

FIRST DAY BRIEF

**COMMITTEE FOR SOCIAL
DEVELOPMENT**

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DEPARTMENTAL INFORMATION

Mission Statement

The Department's current mission statement is:

'Together, tackling disadvantage, building sustainable communities'

In support of this mission statement, and to ensure a consistency of approach, three key strategic objectives have been developed:

- to contribute to tackling poverty and social welfare needs experienced by the most vulnerable in society, bringing divided communities together and encouraging social responsibility;
- to build the foundations for a shared future through access to decent, affordable, sustainable homes and housing support services; and
- to create urban centres which are sustainable, welcoming and accessible to all to live, work and relax in peace.

Organisation

The Department comprises three core groups and one agency:

- Resources, Housing and Social Security Group;
- Urban Regeneration and Community Development Group;
- Child Maintenance and Enforcement Division; and
- The Social Security Agency.

There is also a Communication, Policy and Strategic Support Directorate (CPSS), which reports directly to the Permanent Secretary and provides a range of support services to the Minister and the wider department.

The Department is responsible for three Executive and three non-Executive Non Departmental Public Bodies:

- Northern Ireland Housing Executive;
- (jointly with the Office of the First Minister and deputy First Minister), ILEX Urban Regeneration Company;
- The Charity Commission for Northern Ireland;
- The Charities Advisory Committee;
- The Disability Living Allowance Advisory Board for Northern Ireland; and
- Vaughan's Charity Trustees.

The Department also has oversight of the Office of the Social Fund Commissioner.

Staff and budget

The Department:

- employs around 7900 staff (including c1650 who deliver social security and child maintenance services for Great Britain); and
- spends in the region of £5.92 billion per annum, of which around £5.24 billion is spent on social security benefits.

RESOURCES, HOUSING AND SOCIAL SECURITY GROUP

General Overview

Heather Cousins is the Deputy Secretary for the Resources, Housing and Social Security Group. The Group has responsibility for:

- corporate finance and negotiating and managing the allocation and control of the Department's resources;
- corporate planning, business improvement and fraud policy and investigations;
- human resources and accommodation services for the Department;
- social security, pensions and child support policy and legislation separate from, but administered in parity with, the corresponding legislation in Britain;
- housing policy and legislation;
- policy and legislation governing the private rented sector;
- providing Housing Benefit advice, guidance and training for Decision Makers in the Housing Executive and Land and Property Services;
- oversight and funding of the Northern Ireland Housing Executive (Public Corporation), which also administers housing benefit to the rented sector and the Supporting People programme and the Warm Homes Scheme on behalf of the Department;
- securing funding to meet the needs of the social housing development programme delivered primarily through the Housing Executive and Registered Housing Associations. (These organisations receive grant funding from the Department, which they supplement with income from capital receipts, rental income and, in the case of the Registered Housing Associations, from private finance. The Department is responsible for the oversight of these organisations to ensure that expenditure is in line with Government's plans. The Department and the Housing Executive also engage with a number of other statutory and voluntary agencies regarding housing matters.)
- budgetary and staffing matters for the Appeals Service, which remains within this Department until statutory transfer to the Department of Justice is achieved - administrative responsibility passed to the Northern Ireland Courts and Tribunal Service in April 2010. The Appeals Service provides administrative support to the independent tribunals set up by legislation to hear appeals against decisions in the Social Security

Agency, Child Maintenance and Enforcement Division, Her Majesty's Revenue and Customs, the Housing Executive and Rates Collection Agency. The work also extends to private rented sector rent appeals;

- Decision Making Services for the Social Security Agency and Child Maintenance and Enforcement Division. These services include providing advice, guidance and training for Decision Makers representing the Department in appeals to the Social Security/Child Support Commissioners and the higher Courts;
- the Department's Internal Audit function;
- the Charities Advisory Committee which is a Non-Departmental Public Body appointed by the Department to advise on matters relating to the investment of charitable funds; and
- the Disability Living Allowance Advisory Board for Northern Ireland which is a Non-Departmental Public Body whose primary role is to provide advice on medical matters referred to it by the Department or its Medical Practitioners. The Public Authorities (Reform) Act 2009 provides for the abolition of the NI Board. The intention had been for the corresponding British Board to be extended to include Northern Ireland; however, the Coalition Government has announced that it proposes to abolish the British Board. The future of the NI Board will be considered in line with the future of the British Board, which is being progressed as part of the Review of Public Bodies.

