit Cap who are not eligible for a Welfare Supplementary Payment to cover their full loss may apply for a Discretionary Housing Payment to cover the portion of the reduction in their Housing Benefit that has not been covered by their Welfare Supplementary Payment.

2.9 The number of people who received a Welfare Supplementary Payment in 2019/20 decreased by 25% from 2018/19. This decrease will be the result of a change in personal circumstances meaning that a household is no longer being affected by the Benefit Cap. Reasons for this change could include households becoming exempt from the Benefit Cap if:

- There was a successful claim for a disability-related exempting benefit such as Carer’s Allowance, Disability Living Allowance or Personal Independence Payment
- A child or partner leaving or joining a household caused benefits to be re-calculated

- Other change of circumstances that leads to the benefit income of the household reducing below the cap threshold

2.10 If a person has been receiving a Welfare Supplementary Payment and they cease to be affected by the Benefit Cap the mitigation payment will stop. There will be no further entitlement if the person is subsequently affected by the Benefit Cap at a later date. Some people will have received a Welfare Supplementary Payment for the first time in 2019/20. However, it is only people who have been continuously in receipt of a relevant benefit from 7 November 2016 who will be eligible to receive a Welfare Supplementary Payment.

2.11 Table 1 below shows the total expenditure during the 2019/20 financial year on Welfare Supplementary Payments for people who were affected by the Benefit Cap³. This equates to an average payment of £960 per person.

Table 1: Expenditure in 2019/20 – Benefit Cap

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Benefit Cap	1,380	£1,327,370

³ Table 1 accounts for those who were affected by Benefit Cap after moving to Universal Credit as they could have received a payment prior to claiming Universal Credit. Figures of those solely in receipt of Universal Credit Administrative Payments in 2019/20 are contained in Table 9.

3. Changes to Employment and Support Allowance

3.1 Time limiting of contribution-based Employment and Support Allowance was introduced in NI 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.

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 Work-Related Activity 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 NI Executive allocated a total of £24 million to mitigate the impact of the time

limiting of contribution-based Employment and Support Allowance until 31 March 2020.

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 every four weeks for up to one year.

3.6 The number of people who received a Welfare Supplementary Payment in 2019/20 decreased by 69% from 2018/19. This is due to the time-limited nature of payments under this scheme. Also, there are few new awards of this mitigation payment as to be entitled a person must have been in receipt of Employment and Support Allowance prior to November 2016 and then be moved from the Support Group to the Work-Related Activity Group.

3.7 Table 2 below shows the total expenditure during the 2019/20 financial year on Welfare Supplementary Payments for people who were affected by this change⁴. This equates to an average payment of £1,530 per person.

Table 2: Expenditure in 2019/20 – Employment and Support Allowance

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Employment and Support Allowance	190	£291,290

⁴ Table 2 accounts for those who were affected by Employment and Support Allowance time limiting after moving to Universal Credit as they could have received a payment prior to claiming Universal Credit. Figures of those solely in receipt of Universal Credit Administrative Payments in 2019/20 are contained in Table 9.

4. Personal Independence Payment

4.1 Personal Independence Payment was introduced in NI on 20 June 2016. It replaced Disability Living Allowance for people of working age (16-64 years old). All previous working age people claiming Disability Living Allowance were assessed for Personal Independence Payment by Autumn 2019. Existing Disability Living Allowance child claims are invited to claim Personal Independence Payment on their 16th birthday and they also qualify for Welfare Supplementary Payments in line with Disability Living Allowance adult cases.

Welfare Supplementary Payments

4.2 The NI Executive allocated a total of £94 million to mitigate this change until 31 March 2020 for those people who are worse off following transition from Disability Living Allowance to Personal Independence Payment.

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 People 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 schemes ends.

4.5 Table 3 below shows the total expenditure during the 2019/20 financial year on Welfare Supplementary Payments under Element 1 of the Loss of Disability Living Allowance scheme. This equates to an average payment of £1,370 per person.

4.6 The number of people who received a Welfare Supplementary Payment in 2019/20 decreased by 22% from 2018/19. The decrease will be due to individual appeals being finalised and entitlement coming to an end. Also, with 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.

