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Welfare Supplementary Payments, Sanctions, The Operation of Discretionary Support, and Standards of Advice and Assistance Provided.

December 2017

**Department for Communities
Assembly Report 2016/17**

Welfare Supplementary Payments,
Sanctions, The Operation of Discretionary Support,
and Standards of Advice and Assistance Provided.

*Laid before the Northern Ireland Assembly in accordance
with Articles 125 (1) (b) and (c), 135(6), 137(4), 137A (8)
of The Welfare Reform (Northern Ireland) Order 2015;
and Regulation 2 (2) of The Housing Benefit (Welfare
Supplementary Payment) Regulations (Northern Ireland) 2017*

December 2017



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Contents

1. Introduction	6
2. Benefit Cap	8
3. Changes to Employment and Support Allowance	9
4. Personal Independence Payment	10
5. Social Sector Size Criteria	12
6. Sanctions	13
7. Discretionary Support Scheme	15
8. Standards of Advice and Assistance	17
9. Forward Look	18
Appendix 1	20
Appendix 2	21

1. Introduction

1.1 As part of “A Fresh Start, the Stormont Agreement and Implementation Plan” the Northern Ireland Executive established the Welfare Reform Mitigations Working Group, under the leadership of Professor Eileen Evason, to bring forward recommendations on how the impact of The Welfare Reform (Northern Ireland) Order 2015 and The Welfare Reform and Work Bill (Great Britain) 2015 (which subsequently became The Welfare Reform and Work Act 2016), could be mitigated within a defined financial envelope.

1.2 The Executive accepted the Welfare Reform Mitigations Working Group’s recommendations¹ and allocated a total of **£501 million until 31 March 2020** to ‘top-up’ welfare arrangements in Northern Ireland. A breakdown of this funding is set out at **Appendix 1**. The Executive also committed an additional £8m funding for the provision of independent advice services in recognition of the complexity of welfare changes.

1.3 Welfare changes have impacted the current benefit systems, many of them have been replaced by new benefits and payment systems.

1.4 A range of Welfare Supplementary Payments have been developed to support people who may see their benefits reduced or ceased under the following changes:

- Benefit Cap;
- Employment and Support Allowance Time Limiting;
- Personal Independence Payment;
- Loss of disability premiums / elements;

- Loss of carer payments;
- Introduction of Social Sector Size Criteria; and
- Universal Credit.

1.5 Customers may be eligible for more than one Welfare Supplementary Payment depending on their circumstances. Customers do not need to apply for the payments. If they have lost benefit as a result of the welfare changes, the Department for Communities identifies those affected.

1.6 The legislation set out in **Appendix 2** places a requirement on the Department for Communities, in respect of each financial year, to lay before the Assembly a report on the payments made in that year. It also requires a report on the standards of advice and assistance provided, the operation of Discretionary Support and information on sanctions. A commitment was also given by the Department for Communities Minister to report biannually on the number of households who have their Welfare Supplementary Payments stopped as a result of the change of address policy outlined in Regulation 2 (2) of The Housing Benefit (Welfare Supplementary Payment) Regulations (Northern Ireland) 2017. The Department for Communities has decided to incorporate these requirements into one annual report.

1.7 This is the first annual report on the operation of the Welfare Support Payments in Northern Ireland, and it is laid before the Northern Ireland Assembly in accordance with articles 125 (1) (b) and (c), 135(6), 137(4), 137A (8) of The Welfare Reform (Northern Ireland)

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

Order 2015 and Regulation 2(2) of The Housing Benefit (Welfare Supplementary Payment) Regulations (Northern Ireland) 2017.

1.8 Universal Credit went live on 27 September 2017 and will not therefore form part of the 2016/17 annual report.

1.9 The table below provides details of expenditure on each Welfare Supplementary Payment scheme in the 2016/17 financial year².

Welfare Supplementary Payment Scheme	Number of customers who received the Welfare Supplementary Payment in 2016/17 financial year	Total Amount Paid 2016/17 financial year
Benefit Cap	2,020	£1,754,710
Employment and Support Allowance	2,320	£3,227,540
Personal Independence Payment	1,400	£896,160
Loss of disability premiums / elements	110	£102,240
Carers	150	£81,940
Social Sector Size Criteria	34,010	£2,380,850
Total	40,010	£8,443,430

1.10 The Welfare Reform Mitigations Working Group report also recommended that additional independent advice services should be put in place to help and support customers through the transitional period of change to the Welfare system. The Executive made a commitment to provide £8 million funding to March 2020 to provide the additional service.

