WELFARE REFORM BILL

The Welfare Reform Bill was introduced to the Northern Ireland Assembly on 12 April 2010. The second stage of the Bill is scheduled for the 20 April 2010. The Bill constitutes the final stage of the three staged approach to welfare reform. The Bill includes provisions to establish a 'work for your benefit' scheme for the long-term unemployed, introduces new benefit contribution conditions and includes provisions designed to simplify the benefit system by abolishing Income Support. It also includes a range of new benefit sanctions including sanctions relating to benefit fraud and violence against jobs and benefits staff.

Library Research Papers are compiled for the benefit of Members of The Assembly and their personal staff. Authors are available to discuss the contents of these papers with Members and their staff but cannot advise members of the general public.
SUMMARY OF KEY POINTS

The Welfare Reform Bill\(^1\) was introduced to the Northern Ireland Assembly on 12 April 2010. The Bill contains many provisions, primarily relating to the areas of social security and child maintenance, which correspond to provisions contained with Welfare Reform Act 2009\(^2\), which received Royal Assent on 12 November 2009. The purpose of the Welfare Reform Bill (GB) was to build on a commitment to tackle worklessness, nationally and locally; to create a tax and benefits system which raises family incomes; and to increase the responsibility of those on benefits to take active steps to help themselves get back to work, making clearer the relationship between the support people receive and the expectations on them to participate fully in society\(^3\).

Not all provisions contained within the Welfare Reform Act 2009 have been included in the Welfare Reform Bill as introduced to the Northern Ireland Assembly. For example, provisions relating to the joint registration of births and provisions which apply benefit conditionality on drug users\(^4\) are not included within the Northern Ireland Bill.

The Welfare Reform Act 2009 constitutes the final phase of the three phased approach to welfare reform. Details of these proposals were contained within the Welfare Reform Green Paper ‘No one written off: reforming welfare to reward responsibility’ published by the Department for Work and Pensions in July 2008\(^5\). This was followed by the publication of an independent report by Professor Paul Gregg entitled ‘Realising Potential: A Vision for Personalised Conditionality and Support’ (in December 2008)\(^6\). This introduced the concept of conditionality into welfare reform, i.e. “the principle that entitlement to benefits should be dependent upon satisfying certain conditions”. The review set out a “radical and ambitious vision” for a single personalised conditionality regime whereby virtually everyone claiming benefits but not in work should be required to engage in activity that will help them move towards and then into employment.

The Government’s White Paper, ‘Raising expectations and increasing support: reforming welfare for the future’\(^7\), based on the findings of ‘No one written off’ and the Gregg Review. The Welfare Reform Act 2009 gives effect to those proposals contained within the White Paper which required primary legislation.

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4 Under the Welfare Reform Act 2009, problem drug users are compelled to follow a rehabilitation plan as a condition of their benefits.
The Welfare Reform Bill, as introduced to the Northern Ireland Assembly, gives effect to many of the proposals contained within the White Paper. In short, the main elements of Northern Ireland Welfare Reform Bill include:

- The introduction of ‘Work for your benefit’ schemes which will initially be piloted in Great Britain;
- The requirement for certain lone parents and partnership of benefit recipients to undertake work related activity as part of their progression to work;
- The requirement for certain Employment and Support Allowance claimants to undertake work-related activity;
- The abolition of Income Support and the phased migration of Income Support claimants to either Jobseeker’s Allowance or Employment and Support Allowance;
- New contribution requirements for Jobseeker’s Allowance and Employment and Support Allowance. In order to qualify, new claimants will need to have paid national insurance contributions for at least 26 weeks in one of the last two tax years prior to the claim;
- The extension of entitlement conditions to the higher rate mobility component of DLA so as to allow entitlement to people with a prescribed severe visual impairment;
- The abolition of adult dependency increases for Maternity Allowance and Carer’s Allowance;
- The payment of community care grants in certain circumstances directly to a supplier of goods and services;
- The introduction of benefit sanctions for benefit fraud, failing to attend certain mandatory interviews and for violence towards jobs and benefits staff;
- The introduction of certain exemptions from jobseeking conditions for people experiencing domestic violence;
- The contracting out of certain functions with are the responsibility of the Department for Employment and Learning;
- The introduction of work-focused interviews for persons under 60 years of age who is claiming any one of a number of specified benefits; and
- Amendments to the current statutory child maintenance provisions relating to information offences.
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BACKGROUND TO THE WELFARE REFORM BILL

1. The Welfare Reform Bill\(^8\) was introduced to the Northern Ireland Assembly on 12 April 2010. The Bill contains provisions, primarily relating to the areas of social security and child maintenance, which correspond to provisions contained with Welfare Reform Act 2009\(^9\). The principle of parity is reflected in Section 87 of the Northern Ireland Act 1998\(^10\) which requires the Secretary of State for Work and Pensions and the Minister for Social Development to consult with each other in order to ensure that relevant legislation achieve as far as possible, a single system of social security, child support and pensions across the UK.

2. To understand the basis of the Welfare Reform Bill, as introduced to the Northern Ireland Assembly, it is important to consider the policy context behind the Welfare Reform Act 2009. The Welfare Reform Bill\(^11\) (GB) was introduced in the House of Commons by James Purnell, the then Secretary of State for Work and Pensions, on 14 January 2009 and received Royal Assent on 12 November 2009. The purpose of the Bill was to build on a commitment to tackle worklessness, nationally and locally; to create a tax and benefits system which raises family incomes; and to increase the responsibility of those on benefits to take active steps to help themselves get back to work, making clearer the relationship between the support people receive and the expectations on them to participate fully in society\(^12\).

3. In short, the main elements of the GB Bill included\(^13\):

- Simplifying the benefits system by abolishing Income Support and moving all customers onto either Jobseeker’s Allowance if they are well or Employment and Support Allowance if they are sick;
- Ensuring a greater sense of rights and responsibilities by applying a regime of benefit sanctions for non-attendance at Jobcentres;
- Requiring job search by partners of benefit claimants to help everyone who can find work find work;
- The abolition of Adult Dependency Increases in Carer’s Allowance and in Maternity Allowance;
- Facilitating work-focused interviews for over 60s;
- Requiring work-related activity in return for receipt of Employment and Support Allowance; and
- New arrangements for joint birth registration.

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\(^11\) Welfare Reform Bill.  [http://services.parliament.uk/bills/2008-09/welfarereform.html](http://services.parliament.uk/bills/2008-09/welfarereform.html)


4. It should be noted at the outset, however, that **not all provisions** contained within the Welfare Reform Act 2009 have been included in the Welfare Reform Bill as introduced to the Northern Ireland Assembly. For example, provisions relating to the joint registration of births and provisions which apply benefit conditionality on drug users\(^{14}\) are not included within the Northern Ireland Welfare Reform Bill. Also not included are similar provision to those contained within the Welfare Reform Act 2009 which permits the Child Maintenance and Enforcement Commission to administratively make the decision to disqualify a non-resident parent from holding or obtaining travel authorisation a driving licence for refusal to pay child maintenance.