Table 3: Expenditure in 2019/20 – Loss of DLA, Element 1

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Loss of DLA – Element 1	6,120	£8,375,490

Element 2 – Lower Award

4.7 People who are assessed for Personal Independence Payment and do 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 2019/20 decreased by 34% from 2018/19. The decrease will likely be 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 below shows the total expenditure during the 2019/20 financial year on Welfare Supplementary Payments under Element 2 of the Loss of Disability Living Allowance scheme. This equates to an average payment of £610 per person.

Table 4: Expenditure in 2019/20 – Loss of DLA, Element 2

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Loss of DLA – Element 2	12,420	£7,604,030

Element 3 – Conflict related Injury

4.10 People 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 NI 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 Table 5 below shows the total expenditure during the 2019/20 financial year on Welfare Supplementary Payments under Element 3 of the Loss of Disability Living Allowance scheme. This equates to an average payment of £1,680 per person.

Table 5: Expenditure in 2019/20 – Loss of DLA, Element 3

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Loss of DLA – Element 3	10	£16,830

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 depends 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 receive. This may have occurred where a person receives 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 The NI Executive allocated a total of £27 million to mitigate this change until 31 March 2020. Welfare Supplementary Payments are available to 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 The number of people who received a Welfare Supplementary Payment in 2019/20 decreased by 22% from 2018/19. The decrease will likely be due to the time-limited nature of payments under this scheme. Also, with re-assessment of all adult Disability Living Allowance claims now complete there should be no new awards of this Welfare Supplementary Payment.

4.17 Table 6 below shows the total expenditure during the 2019/20 financial year on Welfare Supplementary Payments for loss of disability-related payments. This equates to an average payment of £1,200 per person.

Table 6: Expenditure in 2019/20 – PIP, Loss of Disability-Related Payments

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
PIP – Loss of Disability-Related Payments	1,920	£2,309,390

Loss of Carer Payments

4.18 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

4.19 The NI Executive allocated a total of £18 million to mitigate this change until 31 March 2020.

4.20 Welfare Supplementary Payments are made 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)
- State Pension Credit

4.21 The number of people who received a Welfare Supplementary Payment in 2019/20 decreased by 36% from 2018/19. The decrease is likely 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.

4.22 Table 7 below shows the total expenditure during the 2019/20 financial year on Welfare Supplementary Payments for loss of carer payments⁵. This equates to an average payment of £1,190 per person.

Table 7: Expenditure in 2019/20 – PIP, Loss of Carer Payments

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
PIP – Loss of Carer Payments	1,730	£2,061,390

⁵ Table 7 accounts for those who were affected by loss of carer payments after moving to Universal Credit as they could have received a payment prior to claiming Universal Credit. Figures of those solely in receipt of Universal Credit Administrative Payments in 2019/20 are contained in Table 9.

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) 2006⁶ introduced 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 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

5.3 People 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
- 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
- 25% of the total eligible rent for under-occupation by two or more bedrooms

Welfare Supplementary Payments

5.5 The Northern Ireland Executive allocated a total of £91 million to mitigate the impact of Social Sector Size Criteria until 31 March 2020.

5.6 A Welfare Supplementary Payment is available to anyone affected by the Social Sector Size Criteria. Payments are equal to the amount of the deduction.

5.7 The number of people who received a Welfare Supplementary Payment in 2019/20 decreased by 2% from 2018/19.

⁶ The Housing Benefit Regulations (Northern Ireland) 2006 were amended by Article 137(A) of the Welfare Reform (Northern Ireland) Order 2015.

5.8 Table 8 below shows the total expenditure during the 2019/20 financial year on Welfare Supplementary Payments for

people affected by the Social Sector Size Criteria⁷. This equates to an average payment of £520 per person.

Table 8: Expenditure in 2019/20 – Social Sector Size Criteria

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments	Total Amount Paid
Social Sector Size Criteria	37,340	£19,413,500

5.9 Regulation 2(2) of the Housing Benefit (Welfare Supplementary Payment) Regulations (Northern Ireland) 2017 operates to end a person’s entitlement to a Welfare Supplementary Payment if they move property and continue to under-occupy by at least the same number of bedrooms. This regulation does not apply where a property is allocated to a person under one of the management transfer scheme categories, commonly referred to as “Management Transfer Status”.

result of the application of regulation 2(2) of the Housing Benefit (Welfare Supplementary Payment) Regulations (Northern Ireland) 2017.

