

COVID-19: Social Security Entitlement for Frontier workers in Ireland and Northern Ireland

Annamarie O’Kane, Border People project Briefing Paper, 7 May 2020



The screenshot shows the homepage of the 'borderpeople' website. At the top left is the Centre for Cross Border Studies logo. The main header features the 'borderpeople' logo with the tagline 'crossing the border to live, work, study, retire'. Navigation links include 'A-Z', 'Categories', 'FAQs', 'Brexit Hub', 'Events', 'Policy', and 'Media & News'. A 'Donate' button is located in the top right corner. Below the navigation is a blue banner with the text: 'Crossing the border regularly? Need cross border information? We're here to help.' Underneath this banner is a section titled 'I'm crossing the border to...' with four image-based categories: 'Live' (a family), 'Work' (a man in a car), 'Study' (a man at a computer), and 'Retire' (an elderly couple). At the bottom of the page is a yellow search bar with the text 'Site Search | Find out information on cross border taxation, social security, job seeking and much more'. To the right of the search bar are links for 'Categories' and 'Frequently Asked Questions'. The footer of the website includes the logo of the Department of Foreign Affairs and Trade, with the text 'An Roinn Gnóthaí Eachtracha agus Trádála' and 'Department of Foreign Affairs and Trade'.

It is commonplace for thousands¹ of workers to cross the border between Ireland and Northern Ireland every week. Over the course of a working lifetime it is possible for individuals to have worked for numerous employers on both sides of the border, switching between jobs without regard for the border. These workers need a wealth of information to navigate the implications of their cross-border careers.

Since 2007 the Border People project has looked towards EU regulations to explain cross-border workers’ rights, entitlements and obligations. It’s complicated but it works because of the common denominator – EU citizenship. Unfortunately complexities do arise, especially when cross-border

¹ Estimates suggest between 23-29,000 cross-border workers - [Background Evidence on the Movement of People across the Northern Ireland – Ireland Border, Department for the Economy, March 2018](#)

workers become entangled between the social welfare systems in both jurisdictions – is the Republic of Ireland or Northern Ireland responsible for their social security payment?

Frontier Worker or Cross-border Worker?

According to EU legislation a 'frontier worker' means any person pursuing an activity as an employed or self-employed person in a Member State and who resides in another Member State to which he/she returns as a rule daily or at least once a week.

A cross-border worker is frequently used as an equivalent definition, however for social security purposes a cross-border worker can sometimes refer to a person who returns home less frequently e.g. once per month. They may have different social security rights, especially with regards to unemployment benefit in which they have a choice to claim support in either jurisdiction. More information is available on the [Department for Employment Affairs and Social Protection website](#).

Social insurance contributions

According to [Regulation \(EC\) No 883/2004, which covers the coordination of social security systems](#), frontier and cross-border workers will only pay into one social security system at a time. It also provides for the aggregation of social insurance payments, wherever they are paid. This aggregation can help a cross-border worker to qualify for contribution based payments, e.g. Illness Benefit, by combining UK National Insurance Contributions and PRSI contributions.

Competent state

The regulation also sets out how the authorities decide which country has primary responsibility for the frontier worker, known as the Competent State.

The Border People project often finds that the country of employment is frequently competent for much of the social security support sought by frontier workers. Usually a person will seek illness benefit, maternity and paternity benefits from their country of employment. The country of employment is also linked to the payment of family benefits, however many families who reach out to Border People have parents employed on both sides of the border in Ireland so in those scenarios the place of residence of the children is usually taken into consideration. As it's not always straightforward expert Citizens Advisors and Information Providers are often required to help workers and their families juggle the two social security systems.

The table below is often used in Border People training presentations. It provides a very basic overview of the EU rules for competency. Individual cases can easily become complex but the table may provide a useful starting point.