5. The Welfare Reform Act 2009 constitutes the final phase of the Government’s three phases of welfare reform. The three phases were identified by the former Secretary of State for Work and Pensions, James Purnell, as follows:

   “First, we **deepened the obligation to work**, by introducing the New Deal and creating Job Centre Plus out of the merger of the Benefits Agency and Employment Service. These reforms meant that people signed up for work when they signed up for benefits…We matched those obligations with higher support, including making work pay through the National Minimum Wage and the Working Tax Credit.

   Second, **we widened the obligation to work**. We piloted the New Deal for Disabled People and Pathways to Work, the first employment programmes to help people on incapacity benefits get to a stage where they can find work. The New Deal for Lone Parents as introduced on a voluntary basis. That support worked, but we wanted more people to benefit. So we are now replacing incapacity benefits with Employment and Support Allowance….From this November, we are requiring lone parents to look for work from when their youngest child reaches 12 years old, moving down to seven years from 2010.

   This white paper implements the third phase of the reform programme. It is based on a simple idea: that **no one should be left behind**, that virtually everyone should be required to take up the support that we know helps people overcome barriers to work….\(^{15}\)

6. Detailed proposals for the third phase of welfare reform were contained within the Welfare Reform Green Paper *No one written off: reforming welfare to reward responsibility* published by the Department for Work and Pensions in July 2008\(^{16}\). The paper set out *“plans for improving support and work incentives to create a system that rewards responsibility and delivers greater choice and control over the support that it provided”*\(^{17}\). Proposals set out in the paper included:

\(^{14}\) Under the Welfare Reform Act 2009, problem drug users are compelled to follow a rehabilitation plan as a condition of their benefits.


\(^{17}\) Department for Work and Pensions, welfare reform webpages, [www.dwp.gov.uk/welfarereform/noonewrittenoff/](http://www.dwp.gov.uk/welfarereform/noonewrittenoff/)
New powers to require long term unemployed people to engage in a programme of full-time, community based work experience to improve employability skills and build work habits;

- Toughening the Jobseeker’s Allowance (JSA) sanctions regime by introducing automatic benefit sanctions for those failing to attend mandatory interviews without good cause;

- Expecting problem drug users on benefits to take appropriate steps, such as drug treatment or employment provision, that support a return to work; and

- For lone parents, consulting on whether to require a skills health check and participation on relevant training when their youngest child is five\textsuperscript{18}.

7. In December 2008, an independent report by Professor Paul Gregg entitled “Realising Potential: A Vision for Personalised Conditionality and Support” was published\textsuperscript{19}. Conditionality is defined in the report as, “the principle that entitlement to benefits should be dependent upon satisfying certain conditions”. The review set out a “radical and ambitious vision” for a single personalised conditionality regime whereby virtually everyone claiming benefits but not in work should:

- Be required to engage in activity that will help them move towards and then into employment;
- Have an adviser with whom they will be able to plan and agree a route back to work;
- Be obliged to act on the steps that they agree will help them; and
- Be able to access a wider range of personalised support on the basis of need and not what benefit they are on.

8. An additional aspect of the Gregg Review is the recommendation that the Government should set a vision for personalised conditionality and support regime with three broad groups:

- A ‘Work Ready’ Group for people who are immediately job ready akin to the Jobseeker’s Allowance regime;
- A ‘Progression to Work’ Group aimed at those where an immediate return to work is not appropriate but is a genuine possibility within time; and
- A ‘No Conditionality’ Group which would involve no conditionality requirements whatsoever. This group would consist of the current Employment and Support Allowance (ESA) support group, lone parents and partners with a youngest child under the age of one, and certain carers.


10. For further detailed information on the background to welfare reform and the GB Welfare Reform Bill, two comprehensive research papers (weblinks below) published by the House of Commons Library are highly recommended. For ease of reference, a number of extracts from these papers are included throughout this paper.


11. Further recommended reading includes the official reports of the following Social Development briefing sessions on the Welfare Reform Bill:

- 16 October 2008 (Welfare Reform Bill Green Paper)
- 23 October 2008 (Law Centre NI)
- 2 April 2009 (Law Centre NI, Social Security Advisory Committee)
- 2 July 2009 (DSD officials)
- 2 December 2009 (DSD officials)
- 28 January 2010 (DSD officials)

**CONSULTATIONS**

The Green Paper "*No one written off: reforming welfare to reward responsibility*" was published on 21 July 2008. A three month public consultation period followed, which ended on the 22 October 2008. Responses to the consultation were evaluated by the Department for Work and Pensions and a summary of responses is included as an appendix to the White Paper *Raising expectations and increasing support: reforming welfare for the future*. The 1,125 responses to the consultation were also independently evaluated by GfK NOP Social Research and the results published in their report "*The Green Paper Consultation: No one written off - reforming welfare to reward responsibility*". A number of these responses will be referred to throughout the paper.

In Northern Ireland, 100 copies of the consultation paper were issued to a broad spectrum of interest groups, individuals, political parties and the Committee for Social Development. A total of 9 replies were received, the NI Welfare Reform Bill's *Explanatory Memorandum* maintains that most responses were broadly supportive of the thrust of the proposals, i.e. the aim to reduce unemployment levels and to reduce and eliminate child poverty; the simplification of the benefits system; and greater parental responsibility for maintenance payments for those living apart. The

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comments on the Green Paper were considered in developing the provisions of the Welfare Reform Act 2009 and the proposals for the Northern Ireland Welfare Reform Bill.

THE CONTENTS OF THE BILL

The Welfare Reform Bill has 37 clauses and 4 schedules and is divided into three main parts. This section of the paper will provide a broad overview of the contents of the Bill, primarily concentrating on those clauses contained with Parts 1 and 2 of the Bill.

In summary, the Bill includes the following provisions:

- ‘Work for your benefit’ schemes which will initially be piloted in Great Britain;
- The requirement for certain lone parents and partnership of benefit recipients to undertake work related activity as part of their progression to work;
- The requirement for certain Employment and Support Allowance claimants to undertake work-related activity;
- The abolition of Income Support and the phased migration of Income Support claimants to either Jobseeker’s Allowance or Employment and Support Allowance;
- New contribution requirements for Jobseeker’s Allowance and Employment and Support Allowance. In order to qualify, new claimants will need to have paid national insurance contributions for at least 26 weeks in one of the last two tax years prior to the claim;
- The extension of entitlement conditions to the higher rate mobility component of DLA so as to allow entitlement to people with a prescribed severe visual impairment;
- The abolition of adult dependency increases for Maternity Allowance and Carer’s Allowance;
- The payment of community care grants in certain circumstances directly to a supplier of goods and services;
- The introduction of benefit sanctions for benefit fraud, failing to attend certain mandatory interviews and for violence towards jobs and benefits staff;
- The introduction of certain exemptions from jobseeking conditions for people experiencing domestic violence;
- The contracting out of certain functions which are the responsibility of the Department for Employment and Learning;
- The introduction of work-focused interviews for persons under 60 years of age who are claiming any one of a number of specified benefits; and
Amendments to the current statutory child maintenance provisions relating to information offences.