5.10 During the period 1 April 2019 to 31 March 2020 a total of 83 Welfare Supplementary Payments came to an end as a

5.11 On 17 February 2020 the Minister for Communities, Deirdre Hargey MLA, announced that she intended to change this policy so that Welfare Supplementary Payments will continue to be paid when a person moves house regardless of the level of under-occupation. This change in policy will require an amendment to the Housing Benefit (Welfare Supplementary Payment) Regulations (Northern Ireland) 2017, which must be approved by the Assembly.

⁷ Table 8 accounts for those who were affected by the social Sector Size Criteria after moving to Universal Credit as they could have received a payment prior to claiming Universal Credit. Figures of those solely in receipt of Universal Credit Administrative Payments in 2019/20 are contained in Table 9.

6. Universal Credit

6.1 Universal Credit was introduced in NI for new claims with effect from 27 September 2017. It was rolled out on a phased geographical basis to all front-office locations across NI 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, will now normally 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 People on existing benefits who do not have a relevant change of circumstances will 'Move to UC'. It had originally been planned that this would take place between 2021 and 2024. Global events, related to the Covid-19 emergency and the need to divert resources to delivering essential benefit delivery services mean that planning for the Move to UC phase has been temporarily suspended. The impact on the timing of this phase is unclear at present.

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.

Administrative Payments

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 (currently known as administrative payments) after they migrate to Universal Credit.

6.6 With the return of the Assembly, the Department aims to bring forward legislation to provide for Welfare Supplementary Payments for people receiving Universal Credit. However, prior to this, during the 2019/20 financial year, to ensure that mitigation payments were made to people eligible for Universal Credit, the Department issued administrative payments during this reporting period under the authority of the Northern Ireland Budget Act 2019 and the Budget Act (Northern Ireland) 2020.

6.7 Mitigation 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. Such people will currently receive administrative payments.

6.8 In each case, people will be advised as to how long they will continue to receive administrative payments.

6.9 During 2019/20 a total of 5,740 Universal Credit recipients received administrative payments. This includes people who were previously in receipt of Welfare Supplementary Payments in respect of Social Sector Size Criteria before they moved to Universal Credit and also includes Employment and Support Allowance, Benefit Cap and Carers.

6.10 Table 9 below shows the total expenditure during the 2019/20 financial year on administrative payments for people receiving Universal Credit. This equates to an average payment of £530 per person.

Table 9: Expenditure in 2019/20 – People in receipt of Universal Credit

Mitigation Scheme	Number of people who received Administrative Payments	Total Amount Paid
Benefit Cap	220	£245,050
Carers	10	£5,320
ESA Time-Limiting	10	£18,170
SSSC	5,500	£2,782,860
Total	5,740	£3,051,400

6.11 Regulation 2(2) of the Housing Benefit (Welfare Supplementary Payment) Regulations (Northern Ireland) 2017 operates to end a person’s entitlement to a Welfare Supplementary Payment if they move property and continue to under-occupy by at least the same number of bedrooms. This regulation does not apply where a property is allocated to a person under one of the management transfer scheme categories, commonly referred to as “Management Transfer Status”. This policy also applies to administrative payments made to people eligible for Universal Credit.

6.12 During the period 1 April 2019 to 31 March 2020 7 administrative payments came to an end as a result of the application of this policy.

Universal Credit Contingency Fund

6.13 The Welfare Reform Mitigations Working Group recommended 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.

6.14 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.

6.15 In order to receive a Universal Credit Contingency Fund payment, a person must be able to demonstrate that they are experiencing financial difficulties. From 1st January 2020 a person is no longer required to have made a claim for a Universal Credit Advance Payment prior to making their application. A Discretionary Support grant should not have been awarded to the person claiming Universal Credit within the previous 12 months.

6.16 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 up to the first or second (only if the person is paid Universal Credit twice monthly) Universal Credit payday.