1.11 A contract was awarded on 27 September 2016 providing initial funding of £2.5 million for 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. The service is provided by a consortium made up of Citizens Advice Northern Ireland, Advice NI and the Law Centre NI. The service provides help and assistance to customers affected by welfare changes and includes the provision of specialist advice, appeals representation and advice on money management.

1.12 The figures in this report, unless stated otherwise, are taken from the Department for Communities Annual Report and Accounts and Management Information Systems.

² Figures are rounded to the nearest ten to protect individual records. Figures are only slightly affected by these procedures and totals may not sum due to rounding

2. The Benefit Cap

2.1 The Benefit Cap puts in place an upper limit to the amount of benefit a household can receive. It applies if a customer, or their partner if they have one, is of working age. For the Benefit Cap to apply, someone in the household must be in receipt of Housing Benefit. For those affected by the Benefit Cap, it is administered through a reduction in Housing Benefit. Customers will receive a Housing Benefit award notification from the Northern Ireland Housing Executive advising that their Housing Benefit amount has been reduced due to the Benefit Cap.

Benefit Cap limits

2.2 The Benefit Cap limits are:

- £384.62 a week if the household is made up of a couple (with or without children) or a lone parent and they have children living with them that they are responsible for
- £257.69 a week if the claimant is a single person and has no children living with them.

2.3 From 31 May 2016 the level was initially set at £26k per year for couples and lone parents, however, this was reduced to £20k per year from 7 November 2016.

How Benefit Cap is calculated

2.4 Some of the benefits that are received by the customer, their partner (if they have one) and any children who live with them for whom they are responsible, are added together to determine if they are above the limit. It does not include individuals who may live in the household for whom they are not responsible.

Welfare Supplementary Payments

2.5 The Northern Ireland Executive allocated £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. The amount of the Welfare Supplementary Payment will be 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 customer, their landlord or a letting agent acting on the landlord's behalf.

2.7 If the amount of the Benefit Cap reduction increases, the Welfare Supplementary Payment will not be increased. However, anyone affected by the Benefit Cap who is not eligible for a Welfare Supplementary Payment for the full amount may apply for a Discretionary Housing Payment to make up for a reduction in their Housing Benefit.

2.8 During the 2016/2017 financial year a total of **2,020** customers received Welfare Supplementary Payments because they were impacted by the Benefit Cap. The total amount paid to these customers was **£1,754,710**. This equates to an average of **£870** per customer.

3. Changes to Employment and Support Allowance

Loss of Contributory Employment and Support Allowance (due to time limiting)

3.1 The Welfare Reform (Northern Ireland) Order 2015 has introduced a limit to the amount of time that contribution-based Employment and Support Allowance can be paid to some customers. It limits the time a customer can get Employment and Support Allowance to 365 days if they are in the work-related activity group and get Employment and Support Allowance based only on contributions they have paid, this change was introduced from 31 October 2016.

3.2 Customers placed in the Support Group for Employment and Support Allowance are exempt from the changes and time spent in the Support Group, or the assessment phase before moving to the Support Group, will not count towards the 365 day time-limit.

3.3 Customers in the work-related activity group when the changes come into effect, and who had already been getting contribution-based Employment and Support Allowance for 365 days or more, were the first impacted by the change and lost their entitlement to contributory Employment and Support Allowance from 28 November 2016.

Welfare Supplementary Payments

3.4 The Northern Ireland Executive allocated £24 million to mitigate the impact of Employment and Support Allowance time limiting until 31 March 2020.

3.5 Welfare Supplementary Payments are paid to customers who were in receipt of contributory Employment and Support Allowance on the date that time limiting was introduced and who subsequently lost benefit as a result of the change. The maximum duration of the payment is for one year.

3.6 The amount of the Welfare Supplementary Payment is equivalent to the actual loss of benefit.

3.7 In the 2016/17 financial year a total of **2,320** customers received payments, totalling **£3,227,540**. This equates to an average payment of **£1,390** per customer.

4. Personal Independence Payment

4.1 Personal Independence Payment was introduced in Northern Ireland on 20 June 2016 as a replacement for Disability Living Allowance for people of working age (16–64 years old). All existing working age Disability Living Allowance customers will be assessed for Personal Independence Payment by spring 2019.