Matters for Consideration

▪ Review of Governance and Procurement by the Housing Executive.

Two twin track reviews into various aspects of governance within the Northern Ireland Housing Executive have recently been undertaken. The first was a gateway review into contract management and procurement which made 14 recommendations and the second which produced 75 recommendations.

The Housing Executive has put in place a programme to take all the recommendations forward and the Department has implemented oversight arrangements to monitor progress, these include;

- A new Oversight Implementation Group with independent membership, chaired by the Permanent Secretary.
- Accountability meeting with senior officials from the Department and the Housing Executive, chaired by the Permanent Secretary.

- Bi-monthly Performance Review meetings with the Housing Executive, chaired by the Minister.

- **Housing Executive Review**

A review carried out by Pricewaterhousecoopers examined all functions of the Housing Executive in detail. A draft report, with recommendations for improving performance and delivery of housing policy and objectives, has been produced.

- **Housing Selection Scheme**

The Housing Selection Scheme is currently used to assess and rank applicants for social housing. The Housing Executive has issued a preliminary consultation paper to seek broad views on proposed changes; the four main aspects are:

- The process for awarding intimidation points;
- Dealing with applicants in unreasonable accommodation;
- Helping applicants in temporary accommodation; and,
- Tightening the rules around transfers for tenants with a history of antisocial behaviour.

- **Social Housing Development Programme (SHDP)**

The SHDP is managed by the Housing Executive Development Programme Group (DPG) and provides grant to housing associations to build social housing. The Strategic Investment Board funded PricewaterhouseCoopers to work with DSD and the Housing Executive to determine the potential for a model of leasing homes on long term deals from developers/investors. This work has now been completed and an Economic Appraisal sent to DFP.

- **Negative Equity and Vesting**

In February 2008 the Department approved plans for a £100m redevelopment of the Village area in South Belfast. Whilst there was agreement that intervention was necessary to address some significant levels of housing unfitness, there was no consensus on the shape this intervention should take.

The approved plans were tested before a Public Inquiry and the Courts before being able to proceed and having overcome those challenges, work

has begun on the ground. The Department is currently working with DFP regarding 'negative equity' in 60 cases across the Village; 54 of these are investors/landlords and 6 owner occupiers.

▪ **House Sales Scheme**

Housing Executive and Registered Housing Association tenants are allowed to buy their home from their landlord subject to meeting certain criteria, the key element of which is that they have had an initial five year tenancy.

The House Sales Scheme was amended on 31 January 2009 to enable eligible tenants to purchase a share in their social home rather than purchasing it outright.

▪ **Empty Homes**

In 2006 it was estimated that there were 40,000 empty homes. There is however an absence of a robust approach to capturing data on empty homes and efforts to establish a sound database has proved very difficult to achieve to date. Following a decision by the Minister for Finance rating of empty properties is due to take effect from October this year.

▪ **Housing Benefit**

Housing Directorate monitors the administration of the delivery of Housing Benefit by the Housing Executive and Land and Property Services in the Department of Finance and Personnel. Housing benefit expenditure in 2009/10 was £518.1m.

The reform of the Housing Benefit system by the Coalition Government has resulted in a number of changes in the assessment of customer entitlement to this benefit.

Three changes, initiated by the Coalition Government's Welfare Reform Programme and agreed by the Assembly, which take effect in 2011 that impact on private rented sector are:-

- Capping of Local Housing Allowance (likely to affect 454 claimants)
- Ending Excess payments, (likely to affect 7247 claimants) and
- A change in the calculation of Local Housing Allowance(likely to affect 38,000 claimants)

It is estimated that these changes will affect a total of 45,701 customers through reduction in Housing Benefit entitlement. Discussions are ongoing with OFMdfM about how the Social Protection Fund might address these changes and other changes that are the result of welfare reform.