6.17 Table 10 below shows the total expenditure during the 2019/20 financial year from the Universal Credit Contingency Fund. This equates to an average payment of £170 per person.

Table 10: Expenditure in 2019/20 – Universal Credit Contingency Fund

Universal Credit Contingency Fund	Number of people who received payments	Total Amount Paid
	4,800	£812,950

7. Cost of Work Allowance

7.1 The Welfare Reform Mitigations Working Group recommended the introduction of a Cost of Work Allowance. Unlike other measures developed as specific mitigation for those directly affected financially by welfare reform, the Cost of Work Allowance was intended to provide additional income to assist people in working poverty. Payments would be available to people claiming either Working Tax Credit or Universal Credit and who satisfied the eligibility criteria. A total of £105 million was allocated for this scheme over a three-year period i.e. £35 million per year from 2017/18 through to 31 March 2020.

7.2 The Department developed the outline of a Cost of Work Allowance scheme, and the necessary primary legislation to provide for payments was made in 2016. The more detailed policy was subject to ministerial approval and required appropriate secondary legislation. In the absence of the NI Assembly it was not possible to implement the scheme. The £105 million allocated for the scheme was returned to the Department of Finance for allocation to other public services in NI.

8. Discretionary Support

8.1 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 NI 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.

8.2 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.

8.3 In direct response to the COVID-19 pandemic the Department introduced a number of emergency measures to provide

additional financial assistance to those people who find themselves in a crisis situation as a result of COVID-19. This included the introduction of a new grant specifically for those impacted by COVID-19.

8.4 On 24 March 2020 the NI Assembly approved The Discretionary Support (Amendment) (COVID-19) Regulations (Northern Ireland) 2020. These regulations amend the Discretionary Support Regulations (Northern Ireland) 2016 to include provision for a new Discretionary Support Self-Isolation grant specifically to help people during this crisis. The new payments are non-repayable grants and are available to people where they or a member of their immediate family find themselves with no means of meeting short-term living expenses as a result of being diagnosed with COVID-19, or being advised to self-isolate in accordance with guidance published by the Regional Agency for Public Health and Social Well-being. The regulations came into operation on 25 March 2020.

Statistics

8.5 The figures below represent Discretionary Support performance and expenditure during the 2019/20 financial year.

Table 11: Performance and Expenditure in 2019/20 – Discretionary Support

Discretionary Support	
Total number of claims processed	72,183
Total number of awards made	51,820
Total number of disallowances	20,363
Total amount awarded	£12,864,000
Average award	£248
Claims cleared within 1–2 days	95.67%
Total loan recovery	£3.4 million
Total review requests	2,826
Total number of awards changed following review	768

8.6 The total amount awarded in 2019/20 breaks down as follows:

- Discretionary Support Loans £3.6 million
- Discretionary Support Grants £9.2 million (of this £9.2 million £812,950 relates to Universal Credit Contingency Fund payments)

8.7 The figures below represent the Discretionary Support Self-Isolation Grant performance and expenditure during the 2019/20 financial year. These figures are not included in Table 11.

Table 11A: Performance and Expenditure in 2019/20* - Discretionary Support Self-Isolation Grant

Number of awards made	171
Total amount awarded	£26,740

* covers the period 25.03.20 to 31.03.20

9. Standards of Advice and Assistance

9.1 The Welfare Reform Mitigations Working Group Report recommended 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 £2.7m was provided (to cover the same four year period) to target food poverty and to equip citizens with financial capability skills.

9.2 The Welfare Reform Support Project which provides 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 went live from 1 November 2016.

9.3 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.

9.4 Contracts to continue delivery of the additional independent advice service are in place until 31 March 2021. At 30 March 2020, 28,865 callers have been supported through Welfare Reform by the free Independent Welfare Changes Helpline and additional Welfare Reform advisers in frontline advice organisations have supported an additional 126,318 citizens. This figure was provided by the Advice Sector.

9.5 In addition to the above direct provision of specialist advice, appeals representation and money management, a number of other Advice Sector Support Initiatives were introduced and delivered to enable the independent advice network to support citizens through the implementation of Welfare Reform.

