



Northern Ireland
Assembly

**COMMITTEE
FOR THE OFFICE OF THE
FIRST MINISTER AND DEPUTY
FIRST MINISTER**

**OFFICIAL REPORT
(Hansard)**

Draft Child Poverty Strategy

16 March 2011

NORTHERN IRELAND ASSEMBLY

**COMMITTEE
FOR THE OFFICE OF THE FIRST MINISTER AND
DEPUTY FIRST MINISTER**

Draft Child Poverty Strategy

16 March 2011

Members present for all or part of the proceedings:

Mr Francie Molloy (Acting Chairperson)
Mr Allan Bresland
Mr William Humphrey
Mrs Dolores Kelly
Mr Barry McElduff
Mr George Robinson

Witnesses:

Ms Orla Heatley) Office of the First Minister and deputy First Minister
Mr Joe Reynolds)

The Acting Chairperson (Mr Molloy):

Joe and Orla, you are welcome to today's meeting. I invite you to brief the Committee, after which members may have questions. The session will be recorded by Hansard.

Mr Joe Reynolds (Office of the First Minister and deputy First Minister):

Thank you. I opened last week with a few words to set the scene and indicate how far we have travelled in the process. I explained that formal consultation took place between early December and the beginning of February. I described some of the statistics underpinning the responses, such as the number of written responses received. I also outlined the number of events that we

held, some of which were for the general public and others that were specifically targeted at children.

I suggested that our analysis had indicated that there are six different issues, which are set out in the analysis document that we provided to the Committee just before last week's meeting. Those issues influenced how we had taken a further look at the draft strategy and presented that to the Committee with some revisions. In analysing the consultation responses, we found that there was fairly widespread support for the framework that had been proposed in the original draft, but we wanted to develop some of the ideas, particularly around the underpinning principles in some of the action areas. In particular, we added the notion that the strategy should look at those on a low income and not just those where the head of the household is unemployed.

The strategy also acknowledges changing circumstances over the past year, particularly in the public expenditure outlook. The changes that we have introduced to the draft strategy also reinforce the view that this is very much a local strategy to address local needs, and although it contributes to the UK targets as set out in the Child Poverty Act 2010, it is also specific to local circumstances. That is all that I wanted to say by way of introduction.

The formal consultation ended with the written responses on 6 February. However, we are providing advice to Ministers, and the Executive will take a look at this next week with the intention of laying the strategy before the Assembly before dissolution at the end of next week. That is in line with the requirements of the Act, which requires us to produce the strategy within 12 months. As the Act was enacted on 25 March 2010, we have until the end of next week to comply, and we obviously want to reflect the comments of the Committee and any issues that you wish to bring to our attention in providing that advice to Ministers.

Mrs D Kelly:

I have a number of questions. In your opening comments, Joe, you said that this was to be a solution for Northern Ireland, yet it does not contain any targets or measurable outcomes. How do you propose that any future Assembly or Executive can hold Ministers to account on the delivery of the strategy?

Mr Reynolds:

What we are looking at here is a policy continuum that is somewhat different from the norm.

Ordinarily, the policy is devised, and that usually brings forward legislation, which will suggest certain actions that need to be taken. In this case, we have reversed the first couple of stages of that process, because the legislation that sets down the requirements is the Child Poverty Act 2010, which was determined at Westminster. Those requirements have implications for the UK as a whole, as well as for each of the devolved Administrations. In complying with the requirements of the Act, we have developed and consulted on this strategy. I think that we have got a reasonable amount of buy-in. There will always be folk who will hold a different view.

In constructing the strategy, we have suggested that we need to develop a specific action plan and, in particular, a monitoring framework around that. In fact, that has been picked out in some of the revisions between the original draft and the version that is before the Committee. At this stage, we have suggested that we ought to involve the ministerial-led stakeholder forum in the construction of that action plan and those metrics, so that they are tailored to local circumstances, reflect local need and are able to pick up on some of the ideas from the local stakeholder community on how we can bring that forward.

It is an overarching strategy across all Departments. That is why it falls to our Department to lead on it, but it will require buy-in from each of the functional Departments. For example, if there are measures that could be taken forward on the health, education or employment and learning fronts, we would require those Departments to offer us suggestions on how we might deliver against those. To make sure that that is done right, not least by the Office of the First Minister and deputy First Minister (OFMDFM), our proposal and suggestion in the strategy is that that requires the involvement of the stakeholder forum and the stakeholder community, to make sure that that is tailored to local circumstances.