Competent state

But watch out for the red flags 🚩



Benefit	
Illness benefit	Paid by country of last insured employment 🚩 <i>National Insurance and PRSI contributions can be combined</i>
Maternity benefit	Paid by country of employment 🚩 <i>National Insurance and PRSI contributions can be combined</i>
Family benefits	Paid by country of employment 🚩 <i>Employment on both sides of the border</i> 🚩 <i>Family breakdown and maintenance payments</i>
Pension	Apply in country of residence, citing EU record of employment
Unemployment benefit	Paid by country of residence <u>if</u> fully unemployed Paid by country of employment <u>if</u> temporarily unemployed 🚩 <i>National Insurance and PRSI contributions can be combined</i>

The last row of the table refers to unemployment benefit and highlights that competency depends on the type of unemployment the worker encounters. EU [Regulation 883/2004, article 65](#) states that frontier workers who are made partially or intermittently unemployed should seek support from their country of employment. This usually refers to workers who still have a contact of employment in place but may have been made temporarily unemployed or had their working hours reduced.

Alternatively if the frontier worker has been made fully or wholly unemployed, i.e. their contract of employment has ceased, their country of residence becomes the competent state for unemployment benefits.

COVID-19 and frontier workers

Due to the emergency pandemic situation many frontier workers have found it necessary to seek social welfare support. The Border People project has found that Illness Benefit, Unemployment Benefit and Family Benefits are the payments most likely to be affected by changes in circumstances due to COVID-19.

The social security supports available to frontier workers varies depending on which side of the border the person lives and works. For example in the Republic of Ireland a new emergency benefit has been introduced; the [COVID-19 Pandemic Unemployment Payment \(PUP\)](#), which is available to employees and self-employed workers who are out of work due to COVID-19. The payment mimics EU rules for wholly unemployed workers so residence in Republic of Ireland is required and the PUP is therefore not available to cross-border workers resident in NI. A similar payment is not available in Northern Ireland.

A brief snapshot of the options available and links to the relevant government sources are listed below:

FRONTIER WORKER: LIVE NORTH & WORK SOUTH

- [COVID-19 Enhanced Illness Benefit](#) is paid for 2 weeks if a worker is self isolating on direction of a doctor, and up to 10 weeks if diagnosed with CV-19.
- [Short Time Work Support](#) – this form of Jobseeker's Benefit is available to workers who have been placed on a shorter working week.
- [Jobseekers benefit](#) – frontier workers made **temporarily unemployed**, with proof that their employment contract still in place may apply for contribution based JSB. Their records of PRSI payments and National Insurance contributions can be combined to help them qualify.
- [New Style Jobseekers Allowance](#) and Universal Credit – these options are available to frontier workers, resident in Northern Ireland who have been made **wholly unemployed**. They can claim both benefits but any new style JSA would be taken into account as income for UC purposes.
- [Temporary COVID-19 Wage Subsidy Scheme](#) - employers, who can demonstrate a downturn in trade, may seek a subsidy to help them to continue paying their staff. This is a temporary measure and criteria is evolving. Cross-border employees on the PAYE payroll system (at a specified date) are eligible for the scheme.

FRONTIER WORKER: LIVE SOUTH & WORK NORTH

- [Statutory Sick Pay \(SSP\)](#) – SSP is paid to workers who earn an average of £120 per week and are too ill to go to work. If the worker is self isolating or ill due to CV-19 SSP is paid for every day off work on direction of the NHS or a doctor, up to a maximum 28 weeks. Workers who do not qualify for SSP should seek advice about claiming [Employment and Support Allowance](#).
- [The COVID-19 Pandemic Unemployment Payment \(PUP\)](#) is an emergency payment for employees and self-employed workers who are out of work due to COVID-19. Residence in the Republic of Ireland is required therefore this is the most likely route for frontier workers made unemployed in Northern Ireland. As this is a temporary, emergency payment an application for Job seekers benefit may be needed when the PUP ends. Any future claim for JSB could impact family benefit payments.
- [New Style Jobseekers Allowance](#) – this benefit is based on social insurance contributions and may be another option for workers resident in the Republic of Ireland who have been made temporarily unemployed or have had their working hours in Northern Ireland reduced. Previous PRSI contributions can be combined with National Insurance Contributions to help the person qualify. A claim for UK [Tax Credits](#) may also be opened for cross-border workers on low incomes. Both payments may affect family benefit claims.
- [Coronavirus Job Retention Scheme](#) – this scheme aims to assist employers in NI to continue to pay furloughed staff and is available to cross-border employees on the PAYE payroll system (at a specified date).