Table 12: Advice Sector Support Initiatives – Standards of Advice and Assistance

Initiative	Outcomes
Marketing	To ensure that services provided by the Welfare Reform Support project are promoted across NI.
Interpreter Costs	To ensure access to an interpretation service so that clients receive the same level of service for non-English speaking and hearing impaired / deaf citizens
Universal Credit Awareness sessions	Delivered to 1,077 participants Online training course developed
Welfare Reform/Financial capability training	<p>Delivered to 125 workers/volunteers from 35 organisations</p> <ul style="list-style-type: none"> • To empower staff and volunteers, in key frontline organisations working with homeless people, to deliver appropriate advice and support their clients on the housing issues arising from Universal Credit such as the anticipated end of welfare mitigations in March 2020. • To ensure that frontline practitioners have the knowledge and skills to help their clients access all relevant forms of financial assistance, including but not limited to Discretionary Housing Payments to sustain their tenancy and prevent homelessness. • To develop the financial capacity of these key frontline staff and volunteers, to enable them to provide essential support to homeless clients moving into or sustaining their permanent accommodation. This would seek to minimise any adverse impact of Universal Credit for their clients and help homeless people to access financial and practical assistance which could help them sustain their new homes.
<p>Targeted projects to support vulnerable people through Welfare Reform including financial capability and money management</p> <p>Participants included survivors of human trafficking, young people leaving care, the homeless, survivors of domestic abuse, users of food banks, mental health sufferers and ethnic minority communities</p>	<p>117 advice sessions delivered</p> <p>Staff and volunteers, in key frontline organisations working with homeless people, are empowered to deliver appropriate advice and support their clients on the housing issues arising from Universal Credit such as the anticipated end of welfare mitigations in March 2020</p> <p>Frontline practitioners have the knowledge and skills to help clients access all relevant forms of financial assistance, including but not limited to Discretionary Housing Payments to sustain their tenancy and prevent homelessness.</p> <p>Key frontline staff and volunteers, have the knowledge to enable them to provide essential support to homeless clients or those at risk of homelessness to move into or sustain their accommodation seeking to minimise any adverse impact of Universal Credit for clients and help homeless and potential homeless people to access financial and practical assistance available which will help them sustain their accommodation.</p>

Standards of Advice

9.6 The Department in collaboration with its co-funders the 11 NI Councils as well as the regional advice support organisation, Advice NI, are continuing to work to ensure that all front line advice providers will eventually achieve accreditation of the NI Advice Quality Standard (NIAQS). Councils and the Department are in agreement that this accreditation will ultimately become a condition of funding for any front line provider bidding for funding from councils for generalist advice provision.

Attainment of NIAQS will provide assurances that providers are operating at a level which meets industry quality standards in relation to the advice provided and following the Quality of Advice assurance procedure set out. For those providers who have already attained the standard, this will be verified by the completion of an independent audit.

Furthermore, regional 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

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.

Review of Independent Advice Service

9.7 The Department commissioned the Strategic Investment Board to conduct a high level independent review of the additional advice element of the Welfare Reform Support Project to inform decisions for overall advice services beyond March 2020.

The high level review covered three distinct stages:

- Delivery of the additional welfare reform independent advice funding (2016-2019) with a clear focus on value for money
- Relationship between the additional welfare reform specific advice and existing generalist advice
- Recommendations for future independent advice provision from April 2020 to March 2023

This review has now been completed and Minister Hargey considered the options available. As a result, the decision was made to continue from April 2020, the existing welfare reform face-to-face advice provision with the same investment as 2019/20, which was £1.8 million.

Tackling Food Poverty

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

Social Supermarket Pilot Programme

9.9 A Social Supermarket pilot programme commenced on 1 October 2017 at five sites across NI. Access to this support requires payment of a small membership fee and uptake of a wraparound of bespoke support such as advice, money management, training etc. based on a client's needs.