PART 1: SOCIAL SECURITY

‘WORK FOR YOUR BENEFIT’ SCHEMES (CLAUSE 1)

This clause makes amendments to the Jobseekers (Northern Ireland) Order 1995 which enables the Department for Social Development to make provision in regulations requiring Jobseeker’s Allowance (JSA) claimants to participate in schemes that are designed to assist them in obtaining employment, i.e. ‘work for your benefit’ schemes. The intention is that ‘work for your benefit’ schemes will be piloted in a number of geographical areas in Great Britain from 2010 in order to assess their effectiveness. Implementation in Northern Ireland will be subject to the outcome of the evaluation of these pilots and the availability of resources.

The NI Welfare Reform Bill’s Explanatory Memorandum maintains that the proposed amendments to the Jobseekers (NI) Order 1995 would provide for regulations that set out the circumstances in which JSA claimants would be required to participate in such schemes. It is intended that these powers will be used to require a proportion of the long-term unemployed who reach the end of the Department for Employment’s and Learning’s Steps to Work programme (who have been unable to find work) to take part in a ‘work for your benefit scheme’. It is also the intention to enable personal advisers to require other JSA claimants to take part in such schemes if they consider that participation would benefit the individual concerned.

It is envisaged that claimants may participate in ‘work for your benefit’ schemes for a period up to six months. In addition to undertaking full-time work or work-related activity as part of the schemes, participants will also be provided with relevant employment support. ‘Work related activity’ is defined as activity which would make it more likely that the participant will obtain or remain in work or be able to do so. The Explanatory Notes states that it is envisaged that groups precluded from the new regulations will include lone parents with younger children who are moved to JSA after the abolition of Income Support.

Article 19A(5)(d) enables regulations to provide that benefit payments may be withheld or reduced where a claimant has failed to comply with the regulations and he or she does not show good cause (e.g. dealing with a domestic emergency) for the failure to participate in a scheme. The Bill includes provision to amend Schedule 3 of Social Security (Northern Ireland) Order 1998 to appeal decisions relating to non-payment of benefits relating to the ‘work for your benefit’ scheme.

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24 For further information on the Department for Employment and Learning’s Steps to Work programme see www.deni.gov.uk/index/finding-employment-finding-staff/fe-fs-help-to-find-employment/stepstowork.htm
Paragraphs (8) and (9) of Article 19A make provisions to enable claimants who are subject to a sanction to receive hardship payments. Regulations may prescribe the rate and period of such payments and the circumstances in which they are payable.

Article 19B, paragraph (1) enables the Department for Employment and Learning to associate itself, financially or otherwise, with any 'work for your benefit scheme'. This may involve contracting with non-Government organisations and providing funding for relevant work-related activity and employment support. The Department for Employment and Learning may also wish to make payments to persons participating in the schemes to cover expenses, e.g. the cost of public transport to the host organisation.

AN OVERVIEW AND EVALUATION OF 'WORK FOR YOUR BENEFITS' AND 'WORKFARE' SCHEMES

The House of Commons Library Research Paper ‘Welfare Reform Bill: Social Security Provisions’, published in January 2009 provides the following overview and evaluation of similar ‘work for your benefits’/’workfare schemes’ in other jurisdictions:


“There are a number of schemes in other countries that require participants to engage in unpaid work experience as a condition of receiving social security benefits, including the US, Australia, Denmark and the Netherlands.

In the US, there have been a variety of workfare programmes introduced as part of states’ welfare programmes:

‘In the US, most states operate workfare schemes as part of their obligations under the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), introduced in 1996. This established Temporary Assistance for Needy Families (TANF) as the core welfare programmes for families with dependent children under the age of 18. Under TANF, all states are subject to work participation requirement to engage at least 70 per cent of its welfare population in work-related activities for at least 30 hours a week’. AS TANF programmes are designed and implemented at state level, there is considerable variation in the scope and nature of workfare programmes across the US.26

The Australian ‘Work for the Dole’ (WfD) model has also been frequently studied. It was introduced in 1997, initially for young people (18-24) who had been unemployed for six months or longer.27 It involves mandatory participation in community projects run by councils, community organisations or charities in return for $20.80 per fortnight addition to unemployment payments. Initially participants were expected to work for 32 hours per fortnight. In 2006, this requirement was extended to 50 hours for those who had been unemployed for 12 months or more.28

27 Later extended to all jobseekers under 50.
28 It should be noted that the Australian government did not attempt to justify WfD on the basis of improved job outcomes. Instead, it was seen as one way that unemployed benefit recipients can fulfill their ‘Mutual Obligation’ – the concept that welfare assistance provided to the unemployed of working age should involve some return responsibilities for the recipient.
The Labor Government, elected in November 2007, have proposed some changes to WfD, including extending the period before mandatory WfD activity to 12 months and making changes to the funding regime.29

Evaluation

A research report by the Centre for Regional and Economic Social Research (CRESR), (funded by the DWP) summarised evidence on workfare schemes in the US, Canada and Australia.30 The authors noted that there were few systematic evaluations of workfare programmes that isolated the effects from those of other welfare-to-work activities. They summarised evidence from the programmes as follows:

Effectiveness in reducing welfare caseloads
- Dramatic reductions in welfare caseloads in the US and Canada cannot be attributed to workfare alone. Other elements of welfare reform such as intensive job search requirements and time limits on claiming have contributed to falling caseloads whilst economic growth has also enabled recipients to find work.
- Workfare has a deterrent effect which stops people claiming or encourages them to leave welfare before the workfare phase. This makes it harder to measure the tangible outcomes of welfare.
- The proportion of welfare recipients engaged in workfare is low in all three countries studied, even in the US which has the most extensive and well established workfare programmes.

Effectiveness in improving welfare outcomes
- There is little evidence that workfare increases the likelihood of finding work. It can even reduce employment chances by limiting the time available for job search and by failing to provide the skills and experience valued by employers.
- Subsidised ('transitional') job schemes that pay a wage can be more effective in raising employment levels than 'work for benefit' programmes.
- Workfare is least effective in getting people into jobs in weak labour markets where unemployment is high.
- Levels of non-participation in mandatory activities are high in some workfare programmes.

Effectiveness for clients with multiple barriers
- Workfare is least effective for individuals with multiple barriers to work.
- Welfare recipients with multiple barriers often find it difficult to meet obligations to take part in unpaid work. This can lead to sanctions and, in the most extreme cases, the complete withdrawal of benefits that leaves some individuals with no work and no income.
- Some states in the US have scaled down, large-scale, universal workfare fare programmes in preference for ‘softer’ and more flexible models that offer greater support to those with the most barriers to work. This includes a greater reliance on subsidised jobs that pay wages rather than benefits to participants.

