

*These notes refer to the Welfare Reform Act (Northern Ireland)
2007 (c.2) which received Royal Assent on 27 June 2007*

Welfare Reform Act (Northern Ireland) 2007

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

PART 1: Employment and support allowance

Entitlement

Section 1: Employment and support allowance

Section 1 sets out the entitlement conditions of the employment and support allowance. This introduces a new benefit structure with both an income-related allowance and a contributory allowance within the same benefit, similar to a jobseeker's allowance. In addition to satisfying the basic conditions of entitlement, a person will need to satisfy either the national insurance contribution-based tests or the income-related tests in order to be entitled to employment and support allowance. The contribution-based tests will be the same, in substance, as apply now for incapacity benefit. The income-related tests will be the same, in substance, as apply now for the purposes of income support.

There will be an alternative to the National Insurance contribution tests for those who were under 20 years old when their period of limited capability for work began (or under 25 years old in certain circumstances). If they had limited capability for work for the preceding 196 days and satisfy other conditions, they would not have to satisfy the contribution conditions to get entitlement to the contributory allowance. This is to ensure that young people, who may not have had the opportunity to build up a sufficient contribution record, would not be excluded from the non means-tested allowance. Again, this is similar to the provisions for young people currently on incapacity benefit, as set out in section 30A of the Contributions and Benefits Act.

A person also has to satisfy the basic conditions mentioned (see *subsection (3)*). One of those basic conditions is that the person has limited capability for work and the meaning of this phrase is set out at *subsection (4)*. Further provision about the test to assess whether a person's capability for work is limited by their physical or mental condition and the limitation is such that it is not reasonable to require him to work is made in *section 8*.