9.10 An evaluation of activity up to 31 March 2020 shows positive impacts with 1,119 individuals accessing the service and suggests that the model of combining access to affordable food with wraparound support is helping to positively change the life circumstances of members and their families. At a minimum, it has given members the confidence to embark on a path to transition out of food poverty and improve their circumstances, as reflected by the 'distance travelled' by members in terms of resilience and self-efficacy. Many others have progressed further to actually improve their circumstances (e.g. secure employment, improve family finances / reduce debt). To date the pilot has resulted in excess of 148 tonnes of surplus food being redistributed.

10. Sanctions

10.1 A sanction is a penalty imposed by a decision-maker where a person fails, without good reason, to fulfil all of their responsibilities in order to continue to receive their benefit.

10.2 Given the potential to cause hardship, the Department for Communities 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.

10.3 The Welfare Reform (Northern Ireland) Order 2015 ("the 2015 Order") provided for the introduction of new benefit sanction legislation in NI with effect from 27 September 2017. The link below details the new sanction regime for each benefit⁸.

10.4 In advance of implementing the sanction elements of the 2015 Order, 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.

10.5 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 NI, 27 September 2017.

10.6 From 27th 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.

10.7 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 afterwards.

10.8 Article 125 of the 2015 Order 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.

⁸ www.communities-ni.gov.uk/articles/benefit-sanctions

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
- (d) the benefits or allowances which are reduced or lost

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

The Department currently does not publish data on Jobseeker’s Allowance, Employment and Support Allowance and Income Support sanctions however for 2020/21 going forward the reporting of benefit sanctions will be reviewed.

10.10 References below to “ongoing sanctions” refer to a sanction that has been imposed throughout 2019/20 for an open ended duration and the person has yet to fulfil their conditionality responsibilities to have the sanction closed.

10.11 All sanctions figures in this report are rounded to the nearest ten and therefore may not sum due to rounding.

Jobseeker’s Allowance

10.12 During the 2019/20 financial year, a total of 654 sanctions were imposed on 633 people claiming Jobseeker’s Allowance.

Period of Jobseeker’s Allowance Sanctions for 2019/20

10.13 The table below details the period of sanctions imposed under Jobseeker’s Allowance during 2019/20.

1–5 weeks	6–10 weeks	11–15 weeks	Ongoing
417	20	217	0

Reason for Jobseeker’s Allowance sanctions during 2019/20

10.14 The reason for Jobseeker’s Allowance sanctions being imposed during 2019/20 is detailed in table below.

Reasons for applying Sanctions	Number of sanctions imposed
Failure to attend / failure to sign	151
Failure to participate in Steps 2 Success	421
Refusal to apply for a job	4
1 Strike / 2 Strike fraud penalty	6
Failure to comply with direction	1
Lost job through misconduct	19
Left job voluntarily	52

Income Support

10.15 During the 2019/20 financial year, a total of 140 sanctions were imposed on 133 people claiming Income Support.

Period of Income Support sanctions 2019/20

10.16 The table below details the period of sanctions imposed under Income Support during 2019/2020.

1-5 weeks	6-10 weeks	11-15 weeks	16-20 weeks	21-25 weeks	Over 25 weeks	Ongoing
42	6	12	6	7	6	61

Reason for Income Support sanctions during 2019/20

10.17 137 Income Support sanctions were applied due to failure to attend Work-focused Interviews, and 3 were applied for 1 strike / 2 strike fraud penalty.

Employment and Support Allowance

10.18 During the 2019/20 financial year, a total of 80 sanctions were imposed on 80 people claiming Employment and Support Allowance.

Period of Employment and Support Allowance sanctions 2019/20

10.19 The table below details the period of sanctions imposed in Employment and Support Allowance during 20/19/20.

1-5 weeks	6-10 weeks	11-15 weeks	Ongoing
50	<10	<10	20

Reason for Employment and Support Allowance sanctions 2019/20

10.20 40 Employment and Support Allowance sanctions were applied due to failure to attend

Work-focused Interviews, 20 were applied for failure to participate in Steps 2 Success and 20 were applied due to 1 strike 2 strike fraud penalty.

Universal Credit

10.21 During the 2019/20 financial year, a total of 3,600 sanctions were imposed on 2,700 recipients of Universal Credit.