After the emergency measures

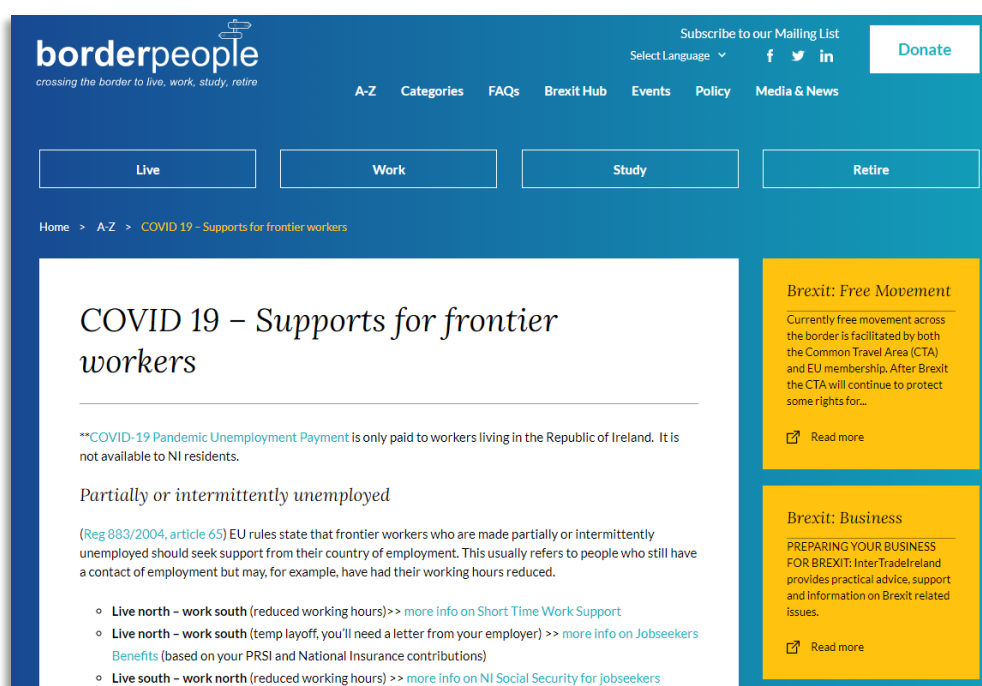
When the emergency payments end it may be necessary for Citizens Advisors and Information Providers to provide additional guidance on cross-border redundancy issues, employment rights, income support payments and long-term unemployment benefits.

Sources of further information on the supports mentioned above

North – [Department for Communities](#) and www.NIDirect.gov.uk

South – [Department of Employment Affairs and Social Protection](#) and www.citizensinformation.ie

Further information can also be found on Border People’s [COVID-19 page](#)



About the Border People Project

The [Centre for Cross Border Studies](#) manages the [Border People project](#) which provides *cross-border* citizens’ information and advice in Ireland and Northern Ireland. Behind the scenes are longstanding members of the project’s cross-border Advisory Group – [North South Ministerial Council Joint Secretariat](#), [Citizens Information Board](#), [Department for Employment Affairs and Social Protection](#), [Eures Cross-border Partnership](#) and [Law Centre NI](#).

The project received EU funding between 2007 and 2011, it is currently part-financed by the Irish Department of Foreign Affairs and Trade, [Reconciliation Fund](#).



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