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From: The DALO

Ms Emer Boyle
Communities Committee Clerk
Room 410
Parliament Buildings
Ballymiscaw
Stormont
Belfast
BT4 3XX

Dear Emer,

REVISED - THE SOCIAL SECURITY (INCOME AND CAPITAL DISREGARDS) (AMENDMENT) REGULATIONS (NORTHERN IRELAND) 2026

The Department for Communities proposes to make a Statutory Rule under powers conferred by the Social Security Contributions and Benefits (Northern Ireland) Act 1992, the State Pension Credit Act (Northern Ireland) 2002, the Welfare Reform Act (Northern Ireland) 2007 and the Welfare Reform (Northern Ireland) Order 2015. The Rule is subject to the negative resolution procedure before the Assembly.

Purpose of the Statutory Rule

The Rule ensures that lump-sum payments made by the Church of England (CoE) Redress Scheme ("the Scheme") are disregarded indefinitely for the purposes of calculating entitlement to means-tested benefits.

Detail

The Scheme will make awards to victims and survivors of Church-related abuse. The awards, which will be paid by the CoE, will range from £5,000 to £660,000 in exceptional cases.

The CoE estimates there will be approximately 1,300 recipients of the Scheme. Whilst data on the proportion of recipients who may now reside in Northern Ireland is not available, any such number is expected to be negligible.

DWP have confirmed that payments under the Scheme will be disregarded for the purposes of capital and income when assessing entitlement to means-tested benefits. To maintain parity with DWP, the Department proposes to make provision for a corresponding disregard in Northern Ireland. The proposed Rule will be made and come into operation in tandem with the GB instrument on 1 November 2026.

The proposed Rule will ensure any payments made by the Scheme to recipients' resident in Northern Ireland are disregarded indefinitely when assessing entitlement to means-tested benefits. The disregard will apply to either the person eligible or the recipient(s) of the deceased's estate where the applicant has died during the application process.

The proposed Rule will amend the following Northern Ireland Statutory Rules:

- The State Pension Credit Regulations (Northern Ireland) 2003
- The Housing Benefit Regulations (Northern Ireland) 2006
- The Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations (Northern Ireland) 2006
- The Employment and Support Allowance Regulations (Northern Ireland) 2008
- The Universal Credit Regulations (Northern Ireland) 2016

Previous engagement with the Committee

None on the above-mentioned subject matter.

Consultation

There is no requirement for the Department for Communities to consult on the Rule.

Section 24 of the Northern Ireland Act 1998

The Department is content that these Regulations comply with section 24 of the Northern Ireland Act 1998 (Convention rights, etc.).

Consideration by the Executive

Not required for this Statutory Rule.

Equality Impact

In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department has conducted an equality screening exercise on the legislative proposals. The Department has concluded that the proposals do not have any implications for equality of opportunity. In light of this, the Department considers that an Equality Impact Assessment is not necessary.

Regulatory Impact

The proposed Rule does not require a Regulatory Impact Assessment as it does not impose any new costs on business, charities, or voluntary bodies.

Rural Needs Impact

A Rural Needs Impact Screening has been undertaken for this Rule, and the Department is satisfied that it will not have an undue impact on rural communities. No negative impacts have been identified, and no mitigation measures are necessary.

Data Protection Impact

A Data Protection Impact Assessment has been undertaken for this Rule, and the Department is satisfied that there are no causes for concern with regards to the protection of the Department's or the public's data. No mitigation measures are necessary.

Child Rights Impact

A Child Rights Impact Assessment has not been deemed necessary for this Rule.

Position in GB

The GB Statutory Instrument is expected to be made in October, coming into force on 1 November 2026. In line with section 87 of the Northern Ireland Act 1998, the Rule should be made as soon as possible after the GB Instrument has been made.

Financial Implications

The Redress Scheme is funded by the Church of England. The Department for Work and Pensions has gained HM Treasury (HMT) approval to apply an indefinite disregard to payments made by the Scheme to individuals resident in GB, for the purposes of calculating eligibility for income based benefits. The Department has secured corresponding HMT approval for costs associated with applying this disregard in Northern Ireland to be treated as Annually Managed Expenditure.

Proposed Timing of Consideration of SL1

This is a parity social security measure, with an equivalent SI being introduced by DWP. Social security legislative parity, as set out in section 87 of the Northern Ireland Act 1998, means parity of timing as well as substance and the Northern Ireland Rule should be made and implemented to timescales which align as closely as possible with the DWP SI.

In light of these circumstances the Minister has made the following statement:

"***I am satisfied that ensuring the orderly making of this parity social security legislation in line with DWP timeframes gives rise to exceptional circumstances which require deviation from the normal process and timeframes set out in the Guidance for Departments on Delegated Legislation (SL1 Pre-Introductory Stage).***

I would be grateful if the Committee would agree to approve the SL1 in the requested shortened timeframe in light of these exceptional circumstances. It is

my intention to make the Rule align as closely as possible with the DWP timing for the corresponding SI.”

Operational Date

It is anticipated that the Regulations will come into operation on 1 November 2026.

When the Rule together with the Explanatory Memorandum has been laid at the Assembly Business Office, the Business Office will submit copies to the Committee.

You will wish to bring this matter to the attention of the Communities Committee.

Yours sincerely,

Laura Coffey

Departmental Assembly Liaison Officer
Private Office
cc: Human Rights Commission
Equality Commission