Welfare Supplementary Payments

4.2 The Northern Ireland Executive allocated £94 million until 31 March 2020 to mitigate against this change.

4.3 Eligible claimants were paid under one of the following 3 elements:

Element 1 – Payment during Appeal

4.4 If a person does not qualify for Personal Independence Payment and lodges an appeal, they will be eligible for a Welfare Supplementary Payment, equal to their Disability Living Allowance payment, until the appeal is heard and the Department is notified of the decision; or in a case where leave is granted to appeal to the Social Security Commissioner they will be eligible for a Welfare Supplementary Payment, equal to their Disability Living Allowance payment, until the appeal is heard and the Department is notified of the decision.

4.5 In the 2016/17 financial year a total of **530** customers received payments. In total **£582,930** was paid to customers who, on assessment of the Personal Independence Payment application, were considered to have no entitlement to the benefit and lodged an appeal against the decision. This equates to an average payment of **£1,100** per customer.

Element 2 – Lower Award

4.6 If a person qualifies for Personal Independence Payment, but at a reduced rate,

and the weekly loss is greater than £10, they will be eligible for a Welfare Supplementary Payment for up to one year equal to 75 percent of the difference in benefit.

4.7 In the 2016/17 financial year a total of **870** customers received payments. **£313,230** was paid to customers who, on assessment, were awarded Personal Independence Payment at a lower rate than their Disability Living Allowance award, and the weekly loss was greater than £10. This equates to an average payment of **£360** per customer.

Element 3 – Conflict Related Injury

4.8 If a person does not qualify for Personal Independence Payment but can show that their disability or illness is as a result of a Northern Ireland conflict-related injury, they may be entitled to a Welfare Supplementary Payment equal to the standard rate of either Personal Independence Payment component, payable up to one year. A person must have received at least four points in their Personal Independence Payment assessment to be considered.

4.9 There was no take up of payments under this element in 16/17.

Loss of Disability Premiums as a result of Personal Independence Payment Assessment

4.10 Currently adults who are in receipt of an income-related benefit, or Working Tax Credit, and also in receipt of Disability Living Allowance automatically receive additions to their benefit. These additions are known as disability premiums (or elements in tax credits) and the amount payable depends on the rate of Disability Living Allowance in payment.

4.11 Customers who transition from Disability Living Allowance to Personal Independence Payment may see a reduction in (or total loss of) the disability additions they receive. This may occur if they receive no award of Personal Independence Payment or are awarded a lower rate than their previous Disability Living Allowance award.

Welfare Supplementary Payments

4.12 The Northern Ireland Executive allocated £27 million until 31 March 2020 to mitigate against this change.

4.13 Welfare Supplementary Payments are available to customers who are receiving an income-related benefit and lose any combination of the disability, severe disability or enhanced disability premiums. They are also available to Working Tax Credit customers who lose the severe disability element.

4.14 The payments are generally equivalent to the rate of the disability premium(s) that have been lost and are paid for a maximum period of one year from the date of loss with no payments being made after March 2020.

4.15 In the 2016/17 financial year a total of **110** customers received payments. **£102,240** was paid to customers who, on assessment of the Personal Independence Payment application, were considered to have no or a lesser entitlement to disability premiums. This equates to an average payment of **£900** per customer.

Loss of Carer Payments as a result of Personal Independence Payment Assessment

4.16 Customers in receipt of Carer's Allowance or a Carer's Premium on an Income Related benefit may find they lose their entitlement

because the person they care for hasn't qualified for Personal Independence Payment or is not awarded the qualifying daily living component.

Welfare Supplementary Payments

4.17 The Northern Ireland Executive allocated £18 million until 31 March 2020 to mitigate against this change

4.18 A Welfare Supplementary Payment is made to customers who were in receipt of Carer's Allowance and lost entitlement when the person they provide care for was unsuccessful in their Disability Living Allowance to Personal Independence Payment assessment. Welfare Supplementary Payments are also made (to a carer) when the person they care for is successful when they are assessed for Personal Independence Payment but are not entitled to a daily living component.

4.19 In addition to Carer's Allowance, Welfare Supplementary Payments are paid to customers for loss of Carer's 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); or
- State Pension Credit.

4.20 In the 2016/17 financial year **150** customers received payments amounting to **£81,940**. This equates to an average payment of **£550** per customer.³

³ Supplementary payment statistics relating to Personal Independence Payment are produced from the Supplementary Payment database. This database has no link to the Personal Independence Payment data store which will be used to produce Personal Independence Payment statistics.