Mrs D Kelly:

Trying to deal with poverty is not something that Westminster came up with last year and on which, 12 months later, we produced a strategy that has no real action plan. I think that many Members would argue that tackling poverty has been core business over the past four years, so you are not starting with a blank sheet of paper. I think that there is widespread disappointment across the sector in relation to the strategy. In fact, the charts at the back of the strategy show that fewer than one third of respondents responded to the question on the level of satisfaction. Therefore, I do not accept the rationale that has been articulated.

I will ask a couple of questions and maybe I will get some answers. What was the level and extent of consultation with our MPs, if any, in light of the role of the non-devolved tax and benefit issues and the impact of welfare and Budget cuts? Why was the Committee's two-volume report apparently not taken into account when the strategy was drawn up? Can you provide some clarification around the funding attached to the child poverty strategy, particularly the links between funding for the strategy and criteria for the social investment fund? I think that I asked about the social protection fund last week.

Mr Reynolds:

We conducted a public consultation. I am not aware that there were any other specific, tailored consultation events for particular constituencies or interest groups. There were public consultations. To the best of my knowledge, one local councillor arrived at one of the seven public events. I am not sure what representation there was at any of the children-focused events because we did not keep a detailed list of the individual attendees at those. We were generally disappointed at the level of turnout from the general public at the other seven events. To the best of my knowledge, only one elected representative attended. No events were tailored towards MPs or others.

I want to ensure that I cover as many of your points as I can. As to funding, as was suggested in answer to your earlier question, much of what we do on the action areas will depend on what happens within Departments that provide particular public services: health, education, employment and learning, or whatever the case may be. The issue is wide ranging. We just had a response that indicates how, in tackling issues around child poverty and disadvantaged communities, different strategies — such as the road safety strategy and so on — will impact on this. We have included in the document a sample, but not an exhaustive list, of the strategies from Departments to suggest how they all impact in some way in assisting not only children, but families who are facing disadvantage and poverty.

In that sense, we have not set out a separate budget. It is not just designed specifically to tackle child poverty as a stand-alone budget area. How public expenditure is used across many areas of public services will make a difference to that. That is indicated in the action areas provided in the draft strategy. Those are areas that we need to develop as we take forward the construction of the delivery plan.

So far as the social investment fund and the social protection fund are concerned, members will be aware that discussions are ongoing between Ministers, and the Executive are due to look at that. The criteria have not yet been published, but those will be forthcoming.

The Acting Chairperson:

Dolores, do you want to raise with the officials any particular point regarding the Programme for Government, or do you want to wait until next week?

Mrs D Kelly:

There is no Programme for Government. What I hear is that there is no new money for this strategy. The strategy has cobbled together existing commitments. There are no measures, no outcomes and there is no way of holding to account any future Assembly or Executive. I am at a loss that, 12 months on, this is the best that is presented not just to this Committee but to people who are living in poverty and real hardship.

The Acting Chairperson:

The Committee's report was a major piece of work. It got a response on the outreach work that we did and it is disappointing that that did not feature to any great extent in this draft strategy. Can officials explain why it did not feature?

Mr Reynolds:

I am afraid that I cannot explain that.

Let me respond to some of Mrs Kelly's comments. In respect of there being no new money, we are clearly in a situation where the budgetary settlement has just been confirmed in the last week. Much of the work that has gone into this and many of the inputs by the Department were made without full sight of that final settlement. The ramifications of that and the way in which resources are being targeted and services delivered are still working their way through systems.

I do not accept that this is, as it has been characterised, a strategy that has been "cobbled together". In the ongoing discussions and those that took place at the most recent meeting of the stakeholder forum, we asked Departments to look in particular at making the services that they are currently delivering, and will continue to deliver, measurable against some of the targets that are provided in the Act and some of the metrics that we might want to look at when we are

developing a monitoring framework.

I do not think that it fair to say that this is cobbled together and does not reflect change. We want to look at a situation where some of the programmes and measures that are delivered by Departments can be refreshed, retargeted or directed in a way that reflects more specifically the numerical measurements of poverty. In doing so, they can continue to deliver the same programme while looking at the impact that that has specifically on disadvantaged communities, families who live in poverty and the children themselves.

Two key themes run through the way that the strategy has been constructed and put forward. One is around addressing worklessness and the poverty that children face. Another very important theme is that the strategy should work towards breaking down what we call the intergenerational cycle of poverty. Therefore, it is not enough to simply address the poverty in which families find themselves; public services have to be directed in such a way that children who find themselves in that situation have opportunities to move out of it as they grow up, so that we do not repeat what we have faced over the past, quite protracted, period. The issue has not just arisen within the past 12 months or the past 10 years; it has existed over a protracted period in which children who are born into poverty are significantly more likely to find themselves as the parents of children who will, in turn, be in poverty. The strategy attempts to address that.