Period of Universal Credit sanctions 2019/20

10.22 The table below details the period of sanctions imposed in Universal Credit during 2019/2020.

1-5 weeks	6-10 weeks	11-15 weeks	16-20 weeks	21-25 weeks	Over 25 weeks	Ongoing
1,390	650	360	180	100	180	740

Reason for Universal Credit sanctions during 2019/20

10.23 The reason for Universal Credit sanctions being imposed during 2019/20 is detailed in the table below

Reasons for applying sanctions	Number of sanctions imposed
Failure to comply with work focused interview requirements	2,930
Failure to comply with availability for work	470
Failure to comply with employment programmes	100
Failure to comply with previous employment	30
Other	60

11. Forward Look

11.1 In accordance with the Fresh Start Agreement the funding and the statutory authority for Welfare Supplementary Payments ended on 31 March 2020. However, in The New Decade, New Approach Deal⁹ document that was published in January 2020 to accompany the return of the Assembly there was an Executive commitment to extend the existing welfare mitigation measures beyond March 2020 when they were due to end.

11.2 The extension of the mitigation schemes requires new primary and secondary legislation to be approved by the Assembly. The necessary legislation has been drafted and includes a new Bill to allow for extension of the mitigation for the “bedroom tax” policy, and a set of subordinate regulations to extend the other mitigation schemes. It was not possible to bring forward the necessary legislation before 31 March 2020.

11.3 To ensure that people are not disadvantaged pending the passage of the legislation to extend the existing mitigation schemes and as agreed with the Department

of Finance, the Department introduced contingency arrangements whereby mitigation payments are made to eligible people under the provision of the NI Budget Act 2020 and the NI Budget (No. 2) Act 2020. These payments commenced on 1 April 2020 and will continue until 31 March 2021. This arrangement will be reviewed if necessary.

11.4 The Executive allocated £40.3 million for welfare mitigation schemes in 2020/21. An additional £1.8 million has been allocated for independent advice services in 2020/21.

11.5 In accordance with the New Decade, New Approach a review into the welfare mitigation measures is planned. The Minister for Communities has met with key stakeholders including Les Allamby, Chief Commissioner at the NI Human Rights Commission, Professor Eileen Evason, who led the Working Group that recommended the existing welfare mitigation package and representatives of the Cliff Edge Coalition NI. The review has been delayed due to the Department dealing with issues arising from the COVID-19 pandemic.

⁹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/856998/2020-01-08_a_new_decade_a_new_approach.pdf

Appendices

Mitigation Scheme Funding

ITEM – Welfare Reform	16/17	17/18	18/19	19/20	Total
CARERS – full compensation for one year plus exemption from benefit cap	2	7	7	2	18
Adult ill health Employment and Support Allowance – supplementary payments for one year	17	7	0	0	24
Disability – Disability Living Allowance	0	0	0	0	0
i) payment up to appeal	1	15	14	14	44
ii) 75% if loss £10+ (for one year)	1	10	14	12	36
iii) conflict-related lower rate of Personal Independence Payment (for one year)	0	4	4	6	14
Additions to benefit – Adult Disability Premium (IR benefits) supplementary payments for one year	1	6	12	8	27
BENEFIT CAP – exemption for families	1	8	8	8	25
DISCRETIONARY SUPPORT SCHEME – 50%	8	8	8	8	31
SOCIAL SECTOR SIZE CRITERIA ('BEDROOM TAX') – full	15	24	26	26	91
SUBTOTAL (£m) Welfare Reform	46	89	93	84	310
ITEM – Tax Credits Mitigation: Universal Credit	16/17	17/18	18/19	19/20	Total
Universal Credit Payment flexibilities	5	9	5	5	25
Administration of support for Universal Credit	0	2	2	2	7
Support for Universal Credit	0	35	35	35	105
DISCRETIONARY SUPPORT SCHEME – 50%	8	8	8	8	31
Financial Capability	0.7	0.7	0.7	0.7	2.7
SUBTOTAL (£m)	14	55	51	51	171
ITEM – Administration	16/17	17/18	18/19	19/20	Total
Administration of mitigation scheme	5	5	5	5	20
SUBTOTAL (£m)	5	5	5	5	20
	16/17	17/18	18/19	19/20	Total
TOTAL (£m)	64	149	149	140	501

Totals may not sum due to rounding.