5. Social Sector Size Criteria

5.1 As part of the changes to the Welfare system, an amendment to the Housing Benefit Regulations (Northern Ireland) 2006 introduced size criteria into Housing Benefit for working age claimants in the social rented sector from 20 February 2017.

5.2 The Social Sector Size Criteria is used to decide the extent to which properties are under occupied so that an appropriate percentage reduction can be made to the eligible rent when calculating entitlement to Housing Benefit.

5.3 The amount of Housing Benefit payable to working-age Housing Executive and Housing Association tenants who are under-occupying their properties is restricted based on the number of bedrooms their household requires.

Households not affected by the Social Sector Size Criteria

5.4 Customers 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

5.5 Households that are considered to be under-occupying their accommodation will see a reduction in their housing benefit of:

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

Welfare Supplementary Payments

5.6 The Northern Ireland Executive allocated £91 million until 31 March 2020 to mitigate against this change.

5.7 A Welfare Supplementary Payment is available for anyone impacted by the Social Sector Size Criteria to mitigate the impact until 31 March 2020.

5.8 A total of **34,010** customers were impacted by the change in 2016/17, receiving a total of **£2,380,850**, which equates to an average of **£70** per customer.

5.9 In the period 20 February to 31 March 2017 no Welfare Supplementary Payments ceased by application of Regulation 2 (2) of The Housing Benefit (Welfare Supplementary Payment) Regulations (Northern Ireland) 2017. This provision ceases entitlement if a customer moves property and continues to under-occupy by at least the same number of bedrooms. An exemption to this provision is available for customers when the move has been allocated Management Transfer Status.⁴

⁴ The Housing Benefit (Welfare Supplementary Payment) Regulations (Northern Ireland) 2017

6. Sanctions

6.1 A sanction is a penalty imposed on a customer's benefit for not fulfilling the requirements to continue to receive that benefit. The sanction may apply to the entire benefit award or a single component of the award depending on the benefit. Sanctions are generally imposed as a last resort.

6.2 The rates of benefit reduction applied to a sanction can vary between 20% and 100% depending on the benefit as well as the term of the sanction which can be imposed for periods from 1 week, 2 weeks, 4 weeks, 26 weeks or open ended, i.e. until the customer fulfils the requirement to receive the benefit they have been sanctioned for.

6.3 Before deciding if a sanction applies on a customer's Income Support, Jobseeker's Allowance or Employment and Support Allowance the Decision Maker must determine, in the following order, that the customer:

- has failed to meet a requirement needed to continue to receive the benefit; and
- has not proven that they had good cause for the failure.

6.4 Data is not currently available on the number of Income Support sanctions imposed. However, in line with a commitment made to take steps to improve reporting, changed processes are being introduced to enable the reporting of Income Support sanctions from October 2017. In the period 1 April 2016 to 31 March 2017 the following sanctions were imposed:

- **9,460** Jobseeker's Allowance sanctions; and
- **60** Employment and Support Allowance sanctions.

6.5 As an individual may be sanctioned on more than one occasion, the actual number of Jobseeker's Allowance recipients sanctioned in this period was **7,540**.

6.6 In the period 1 April 2016 to 31 March 2017, the proportion of Jobseeker's Allowance recipients sanctioned each month on average was 1.8%⁵.

6.7 The number of Employment and Support Allowance recipients sanctioned in this period was **60**.

6.8 In the period 1 April 2016 to 31 March 2017, the proportion of Employment and Support Allowance recipients sanctioned each month on average was 0.004%.

6.9 The reasons for the number of Jobseeker's Allowance sanctions applied is detailed in the table overleaf.

6.10 All 60 Employment and Support Allowance sanctions were applied due to failure to attend Work Focused Interviews.

6.11 Data is not currently available on the duration of each sanction, however a change to business processes will allow this information to be captured from October 2017.

