

EXPLANATORY MEMORANDUM TO

The Social Security (Invalid Care Allowance) (Amendment) Regulations (Northern Ireland) 2014

S.R. 2014 No. 121

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department for Social Development to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under sections 70(8) and 171(1) and (3) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 and is subject to the negative resolution procedure.

2. Purpose

- 2.1. These Regulations amend the Social Security (Invalid Care Allowance) Regulations (Northern Ireland) 1976 to increase, from £100 to £102, the amount of earnings a carer can have before it affects their entitlement to benefit.

3. Background

- 3.1. To allow carers to maintain some contact with the labour market the entitlement rules for Carer's Allowance allow an individual to work and still be entitled to the benefit, as long as earnings are not over a specified amount per week, net of income tax, National Insurance contributions and other allowable expenses.
- 3.2. The earnings limit has not increased since April 2010, even though UK average earnings have risen. To address this issue the Chancellor announced in his Budget Statement on 19 March 2014 that the earnings limit for Carer's Allowance will rise from £100 to £102 from May 2014.

4. Consultation

- 4.1. As the Regulations make, in relation to Northern Ireland, only provision corresponding to provision contained in Regulations made by the Secretary of State for Work and Pensions in relation to Great Britain consultation with the Social Security Advisory Committee is not required.

5. Equality Impact

- 5.1. In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department has conducted a screening exercise on proposals for these Regulations and concluded that they do not have significant implications for equality of opportunity. In light of this, the Department considered that an equality impact assessment is not necessary.

6. Regulatory Impact

- 6.1. These Regulations do not require a Regulatory Impact Assessment as they do not impose any new cost on business, charities, social economy enterprises or voluntary bodies.

7. Financial Implications

- 7.1. Any increase in benefit expenditure or administration costs will depend on the number of individuals who may qualify for Carer's Allowance as a result of the new earnings limit. As the number of individuals expected to benefit in Northern Ireland is anticipated to be low any increase in benefit expenditure or administration costs is likely to be minimal.

8. Section 24 of the Northern Ireland Act 1998

- 8.1. The Department has considered section 24 of the Northern Ireland Act 1998 and is satisfied the Rule -
- (a) is not incompatible with any of the Convention rights,
 - (b) is not incompatible with Community law,
 - (c) does not discriminate against a person or class of person on the ground of religious belief or political opinion, and
 - (d) does not modify an enactment in breach of section 7 of the Northern Ireland Act 1998.

9. EU Implications

- 9.1. Not applicable.

10. Parity or Replicatory Measure

- 10.1. The corresponding Great Britain Regulations are the Social Security (Invalid Care Allowance) (Amendment) Regulations 2014 and come into force on 20th May 2014. Parity of timing and substance is an integral part of the maintenance of single systems of social security, pensions and child support provided for in section 87 of the Northern Ireland Act 1998.

11. Additional Information

- 11.1. Not applicable.