- **Social Security and Policy**

Policy and legislative issues in respect of welfare and social security benefits systems' in the run up to the introduction of 'Universal Credit' within the parameters of parity under section 87 of the Northern Ireland Act 1998

URBAN REGENERATION AND COMMUNITY DEVELOPMENT GROUP

General Overview

The Department's Urban Regeneration and Community Development Group is headed by David Ferguson, Deputy Secretary. This Group has responsibility for:

- the overall strategy for tackling social economic and physical regeneration of cities, towns and urban areas, including the Neighbourhood Renewal Programme;
- overall policy for the voluntary sector and community development across departments;
- a range of social and charities legislation;
- all European Union issues that affect the Department including the Peace III programme;
- oversight of 3 Non Departmental Public Bodies (NDPBs) – Ilex; the Charity Commission for Northern Ireland and Vaughan's Charity; and
- direct delivery of a range of regeneration and community development programmes.

Key areas of work include;

- regenerating areas and communities;
- promoting viable and vital town and city centres;
- developing and empowering communities;
- support for the Voluntary and Community Sector; and
- creating and developing social and charities legislation.

Matters for Consideration

▪ Neighbourhood Renewal:

A mid term review of the Neighbourhood Renewal was completed last year. It reported that there has been some progress in closing the gap between Neighbourhood Renewal areas and the rest of the community. Significantly disadvantage in terms of; economic inactivity, skills and educational attainment and community segregation remains. The relationship of this work to that which will be funded by the Social Investment Fund needs to be considered.

- **Social Policy:**

- Gambling Policy: Public consultation on proposals for reform of the gambling law ends on 31 May 2011.
- Sunday trading: Responses to a recent consultation on options for easing the current restrictions on Sunday shopping are currently being analysed.
- Liquor Licensing. The Licensing and Registration of Clubs (Amendment) Act (Northern Ireland) 2011 (the Act) received Royal Assent on 29 March 2011 and it is anticipated that it will come into effect by 1 September 2011.
- Minimum Pricing of Alcohol Consultation - a joint DSD/DHSSPS consultation on the introduction of minimum unit pricing of alcohol will end on 26 June.

Charity Commission for Northern Ireland (CCNI)

The CCNI is a non-departmental public body (NDPB) sponsored by DSD. It was established in June 2009 under the Charities Act (Northern Ireland) 2008 (“the 2008 Act”) and is comprised of seven Commissioners, a Chief Executive and is currently finalising its full staffing complement.

The establishment of the CCNI marks the first step in the setting up of a regulatory framework for charities in Northern Ireland similar to that in the other UK administrations. The introduction of further provisions of the 2008 Act will enable the CCNI to actively carry out its principal roles of regulator and registrar of charities.

The CCNI has an annual operating budget of £800,000 most of which will be used to meet the cost of salaries and overheads.

Since its inception in June 2009 CCNI activities have been guided by the need to prepare the way for the significant change in the charity sector which the CCNI will regulate. The two key priorities for CCNI this coming year are:

- the regulation of those organisations registered as charities for tax purposes, with HMRC; and;
- To commence the registration of charities when the “Public Benefit Test” has been clarified.

- **Ilex Urban Regeneration Company**

Ilex Urban Regeneration Company (URC) is a non-departmental public body (NDPB) in Derry~Londonderry sponsored by DSD and OFMDFM.

From its establishment in 2003 until March 2011, Ilex has received some £12m of funding from DSD. Ilex's responsibilities are to co-ordinate the regeneration of City Council of Londonderry area and in particular to achieve the regeneration of the Fort George (DSD) and Ebrington (OFMDFM) sites.

SOCIAL SECURITY AGENCY

General Overview

The Agency is an Executive Agency, headed by a Chief Executive Tommy O'Reilly, within the Department for Social Development and administers the full range of social security benefits to customers in Northern Ireland in parity with the rest of the United Kingdom. It also provides back-office benefit services for customers in London, on behalf of the Department for Work and Pensions. It employs over 5000 staff and has an annual resource budget of £280 million for its operations.

The Agency's main business objectives are to:

- assess and pay social security benefits accurately and securely;
- give advice and information about these benefits;
- support people by helping them move closer to work;
- process benefit reviews and appeals;
- prevent and detect benefit fraud, prosecute offenders and recover any benefit which has been paid incorrectly;
- recover benefit which has been paid in compensation cases;
- assess people's financial circumstances if they are applying for legal aid; and
- provide services to clients in Britain on behalf of the DWP.