In the US, the study looked at evidence on schemes in New York and Wisconsin, which are regarded as large-scale workfare schemes with tough sanctions regimes, but also Washington State and Vermont which operate subsidised job schemes. The report found that the outcomes for subsidised job programmes were more favourable than for conventional

workfare programmes. In New York, the Work Experience Programme (WEP) requires participants to work for three days per week, with two days for job search activity. According to one study, records show that only 5% of WEP participants had found jobs. The use of WEP as the sole form of work-related activity fell dramatically between 1996 and 2001.\(^{31}\)

The Wisconsin Works (W-2) programme has been studied mainly due to significant falls in welfare caseload in the 1990s. Placements in ‘Community Service Jobs’ are one of four activities that can be mandated under the W-2 programme. However, the study again found weak evidence of sustained jobs and of those leavers who found jobs, around half had incomes below the poverty line. High absence rates were also reported.

These changes to the design and use of workfare in New York and Wisconsin prompted Crisp and Fletcher to write that there as a “discernable shift away from more punitive, universal ‘work for benefits’ models towards schemes where recipients are paid a basic wage.”

In Washington State, a 1999 survey found that subsidised “Community Jobs” generated better outcomes than unpaid work experience. The welfare component of the welfare to work scheme has been discontinued.

The evidence from Australia on improved job outcomes is mixed. One early study found that employment outcomes among participants had increased by 7% compared with a control group of non-participants. However, Crisp and Fletcher also point to other research that found WfD ineffective in helping participants find sustainable employment. WfD was also criticised for limiting time for job search activities and for favouring unskilled work which did not develop participant’s skills……

A more positive review of the Australian experience is put forward in a 2003 book from the Centre of Applied Economic Research at the University of New South Wales. This found that on the whole, the programme did help find participants jobs.\(^{32}\) It is estimated that between 60-70% of those who successfully found jobs would have found employment even without the programme, although it may have assisted in them finding long-term jobs of higher quality. In addition, helping the remaining 30-40% find jobs represented a notable success. The authors argued that the programme should be strengthened and made several recommendations including

- Introducing a pilot programme to allow participants, upon completion of the programme, to volunteer in the for-profit sector to improve work experience;
- Improving the availability of training credits to WfD participants;
- Giving participants more choice of projects to participate in;
- Improve funding of the programme to improve training opportunities and simplify financial arrangements for community organisations; and
- Increase the small payment to cover costs associated with WfD participation (e.g. transport).

The Freud report commented on WfD and also on a programme in Nova Scotia, Canada\(^{33}\)”

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\(^{31}\) Ibid, p9.

\(^{32}\) Work for the Dole: Opportunity or Obligation, Neville and Neville, Centre for Applied Economic Research, 2003. A more recent article by the authors summarising their views is available on the internet, Realising the potential of work for the dole, Journal of Economic and Social Policy (Australia); Vol 11, no. 1, pp73-88.

criticisms: that it reduces worksearch and so makes it less likely that someone will get a job; that it does not increase an individual’s employability; and that it stigmatizes the long-term unemployed. The Australian Government has countered that it enables people who have been out of the workforce for a long time to develop work habits, a sense of purpose and a sense of achievement within the community’.

**REACTION OF STAKEHOLDERS TO THE ‘WORK FOR YOUR BENEFIT’ PROPOSALS**

The Government has acknowledged that the ‘work for your benefit’ proposals have ‘provoked differing responses’:

> “Some respondents were opposed to the principle of anyone working for their benefit while others thought it was reasonable that people who had been claiming Jobseeker’s Allowance for a protracted period were expected to take up the opportunity to get back into the habit of work.”

Again the House of Commons ‘Welfare Reform: Social Security Provisions’ Research Paper provides the following useful summary of some of the key responses to the ‘work for your benefit’ proposals contained within the Green Paper ‘No one written off’:


> “The Social Security Advisory Committee (SSAC) said that it had ‘very severe reservations’ about the proposals which, it noted, would impact on claimants at the same stage that the Department was now proposing to remove support for mortgage interest from new claimants of JSA. The recent international comparative study of ‘workfare’ programmes undertaken for the Department[36] [referred to in the previous section] questioned the effectiveness of such programmes in reducing benefit caseloads, improving employment outcomes and helping claimants with ‘multiple barriers’ to work. The Committee had seen ‘no evidence to suggest that any contemporary ‘workfare’ models’ were likely to be effective in Great Britain. It was also concerned about the nature of the activity envisaged: it should not replace existing jobs and should provide ‘added value’ for the participant by addressing education and skills needs as well as barriers to working. There was also the issue of how a claimant could combine ‘work for benefit’ with jobsearch activities.

The SSAC response stated:

> The challenge is to provide positive, meaningful, useful and voluntary work experience, without incurring disproportionate costs in setting up ‘make work’ schemes. It will be hard to avoid creating a perception of work as a punishment for failure and thus creating an additional stigma for those who are long term unemployed or have had a series of short term jobs.

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35 www.parliament.uk/commons/lib/research/rp2009/rp09-008.pdf


37 No one written off: reforming welfare to reward responsibility – the response of the Social Security Advisory Committee, para 3.1.
As regards the suggestion, underpinning the proposal to allow Jobcentre Plus advisers to require full-time activity at *any* stage, that some people deliberately leave benefit and reclaim JSA at a later stage to avoid increasing conditionality, SSAC said it could find no empirical evidence to suggest that this was occurring. The Committee also noted that the policy which targeted claimants moving in and out of JSA ‘did not sit comfortably’ with other initiatives designed to encourage the long-term unemployed to explore short-term job opportunities, and noted that the changing economic climate was likely to increase the number of temporary or insecure jobs.

The **Child Poverty Action Group** argued that the ‘work for your benefit’ proposals amounted to ‘workfare’, and also pointed to the recent DWP-commissioned international comparative research……

**CPAG** believed that the workfare option would be ‘unlikely to achieve more than stigmatising a small group’ and said it failed to deal with the complex reasons why systems of engagement failed to work for some people. Its submission states:

> CPAG is in support of helping those out of work to volunteer in order to help them develop the skills and participate in local communities, and there is clearly a case for personal advisers to be able to provide access to work experience and work faster programmes.

> However we do not support forced full time work experience, the dual risk of this is both stigmatising and meaningless for claimants to go through – devaluing and de-motivating them whilst not adding the their employability.

> There is also an important point of principle that work should be decently paid. The single rate of jobseeker’s allowance is £60.50, which works out at £1.73 per hour on a 35 hour week, £4 less than the national minimum wage……..  

**Citizens Advice** also voiced ‘serious concerns’ about the work for your benefits proposals, arguing that there was ‘very little evidence’ from other countries that such schemes were effective. The DWP-Commissioned research cited in the Green Paper, it argued, did not support the use of workfare programmes. The Citizen Advice response went on:

> 2.23 It is seriously worrying that DWP are prepared to consider work for benefit schemes without addressing the key problems found in international comparative research.

> 2.24 Full-time activities, such as community work or job trials, are positive steps in building confidence for return to work, and the emphasis should be on encouraging people into these supportive placements. The threat of a sanction should be unnecessary in a discussion with a claimant and personal advisers should work on building positives relationships so that they can jointly discuss necessary steps for return to work…….

The Law Centre (NI) views with regard to ‘work for your benefit’ schemes is that it would

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“…wish to see considerably more detail about any such scheme before being able to offer a definitive view. Nonetheless, we have reservations about such a scheme applying to lone parents with children over seven without childcare provision and payments being guaranteed. We are concerned by the possibility of job displacement as a result of the scheme and the possibility of lone parents and others having to leave existing training schemes to undertake such work”.