Ms Orla Heatley (Office of the First Minister and deputy First Minister):

We appreciate that the recommendations from the Committee's report may not be highlighted in our document, but we did consider those recommendations when we were trying to identify the key action areas in the current strategy. We will want to look at many of the recommendations in developing the delivery plan and taking it forward, not only in our Department but across Departments. The Committee's report is not being set aside; it is being considered.

The Acting Chairperson:

How many consultation events took place, and at what locations did they take place?

Mr Reynolds:

We had two events in Belfast and one each in Ballymena, Newry, Omagh, Enniskillen and Derry. I visited a disabled children's advocacy group to take evidence from it and, on one occasion, I was invited to a school. We responded to some other invitations that arose from the public

sessions, including an invitation from a sixth form college to discuss the issue and take evidence. Attendance was very poor at the seven public events, and we were disappointed by that. We had tried to promote them by advertising them in the local press, and we had provided information through our website and through other electronic advertising, but the turnout was very poor.

The Acting Chairperson:

Is that a reflection of the fact that people do not believe that anything will actually happen or change? Is it that people do not believe that there is really a policy that will eradicate child poverty?

Mr Reynolds:

I have not done an analysis of that. I do not know what it reflects.

The Acting Chairperson:

Perhaps it was just poor advertising. There is a sense among the public that they do not see change happening. It has been talked about and talked about. I suppose that, in the current economic climate, people find that nothing will happen. Sometimes, you find that the public are ahead of you.

Mrs D Kelly:

Page 44 of the strategy refers to ethnic minorities and people from different community backgrounds as the most at-risk groups. How are those groups being addressed by public policy and the targeting of resources? We already have new targeting social need. Are you going to make changes to how deprivation is targeted by all public services? How are the at-risk groups in the Protestant/unionist/loyalist community and pockets of deprivation being addressed? I share some of Mr Molloy's concerns. There is not something that you can pull out of the draft strategy and say that it will make a difference.

It is not only about breaking the cycle of worklessness and poverty. A lot of working families are living in poverty. We have heard about welfare reform, and I am quite shocked that there was no consultation with any MPs on the amendments that they might table. I think that I read in the past day or two that mobility allowance and the numbers of people on incapacity benefit will be cut. We already know of the pressures that young people face, with the cost of higher and further education and the fact that the education maintenance allowance will be looked at again. I

appreciate that it is an enormous task, but it did not come out of the blue. The other thing, of course, is the uncertainty in the Middle East. There has been a rise in fuel costs and fuel poverty; it just goes on and on. If anything, the situation looks worse. Nothing here gives hope.

The Acting Chairperson:

Consultation with MPs is an important aspect, but consultation with MEPs is also important. We are told all the time how much funding there is in Europe to deal with some of the problems, but no one seems to be looking for it. That funding is not identified as another source of income or resource that could be used. Is there any thinking around that?

Mr Reynolds:

European funding is a very complex area in which I do not have any particular specialism. We have to be wary of all sorts of issues and questions around substitution and displacement. As I said, I am not a specialist in that. It is a separate topic in its own right.

As far as consultation with MPs and MEPs is concerned, I do not have all the information readily to hand. My understanding is that, in consultations such as this, copies of the documentation are forwarded to MPs and MEPs as a matter of course. They would have been invited to submit comments to us. I do not know that specific arrangements were made for consultation on this strategy. If I am mistaken, forgive me, and I will come back and confirm it to the Committee. However, ordinarily, the documents are circulated for comment. We did not receive any comments.

I want to respond to the comments about the changing situation. We find ourselves in a difficult situation in respect of public expenditure and so on. However, that is different from questions of Libya, the impact on fuel costs and other topical issues. I am aware of a certain sense of dissatisfaction with the progress that has been made over the past 12 months, but it would have been difficult for us to have anticipated and provided for what happened at the end of that 12-month period.

In fairness, as has been alluded to, the Child Poverty Act 2010 specifically requires us to measure the strategy annually — we have to very quickly develop the metrics by which we can do that — and to revise the strategy every third year. We want to look at ways in which the actions and measures flowing from the strategy will make a difference over the period. That will

enable us to adjust and modify the strategy in 2014, as necessary, and work towards the overall target, which is the eradication of poverty by 2020.

I am sure that it is appropriate to have something that responds to the immediate circumstances or what happened last week or last month. However, we all want a strategy that takes a longer-term view, has a more persistent impact and delivers over the three-year period and, indeed, towards the target at the end of the decade.

