

Welfare Reform the Churches Response

Introduction:

We acknowledge that a reform of our benefits system has been long overdue and needs to be fit for purpose. Welfare reform will impact on all members of society, but will hit those on lower incomes harder. We would accept that the Act – creates incentives to get people into work, ensuring that work always pays. The Act also seeks to protect the vulnerable and sees the need to deliver fairness to those claiming benefits and to the taxpayer.

The Churches also acknowledge that Government has enabled a review process, a process that has returned to the basic concept of Welfare... To many of a certain generation the term Welfare holds great stigma as did the Poor Laws. It was Beveridge who set out a plan to put an end to what he called the 'five giants' - Poverty, Disease, Ignorance, Squalor and Idleness. What Beveridge did not envisage was a society that would become totally dependent on benefits, or on a system that was accepting of high levels of unemployment and benefits. The review we acknowledge is a response to perceived notion that there are high levels of fraud, over claiming and unacceptable levels of under claiming. There would also be that wider acceptance that the system could not sustain the level of existing payments.

The Churches have always connected well with the overall welfare of its members and the wider community both as services providers and advice givers. Already we are dealing with increased levels of hardship, the opening of “Food Banks” and heavy demands of Pastoral Care are clear illustrations that the system is under pressure, if not at breaking point. The Prime Minister in launching his “Big Society” initiative stated:- *“I’ve been saying for the last four-and-a-half years that I want to Empower the voluntary sector, social enterprises, social capital, the Big Society – all the things that can actually help us build a stronger and bigger society in Britain.”* The Churches have been doing this for generations – some of the great Christian Social Reformers of the mid-19th Century, awakened the social conscious of the day and made great things happen in the Church, showing that love of Christ has been the oxygen of Christian witness.

The Churches role and comments on the proposed reforms:

The four main Churches connected with the Welfare Reform Process in December 2011, when they met with Lord Freud (Welfare Reform Minister), the then Secretary of State Owen Patterson and Social Security Minister Nelson McCausland. They also hosted an event in the Assembly Buildings, which was addressed by both the Secretary of State and Minister McCausland. This event gave the wider church membership and community an opportunity to connect with the process at an early stage and also hear at first-hand what the Churches are already doing in this whole area.

The Church wants to stay connected to the process and respond in a way that will show the true Mission of the Church as it reaches out in a Christ-like way to those in need. We need evidence that someone has walked the walk with those who are considered most at risk. Walk the walk with - the lone parent with one pre-school child and one with special needs and a wheelchair user? Not to make the assumption too that claimants have internet access or a bank account? Consider seriously the “purse to wallet” concept and the possible risk to vulnerable partners and children. The impacts on both the Cared and the Careers given that 1 in 8 of our adults is in a caring role.

The introduction of Universal Credit to provide a single streamlined benefit that will ensure work always pays:

The Churches would acknowledge that the present system is overly complicated and needs to be steam lined. Claimants are familiar with the current process and language and will require time to adjust. Great anxiety has already been created by the process. The media coverage has dealt in the main with the negative aspects. We would simply request that all changes and reassessing is done in such a manner that it reduces potential hardship. For example, leave adequate time during the transition for payments to reach the claimants. There is no doubt that higher levels of employment will result in an improved standard of living and go a long way in improving self-esteem to those who secure meaningful employment.

We ask that particular attention be paid to: lone parents having to return to work and the impact that will have on Child Care; the lack of appropriate Child Care Provision that impacts on any “Return to Work Strategy”; the Carer coming off benefit to return to work after caring for an elderly parent or sibling resulting in a Care Package being

negotiated. Although Universal Credit will be available to those in employment, it has also given rise to the term “working poor”. It is encouraging that there will be more scope for part time employment in the overall application of a Universal Credit model. The Churches would also voice their concern that the proposal to switch to monthly payments, although parity is desirable, it will present major budget management for many families, and there is a clear need for our regulations to be flexible.

We recognise that the levels of fraud are low, although errors both by claimants and agency must be concerning? We also recognise the on-going work to simplify the claims process and to make it more user friendly.

Reforms to Disability Living Allowance, through the introduction of the Personal Independence Payment to meet the needs of disabled people today:

DLA Reform is creating the most anxiety – claimants who have been claiming for 10 or 20 plus years, now having to be assessed. Returning to employment would be desirable but in many instances would have to be linked to a return to work programme. Some recognition that Northern Ireland has a higher proportion claiming as a result of mental health issues, would also have to be factored in to the strategy, especially in the whole area of “fit for work testing”.

Creating a fairer approach to Housing Benefit to bring stability to the market and improve incentives to work:

Already there is hardship being experienced by those who are losing out as a result of their benefit being reassessed. They receive less benefit, as a result of under occupancy. Neither the Northern Ireland Housing Executive nor Housing Associations have adequate housing stock for those seeking single accommodation, those under 25 are particularly vulnerable. There is some evidence to show that many claimants already have to contribute to the shortfall from their main benefit or wage. There is no recognition or provision for Carers or Foster Carers who require additional accommodation on an irregular basis.

Young Care Leavers, those under 25 years old in abusive homes or with other Special Needs could be marginalised within this proposal, resulting in possible overcrowding or a danger of being made homeless.

Questions to the Committee

1. What level of confidence has the Committee that the employment target of 25,000 new jobs contained within the Programme for Government can be achieved?
2. With high levels of under occupancy in the social housing sector how will accommodation for single people be achieved?
3. Given that 1 in 8 people in Northern Ireland perform a daily caring role how will the needs of the cared for and the carers be protected in the overall reform strategy?
4. How will the public be confident in the proposed assessment process for the new Personal Independence Payments?
5. What steps will the Department of Social Development take to reduce the high levels of under-claiming by those in most need?

In Conclusion

Although the Churches recognise the need for Welfare Reform it is very aware of the potential impact on our members and the wider community. We prefer to respond and not react, to accommodate change as opposed to block it. We therefore welcome the opportunity to respond to this consultation process. We will remain connected to the implementation process and continue to respond to the wide range of pastoral needs as they arise.

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