Law Centre (NI) is also concerned that the approach taken to the whole issue of welfare reform in Northern Ireland takes into consideration the particular circumstances in Northern Ireland in contrast with GB:

“Northern Ireland presents particular circumstances with regards to welfare and arrangements to move people into employment. In Northern Ireland, the approach to social security, training and employment programmes is divided into two government departments: the Department for Social Development (DSD) is responsible for social security benefits and benefit sanctions whereas the Department for Employment and Learning (DEL) is responsible for training and employment programmes. This is in contrast to GB, where both areas are handled through the Department for Work and Pensions (DWP)…..”

“While the principle of social security parity has dominated the development of social security policy and legislation in Northern Ireland social security remains a transferred matter with separate legislation and administrative arrangements. While benefit rates are universal across the UK there are significant differences between social security provision which recognise the particular circumstances in Northern Ireland. The approach towards welfare reform in Northern Ireland can therefore be policy led and should not be slavishly bound to the principle of parity…”

WORK-RELATED ACTIVITY: INCOME SUPPORT CLAIMANTS AND PARTNERS OF CLAIMANTS (CLAUSE 2) AND LONE PARENTS (CLAUSE 3)

From 2 October 2008, the Social Security (Lone Parents and Miscellaneous Amendments) Regulations (Northern Ireland) 2008 amended the Income Support (General) Regulations (Northern Ireland) 1987. The amendments introduced changes to the entitlement conditions for Income Support so that lone parents who are claiming solely on the grounds of being a lone parent, and are capable of work, are to claim JSA when their youngest child is:

- Aged 12 years or over from 2 December 2008;
- Aged 10 years or over from 26 October 2009; and
- Aged 7 years or over from 25 October 2010.

This essentially means that from October 2010 most lone parents with a child aged 7 or over will be subject to the JSA regime. However, the Jobseeker’s Allowance (Lone Parents) (Availability for Work) Regulations (Northern Ireland) 2010 builds on an existing flexibility in JSA regulations which allows parents with caring responsibilities for a child to restrict their availability for work to 16 hours per week in an agreement with an adviser. The regulations extend this flexibility into a new right

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43 Ibid.
for lone parents with a youngest child aged 12 years and under to restrict their availability for work to their child’s normal school hours.\footnote{Explanatory Memorandum. The Jobseeker’s Allowance (Lone Parents) (Availability for Work) Regulations (Northern Ireland) 2010. SR 2010, No. 144.}

Clause 2 of the Welfare Reform Bill will amend the Social Security Administration (Northern Ireland) Act 1992 and will permit the Department for Social Development to make new regulations which may require a person in receipt of income support, and who is not the lone parent of a child under the age of 3, or the partner of a person receiving Income Support, income-based JSA or income-related Employment and Support Allowance (ESA), to undertake work-related activity, as part of their progression to work.

Clause 3 amends relevant legislation to ensure that lone parents on Income Support or ESA with a child under one will not be required to take part in work-focused interviews. It is also proposed that the relevant legislation will be amended to ensure that lone parents on ESA with a child under three will not be required to undertake work-related activity.

Clause 2 would enable the Department for Social Development to make regulations relating to work-related activity including, for example:

- The circumstances in which a person is subject to any requirement to undertake such activity and notifying the person of such a requirement;
- Prescribing the time and amount of work-related activity which a person is required to undertake;
- Detailing the circumstances in which a person is, or is not, to be regarded as undertaking such an activity;
- Imposing a sanction where a person required to undertake work-related activity has failed, without good cause, to comply with the requirement; and
- Providing that lone parents entitled to Income Support can restrict the hours for which they will be required to undertake work-related activity.

The Welfare Reform Bill also provides that persons, and their partners, who are required to attend work-focused interviews should be provided with an action plan. Regulations made under this section will provide the form, content, review and updating of such action plans. The action plan will contain details of the activities which will allow for the requirement to be met. The Bill provides that the well-being of the child should be taken into account when agreeing the activities that a parent will undertake as part of an action plan. Provision should also be made in the regulation which outlines the circumstances which will constitute good cause for failing to undertake mandatory activities. The Bill’s Explanatory Memorandum states that they “must expressly state that availability of childcare and the claimant’s physical or mental health or condition will always be considered.”\footnote{Ibid.}

The proposed new requirement for ‘work-related activity’ or lone parents with young children in Northern Ireland is one of the issues relating to welfare reform which has come under the most scrutiny. In response to the Government’s White Paper, the Law Centre for NI highlighted its concern at the potential impact of the proposed changes in Northern Ireland,
“We are very concerned by the proposals within the White Paper to require lone parents with children aged under seven years of age to actively seek work as a condition of JSA. While we support a policy of positively encouraging lone parent into paid work at an appropriate time efforts to move lone parents back to work should be through measures tailored to support and encourage lone parents rather than through sanctions.

We foresee a number of difficulties in introducing legislative powers for this purpose in Northern Ireland. The childcare infrastructure in Northern Ireland required to underpin these proposals is not in place and there is no lead Department responsible for developing a childcare strategy and appropriate provision. Further, with rising unemployment the current economic climate may make it difficult for lone parents to secure jobs that allow them to combine their work and family life. Finally, there is a potentially adverse impact on child poverty if lone parents are exposed to the risk of benefit sanctions.

Recent research by the Department for Work and Pensions looked at the long term impact of lone mothers moving into work. The research concluded that there are considerable material and social benefits for families and children in entering employment. Nonetheless, the demands of childcare mean this work is generally part-time, insecure and poorly paid. The research also highlighted the costs in terms of family life and general health and well-being. Tax credits remain essential though the financial benefit of tax credits is mitigated by complexity, unreliability and the prospect of the recovery of overpayments. The lack of childcare also remains a significant barrier to obtaining and maintaining work. This research illustrates the complexities associated with finding and sustaining work for lone parents at a time when the economy was strong. The White Paper and Bill still fail to reflect these complexities. For Northern Ireland the childcare issue is even more relevant and the full blown approach envisaged in the White Paper should not be adopted here until childcare is fully and properly resolved.

This concern was also reflected in the Committee Stage of the Welfare Reform Bill at Westminster.46 One Member moved an amendment to provide that work-related activity would not apply to lone parents until their youngest child was five, rather than the three as the Government had proposed (the amendment was later withdrawn) The House of Commons Library Research Paper outlines the Government’s response to the question of the age criteria for the youngest child:


“Responding for the Government, the Minister for Employment and Welfare Reform, Tony McNulty, said that no engaging with lone parents until their youngest child reached five would be “neglectful” and that the system should “starting working with lone parents at the earliest opportunity”. He said that “work-related activity” was defined widely deliberately in order to cover individual circumstances47. The age of three had been chosen, the Minister said, because it was the age from which, in England and Wales at least, the state increasingly provided full-time child care. He acknowledged however that childcare coverage for this age group was not universal, and said that the absence of childcare would be taken into account when discussing the details of work-related activity for those with younger children. Mr McNulty also said that he envisaged that as a lone parent’s youngest child approached the age of

47 PBC Deb 24 February 2009 c120.

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seven, there would be a "slightly stronger focus on the work element of the work related activities rather than the broader skills and training element". 48

The shortage in the availability of affordable childcare in Northern Ireland and its impact on welfare reform is an issue which the Members of the Committee for Social Development have raised with the Department for Social Development on several occasions – see for example, Northern Ireland Assembly Official Report Evidence Sessions on the Welfare Reform Bill on 28 January 201049 and 3 December 200950.