The Acting Chairperson:

It is disappointment at what has happened over the past 10 years rather than just the past 12 months.

Mr McElduff:

I welcome Joe and Orla. Has any progress been made in the development of a regional childcare strategy? How might that be recognised in the child poverty strategy?

Mr Reynolds:

The Committee is aware that papers have been produced. An economic appraisal on childcare has been prepared and sent to the Executive for them to make a decision on it. We are waiting to hear the conclusions from those discussions. We expect to hear something before dissolution.

Mr Humphrey:

Thank you both for the presentation. Joe, I listened to what you said about substitution or duplication in dealing with Europe. I have to say that it is another example of how we fail to have joined-up government. Given the prevailing economic situation in the United Kingdom, particularly in Northern Ireland where the Tories have cut £400 million from our Budget, Europe seems an obvious place to look for funding for an area in which there is huge need. I represent a constituency in which there is a massive need in many areas, of which child poverty is only one. Clearly, there should be more collaboration, co-operation, and joined-up working — whatever you want to call it — between the Department and Europe. Has there been discussion with the SEUPB on the issue. If you have not spoken to the MEPs, have you spoken to the Commission? Have you spoken to any representatives and bodies that are flying the flag and are lobbying for Northern Ireland in Europe? If not, why not? Why are you not considering Europe?

Mr Reynolds:

I cannot answer specific questions as to whether there has been dialogue with the SEUPB or the Commission in the construction of the strategy. Directly, in respect of that matter, the answer would be no. As regards whether we have looked at the EU in respect of development, you will be aware that work is under way with officials in the European Union to look at ways in which programmes could be developed. In particular, we are looking at whether we could develop a programme on social cohesion. Indeed, North Belfast may be one area where we could look to see how that could be developed. It lends itself to a case study and to opportunities, not only with regard to where need exists that could be addressed, but to identifying where successful projects have already been rooted and where we could, perhaps, offer something back to Europe, so that we are not always taking from it but are applying lessons that have been learnt.

If we had resources in the past, allocated them and achieved successful outcomes, we ought to use that as a basis on which, as Mr Humphrey says, to make further applications, to try to replicate that and share the benefits more widely throughout the jurisdiction, and also to go back and see whether there are ways in which we can develop that. One way that we will be able to do that is to demonstrate how we have been successful in our past efforts. Members around the table will already be aware that that work is under way and will continue, particularly in the short-term as we develop how a new programme might look.

Mr Humphrey:

When I hear you say that we have been successful in the past, I do not understand why you do not consider Europe as a potential funding stream for those initiatives. Clearly, huge hardships that are being endured by communities throughout Northern Ireland could well have been alleviated if we had gone to Europe and asked for money. We will not know because we did not ask. All those bodies and individuals represent Northern Ireland. Yet, it is another example — I will reiterate the point — of there being no joined-up route that would actually allow us to do that. I just do not understand and fail to see why there has been no meeting with the SEUPB. People in the Committee will be bored rigid with me saying this: it is a perfect example of why people in Northern Ireland will get €25 million next year while the Republic of Ireland will, potentially, get €600 million. We do not go and knock on the door, lobby or do whatever it takes to ensure that we get funding that would help when the national Government hands down cuts. You made the point, Joe, in response to Mrs Kelly, that you could not have foreseen those circumstances. A year ago — indeed, way before that — we knew the economic situation that would prevail here.

Nothing was done. I find that unacceptable.

The Acting Chairperson:

I just want to add to William's point. When the Committee looked at that particular response, we wondered whether the Department had considered the Barroso task force to see whether a funding stream could be identified?

Mr Reynolds:

Themes that have been identified by the Barroso task force, which we will look at when it visits later this month, will include a stream for social inclusion. Work is under way in respect of that. I am not sure whether Mr Humphrey has picked me up wrongly. We are doing work. We are working on how, within the work that the Barroso task force will examine when it comes here, we can develop the theme of social cohesion and look at issues. Social cohesion is affected by a variety of issues, such as difficulties associated with the post-conflict situation; legacy; changing demographics in the community; and developing skills, in particular, with young parents. We can look at all of those issues that impact on social cohesion.

When we speak to the task force about the way in which we can do that, I suggested that we needed to identify, through the work that we are doing, when we have been successful in addressing those issues in the past and then present those examples as case studies for why this is worth further investment from the European Commission. I heartily agree with and endorse what has been said about going back and saying: "We have been successful in attracting and deploying resources and in producing changed results on the ground, but we can do more". We ought to do more on the basis of not only that past experience, but the identified need and the changing circumstances in which we find ourselves. I agree with that.

Mr Humphrey:

When did the work on social cohesion start?

