



**Benefits are  
changing for people  
of working age –  
what you need  
to know...**



**Northern Ireland  
Executive**

[www.northernireland.gov.uk](http://www.northernireland.gov.uk)



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All information is correct at the time of print. The most up-to-date information can be found on [nidirect](https://www.nidirect.gov.uk).



# Introducing Welfare Changes

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Benefits can be paid for a number of reasons, for example:

- if you are currently looking for work
- if you cannot work because you are ill or disabled
- if you need help to support your family

Over the past few years, the Government has made a number of changes to the welfare system in Great Britain. These changes will now be introduced in Northern Ireland.

We (the Northern Ireland Social Security Agency) have developed this booklet to help you understand:

- what is changing in the welfare system
- when the changes are going to happen
- the support that is available
- what happens next

Following the recent Assembly elections, the Executive is reducing the number of government departments. This is part of a programme of reform to restructure how government works in Northern Ireland. The Social Security Agency will become part of the new Department for Communities in May 2016. It will be the Department for Communities which will apply the changes to the welfare system.





These are the biggest changes to the benefit and tax credit system in over 70 years. Many of the current benefits for people of working age will cease to exist and we are introducing new benefits and payment systems.

We will contact you if you are affected by any of the changes. These changes will begin in May 2016 and continue over the coming years.

The Northern Ireland Executive has committed to provide £501 million over the next four years to reduce the impact of these changes. We are developing this support to help protect and support the most vulnerable people in Northern Ireland. We explain the support available in the following pages.

More information on each of the changes to the welfare system is available at **[www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)**. You should check regularly for the most up-to-date information.

We've also established an information helpline if you are unsure about any of the changes described in this booklet. This service is for information only and operators will not be able to provide information on individual claims.

### **Helpline: 0300 200 7877**

Calls cost the same as calling a local landline number and may be included as part of your inclusive minutes call package. Check with your phone provider for details. Mobile charges will vary depending on your network operator.





# Personal Independence Payment

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Personal Independence Payment will replace Disability Living Allowance (DLA) for people aged 16 to 64 years. Personal Independence Payment is a new benefit to help those with a disability or long-term health condition to live full, active and independent lives.

Personal Independence Payment is not a means tested benefit. This means that a person's income or savings are not taken into account. It will be available to people with a disability whether they are working or not.

DLA will remain for children up to the age of 16 and anyone aged 65 or over, as long as they continue to be eligible.

## What's the change?

The key change is that Personal Independence Payment introduces a new assessment process. It considers the impact that a condition has on a person's everyday life, rather than the condition itself.

The assessment has two parts (known as components):

- daily living
- mobility

Each component is given a numerical score. To qualify for Personal Independence Payment a person must score at least eight points.

There will be more frequent reviews of Personal Independence Payment benefit awards to make sure that people continue to receive the correct amount of benefit.

### **When will this happen?**

New claims for Personal Independence Payment will be taken from **20 June 2016**. From that date, people aged 16 to 64 years will no longer be able to claim DLA.

If someone on DLA reports a change to their mobility or care needs on or after 20 June 2016 we will assess them for Personal Independence Payment instead of DLA.

There are two types of DLA awards:

- time bound awards
- lifetime (indefinite) awards

We will initially contact those people with time bound awards whose DLA award ends on or after 8 November 2016 about their assessment for Personal Independence Payment.

We will then contact people who have a lifetime (indefinite) DLA award from December 2016 at the earliest. They will all be invited to claim Personal Independence Payment by December 2018.

### **What support is available?**

The Northern Ireland Executive committed to put in place some measures to support people who are currently receiving DLA and who are financially worse off after they have been assessed for Personal Independence Payment.

If after their assessment, someone doesn't qualify for Personal Independence Payment and lodges an appeal, we



can provide a supplementary payment, equal to their DLA payment, until their appeal is heard and a decision made.

We can provide a supplementary payment for one year if someone qualifies for Personal Independence Payment but at a reduced rate, and their weekly loss is more than £10. This supplementary payment will be equal to 75% of the difference in benefit. For example, if the difference is £20 they will receive £15.

To qualify for Personal Independence Payment someone must score at least eight points in the assessment process. If they score between four and seven points and therefore don't qualify for Personal Independence Payment but can show that their disability or illness is a result of a Northern Ireland conflict related injury, they may be awarded four extra points. A supplementary payment would then be paid for one year.

### **What about carers?**

A person will no longer be entitled to Carer's Allowance or Carer's Premium if the person they care for doesn't qualify for Personal Independence Payment.