Clause 8 of the Bill provides that regulations made within five years of the passing of the Welfare Reform Bill and which impose a requirement on a lone parent of a child under 7 to undertake work-related activity will be subject to the confirmatory procedure of the Assembly.

SUPPORTING PARTNERS OF CERTAIN BENEFIT CLAIMANTS INTO EMPLOYMENT

There will be provision to extend the existing requirement that couples with no children must make a joint-claim for Jobseeker’s Allowance to couples with a child aged 7 or over where both partners are capable of work. With a few exemptions, under these arrangements, both members of the couple will be required to be available for and actively seeking work as a condition of receiving the benefit.

The provision will also remove entitlement to Income Support and income-related Employment and Support Allowance from couples where one member of the couple is capable of work. Currently a couple may decide between them which one will make a claim for income-related support (i.e. Income Support or income-related Employment and Support Allowance). It is proposed to remove that choice where one member of the couple is capable of work. The route to income-related help will be via Jobseeker’s Allowance. The other party to the claim will still be able to claim any contributory or non-means tested benefit they are entitled to such as contributory Employment and Support Allowance. These proposals will initially be piloted and then evaluated in Great Britain51.

THE ABOLITION OF INCOME SUPPORT (CLAUSE 9)

The abolition of income support is part of the move towards simplifying the benefits system and creating a single working age benefit. People currently claiming Income Support will move to either ESA or JSA. The Bill’s Explanatory Memorandum notes that there is scope in the Bill to provide necessary transitional protection. The Bill provides that an order to end entitlement to Income Support will be subject to the confirmatory resolution process of the Assembly.

The rationale for the abolition of Income Support is set out in the White Paper ‘Raising Expectations’:

48 Ibid c120-121.
49 See www.niassembly.gov.uk/record/committees2009/SocialDevelopment/100128DepartmentalBriefing.htm
50 See www.niassembly.gov.uk/record/committees2009/SocialDevelopment/091203_WelfareReformBill.htm
The social security system exists to provide support for those who need it, acting as a safety net when necessary and helping individuals to support themselves. For the benefits system to be effective in achieving its aims it must be sufficiently accessible and clear enough for customers and staff to navigate.

The current system is too complex. We should not expect our customers to mould themselves to fit the system, nor should our staff waste time and money dealing with badly designed processes. We need to develop a benefits system that enables and empowers individuals to take control of their lives and treats each customer as an individual, with their own varied routes back into employment. This would be a benefits system that doesn’t merely catch people, but propel them forwards.

We received many supportive responses and have also looked closely at the proposed models for a single benefit put forward by the Institute for Public Policy Research (IPPR), David Freud and others. We remain attracted to the idea of a single working-age benefit and will continue to explore whether, over the longer term, this is the right approach for our aims for the social security system.

Radical simplification should improve things for our customers and our staff and help to shift our customers’ focus away from the complex and overlapping structure of benefits towards the journey back to work. A single system of benefits would mean that the claims and payment process could be more easily automated.

We have previously said that major changes to the benefits system have to be made in several stages. This is the only way to ensure safe delivery and minimise disruption for our customers. We have started to lay the foundations of a simplified system of benefits with the introduction of the Employment and Support Allowance and other recent changes. The next natural step towards a simplified system should be the closure of Income Support which would take us to a dual-benefits system based around Jobseeker’s Allowance and the Employment and Support Allowance. Those who currently claim Income Support and who do not move onto the Employment and Support Allowance will move to Jobseeker’s Allowance.

Law Centre (NI) has indicated that whilst it welcomes the simplification of the out-of-work benefit system, it does not support the abolition of Income Support:

“We welcome the proposals to simplify the out-of-work benefit system. However, we are concerned that the proposal to simplify the system by moving all claimants to Jobseeker’s Allowance and Employment and Support Allowance is simplistic and infeasible. We remain unconvinced that these two forms of benefits alone will be able to offer the flexibility required in more complex circumstances, such as when a claimant qualifies for support under more than one category e.g. a lone parent with caring responsibilities for a disabled child. The Law Centre would therefore support the retention of Income Support.”

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WORK RELATED ACTIVITY FOR CLAIMANTS OF EMPLOYMENT AND SUPPORT ALLOWANCE (CLAUSE 10)

This clause allows the Department or the Department for Employment and Learning to specify a work-related activity which a claimant of ESA, in the work-related activity group, must undertake to meet the requirements of the claim. Work-related activity is activity aimed at helping the claimant obtain work, remain in work or to be more likely to obtain or remain in work. This will not apply to claimants whose condition limits them to the extent that they could not reasonably be required to undertake work-related activity as a condition of receiving their benefit.

The Bill also provides that any direction given to the claimant must be reasonable and have regard to the person’s circumstances. Any direction given to the claimant with regards to work-related activity must be recorded in the claimant’s action plan. Failure to undertake the specified activity without showing good cause for this within the allowed time would be sanctionable.

CONTRIBUTORY JOBSEEKER’S ALLOWANCE AND EMPLOYMENT AND SUPPORT ALLOWANCE (CLASSES 11-12)

This clause amends the contribution conditions for JSA so that the first contribution condition for jobseeker’s allowance is met by the claimant having paid, or being treated as having paid, at least 26 weeks of Class 1 contributions on relevant earnings at the base year’s lower earnings limit (£90 per week in 2008/09) in one of the two tax years prior to the claim. Class 1 national insurance contributions are those paid on earnings from employment. Relevant earnings are those upon which contributions have been paid and which count towards establishing entitlement.

Clause 12 amends the contribution conditions for ESA so that the number of tax years in which a person can pay national insurance contributions and qualify for employment and support allowance is reduced from three years to two. This aligns the period for ESA with that for JSA.

The clause further amends the Welfare Reform Act (Northern Ireland) 2007 to provide that the first contribution condition for employment and support allowance is met by the claimant having paid, or being treated as having paid at least 26 weeks of Class 1 or Class 2 contributions on relevant earnings at the base year’s lower earnings limit (£90 per week in 2008/09) in one of the two tax years prior to the claim. Class 1 national insurance contributions are those paid on earnings from employment. Class 2 National Insurance contributions are those paid on earnings from self-employment. Relevant earnings are those upon which contributions have been paid and which count towards establishing entitlement.

This clause also provides a regulation-making power which will be used to set out the detail of the calculation to determine whether a person has paid contributions on enough earnings to be entitled to the contributory benefit. The existing regulation-making power in the Welfare Reform Act (Northern Ireland) 2007 is amended to allow for further prescribed categories of claimants, for example partners of overseas service personnel, to satisfy the first contribution condition by alternative criteria.

