



## **Welfare Reform Bill (Northern Ireland) 2011 Equality Impact Assessment Briefing for Committee for Social Development (8<sup>th</sup> March 2012)**

1. While the Commission agrees with the policy aim to 'seek to make the social security system fairer, more affordable and better equipped to deal with poverty and welfare dependency'<sup>1</sup> we consider that there is a need to properly understand, consider and respond appropriately to the impacts of welfare reform.
2. The Commission has advised policy makers of not only the requirement<sup>2</sup>, but also the critical importance of assessing the potential equality (and good relations) implications of policy proposals.
3. The Commission is concerned that many of the proposed measures may have the effect of creating further poverty, particularly for already traditionally marginalized groups in Northern Ireland. However, the subject of the consultation was the Equality Impact Assessment, rather than the substantive policy proposals.
4. In its response to the Department, the Commission provided comments in the following areas:
  - A consideration of the broad policy aims of the Welfare Reform Bill (Northern Ireland) 2011, particularly given the potential impact of welfare reform in an economic downturn; and
  - The extent to which the Impact Assessment is carried out in a manner consistent with the principles enshrined in our *Practical Guidance on Equality Impact Assessment*.
5. In broad terms, our response to the DSD consultation on the Equality Impact Assessment of the Welfare Reform Bill (Northern Ireland) 2011 set out that:
  - The Department's equality impact assessment consultation paper provides no substantive analysis of the proposals nor does it provide any real consideration of the potential adverse impacts.
  - While recognising and endorsing parity, the consultation document does not consider the changes in the context of Northern Ireland policy and proposals not subject to parity.

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<sup>1</sup> Response to the Department for Social Development's consultation on the Welfare Reform Bill (Northern Ireland) 2011 Equality Impact Assessment;

<sup>2</sup> Schedule 9 of the Northern Ireland Act 1998, paragraph 4 (2) (b) "assessing and consulting on the impact of policies adopted or proposed to be adopted"

## **Equality Impact Assessment**

6. **The Commission considers that the Department's equality impact assessment consultation paper provided no substantive analysis of the proposals nor did it provide any real consideration of the potential adverse impact.**
7. With regards to the way in which the EQIA was conducted, while the document follows the five steps as recommended in the Commissions guidance, we have considerable concerns about how some of the steps have been completed:
  - in order to determine how the proposed policies will impact on people on the ground, it is essential to gather and consider a wide range of qualitative and quantitative data. Given that the current welfare reform will have major impacts for people in Northern Ireland<sup>3</sup> the data considered by the Department is extremely limited.
  - while the Commission appreciates that assessing the impacts of a policy can be challenging at this strategic level, we wish to emphasise that a proper analysis of the impacts of the proposed policy is at the core of any EQIA, the purpose of which is to identify any potential negative impacts and take steps to address these. The Commission is therefore particularly concerned with the minimalist approach taken by the Department to this part of the EQIA. In some places, there is no assessment at all.
  - the Commission noted with concern the high number of assumptions, expectations and vague possibilities which are put forward as mitigating measures, without any evidence to support these.<sup>4</sup>
  - the Commission considers it crucial that the Department is absolutely clear about the extent to which the policy options presented in the EQIA can still be altered/amended in light of the outcomes of the EQIA and what the possible alternative policy options are;
  - the Commission also commented on the accessibility of the consultation exercise, as it appeared that responses were invited in written formats only.

### **Policy Considerations- Welfare Reform**

8. Although the consultation was an Equality Impact Assessment, with no associated consultation on the whole policy framework as it applies in Northern Ireland, the Commission made some additional points about the reform proposals.
9. We disagreed with the Department's view that *"many provisions proposed, e.g. increased conditionality, are not considered as having a direct equality impact on benefit customers and merely facilitate the establishment of the legislative*

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<sup>3</sup> A report by the Institute of Fiscal Studies considered that Northern Ireland, as one of the poorest regions of the UK, will inevitably be hardest hit from the welfare cuts. Browne, J.(2010) *The Impact of Tax and Benefit Reform to be introduced between 2010/11 and 2013/14 in Northern Ireland*, Institute of Fiscal Studies Briefing Note 114, p 5, available at <http://www.ifs.org.uk/bns/bn114.pdf>

<sup>4</sup> for example on page 35: *"the change could act as a stimulus [...]"*; page 43: assumption that older recipients *"will generally either have a working partner or capital over £ 16,000"*; pages 46 and page 59: support to continue to move towards work assumes that jobs are readily available; page 58 : *"there is a possibility that younger lone parents are likely to have more recent experience of the labour market"*; page 60: *"it is envisaged that flexibilities and operational easements in place will ensure that no one will be penalised [...]"*.

*framework under which a number of the proposals [...] will be introduced.”* [p 23 of consultation document]. By way of example:

- **Universal Credit:** We are concerned that the EQIA did not identify the negative impact on women. The payment of the new Universal Credit to the main earner following joint claim and joint assessment will, in many instances, leave women without income. Payment of benefit to women in their ‘caring for dependents role’ was an important social security reform introduced in the 1970s, recognising that women more readily spend on children and household essentials. We expect the Department to consider this matter.
- **Lone Person Conditionality:** The lone parent conditionality provision requires that lone parents be available for work when their child reaches the age of 5 years. The Commission is concerned that the lone parent conditionality, and the lack of appropriate, accessible and affordable childcare in Northern Ireland, may restrict<sup>5</sup> a claimant’s ability to seek education and training opportunities and may undermine, or be counter to, the plan within the Northern Ireland Executive’s Economic Strategy to “improve the skills and employability of the entire workforce so that people can progress up the skills ladder, thereby delivering higher productivity and increased social inclusion”.
- **Housing Benefit Cap:** We agree in principle that under occupancy within the social housing sector should be addressed. However, the Commission recommends that the Department ensures that housing benefit assessments of disabled persons and separated parents, including those in others but similar situations, fully takes into account the needs (and rights) of these groups. Furthermore, the Commission is concerned in regard to a tenant’s ability to move may be severely restricted, due to the segregation of social housing in Northern Ireland. Therefore, the tenant may be placed in financial hardship because of a reduction in benefits due to under occupancy.
- **Disability Benefit Reform:** In wider responses<sup>6</sup> we have raised concerns regarding the higher qualification criteria for the Disability Living Allowance<sup>7</sup> (DLA) equivalent Personal Independence Payment (PIP); that the experiences faced by disabled people through the implementation of the ATOS assessment scheme for ESA and DLA (and the subsequent very high percentage rate of

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<sup>5</sup> Evidence suggests that forcing lone parents of children under 5, the majority of whom are as the consultation paper acknowledges are women, would have an adverse impact on both the parent and the child / and older siblings - limiting educational and training opportunities to enable good quality work opportunities as opposed to a low pay unskilled job, as well address the need for quality child care that meets the 'best interests' of the child. [NI Welfare Reform Group (July 2011): Briefing Paper - Welfare Reform Bill, Second Reading House of Lords, page 4].

It should also be noted the correlation between low income families and the increased likelihood of child poverty. Save the Children research points out that 21% of children in Northern Ireland live in persistent child poverty which is double the GB percentage rate, and severe child poverty stands at 40,000, almost 10%.

<sup>6</sup> Independent Review of the Work Capacity Assessment (Professor Harrington) and ECNI (2011); Evidence to the Joint Committee on Human Rights (JCHR): Inquiry into the implementation of the right of disabled people to independent living as guaranteed by Article 19, UN Convention on the Rights of Persons with Disabilities

<sup>7</sup> The proportion of working age people in receipt of DLA in Northern Ireland is approximately twice the level in Great Britain - 10.3 per cent of the Northern Ireland population ([http://www.dsdni.gov.uk/dla\\_publication\\_august\\_10.xls](http://www.dsdni.gov.uk/dla_publication_august_10.xls)). Reform of the DLA system therefore could result in many thousands of disabled people in Northern Ireland losing entitlement to this benefit or receiving reduced support – with potential impact on personal mobility; independent life in the community and adequate standards of living.

successful appeals for those refused DLA) is not replicated for the implementation of PIP; that people currently in receipt of the DLA care component may lose out under Personal Independence Payment (PIP).

10. Further, while recognising and endorsing parity, the DSD EQIA consultation document does not consider the changes in the context of Northern Ireland policy and legislation not subject to parity. For example, unlike England and Wales where the Childcare Act 2006 imposes a duty on local authorities to identify and meet childcare needs, Northern Ireland has no corresponding childcare legislation. There is thus no statutory requirement for the provision of childcare in Northern Ireland where it is asserted that the situation on both availability and affordability of childcare is the worst in the UK<sup>8</sup>.

## **Conclusion**

11. While the Equality Commission welcomes efforts *'to make the social security system fairer, more affordable and better equipped to deal with poverty and welfare dependency'*<sup>9</sup> we are concerned that many of the proposed measures may have the effect of creating further poverty, particularly for already traditionally marginalised groups in Northern Ireland.
12. On 1 March 2012, the Joint Committee on Human Rights, published its findings and recommendations of its parliamentary inquiry. Of relevance to this briefing, the JCHR found that:
  - reforms to benefits and services risk leaving disabled people without the support they need to live independently;
  - restrictions in... eligibility criteria for social care support, the replacement of the Disability Living Allowance with Personal Independence Payment,... and changes to housing benefit risk interacting in a particularly harmful way for disabled people;
  - the Government had not conducted an assessment of the cumulative impact of current reforms on disabled people.
13. We consider that there is a need to properly understand, consider and respond appropriately to the individual and cumulative impacts of welfare reform. We consider that, effectively conducted, an Equality Impact Assessment should aid DSD to anticipate and address whether the most vulnerable people in our society will be affected to an unfair extent by the welfare reform proposals.

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<sup>8</sup> Employers for Childcare Charitable Group (2011): Northern Ireland Childcare Cost Survey 2011

<sup>9</sup> Response to the Department for Social Development's consultation on the Welfare Reform Bill (Northern Ireland) 2011 Equality Impact Assessment;

## ***Annex 1: The Equality Commission for Northern Ireland***

14. The Equality Commission for Northern Ireland (“the Commission”) is an independent public body established under the Northern Ireland Act 1998. The Commission is responsible for implementing the anti-discrimination legislation on fair employment, sex discrimination and equal pay, race relations, sexual orientation, disability and age.
15. The Commission’s remit also includes overseeing the statutory duties equality duties on public authorities in Section 75 of the Northern Ireland Act 1998: to pay due regard to the need to promote equality of opportunity and pay regard to the desirability of promoting good relations, as well as the duties in Section 49A of the Disability Discrimination Act 1995 (as amended).
16. The Commission, along with the NIHRC, has also been designated as the ‘independent mechanism’ in Northern Ireland, tasked with promoting, protecting and monitoring implementation of the United Nation Convention on the Rights of Persons with Disabilities (UNCRPD).