However, in these circumstances we will be able to provide a supplementary payment for one year.

### **What happens next?**

New claims can be made from 20 June 2016 and we will contact people when their DLA award is coming to an end. We will also contact young people claiming DLA, before their 16th birthday, about making a claim for Personal Independence Payment.

We will publicise the phone number for claims on the nidirect website in advance.

Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)

# Benefit Cap

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The aim of the Benefit Cap is to make sure that no household receives more in benefits than if their income from work was the same as an average wage or salary.

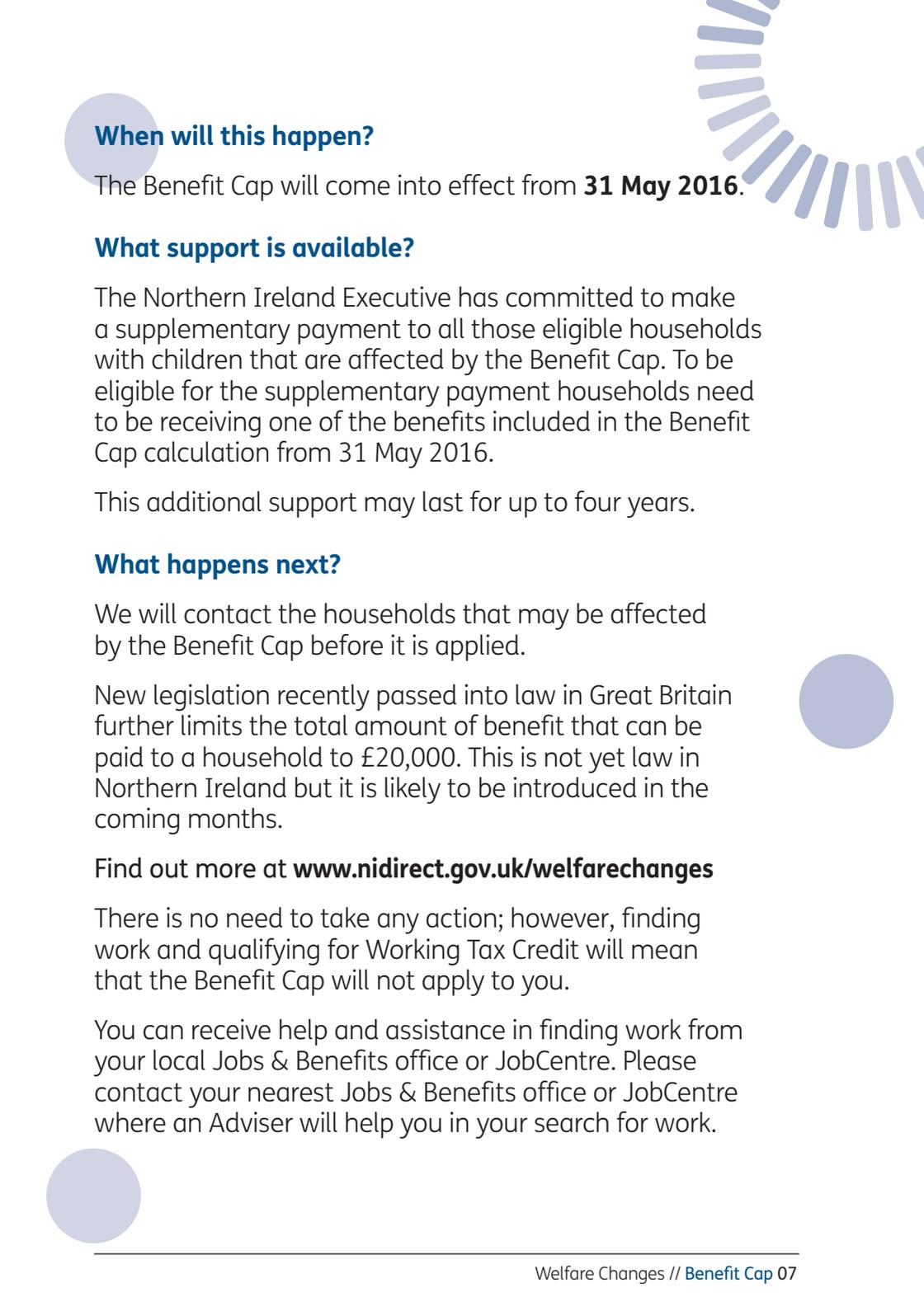
## What's the change?