MOBILITY COMPONENT OF DISABILITY LIVING ALLOWANCE (CLAUSE 13)
This clause amends the entitlement conditions to the higher rate mobility component of DLA so as to allow entitlement to people with a prescribed severe visual impairment. The clause amends section 73 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 to set out a new category of entitlement to the higher rate mobility component for people who are severely visually impaired as prescribed in regulations. Clause 13 does not alter the existing entitlement to the higher rate mobility component of those who are blind and deaf (to the prescribed degree).

**ABOLITION OF ADULT DEPENDENCY INCREASES (CLAUSE 14)**

Maternity Allowance is an income maintenance benefit paid to women who have been employed or self-employed but who do not qualify for Statutory Maternity Pay. Carer’s Allowance is an income maintenance benefit payable to certain people who provide at least 35 hours of care a week to severely disabled person.

Adult Dependency Increases (ADIs) are additions that may be payable with certain contributory and non-contributory benefits if another adult is financially ‘dependent’ on the recipient. They are a long standing feature of the benefits system, dating back to the introduction of the National Insurance scheme in 1948.

Clause 14 repeals sections 82 and 90 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 which make provision for Adult Dependency Increases (ADIs) to be paid with maternity allowance and carer’s allowance respectively, in circumstances where the claimant has an adult dependant. The clause will abolish the payment of ADIs for all new claims to maternity allowance and carer’s allowance at the same time as they cease to be available on new claims to state pensions in 2010.

ADIs in payment with Carer’s Allowance at the time of change will be phased out between 2010 and 2020. This will be in line with the arrangements for phasing out the existing ADIs paid with the state pension. Phasing out will not apply to maternity allowance as this is a short-term benefit paid for 39 weeks. Payment of ADI for existing maternity allowance claims will therefore cease when the maternity allowance entitlement ends.

The Welfare Reform Bill (GB) 2009 Impact Assessment justifies the abolition of ADIs with Maternity Allowance and Carer’s Allowance on the following grounds:

- ADIs are based on outdated assumptions about dependency and have little relevance to today’s society;
- The change is aligned with the planned phased abolition of ADIs in the Retirement Pension, and will bring greater uniformity across benefits;
- As a step towards a simpler benefits system which is easier to understand and operate, and helps reduce error; and
- To remove disincentives to seek work or increase earnings.

**COMMUNITY CARE GRANTS (CLAUSES 15-17)**
Under the existing law, successful applicants for community care grants may be provided with cash to obtain the goods or services that the award covers. At the direction of the appropriate officer, a payment may be made to a third party to provide the goods or services. These amendments to the Social Security Contributions and Benefits (Northern Ireland) Act 1992 enable the Department to require that, where the goods or services are covered by arrangements the Department has made with a supplier, the award made must relate to specified goods or services and the payment would be made to the supplier. It is expected that these arrangements will involve the supply of white goods and furniture at a discounted rate.

Clause 16 inserts a new section 116E into the Social Security Administration (Northern Ireland) Act 1992 which allows regulations to provide for the exchange of information between the Department and relevant suppliers and for the use or disclosure of such information, including provision for a criminal offence for unauthorised disclosure. There is power by regulations to make exceptions to this.

Clause 17 provides that regulations about the unauthorised disclosure of information in relation to community care grants will be subject to the confirmatory procedure where the regulations create new offences or increase penalties.

**PAYMENTS ON ACCOUNT (CLAUSE 18)**

Clause 18 provides a regulation-making power to allow a payment on account of housing benefit to be made where no claim has been made or a claim has been made (including where a claim has been determined and an award made) and, in either case, a person who is or would be covered by such a claim would be in need if no payment on account was made, and an award has been made but it is impracticable to pay the full amount of the benefit immediately. The Bill broadens the range of situations in which a payment on account may be made before an award has been made. It enables these payments to be made on a need basis rather than in situations where it is impracticable to make a claim, determine a claim or pay benefit. It provides the Department with improved flexibility to address short-term hardship.

**BENEFIT SANCTIONS (CLAUSES 19 – 21)**

**BENEFIT SANCTIONS RELATING TO BENEFIT FRAUD**

Section 6 of the Social Security Fraud Act (Northern Ireland) 2001 enables certain specified benefits to be withdrawn, or reduced payments to be made, for a period of 13 weeks (known as the disqualification period) where a person is convicted of benefit fraud on two occasions, and the second offence was committed within five years of the date of conviction for the first. These loss of benefit provisions are commonly referred to as the ‘two strikes’ rule. Where such an offence of benefit fraud comes to light, the offender may be prosecuted, agree to an administrative penalty as an alternative to prosecution under section 109A of the Social Security Administration (Northern Ireland) Act 1992, or agree to be given a caution.

Subsection (1) inserts new sections into the Social Security Fraud Act (Northern Ireland) 2001. New section 5B, for example, introduces the new benefit sanction to apply after the first conviction, or after any administrative penalty or caution known as the “one strike” rule. The combined effect is for benefit to be reduced or withdrawn for the disqualification period where the offender has –

- been convicted of one or more benefit offences in any proceedings;
accepted an administrative penalty as an alternative to prosecution; or

agreed to be given a caution

The disqualification period is defined in subsection (11) of new section 5B as a period of four weeks beginning at a prescribed time after conviction or the agreement of an administrative penalty or caution.

BENEFIT SANCTIONS RELATING TO VIOLENT CONDUCT RELATING TO A JSA CLAIM

Clause 20 inserts 2 new Articles into the Jobseekers (Northern Ireland) Order 1995 relating to sanctions for violent conduct (e.g. commons assault, battery or affray) in connection with a JSA claim. New Article 22C makes provision for a benefit sanction of one week to be applied to JSA claimants who are successfully convicted of or, cautioned for violent or threatening behaviour towards staff of Social Security Offices or Jobs and Benefits Offices or contracted out staff. In addition, for the sanction to apply it is necessary that –

- the violent conduct was towards staff of Social Security Offices or Jobs and Benefits Offices or contracted out staff;
- the offence took place on the Social Security Office or Jobs and Benefits Office premises while the offender was there for the purpose of a jobseeker’s allowance claim;
- the offender is a person or a member of a joint claim couple who satisfies the conditions of receiving jobseeker’s allowance.

REACTION TO THE BENEFIT SANCTION PROPOSALS

The Law Centre NI has expressed the following reservations with regard to the imposition of sanctions:

Despite research by the Department for Work and Pensions, on the Pathway to Work pilots, which found that there is little evidence that the imposition of sanctions resulted in increasing interest in, or movement towards work, the Bill proposes a range of sanctions on those who do not fulfil their work activity obligations.

New legislation will be introduced so that it is no longer possible for a JSA claimant to ignore a mandatory appointment without incurring at least one full week’s sanction of their JSA. Subsequent failures will lead to a sanction equal to two weeks’ benefit. There is also a sanction being introduced if a claimant is deemed to be behaving violently towards Jobcentre Plus staff. We do not support the proposal to use sanctions in response to aggressive claimants. Assault is a criminal matter and should be dealt with by the appropriate law enforcement bodies and not through the benefit sanctions.

