
STATUTORY RULES OF NORTHERN IRELAND

2016 No. 223

The Social Security (Payments on Account of Benefit) Regulations (Northern Ireland) 2016

PART 3

Budgeting advances

Payment of budgeting advances

11.—(1) The Department may make a payment on account of universal credit to a person (“B”) in accordance with this Part.

(2) A payment under this Part is to be known as a budgeting advance.

Conditions for payment of budgeting advances

12.—(1) The Department may make a budgeting advance to B for the purpose of defraying an intermittent expense of B if—

- (a) B makes an application to the Department for a budgeting advance;
- (b) B, or in a case where B is a member of a couple, B or B’s partner, is in receipt of universal credit;
- (c) except where paragraph (2) applies, B or, in a case where B is a member of a couple, B or B’s partner, has been in receipt of benefit for a continuous period of at least 6 months on the date of the application for a budgeting advance;
- (d) the earnings condition in regulation 13 is satisfied; and
- (e) the recovery condition in regulation 14 is satisfied.

(2) This paragraph applies where the intermittent expense to be defrayed is necessarily related to B or, in a case where B is a member of a couple, B’s partner, obtaining or retaining employment.

(3) For the purposes of paragraph (1)(c) “benefit” means—

- (a) universal credit;
- (b) employment and support allowance;
- (c) income support;
- (d) jobseeker’s allowance; or
- (e) state pension credit.

(4) For the purposes of paragraph (3)—

“employment and support allowance” means an income-related allowance under Part 1 of the 2007 Act as it has effect apart from the amendments made by Schedule 3 and Part 1 of Schedule 12 to the 2015 Order (to remove references to an income-related allowance);

“jobseeker’s allowance” means an income-based jobseeker’s allowance under the Jobseekers Order as it has effect apart from the amendments made by Part 1 of Schedule 12 to the 2015 Order (to remove references to an income-based allowance).

Earnings condition

13.—(1) The earnings condition is satisfied—

- (a) in a case where regulation 12(2) does not apply, where paragraph (2) is satisfied;
- (b) in a case where regulation 12(2) does apply, where paragraph (4) is satisfied.

(2) This paragraph is satisfied where—

- (a) if B is not a member of a couple, B does not have earned income exceeding £2,600, or
- (b) if B is a member of a couple, B and B’s partner jointly do not have earned income exceeding £3,600,

over the relevant period.

(3) In paragraph (2) “the relevant period” means the period covered by the six complete assessment periods preceding the date of the application for the budgeting advance.

(4) This paragraph is satisfied where—

- (a) if B is not a member of a couple, B does not have earned income, or
- (b) if B is a member of a couple, B and B’s partner jointly do not have earned income,

exceeding the permitted amount over the applicable period.

(5) In paragraph (4) “the permitted amount over the applicable period” is to be determined by the formula—

$$N \times \left(\frac{P}{6} \right)$$

where—

N is the number of complete assessment periods in the applicable period, and

P is—

- (a) where sub-paragraph (4)(a) applies, £2,600;
- (b) where sub-paragraph (4)(b) applies, £3,600.

(6) For the purposes of paragraphs (4) and (5) “the applicable period” means—

- (a) if there are six or more complete assessment periods immediately preceding the date of the application for the budgeting advance, the period covered by the six complete assessment periods immediately preceding the date of the application for the budgeting advance;
- (b) if there are fewer than six complete assessment periods immediately preceding the date of the application for the budgeting advance, the number of complete assessment periods immediately preceding the date of the application for the budgeting advance.

(7) Earned income for each complete assessment period is to be calculated for the purposes of this regulation in accordance with Chapter 2 of Part 6 of the Universal Credit Regulations save that, in relation to the earned income of a person who is in gainful self-employment for the purpose of regulation 65 of those Regulations, regulation 63 of those Regulations (minimum income floor) is to be disregarded.

(8) In this regulation “assessment period” has the meaning given in regulation 22 of the Universal Credit Regulations.

Recovery condition

14. The recovery condition is satisfied where—

- (a) no amount in respect of any budgeting advance previously paid to B or, if B is a member of a couple, B or B's partner, remains to be recovered by the Department; and
- (b) taking into account all debts and other liabilities of B or, if B is a member of a couple, of B and B's partner, the Department is satisfied that the budgeting advance can reasonably be expected to be recovered.

Minimum and maximum amounts payable by way of budgeting advance

15.—(1) The minimum amount payable by way of budgeting advance is £100.

(2) Subject to regulation 16(2), the maximum amount payable by way of budgeting advance is—

- (a) where B is neither a member of a couple nor responsible for any child or qualifying young person, £348;
- (b) where B is a member of a couple but is not responsible for any child or qualifying young person, £464;
- (c) where B is responsible for any child or qualifying young person, £812.

Treatment of capital

16.—(1) Where the total of B's capital or, in a case where B is a member of a couple, the total of B's and B's partner's capital, exceeds £1,000, the amount of any budgeting advance which may otherwise be paid must be reduced by the amount by which that capital exceeds £1,000.

(2) No budgeting advance is payable where, as a result of paragraph (1), the amount of any budgeting advance which would otherwise be payable is reduced to less than £100.

(3) Capital is to be calculated for the purposes of paragraph (1) in accordance with Chapter 1 of Part 6 of the Universal Credit Regulations.

Requirement for notice

17.—(1) The Department must, on or before making a budgeting advance to B, give or send notice in writing to B of B's liability—

- (a) to have the amount of the budgeting advance deducted from subsequent payments of universal credit; and
- (b) to repay the amount of the budgeting advance to the extent that it is not deducted from subsequent payments of universal credit.

(2) Where B is a member of a couple, notice in writing must also be given or sent to B's partner containing the information referred to in paragraph (1)(a) and (b).

Payment by direct credit transfer

18. A budgeting advance may be paid by way of direct credit transfer into a bank account or other account nominated by B or a person acting on B's behalf.