

From: The DALO

Ms Emer Boyle
Communities Committee Clerk
Room 430
Parliament Buildings
Ballymiscaw
Stormont
Belfast
BT4 3XX

Dear Emer,

The Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Claims and Payments) (Amendment) Regulations (Northern Ireland) 2026

The Department for Communities ("the Department") proposes to make a Statutory Rule (SR) under powers conferred by sections 5(1)(q) and (5) and 165(1), (4) and (5) of the Social Security Administration (Northern Ireland) Act 1992 and sections 15(1) and 60(2) of the Justice Act (Northern Ireland) 2016. The SR is subject to the negative resolution procedure.

Purpose of the Statutory Rule

This SR amends the Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Claims and Payments) Regulations (Northern Ireland) 2016 ("the 2016 Regulations") to permanently move child maintenance (CM) deductions to the top of the regulated priority order from which deductions can be taken from a claimants Universal Credit (UC).

This Rule will also amend Schedule 5 to the 2016 Regulations to remove references to "payments in place of child maintenance" that should have been omitted by virtue of the Child

Support (Miscellaneous Amendments No.4) Regulations (Northern Ireland) 2019 (S.R. 2019 No.222).

Social security is a devolved matter, and in general social security policy and legislation in Northern Ireland (NI) operates in tandem with corresponding provision in Great Britain (GB), in line with section 87 of the Northern Ireland Act 1998. In effect there is a single system of benefits and pensions operating across the UK.

Detail

On 27 March 2025, the Committee considered and was content with the proposals in S.R. 2025 No. 73, which temporarily moved CM deductions higher up the priority order in which deductions are taken from UC. This temporary change is due to expire on 30 April 2026. This policy change was implemented to mitigate the impact of the Fair Repayment Rate which reduced the maximum amount that can be deducted from the UC standard allowance from 25% to 15%, from 30 April 2025.

Moving CM deductions to the top of the regulated priority order means that they are categorised as a “last resort” deduction. Other last resort deductions include, owner occupier service charge arrears, rent and/or service charge arrears, and gas and electricity arrears. These deductions help support vulnerable individuals who, for example, are at risk of homelessness or who may have had their fuel supply cut off.

Categorising CM deductions in this way ensures that the receiving parent is paid even when the 15% overall deductions cap has been reached by other deductions.

The Department for Work and Pensions (DWP) has completed an analysis of the impact of the temporary legislative change, considering the effect on UC households with a CM deduction and their ability to manage other third-party debts within the priority order, as well as the broader implications for child poverty.

On balance, DWP has concluded that as the policy objective of maintaining the number of monthly CM deductions has been achieved, the temporary change should be made permanent from 30 April 2026. Prioritising CM payments in this way reflects the UK Government’s commitment to safeguarding financial support due to children particularly where a paying parent

is already subject to multiple existing deductions. The Department agrees with the DWP analysis of the policy change.

If CM deductions were to revert to their former position in the regulated priority order, the volume of deductions applied each month would reduce significantly, therefore fewer children will receive the vital financial support to which they are entitled.

Based on the caseload in GB that is estimated to be impacted by the change, the volume of deductions in NI would fall from approximately 2,400 per month to 920 per month.

Previous Engagement with the Committee

On 27 March 2025, the Committee considered the proposal to move CM deductions higher up the priority order from 30 April 2025, for 12 months.

There has been no previous engagement with the Committee regarding this proposed SR.

Financial Implications

There are no financial implications to the NI Block Grant provided NI regulations maintain parity with GB.

Consultation

As this Rule will allow CM deductions to continue to be paid for all eligible UC claimants it is a positive measure. There is no requirement to consult on the proposed rule.

Compliance with Section 24 of the Northern Ireland Act 1998

The Department is content that the Rule complies with Section 24 of the Northern Ireland Act 1998, the impact assessment has also concluded that the policy and Rule are compatible with Article 2(1) of the Windsor Framework.

Consideration by the Executive

Not applicable.

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 proposed SR. The Department has concluded that the proposals would not have significant implications for equality of opportunity and considers that an Equality Impact Assessment is not necessary.

Regulatory Impact

A Regulatory Impact Assessment is not required as the proposals do not impose any new costs on business, charities or voluntary bodies.

Rural Needs Impact

As the proposed Rule makes no distinction between rural and urban dwellers, it is not deemed necessary to specifically identify the social and economic needs of people living in rural areas.

Data Protection Impact

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

Childs Right Impact

The proposed SR will apply to those in receipt of working age benefits; however, the amendment will also have an impact on children of both paying and receiving parents, therefore, a Childs Rights Impact assessment has been carried out.

The Department has concluded that this SR helps look after the best interests of the child as it protects more CM payments for receiving parents. Failure to make the policy permanent would result in a significant reduction in the number of monthly CM deductions applied. For those households that are subject to a UC deduction, this shouldn't result in financial hardship as the amount of benefit lost is capped at 15% under the Fair Repayment Rate.

Position in Great Britain

The corresponding GB Statutory Instrument (SI), the Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Claims and Payments) (Amendment) Regulations 2026 is expected to be made on 20 March 2026 to come into force on 30 April 2026.

In line with section 87 of the Northern Ireland Act 1998, the proposed Rule should be made as soon as possible after the GB SI has been made and brought into operation on the same date.

Proposed timing of consideration of the SL1

This is a parity social security measure, with an equivalent SI being introduced by the 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) (November 2025).

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 SR to align as closely as possible with the DWP timing for the corresponding SI.”

Proposed Operational Date

It is anticipated that the SR will come into operation on 30 April 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.

I would be obliged if you would bring this matter to the attention of the Communities Committee.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Laura Coffey', with a long horizontal flourish extending to the right.

Laura Coffey

Departmental Assembly Liaison Officer

Private Office