The Benefit Cap limits the total amount of benefits a household is receiving and depends on the household's circumstances. A single person without responsibility for children will have a limit of £350 per week. A single parent or a couple (with or without children) will have a limit of £500 per week.

We will only apply the Benefit Cap if someone in the household receives Housing Benefit. The cap will initially be applied by reducing Housing Benefit, to make sure that the total amount of benefit is not more than the limit.

Benefit Cap will not apply if any member of the household qualifies for one of the following benefits:

- Working Tax Credit
- Carer's Allowance
- Disability Living Allowance
- Personal Independence Payment
- Attendance Allowance
- Industrial Injuries Benefit
- Employment and Support Allowance (Support Group)
- War Widow's / War Widower's Pension or War Disablement Pension
- Armed Forces Independence Payment



## When will this happen?

The Benefit Cap will come into effect from **31 May 2016**.

## What support is available?

The Northern Ireland Executive has committed to make a supplementary payment to all those eligible households with children that are affected by the Benefit Cap. To be eligible for the supplementary payment households need to be receiving one of the benefits included in the Benefit Cap calculation from 31 May 2016.

This additional support may last for up to four years.

## What happens next?

We will contact the households that may be affected by the Benefit Cap before it is applied.

New legislation recently passed into law in Great Britain further limits the total amount of benefit that can be paid to a household to £20,000. This is not yet law in Northern Ireland but it is likely to be introduced in the coming months.

## Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)

There is no need to take any action; however, finding work and qualifying for Working Tax Credit will mean that the Benefit Cap will not apply to you.

You can receive help and assistance in finding work from your local Jobs & Benefits office or JobCentre. Please contact your nearest Jobs & Benefits office or JobCentre where an Adviser will help you in your search for work.

# Universal Credit

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It is intended to make it easier to take up a job or to increase the number of hours worked by allowing people to earn money before their benefit payment starts to reduce. Universal Credit helps people to pay their housing cost and, when they are in employment, it will also assist with childcare costs.

Universal Credit provides support for people:

- who are working but living on low income
- who are out of work
- who have disabilities or are too ill to work

## What's the change?

Universal Credit will replace six current benefits and credits and will be claimed online at **[www.nidirect.gov.uk](http://www.nidirect.gov.uk)**. We will support those claiming Universal Credit to get online and initially there will be a telephone support line that people can call if they are having difficulties making a claim.

The benefits and credits that are being replaced are:

- Jobseeker's Allowance (income-based)
- Employment and Support Allowance (income-related)
- Income Support

- Working Tax Credit
- Child Tax Credit
- Housing Benefit

In Northern Ireland, Universal Credit will be paid twice a month to a household. A household could be a single person, a couple or a family. A monthly payment can be requested.

If a person is renting a property, the housing part of the Universal Credit payment will be paid to the landlord. A request can be made for payment to be made directly to the person claiming Universal Credit.

A new Department of Finance Rate Rebate Scheme will provide rates support for tenants or home owners who are eligible for Universal Credit. Find out more information about the Rate Rebate Scheme on [www.nidirect.gov.uk](http://www.nidirect.gov.uk).

### **When will this happen?**

We will introduce Universal Credit for new claims **during 2017.**

When someone who is currently on one of the benefits to be replaced has a change in circumstances this may prompt their benefit claim to be moved to Universal Credit.



## What support is available?

The Northern Ireland Executive has committed that support will be available for working families claiming Universal Credit. This supplementary payment will become available when Universal Credit is first introduced in 2017.

## What happens next?

New claims will be taken for Universal Credit during 2017. More detailed information on how Universal Credit will be introduced will be made available in the coming months.

Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)

# Employment and Support Allowance (ESA)

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Employment and Support Allowance (ESA) provides financial help to people whose illness or disability affects their ability to work. There are two types, either ESA contributory benefit or ESA income-related benefit.

People claiming ESA are placed into one of two groups:

- the Work Related Activity Group, which includes regular interviews with an Adviser to assist the person to return to work; or
- the Support Group, which is for the most severely disabled and is paid at a higher rate.

Find out more about the types of ESA benefit groups at **[www.nidirect.gov.uk](http://www.nidirect.gov.uk)**.

## What's the change?

There will be changes for those receiving contribution-based ESA in the Work Related Activity Group or who are in the process of being assessed.