Mr Reynolds:

I am sorry, but I personally cannot answer that. I was not directly involved in that work before the past few weeks. I only became involved in it very recently, not least because we were trying to make sure that —

Mr Humphrey:

Was it months or years ago?

Mr Reynolds:

I am sorry, but I cannot answer that question.

Mr G Robinson:

Thank you, Orla and Joe. How will the strategy recognise and monitor the impact of the Budget cuts on welfare reform and on the particular needs of Northern Ireland, while acknowledging the legacy of the conflict and its relationship to the high rates of persistent poverty? That is very relevant, particularly at the present time, given that the jobless numbers and the price of fuel seem to be going up and up. There is so much poverty out there, and it is not getting better: it is getting worse. I think that that is a very relevant question.

Mr Reynolds:

I do not want to become too repetitive, but in answer to some of the earlier questions, I already suggested that work is going on across some Departments and the Executive in response to the issue of fuel poverty and the need to upskill young adults, in particular, in the community. We are trying to provide young people with the wherewithal so that they can improve their employability and ability to earn a higher income than the one that they are already able to earn. Those issues are already in hand.

In answer to your question about the impact of the Budget, now that the budgetary settlement has been arrived at, we will look at the ways in which Departments deploy those resources to deliver changes for families who find themselves in poverty and the children in those families. As I said earlier, in the construction of the delivery plan and the measurements, we particularly want to ask Departments about how they deliver their services to address child poverty. It may be the case that they will continue to deliver the same programmes. However, those programmes ought to reflect the needs of children who find themselves in that circumstance, improve the circumstances of families and children who are currently in poverty and address the issue so that it does not replicate itself from generation to generation, which are issues that we highlighted. That is the question that we are posing, and those are the answers that we will seek to develop as we construct the delivery plan.

Mr G Robinson:

What about the fact that the jobless numbers here seem to be increasing all the time and that the price of fuels, such as home heating oil, is going up?

Mr Reynolds:

As unfortunate and as true as that may be, it provides us with a greater priority to make sure that the strategy is delivered and that the action plan and delivery plan that we develop over the coming weeks as a result of that — I hope that we construct the delivery plan not too much in the future — take account of and address that. The difficulty is that that need is growing, and we have to do something about it. The services and programmes that Departments are delivering to address their individual departmental objectives at the moment need to take account of some of the measures and targets in the strategy that we have identified as needing to be addressed.

The Acting Chairperson:

Orla, do you want to come back on any of those questions?

Mr G Robinson:

I am sure that the severe budgetary cuts do not help the situation.

Mr Reynolds:

They do not help the situation. Nevertheless, they make the need to do something about that a greater priority.

Ms Heatley:

Part of the key to the delivery plan is that we have all the Departments round the table working with us. They are signed up to the strategy as whole, and as Joe said, it is a key element in the delivery of their own programmes and services.

The Acting Chairperson:

The Committee began this mandate with its report on child poverty. We are now at the end of the mandate, but nothing has really changed. In fact, nobody seems to have seriously taken on board the issues that I raised at the time. The Committee has a right to expect people who come to give a report to have answers, to have made provision to make the required changes, and to have a strategy for where they intend to get to. I do not see any of that in what we have heard today.

Mr Reynolds:

I will make two observations. First, if you look back over the period of the mandate, you will see that the situation did change. Improved statistics in the public domain indicate that the number of children in poverty went down over the initial years of the mandate. You might wish to have a different discussion about whether that was as a result of Government intervention or was a reflection of the general economy and the state of civic society. Nevertheless, it did change. However, it looks as though it is getting worse, and we can see the circumstances and reasons why. The extent to which we — specifically, our Department — are able to do something about that is, to some extent, constrained by the responsibility that falls to other Departments. The Child Poverty Act 2010 requires Departments, as a whole, to respond to the needs of children in poverty. However, we cannot direct individual Departments in what they do.

The Acting Chairperson:

That may be so. However, it has been pointed out clearly here that Europe is one avenue that has not been followed up to any great extent. We had a target for 2010, but 2010 has passed, and we did not come close to meeting that target. Therefore, although things may have changed from the start of the mandate; they have actually got worse, because targets have slipped. The big gap is across Departments. I know that OFMDFM cannot tell Departments what to do, but can we expect Departments to begin looking to Europe to see what resources can be drawn down? That is part of the task force's role. The task force has been rejuvenated, so we want to see results in the near future, not just that somebody is going to do it in the future, but what is actually happening now.

We will leave it there for today. Thank you very much, Orla and Joe, for your presentation. Obviously, in the new mandate, we will come back with a strong vision of what is going to happen.