

## **EXPLANATORY MEMORANDUM TO THE DEPARTMENT FOR SOCIAL DEVELOPMENT COMMITTEE**

### **The Social Security (Steps to Work) (No2) Regulations (Northern Ireland) 2009**

#### **S.R. 2009 No. 341**

#### **1. Introduction**

- 1.1 This Explanatory Memorandum has been prepared by the Department for Social Development to accompany the Social Security (Steps to Work) (No. 2) Regulations (Northern Ireland) 2009 which is laid before the Northern Ireland Assembly.
- 1.2 The Statutory Rule is made under powers conferred by the Jobseekers (Northern Ireland) Order 1995 and is subject to the negative resolution procedure.
- 1.3 The rule is due to come into operation on 2nd November 2009.

#### **2. Purpose**

- 2.1 This Statutory Rule amends the Jobseeker's Allowance Regulations (Northern Ireland) 1996.
- 2.2 For those customers whose failure to undertake activities in the Steps to Work programme lead to their benefit being sanctioned on three or more occasions, these amendments provide the opportunity for them to agree to undertake those activities in return for the recommencement of their Jobseeker's Allowance payments.
- 2.3 These amendments in themselves cannot encourage customers who are claiming Jobseeker's Allowance and required to take part in the Steps to Work programme to participate but it provides these customers with a clear link between them taking steps to improve their chances of finding work to regain their benefit payment.

#### **3. Background**

- 3.1 The Social Security (Steps to Work) Regulations (Northern Ireland) 2009 defined Steps to Work as an employment programme under Section 1 of the Employment and Training Act (Northern Ireland) 1950 from 5 October 2009. Steps to Work subsumes the New Deal for 18 to 24 year olds and New Deal 25+ and provides a broader range of back to work assistance than that available under New Deal. It is tailored to individuals' needs by identifying and tackling their barriers to work and is delivered by a cadre of specially trained Personal Advisers. Steps to Work provides assistance lasting from 1 day (CV Writing) to 52 weeks (NVQ Level 2 qualifications) dependent on what is most appropriate for the individual.

- 3.2 The Department is now introducing changes to the Jobseeker's Allowance Regulations (Northern Ireland) 1996. The amendment concerns the period for which a Jobseeker's Allowance is not payable in the case of certain customers who are sanctioned for acts and omissions related to the Steps to Work programme and who subsequently agree to re-engage with the programme.
- 3.3 The Department considers that this amendment represents no change to the policy intent for Steps to Work. Rather, it ensures that the prescribed sanction period is reduced in the case of a third or subsequent determination relating to Steps to Work where the claimant agrees to recommence participation in the programme's activities.
- 3.4 The Steps to Work programme has adopted the same approach to benefit sanctions which already operates when customers fail to comply with requirements for the New Deal for 18 to 24 year olds and New Deal 25+ i.e. a structure of fixed-period sanctions of 2 weeks for the first act or omission, 4 weeks for a second act within 12 months and 26 weeks for subsequent acts or omissions within 12 months of the previous determination.
- 3.5 Although Steps to Work has been operating from 29 September 2008, under the authority contained within Section 1 of the Employment and Training Act (Northern Ireland) 1950, participants in receipt of Jobseeker's Allowance are still classed as taking part in the New Deal programmes for employment and training purposes and for Social Security purposes, such as sanctions.
- 3.6 At present customers who participate in New Deal for 18 to 24 year olds and New Deal 25+ receive a Benefit Based Training Allowance, paid at their equivalent award of Jobseeker's Allowance, which is not subject to sanction. Therefore, those who have been subject to a benefit sanction for failing to participate and who subsequently agree to re-engage with the programme (New Deal 18 to 24 or New Deal 25+ dependent on age) are able to regain an income.
- 3.7 However, Steps to Work is delivered in a three step process and participation will not mean customers routinely transfer to a Benefit Based Training Allowance whilst participating in all of the steps unless activities are full-time (defined as 16 hours or more per week). Therefore, it is the purpose of this change to determine the prescribed period of a Steps to Work sanction where a customer is subject to a third or subsequent determination within 12 months of a previous sanction and later agrees to re-engage with the programme. This will be for the longer of:
  - 4 weeks, or
  - the period, not exceeding 26 weeks, to the end of the benefit week in which the customer agrees to take part in the Steps to Work programme.
- 3.8 In the absence of these changes the customer would be required to serve the full 26 week sanction, even where he has agreed to re-engage with the programme and this would not represent the original policy intention.

- 3.9 The requirement to serve 4 weeks of a 26 week sanction delivers a clear message that there is a consequential loss of benefit for failing, without good cause, to undertake activities within Steps to Work that are designed to best help the customer find work. Similarly, this change offers an incentive for a person to regain benefit, as for current New Deal programmes.
- 3.10 Recommencing a person's benefit (where a 26 week sanction has applied) after a minimum 4 weeks will serve a balance between providing customers with financial incentive to take part in Steps to Work whilst reinforcing the message that Jobseeker's Allowance is an active benefit and those claiming it are expected to do all that is deemed necessary to find work.
- 3.11 Where there is a sanction during the period from 5 October 2009 to 2 November 2009 (date at which these proposals will become operational), the current sanction rules will be applied. However the Department does not envisage that during this time there will be any cases where a third sanction of 26 weeks will arise.
- 3.12 As the original policy intention is not changing, the appeal rights against the original decision to sanction the customer for 26 weeks also remain unchanged by this amendment and are the same as for other New Deal programmes. The reasons for good cause also remain unchanged.

#### **4. Consultation**

The Social Security Advisory Committee considered and cleared the Great Britain proposals at their meeting on 5 August 2009.

#### **5. Equality Impact**

The Department for Employment and Learning conducted a Preliminary Equality Impact Assessment on the planned introduction of the Steps to Work programme which concluded that the proposal would have a positive impact on equality as it widened access to provision to groups not previously targeted for assistance. In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department believes that this proposal does not represent a change of policy to the original jobseekers regime and Steps to Work proposals and as with the operation of the sanction regime will apply to all claimants regardless of religious belief, political opinion, race, sexual orientation, gender or disability. In light of this, the Department considers that an equality impact assessment is not necessary.

#### **6. Regulatory Impact**

These Regulations do not require a Regulatory Impact Assessment as they do not impose any additional costs or savings on business, charities or voluntary bodies.

**7. Financial Implications**

Not applicable

**8. Section 24 of the Northern Ireland Act 1998**

The Department has also considered its obligations under section 24 of the Northern Ireland Act 1998. It is the Department's judgement that the Social Security (Steps to Work) (No.2) Regulations (Northern Ireland) 2009 are not incompatible with the Convention rights, are not incompatible with Community law, do not discriminate against any person or class of person on the ground of religious belief or political opinion and do not modify an enactment in breach of section 7 of the Northern Ireland Act 1998.

**9. E.U. Implications**

Not applicable.

**10. Parity or Replicatory Measure**

The Regulations mirror the Great Britain Regulations and are in keeping with the principle of parity between Northern Ireland and Great Britain in social security matters. It is proposed that the Regulations come into operation on 2nd November 2009.

**11. Additional Information**

Not applicable