The proposed increased use of sanctions could have substantial cost implications given the potential associated rise in appeals. The Department should produce its evidence that demonstrates that sanctions are effective especially in light of the report of the Social Security Advisory Committee, which questions the efficacy of sanctions. An increased use of sanctions is likely to have substantial adverse implications for dependents as well as claimants. Indeed, this approach is inconsistent with the Office of the First Minister and Deputy First Minister (OFMDFM)’s review on child poverty, which recognises the positive contribution that benefits can make to reducing child poverty and specifically calls for a Benefit Uptake Strategy. These proposals would result in benefit deprivation, not uptake.
The imposition of conditionality and sanctions as part of the new benefit scheme may also have a negative effect on the relationship between a claimant and his/her Personal Adviser, which the Pathways to Work pilot has shown is pivotal to its success. Previous Department research found that Personal Advisers “felt that allowing customers to move forward at their own pace, and emphasising the voluntary nature of participation, were critical to gaining customer commitment and co-operation.”

Similarly, reservations have also been expressed by the Social Security Advisory Committee in its occasional paper, ‘Sanctions in the benefit system: Evidence review of JSA, IS and IB sanctions:

“The impact of sanctions
A consistent message has emerged in terms of the impact of JSA sanctions on individuals. Several reports have discussed the material hardship and emotional problems associated with sanctions (see for example Saunders et al., 2001 and Vincent, 1998), although there is still a great deal more to be known about the differential effects on claimants.

A number of qualitative studies have shown that JSA sanctions have a significant financial impact (as would be expected). However, the severity of the impact depended on a number of issues, including whether the claimant received timely information about entitlement to hardship funds, lived with their parents, had a partner and children or were able to find work immediately following the sanction (Saunders et al., 2001). Hardship payments replace much of the lost benefit but not all claimants are eligible and possibly some of those who are eligible do not claim. The impact on younger claimants who live with their parents may be mitigated by financial support from them, but this simply spreads the impacts of the sanction onto the family unit. The Department has little information on the longer-term impacts of sanctions. For example, there is currently no information on people who may become homeless as a result of a sanction or whether a sanction leads to long-term health impacts such as anxiety and depression.”

**MISCELLANEOUS PROVISIONS (CLAUSES 23 – 30)**

Other key provisions contained within the Bill include:

- **Clause 23**: requires the Department to exercise regulation-making powers to provide that victims of domestic violence will, for a period of 13 weeks, be able to start or continue a claim to jobseeker’s allowance without: being available for employment; having entered into a jobseeker’s agreement; or actively seeking employment. Regulations made by virtue of the new provision will be subject to the confirmatory procedure.

- **Clause 26**: provides a general provision to allow the contracting out of certain functions of the Department or the Department for Employment and Learning under the Jobseekers (Northern Ireland) Order 1995.

- **Clause 27**: allows regulations to be made providing for entitlement to jobseeker’s allowance to cease for between one and five days if the claimant fails to attend a mandatory interview and subsequently makes contact with

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the Social Security Office or Jobs and Benefits Office within a prescribed period of the date of the mandatory interview without showing good cause for the failure to attend. Regulations set out that the prescribed period is five working days. This new provision will mean that in these circumstances, entitlement to JSA will continue but will not be payable for a fixed period of at least one week and not more than two weeks.

In addition, regulations will provide that if a person fails to attend a mandatory interview for the second or subsequent time, a fixed sanction of two weeks will be applied whilst keeping the claim open. If the person makes contact with the Social Security Office or Jobs and Benefits Office within the prescribed period of five working days and shows good cause in both circumstances, a sanction would not be imposed.

- **Clause 29**: amends Section 2A of the Social Security Administration (Northern Ireland) Act 1992 to allow regulations to be made requiring a person who is under 60 years of age who is claiming any one of a number of specified benefits to take part in a work-focused interview, as a condition of continuing to receive the full amount of that benefit. Subsection (3) amends section 2AA of the Social Security Administration (Northern Ireland) Act 1992 and extends the requirement so that where the claimant has a partner, and both are under 60 years of age, they are both required to attend work-focused interviews.

**PART 2: CHILD MAINTENANCE**

**PAYMENTS OF CHILD SUPPORT MAINTENANCE (CLAUSE 31)**

Article 29 of the Child Support (Northern Ireland) Order 1991 provides a general power to make regulations as to the payment of child support maintenance. These regulations allow the Department to specify the intervals at which payments are to be made, having regard to the circumstances and preferences indicated by the non-resident parent. Many non-resident parents prefer to pay calendar monthly, in line with when they receive earnings. Precisely matching payments to weekly liabilities may not be straightforward and may be unclear to parents.

Clause 31 amends Article 29 of the Child Support (Northern Ireland) Order 1991, extending the provisions which may be made by regulations in relation to payments of child support maintenance. Subsection (2) allows for regulations making provision for determining the total amount of maintenance payments due in a reference period (a period of 52 weeks or, in some circumstances, a different period - see subsection (3)), and requiring payments to be made, by reference to that amount and that period, at prescribed intervals.

This will enable the notification of the maintenance calculation issued to each parent to show an annual rather than weekly amount. Where the payment interval is to be monthly, the schedule of payments due will show 12 equal monthly amounts. It will therefore be much easier for each parent to see what payments are due to be made, on what date, and how they relate to the maintenance liability. This will also facilitate the making of payments by regular direct debit because the amounts will be the same each month. Annual amounts will be adjusted if a relevant change in circumstances occurs during the year, requiring a new maintenance liability to be calculated.
CHILD SUPPORT MAINTENANCE: OFFENCES RELATING TO INFORMATION (CLAUSE 32)

Clause 32 amends Article 16A of the Child Support (Northern Ireland) Order 1991, which deals with offences relating to the provision of information.

Article 16A(3A) of the Child Support (Northern Ireland) Order 1991 currently provides that a person commits an offence if he or she fails to notify the Department of a change of address. Clause 32(2) substitutes a new paragraph (3A), which extends this offence to a failure to report other changes of circumstances. These other changes of circumstances will be specified in regulations made under the provisions of Article 16(1) of the Child Support (Northern Ireland) Order 1991.

Article 16A(2) of the Child Support (Northern Ireland) Order 1991 currently provides that it is an offence for a person to knowingly make a false statement or representation or knowingly provide, or cause or allow to be provided, a document or other information which is false. Clause 32(3) adds a new paragraph (6) into Article 16A of the 1991 Order, setting the time limit for bringing such a case to 12 months from the date the false information was provided. Currently, Article 19(1)(a) of the Magistrates’ Courts (Northern Ireland) Order 1981 limits the time in which a prosecution can be brought to 6 months. The amendment brings the time limits broadly in line with those for benefit fraud, and increases the likelihood of successful prosecutions under Article 16A(2) of the Child Support (Northern Ireland) Order 1991 due to the increased time in which the offence can be discovered and investigated by the prosecutor.