Note: the additional £8m funding for independent advice services sits outside the above funding.

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 persons 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	
(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*	
(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.	Social Sector Size Criteria – payments made

*This was inserted by Article 19 of The Welfare Reform and Work (Northern Ireland) Order 2016.

Programme costs for each Welfare Supplementary Payment Scheme in the 2019/20 financial year¹⁰.

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments 2019/20	Total Amount Paid 2019/20
Benefit Cap	1,380	£1,572,420
Contributory Employment and Support Allowance	190	£309,460
Personal Independence Payment	18,550	£15,996,360
Loss of Disability-Related Payments	1,920	£2,309,390
Loss of Carer Payments	1,730	£2,066,710
Social Sector Size Criteria	37,340	£22,196,360
TOTAL	61,110	£44,450,700¹¹

Universal Credit Contingency Fund costs in the 2019/20 financial year

Universal Credit Contingency Fund	Number of people who received payments	Total Amount Paid
	4,800	£812,950

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

¹¹ Includes £3,051,400 paid to 5,740 Universal Credit recipients – for further details see Chapter 6.

Mitigation funding and programme costs for Welfare Supplementary Payment Schemes 2016 to 2020¹².

Welfare Supplementary Payment Scheme	Number of people who received Welfare Supplementary Payments 2016-2020	Funding allocated 2016-2020	Amount paid 2016-2020	Underspend 2016-2020
Benefit Cap	3,380	£25,000,000	£9,436,150	£15,563,850
Contributory Employment and Support Allowance	3,210	£24,000,000	£10,326,260	£13,673,740
Personal Independence Payment	35,220	£94,000,000	£63,587,820	£30,412,180
Loss of Disability-Related Payments	3,980	£27,000,000	£9,136,080	£17,863,920
Loss of Carer Payments	3,790	£18,000,000	£7,905,390	£10,094,610
Social Sector Size Criteria	47,440	£91,000,000	£68,015,670	£22,984,330
TOTAL	84,730¹³	£279,000,000	£168,407,370	£110,592,630¹⁴

¹² Figures are rounded to the nearest ten to protect individual records. The numbers included in the last 3 reports will not total these figures as some individuals received WSPs under more than one scheme or in more than one financial year. This represents the number of individual people who benefitted from the various schemes over the four-year period.

¹³ This includes 6,110 people in receipt of UC - for further details see Chapter 6.

¹⁴ This includes £4,067,970, paid to Universal Credit recipients – for further details see Chapter 6.

Universal Credit Contingency Fund programme costs 2017 to 2020

Universal Credit Contingency Fund	Number of people who received payments	Total amount paid 2017-2020*
	9,120	£1,400,470

*The Universal Credit Contingency Fund was implemented in November 2017

Benefits included in the Benefit Cap calculation

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

- Bereavement Allowance(BAllce) / Widowed Parent's Allowance (WPA)
- Child Benefit (ChB)
- Child Tax Credit (CTC)
- Employment and Support Allowance (ESA) (contribution-based and income-related) except where the Support Component has been awarded
- Housing Benefit (HB)
- Incapacity Benefit (IB)
- Income Support (IS)
- Jobseeker's Allowance (JSA) (contribution-based and income-based)
- Maternity Allowance (MA)
- Severe Disablement Allowance (SDA)
- Widowed Mother's Allowance (WMA)
- Widow's Pension (WP)
- Widow's Pension (age-related)

Households not affected by the Benefit Cap

The Benefit Cap does not apply to households living in Supported Exempt Accommodation.

It does not apply if the person or their partner qualify for Working Tax Credit or if the person, partner or any children they are responsible for, and who live with them, receive one of the following benefits:

- Attendance Allowance
- Carer's Allowance
- Disability Living Allowance
- Personal Independence Payment
- Employment and Support Allowance (where the Support component has been awarded)
- Guardian's Allowance
- Industrial Injuries Benefit
- Armed Forces Compensation Scheme (Guaranteed Income Payments)
- Armed Forces Independence Payment
- War Pensions (this includes the War Widow's/Widower's pension and War Disablement Pension)

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

This list is not exhaustive.

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