Contribution-based ESA will now be limited to 365 days. If someone is currently receiving contribution-based ESA, the number of days that they have already been on the benefit will be counted towards the 365 day limit. If this is more than 365 days the benefit will stop. Some people may, however, still be eligible for income-related ESA, which can be paid if their income is below a certain level.

The changes do not affect those people in the Support Group.

### **When will this happen?**

The changes to ESA will come into effect from **31 October 2016**.

### **What support is available?**

We will write to anyone who may be impacted to give them advance notice of the changes to ESA. This is to give them enough time to get any information and advice they need to decide what to do next. It will also allow people to check if they could be entitled to income-related ESA before their contributory ESA payment ends.

The Northern Ireland Executive has committed that when the changes to ESA are introduced:

- if a person has no entitlement to income-related ESA, or
- is entitled to income-related ESA but at a lower payment rate than they received under contribution-based ESA,

they will be entitled to a supplementary payment.

This would cover any financial loss resulting from the changes. We can provide the supplementary payment for one year, as long as medical evidence relating to fitness for work continues to be provided.

### **What happens next?**

We will make contact with those people impacted either by letter or by phone, before the changes are introduced, to help us determine how best to progress their claim.

Find out more at **[www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)**



# Employment and Support Allowance (ESA) Youth

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## What's the change?

The special condition that had previously allowed young people (aged 16 to 24 years) to be entitled to contribution-based ESA without having paid any National Insurance contributions has now been removed. Young people will now be treated in the same way as all other age groups when they apply for ESA.



## When will this happen?

The changes to ESA youth came into effect on **17 February 2016**.

## What happens next?

This change only affects young people (aged 16 to 24 years) who wish to make a new claim to ESA. They will now be treated in the same way as all other age groups.

Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)

# Housing Benefit

Housing Benefit payments for people living in social housing is currently based on the rent charged by a Housing Association or the Northern Ireland Housing Executive.

## What's the change?

New criteria are being introduced to calculate housing benefit payments, called the Social Sector Size Criteria. This is usually referred to in the press as the 'bedroom tax'. We will now base Housing Benefit on the size of the rental property and the number of people living there. These criteria are already in place for those people living in privately rented properties.

The new size criteria allow for one bedroom for each person over 16, or a couple living as part of the household. Bedrooms will also be allowed for children living in the household:

- children aged nine or under will be expected to share with one other child under nine regardless of gender
- children aged 15 or under would be expected to share with one other child of the same gender

The criteria for Housing Benefit will not be changed for people over State Pension age.



## When will this happen?

The legal powers for the new Social Sector Size Criteria will be put in place from **September 2016**.

## What support is available?

The Northern Ireland Executive has committed to ensuring that no one will be impacted financially when Social Sector Size Criteria is introduced. The details of how this will work are being developed at time of print. Further updates will be available on the nidirect website.



## What happens next?

We will contact existing tenants in social housing in the coming months with further details of how Social Sector Size Criteria will be handled in Northern Ireland.

New tenants will be made aware of the changes when applying for Housing Benefit.

Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)



# Finance Support

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Community Care Grants and Crisis Loans that are currently available through the Social Fund will stop in October 2016.

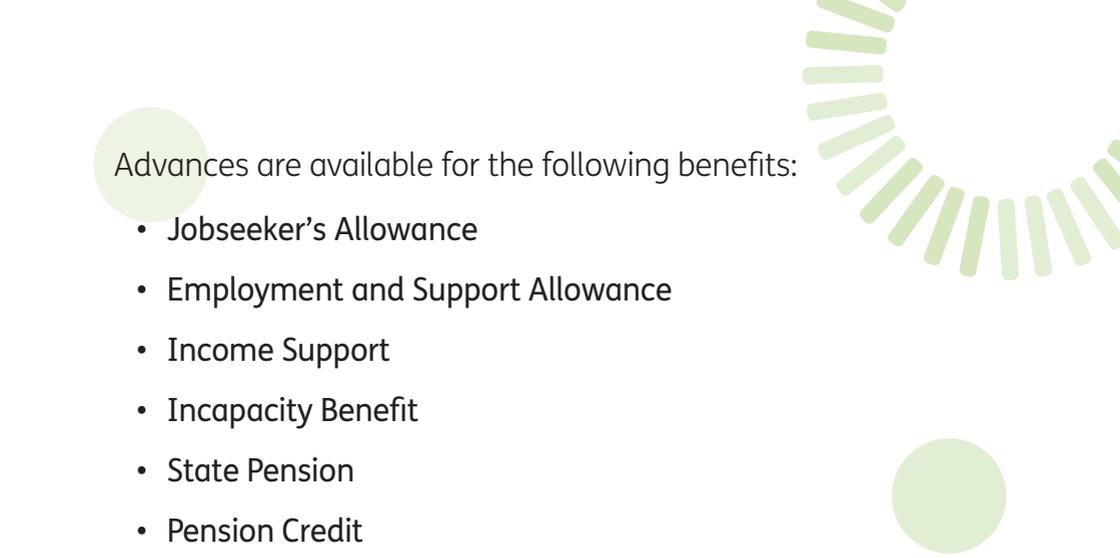
From October 2016 we will have new types of support for people in times of financial crisis, for example, Discretionary Support or Short Term Benefit Advances.

