EXPLANATORY MEMORANDUM TO

THE DISCRETIONARY SUPPORT (AMENDMENT) (FUEL AS A GRANT) REGULATIONS (NORTHERN IRELAND) 2026

2026 No.

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Department for Communities ("the Department") to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

The Statutory Rule is made under Article 135 of the Welfare Reform (Northern Ireland) Order 2015 ("the Order") and is subject to the draft affirmative resolution procedure under Article 135(5) of the Order.

2. Purpose

2.1 The purpose of these Regulations is to remove the exclusion at paragraph 19 of Schedule 2 to the Discretionary Support (Northern Ireland) Regulations 2016 ("the 2016 Regulations").

The current exclusion prohibits Discretionary Support awards for fuel to be made in the form of a non-repayable grant.

3. Background

3.1 Discretionary Support was introduced on 28 November 2016 as a bespoke Northern Ireland specific Scheme in response to the UK Government's package of Welfare Reforms.

3.2 Discretionary Support policy was developed by the Department for Communities ("the Department"). The overarching aim is to provide help, support and financial assistance to the most vulnerable in times of emergency or crisis. The Scheme is available to those on low incomes, both working and non-working, provided their income does not exceed the specified annual income threshold.

3.3 Discretionary Support awards may be made in the form of an interest free loan or a non-repayable grant; subject to specific criteria. Exceptions to any limitations may be considered where a claimant is experiencing a disaster.

3.4 An independent external review of the Scheme was conducted in 2021, with a published report in 2022. The Review Panel focused on the policy intent, options for change, operational delivery and options for improvement and identifying those groups deemed to be most at risk of extreme poverty.

3.5 The Panel made a number of recommendations; one of those recommendations was that Discretionary Support loans and grants are available for exactly the same purposes and that paragraph 19 of Schedule 2 is removed.

3.6 The rising cost of living in recent times has exacerbated the financial pressure on vulnerable households. The Department's Warm Healthy Homes Strategy 2026-2036 aims to ensure a warm healthy home for all

which will seek to improve health and enhance well-being. This Statutory Rule supports the Department's wider objective in addressing fuel poverty by extending access to Discretionary Support grants for fuel costs where eligibility conditions are met.

3.7 Claims for Discretionary Support to meet fuel costs will be treated in the same way as other claims for living expenses. A non-repayable grant may only be considered where the claimant has no affordability to repay a Discretionary Support loan or has exceeded the debt threshold. This will protect the claimant's grant availability for other purposes and maximise the level of support available.

3.8 Discretionary Support eligibility and affordability criteria must be applied before any award can be considered as a grant. The maximum value of the award will be the lowest available cost that is sufficient to ease the crisis and satisfy the claimant's immediate need.

3.9 In a rolling 12-month period, Discretionary Support claimants may receive up to 3 interest free loans, one non-repayable grant for household items and one non-repayable grant for living expenses. Exceptions to the maximum limitations may be considered where there is evidence of a disaster, however, this does not apply to claims for assistance with living expenses.

3.10 Any Discretionary Support award for living expenses cannot be made for the same period as another Discretionary Support living expenses award regardless of the elements contained within the claim.

4. Consultation

4.1 The Department have concluded that there is no requirement to consult on these Regulations. The amendment to the Discretionary Support Scheme will provide a positive impact by enabling consideration of a non-repayable grant award for costs of fuel.

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 the legislative proposals for these Regulations and concluded that they do not expect there to be any adverse impact on people in any of the Section 75 categories. The Rule will have no bearing in terms of its likely impact on equality of opportunity or good relations. In light of this, the Department considers that an Equality Impact Assessment is not necessary.

6. Regulatory Impact

6.1 A regulatory impact assessment has not been produced for these Regulations as they have no impact on the costs of business, charities or voluntary bodies.

7. Financial Implications

7.1 Broadening the scope of the Scheme may increase demand, however, it is anticipated this can be managed within the Scheme's current budget.

8. Section 24 of the Northern Ireland Act 1998

8.1 The Department is satisfied that these Regulations comply with section 24 of the Northern Ireland Act 1998 (Convention rights, etc.).

9. EU Implications

9.1 Not applicable.

10. Parity or Replicatory Measure

10.1 The Discretionary Support Scheme is only available in Northern Ireland; there is no comparable support available in GB.