Matters for Consideration

▪ Introduction of Universal Credit

Universal Credit being taken forward by the Coalition Government represents a major significant challenge in the current Spending Review period heralding the most significant change to the welfare system in over 40 years. It will impact on over 400,000 people in Northern Ireland with expenditure in the region of £2 billion per annum.

Under Universal Credit it is proposed that work will always pay by simplifying the interaction between entitlement and earnings by increasing the amount of earnings that people can have without losing benefits (the disregard) and reducing the rate at which benefit is withdrawn as earnings rise (the taper). In practice this should mean customers can keep 35p in every extra £1 earned.

Customers will continue to receive their benefit payments regardless of whether they are unemployed or in work but those who are receiving welfare benefits will be subject to an enhanced conditionality regime to encourage them to search for employment but also to build up their hours worked. Some claimants will be required to accept any reasonable offer of employment, including offers for just a few hours of work. Strengthened

conditionality will in turn be supported by a new system of financial sanctions.

As an integrated in and out of work credit, Universal Credit brings together and fills in the gap between out of work benefits and in work support, meaning that people no longer have to take a risk in moving from one system to another. Claims will be made on the basis of households rather than individuals and both members of a couple will be required to claim.

The Coalition Government is committed to ensuring that no-one loses as a direct result of these reforms and there will be no cash losers at the point of change.

They currently propose to adopt a phased approach to implementation and a provisional timetable has been developed:

- October 2013 to April 2014 – Universal Credit new claims for all benefits it replaces except for Tax Credits
- April 2014 onwards – no new Tax Credit claims
- April 2014 to October 2017 – gradual closure of existing Benefit and Tax Credit claims and their transfer to Universal Credit.

▪ **Disability Living Allowance Reform**

The Coalition Government is proposing the replacement of the current Disability Living Allowance (DLA) by the Personal Independence Payment (PIP) for working age customers. This system is intended to introduce continuing review of customer claims and to lead to a 20% reduction in disability benefit expenditure as a result of the implementation of PIP.

▪ **Incapacity Benefit Reassessment**

Incapacity Benefit (Income Support) Reassessment follows on from the introduction of Employment and Support Allowance in October 2008 and will complete the replacement of incapacity benefits for all customers. The exercise commenced in Britain and Northern Ireland on 28 February 2011

Since the reassessment exercise commenced on 28 February 2011, the systems and processes have been working to specification and there has been some limited public/media interest.

- **Working Age to Pension Age (WAPA)**

Working Age to Pension Age (WAPA) go-live is planned for October 2011 by the Coalition Government. The aim of the WAPA initiative is to automate the award of state pension where possible using data already held, and only ask customers for information we need when that data is not already held.

CHILD MAINTENANCE AND ENFORCEMENT DIVISION

General Overview

The Child Maintenance and Enforcement Division headed by Catherine McCallum was established as part of the Department for Social Development in April 2008. The Division replaced the Northern Ireland Child Support Agency (CSA).

The Division's overall purpose is "to promote and secure effective child maintenance arrangements".

The Division employs around 1300 staff and delivers services to:

- the people of Northern Ireland; and
- the people of Eastern England under a Service Level Agreement with the Child Maintenance and Enforcement Commission in Britain.

Matters for consideration

The Division provides three core functions for Northern Ireland :

- (i) Promoting the financial responsibility parents have for their children;**
- (ii) Providing information and support about the different child maintenance options available to parents;**
- (iii) Providing an efficient statutory maintenance service with effective enforcement powers.**

The Division also delivers a statutory maintenance service to the people of Eastern England on behalf of the Great Britain Child Maintenance and Enforcement Commission. This arrangement has been in place since the establishment of Child Support Agencies in Britain and Northern Ireland in 1993 and is worth in the region of £24m a year to the Northern Ireland economy.

Provision of services to Eastern England, together with the delivery of child support services here, has allowed for economies of scale in the overall Northern Ireland service delivery. The Division relies on the British Commission for all system development and maintenance. Historically this arrangement has proved beneficial, in that the Division is able to share in the development and maintenance of large and expensive administrative processes and IT systems at a much reduced cost.

In January 2011, the Coalition Government issued a Green Paper, 'Strengthening Families, promoting parental responsibility; the future of child maintenance.' Many of the proposed reforms build on strategies already in place in relation to cross government working on wider parental responsibilities and the Division's remit on financial responsibility. The consultation period for the Greenpaper has now ended.