## What's the change?

For those people experiencing a financial emergency we will have a freephone service. Our Finance Support Adviser will take an application over the phone. People will have their needs assessed and will know immediately if they are eligible for support.

If someone is on a low income, including receiving benefits, they may be eligible for a Discretionary Support grant or loan. The applicant must be able to show that they can afford to repay the loan.

Benefit advances may also be available. To be eligible for an advance on benefit, a person must first be entitled to receive the benefit. The applicant must also be able to afford to repay the advance.



Advances are available for the following benefits:

- Jobseeker's Allowance
- Employment and Support Allowance
- Income Support
- Incapacity Benefit
- State Pension
- Pension Credit
- Carer's Allowance

### When will this happen?

The Finance Support phone service will begin in **October 2016**. We will publicise the freephone number on the nidirect website around this time.

Budgeting Loans, Maternity Grants, Funeral Payments, Winter Fuel and Cold Weather Payments will continue to be available.

Find out more at [www.nidirect.gov.uk](http://www.nidirect.gov.uk)

### What happens next?

Community Care Grants and Crisis Loans from the Social Fund will continue as normal until October 2016.

Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)

# Disputing a Social Security Benefit Decision



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Currently with social security benefit decisions, an individual can either ask for the decision to be reviewed, or, can immediately lodge an appeal asking for an independent Tribunal to review the decision.

## What's the change?

In the future if someone disagrees with a social security benefit decision, they must ask for it to be reviewed before they can appeal the decision.

## When will this happen?

This change begins on **23 May 2016** and applies to all social security benefit decisions made on, or after this date.

## What happens next?

The rules for disputing a social security benefit decision will be explained in the benefit decision notification letter.



Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)



# Sanctions

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When claiming a benefit there are certain rules that need to be followed. A sanction can be applied if someone fails to comply with these benefit rules. This can be a loss or reduction in benefit.

## What's the change?

If a person does not follow the rules for the benefit, we can apply a sanction from two weeks up to a maximum of 18 months. Any reasons that are provided for not following the benefit rules will be taken into account before a sanction is applied.

## When will this happen?

These changes will come into effect at the same time as Universal Credit is introduced **during 2017**.

## What happens next?

Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)



# Consequences of Benefit Fraud

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If a benefit is claimed fraudulently, penalties can be applied.



## What's the change?

If someone commits benefit fraud, we will take stricter action. Depending on the severity of the fraud, and if there are any previous benefit fraud convictions, benefits could be stopped for 13 weeks, 26 weeks, or a maximum of three years.

For the most serious cases involving organised or identity fraud, there will be an immediate loss of benefit for three years.

We can apply administrative penalties if a false claim to benefit has been made. The penalty is 50% of the overpayment. However, there is a minimum penalty of £350. The maximum penalty is £2,000. For example, if a person was overpaid by £900 they would have to pay a penalty of £450.

If we believe someone has attempted to commit benefit fraud we will be able to consider applying a fixed penalty of £350, as an alternative to prosecution.

## When will this happen?

These administrative penalties can be applied from **4 April 2016**. The stricter loss of benefit changes will be introduced at the same time as Universal Credit.

## What happens next?

If someone receiving benefits thinks the information we hold about their circumstances is out of date they should let their local benefits office know as soon as possible. Failing to report a change in circumstances may be considered benefit fraud.

Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)

# Direct Earnings Attachment

Direct Earnings Attachments will be introduced from November 2016. This will allow us to ask employers to deduct benefit overpayments direct from an employee's earnings.

Employers will be contacted directly.

Find out more at [www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)



## More Information

As we move forward with the changes to the welfare system you will be able to get the latest information at **[www.nidirect.gov.uk/welfarechanges](http://www.nidirect.gov.uk/welfarechanges)**

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