

TREATMENT OF ARREARS AND CAPITAL DISREGARDS IN INCOME-RELATED BENEFITS

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INTRODUCTION

- 1 This memo provides guidance on The Social Security (Treatment of Arrears of Benefit) Regulations (Northern Ireland) 2018¹ as they affect claimants of Income Support, Jobseeker's Allowance (Income Based), Employment and Support Allowance (Income Related) and State Pension Credit. The regulations come into force on 11.9.18.

1 SR 2018 No. 150

BACKGROUND

- 2 The regulations governing income-related benefits currently allow for a capital disregard to apply on arrears of certain benefits, payments and allowances of £5,000 or more¹ where one of the criteria is that the amount is paid to rectify or compensate for an official error². (See DMG 29495 and 29511 – 29513 for Income Support / Jobseeker's Allowance; DMG 52495 and 52512 – 52514 for Employment and Support Allowance and DMG 84566 – 84567 and 84671 – 84672 for State Pension Credit).

1 IS (Gen) Regs (NI), Sch 10, para 7; JSA Regs (NI) 96, Sch 7, para 12; ESA Regs (NI) 08, Sch 9, para 11; SPC Regs (NI) 03, Sch 5, para 20A; 2 SS CS (D&A) Regs (NI), reg 3(5)(a)

CHANGES

- 3 From 11.9.18, the disregard on the arrears as described in paragraph 2 above will not only apply where the arrears have been paid as a result of official error, they will also apply to arrears paid to rectify or compensate for an error of law¹.

Example

Stuart is a lone parent receiving Income Support. On 20.11.18 he receives arrears of Income Support amounting to £6,233.75 following a supersession of his award for error of law. The £6,233.75 arrears can be disregarded for 52 weeks until 18.11.19 or until the end of his Income Support award, whichever is the longer period.

ANNOTATIONS

Please annotate the number of this memo (DMG Memo Vols 5/111, 9/43 & 14/67) against DMG paragraphs:

29495, 29511, 52495, 52512, 84566 & 84671

CONTACTS

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