⁵ The % figure at 6.6 and 6.8 represents the average number of sanctions per month against the average number of claimants per month

Reason for Jobseeker's Allowance Sanctions	Numbers of Sanctions in 2016/17 Financial Year
Fail to attend Steps 2 Success interview	2990
Fail to start/complete Steps 2 Success	400
Lost a place on Steps 2 Success through misconduct	Cannot be reported as below 10
Fail to attend/Fail to sign	5140
Fail to comply with Jobseeker's Allowance direction	Cannot be reported as below 10
Left job voluntarily	210
Lost job through misconduct	100
One Strike/Two Strike Fraud penalty	20
Refused to apply for a job	580
Other	Cannot be reported as below 10
TOTAL	9460

7. Discretionary Support Scheme

7.1 Article 76 of The Welfare Reform (Northern Ireland) Order 2015 provided for the abolition of community care grants and crisis loans for living expenses and household items under the Social Fund. This removed the facility to provide discretionary support payments as part of the Social Security system.

7.2 In 2012 the NI Executive agreed that a new service, Discretionary Support, be introduced. Discretionary Support is unique to Northern Ireland and was introduced in November 2016 to provide a fast and responsive means of receiving short term financial support. The scheme seeks to assist those on low income (working and non-working) when an extreme, exceptional or crisis situation arises presenting a significant risk to the health, safety or well-being of either the person making the claim to Discretionary Support or their immediate family. To be considered for assistance from the Discretionary Support scheme a claimant must not only satisfy the scheme's general eligibility conditions but also the specific eligibility criteria relating to grants and loans.

General Eligibility Conditions for Discretionary Support

7.3 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 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 at the national living wage.

7.4 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 claimants and where appropriate partner's debt level, including legacy 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 to Discretionary Support.

Specific Loan Eligibility Criteria

7.5 If all general eligibility conditions are met a loan may be considered in the following circumstances:

- to provide immediate assistance with short term living expenses;
- to assist with the provision, repair or replacement of household items that have been stolen, broken or destroyed;

- to assist with travelling expenses, including any reasonable charge for overnight accommodation within Northern Ireland, in certain circumstances; or
- rent in advance to a landlord other than the Northern Ireland Housing Executive.

7.6 In all circumstances a claimant must be able to demonstrate that they have the means and ability to repay the loan within the required time period.

7.7 A maximum of three loans will be awarded in any 12 month period.

Specific Grant Eligibility Criteria

7.8 If all general eligibility conditions are met a grant may be considered in the following circumstances:

- to provide assistance for a claimant or their immediate family to remain or begin living independently in the community; or
- the claimant or their immediate family are prevented from remaining in their home.

7.9 However:

- A maximum of one Discretionary Support grant will be awarded to a claimant in a rolling 12 month period except in the event of a disaster.
- If the claimant is unable to be awarded a loan for living expenses because of debt and or affordability issues they may be able to avail of a grant for living expenses. A maximum of one such grant will be awarded in any 12 month period.

Statistics

7.10 The figures below represent Discretionary Support performance from 28 November 2016 to 31 March 2017. They do not include any figures for Social Fund Crisis loans or Community Care Grants.⁶

7.11 The total amount awarded is broken down as follows

- Discretionary Support Loans £2,034,600
- Discretionary Support grants £2,110,270

Total Claims Received	30,790
Total Awards Made	19,900
Total Claims Disallowed	10,890
Total amount awarded	£4,144,870
Average award	£210
% Claims cleared in 1 day	98%
Total Loan recovery	£606,590
Total Review requests	1,320
Total Awards changed on review	340

⁶ Statistical information included in the Department for Communities Annual Report and Accounts 2016/17 for Discretionary Support include Social Fund data for Community Care grants and crisis loans

8. Standards of Advice and Assistance

8.1 The Welfare Reform Mitigations Working Group report also recommended that additional independent advice services should be put in place to help and support customers through the transitional period of changes to the welfare system. The Executive made a commitment to provide £8 million funding to March 2020 to provide the additional service.

8.2 A contract was awarded on 27 September 2016 providing initial funding of £2.5m for 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. The service is provided by a consortium made up of the Citizens Advice Northern Ireland, Advice NI and the Law Centre NI. The service provides help and assistance to customers affected by welfare changes and includes the provision of specialist advice, appeals representation and advice on money management.

Training

8.3 In establishing the new service the Department provided resources to ensure the new advisers received extensive training on:

- Personal Independence Payment including form completion;
 - Employment and Support Allowance legislative changes and mandatory reconsiderations;
 - Sanctions;
 - Mitigation schemes;
 - Discretionary support;
 - Rates / housing changes;
- Financial capability;
 - Appeals / Tribunal representation; and
 - Standard advice sector training Welfare Rights Adviser Programme / Adviser Training Programme

8.4 Training on Universal Credit and Digital Capability is scheduled to be delivered as Universal Credit is rolled out across Northern Ireland.

