EXPLANATORY MEMORANDUM TO

THE SOCIAL FUND (CHILD FUNERAL FUND) (NO. 2) (AMENDMENT) REGULATIONS (NORTHERN IRELAND) 2025

S.R. 2025 No. 169

1. Introduction

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

These Regulations are made under sections 134(1)(a) and (4), 171(1), and (3) to (5) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, and sections 1(1) and (1C), 5(1)(a), (j) and (k) and 165(1), (4), and (5) of the Social Security Administration (Northern Ireland) Act 1992.

2. Purpose

2.1. The purpose of this Statutory Rule is to amend the amount paid under the Child Funeral Fund in Northern Ireland. This Statutory Rule amends the Social Fund (Child Funeral Fund) (No.2) Regulations (Northern Ireland) 2022 to allow for funerals that take place on or after 1st December 2025 to be eligible for the increased Child Funeral Fund payment amount of £3,441. Funerals that take place on or before 30th November 2025 will remain eligible for the Child Funeral Fund payment amount of £3,056.

3. Background

Legislative Context

3.1. The Child Funeral Fund is delivered as part of the Social Fund under powers in section 134 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (the "1992 Act"). The 1992 Act provides for prescribed payments from the Social Fund for stipulated maternity, cold weather, winter fuel and funeral expenses in defined circumstances, and for payments to a third party for the provision of goods or services to the applicant.

3.2. Annually, in Northern Ireland there are approximately 170 deaths of children from birth up to and including age 17 and post-24 week still-births. The introduction of a Child Funeral Fund for Northern Ireland was a commitment set out in the New Decade New Approach agreement.

3.3. The Child Funeral Fund was established by the Social Fund (Child Funeral Fund) (No. 2) Regulations (Northern Ireland) 2022 ("the 2022 Regulations") to provide a one-off lump sum payment of £3,056 to cover the cost of a basic funeral in Northern Ireland. This figure was derived from the cost of an average funeral in Northern Ireland as outlined in the Sunlife 'Cost of Dying – 2022 Report'. The amount is to cover the cost of a basic funeral in the event of the death of a child up to the age of 18, and stillborn babies born after 24 weeks. Families have the choice to receive the payment or have it paid directly to a funeral director.

3.4. The decision has been taken to increase the one-off lump sum payment amount from £3,056 to £3,441 in line with the most recent published Sunlife 'Cost of Dying – 2025 Report', which states that the average funeral cost in Northern Ireland now stands at £3,441.

3.5. The purpose of this Statutory Rule is to amend the 2022 Regulations in order to increase the amount paid under the Child Funeral Fund from £3,056 to £3,441, for eligible funerals that take place on or after 1st December 2025.

3.6. Regulation 2 amends the 2022 Regulations to allow for funerals that take place on or after 1st December 2025 to be eligible for the increased Child Funeral Fund payment amount of £3,441. Funerals that take place on or before 30th November 2025 will remain eligible for the Child Funeral Fund payment amount of £3,056.

4. Consultation

4.1. Given that this is a positive measure, and due to the desire to implement the increased amount as soon as possible, no formal consultation has taken place.

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.

6. Regulatory Impact

6.1. There is no, or no significant, impact on business, charities or voluntary bodies or on the public sector.

7. Financial Implications

7.1. In 2024/25, there were 157 Child Funeral Fund applications paid, with expenditure of £479,792. It is expected that the increased payment amount can be absorbed within the existing Baseline budget of £611k per annum.

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 that the Rule complies with that provision.

9. EU Implications

9.1. Not applicable.

10. Parity or Replicatory Measure

10.1. This Statutory Rule applies to Northern Ireland only. A similar Children's Funeral Fund for England was established by S.I. 2019/1064.

11. Additional Information

11.1. Not applicable.