

These notes refer to the Welfare Supplementary Payments (Amendment) Act (Northern Ireland) 2022 (c.22) which received Royal Assent on 27 April 2022

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

EXPLANATORY NOTES

BACKGROUND AND POLICY OBJECTIVES

3. Over several years the United Kingdom Government has made a number of significant changes to the welfare system in Great Britain. Following talks between the Northern Ireland political parties in 2015 most of these changes are also now introduced in Northern Ireland, including the Social Sector Size Criteria. This introduced size criteria into Housing Benefit for working-age claimants in the social rented sector with effect from 20 February 2017. A corresponding provision was included in Universal Credit from it was first introduced in Northern Ireland on 27 September 2017.
4. This means that Housing Benefit and the housing costs element of Universal Credit is restricted and is based on the number of bedrooms a household is deemed to require. 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 or the Universal Credit housing costs element.
5. As part of the Fresh Start Agreement the Northern Ireland Executive agreed to introduce a package of financial support for people affected by welfare reforms. Acting on the recommendations of the Welfare Reform Mitigations Working Group, chaired by Professor Eileen Evason, a range of Welfare Supplementary Payment schemes were subsequently developed and introduced. These are delivered under legislation that was approved by the Assembly.
6. The legislation to make the existing Welfare Supplementary Payments came to an end on 31 March 2020. In “The New Decade, New Approach” deal that accompanied the return of the Assembly in January 2020 there was a commitment that the Executive would extend the existing welfare mitigation measures beyond 31 March 2020. From this date the Department for Communities continued to make payments under the sole authority of the relevant Budget Act.
7. The Act removes the current end date of 31 March 2020, as set out in Article 137A of the Welfare Reform (Northern Ireland) Order 2015, in respect of mitigation payments for the Social Sector Size Criteria. This provides for an

extension of this Welfare Supplementary Payment scheme and is in line with the political commitment established in “The New Decade, New Approach” deal.

8. The Act also requires the Department for Communities to conduct a review and report on the delivery of Welfare Supplementary Payments made under Article 137 and Article 137A. The report is to be completed no later than 31 March 2025 and is intended to inform future decisions on the provision of Welfare Supplementary Payments. This will include an assessment of the need for an extension beyond 31 March 2025 of those payments made under Article 137.