Standards of Advice

8.5 Each member of the consortium is required to meet industry quality standards in relation to the advice provided and follow the Quality of Advice assurance procedure set out in the Northern Ireland Advice Quality Standard. Organisations are externally audited to ensure adherence to the standards. In addition individual organisations have additional quality standards and processes in place as follows:

- **Citizens Advice** – all local Citizens Advice members (offices) are externally audited on a three yearly audit cycle. This process is validated by the Membership & Standards Committee. Citizens Advice also received Advice Services Alliance Quality Mark (UK), the Money Advice Service Quality Framework, the Pension Wise Service Quality Framework and complies with Financial Conduct Authority regulatory guidance.
- **Advice NI** – has achieved Investors in People gold accreditation which is for 3 years and reviewed every 18 months. They also have received the Advice NI Money and Debt Advice Standard which is accredited by Money Advice Service Quality Framework.

- **Law Centre NI** – required to meet Lexcel which is the Law Society’s legal practice quality mark for excellence in legal practice management and excellence in client care. This is audited annually.

8.6 On top of this 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

8.7 In awarding the contract for the provision of the new independent welfare changes advice service the Department committed to undertaking three reviews of the service at 4, 12 and 18 months. As part of the interim 4 month review a customer satisfaction survey was completed. The survey results showed 95% were satisfied with the help and advice provided. Of these 96% rated the service as very good or good.

9. Forward Look

9.1 To meet legislative requirements, the Department for Communities plans to produce a similar report for the 2017/18 financial year.

9.2 This report will benefit from the improved reporting on sanctions from October 2017.

9.3 As Universal Credit commenced roll out in Northern Ireland from 27 September 2017, it will also form part of the 2017/18 report.

9.4 The Department for Communities has given a commitment to carry out a formal review of the mitigation schemes being delivered in 2018/19.

Appendices

Appendix 1

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 ESA-supplementary payments for one year	17	7	–	–	24
Disability – DLA					
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 PIP (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
UC Payment flexibilities	5	9	5	5	25
Administration of support for Universal Credit	–	2	2	2	7
Support for Universal Credit	–	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

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

Appendix 2

Reports under Welfare Reform (NI) Order 2015 and Welfare Reform and Work (NI) Order 2016

Legislation	Scheme covered
<p>Welfare Reform NI Order 2015 – Article 125</p> <p>125. (1) The Department shall prepare, either annually or at such times or intervals as may be prescribed, a report on –</p> <p>(b) the standards of advice and assistance provided under Article 138 of the Welfare Reform (Northern Ireland) Order 2015;</p>	Standard of advice and assistance for persons making a claim under the order in connection with that claim.
<p>Welfare Reform NI Order 2015 – Article 125</p> <p>(1) The Department shall prepare, either annually or at such times or intervals as may be prescribed, a report on –</p> <p>(c) The operation of sanctions.</p> <p>(1A) For the purposes of paragraph (1)(c) a sanction is –</p> <p>(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;</p> <p>(b) The loss of, or reduction in the amount of, any sanctionable benefit under the Social Security Fraud Act (Northern Ireland) 2001.</p> <p>(1B) A report under paragraph (1)(c) must contain details of –</p> <p>(a) the number of persons affected by sanctions;</p> <p>(b) the periods for which such persons are affected;</p> <p>(c) the reasons for which sanctions are imposed;</p> <p>(d) The benefits or allowances which are reduced or lost.</p>	Operation of sanctions
<p>Welfare Reform NI Order 2015 – Article 135</p> <p>(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.</p>	Discretionary Support – operation of regulations
<p>Welfare Reform NI Order 2015 – Article 137 (4)</p> <p>(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.</p>	Mitigation Schemes – payments made
<p>Welfare Reform NI Order 2015 – Article 137A (8)*⁷</p> <p>(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.</p>	Social Sector Size Criteria – payments made
<p>Minister Givan committed to reporting bi-annually on the number of households who have their Welfare Supplementary Payment stopped as a result of the change of address policy outlined in Regulation 2 (2) of The Housing Benefit (Welfare Supplementary Payment) Regulations (Northern Ireland) 2017.</p>	Social Sector Size Criteria

⁷ Article 137A was inserted by Article 19 of Welfare Reform and Work (NI) Order 2016



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