



Northern Ireland  
Assembly

---

COMMITTEE FOR  
FINANCE AND PERSONNEL

---

**OFFICIAL REPORT**  
(Hansard)

---

**Options for Rate Relief for Carers**

24 February 2010

**NORTHERN IRELAND ASSEMBLY**

---

**COMMITTEE FOR  
FINANCE AND PERSONNEL**

---

**Options for Rate Relief for Carers**

---

24 February 2010

**Members present for all or part of the proceedings:**

Ms Jennifer McCann (Chairperson)  
Mr Peter Weir (Deputy Chairperson)  
Dr Stephen Farry  
Mr Simon Hamilton  
Mr Mitchel McLaughlin  
Mr David McNarry  
Mr Adrian McQuillan  
Mr Declan O'Loan  
Ms Dawn Purvis

**Witnesses:**

Ms Helen Ferguson     )     Carers Northern Ireland  
  
Mr Brian McClure     )     Department of Finance and Personnel  
Mr Patrick Neeson     )

**The Chairperson (Ms J McCann):**

I welcome Ms Helen Ferguson from Carers NI. Helen, please make a few opening comments, after which members will ask questions.

**Ms Helen Ferguson (Carers Northern Ireland):**

Thank you. First, I want to say that I am grateful that the Committee has decided to devote its attention to the subject of carers. I understand that there are budgetary concerns that need to be looked at carefully before decisions are made. However, it seems that there are the beginnings of

thoughtful consideration of the subject, to which we are delighted to contribute.

The bottom line for us is that caring for someone is an activity that makes a net contribution to the community; yet those who freely and voluntarily make that contribution suffer as a result. In particular, their health and finances suffer. I want to emphasise that the situation seems to be worsening. Carers UK's research during 1997-98 showed that people felt that they became much worse off within a period of just one year of becoming a carer. That information seems to be backed up by local research. The Northern Ireland Life and Times Survey and the Northern Ireland Social Attitudes Survey, while showing that fewer people, perhaps, are engaged in caring than were 10 years ago, states that the impact on them is harder and heavier.

With respect to finance, it has been highlighted that the longer an individual has been caring, and the more hours involved, the worse his or her financial situation will be. Therefore, it is interesting that some of the options being considered are trying to target older carers who may have been caring for a long time, or who care for prolonged periods. That is good. If one is trying to reduce the financial burden on carers through rate relief, focusing on older people can be a very useful way to achieve that. The census shows that about one third, or less, of all carers in Northern Ireland is caring for 50 hours or more. However, when one looks at carers who are 65 and over, the same number is doing at least 50 hours a week caring as the number doing 19 hours a week. Therefore, the proportion of older carers, who are at the heavy end of caring and whose health, well-being and financial situation are most seriously at risk, is much higher than the rest of the population. It is sensible to focus on older carers.

We also want to make sure that the Committee looks at models outside this jurisdiction. For example, council tax contains a disregard for carers. Therefore, if the Committee is looking for models to explore in order to identify whether there would be serious difficulties due to fraud or misrepresentation that will be costly to monitor and chase up, evidence should be available from other parts of the UK. That would give a real, rather than hypothetical, indication of the difficulties in identifying carers who would be eligible for rate relief, and whether the system would be costly to administer.

My final point is that if one is going to look at this issue seriously, then implementation costs need to be re-examined, because there seems to be a huge disparity between what Land and Property Services (LPS) thinks would cost to implement a system and what the Housing

Executive thinks it would cost. I do not want the prospect of rate relief for carers to be dismissed on the basis of a guesstimate.

It is probably not feasible to think about introducing a system from April 2010. Therefore, if it is not introduced from that date, the Committee and the Department will have a year longer to do the background work required. The Committee needs to decide whether support for carers through the rating system should be a priority for the Department. I think that it should, but I would say that, obviously. I am happy to answer questions and address members' concerns.

**The Chairperson:**

Thank you. I think that most people, including members of the Committee, have a family member who is a carer or know someone who is a carer. People appreciate the difficult job that carers do.

**Mr McNarry:**

You are welcome, Helen. We know each other well. I am passionate about this subject. When I stumbled upon it all those years ago, I did not realise how many people were carers. I had never thought about it; to me it was just a natural thing that a family member did.

I think that carers, although they are not mistreated, are misrepresented across a number of issues. I appreciate the work that Carers Northern Ireland is doing and the uplift that it is giving to the issue. Recognition for the service is happening in Northern Ireland, but we are a wee bit behind the sister organisations that Helen works with in Great Britain, and we can learn something from that. It is important that carers are considered and are awarded their status, and I think that it is a status that they seek desperately, which is to be recognised as unpaid carers who look after people at home. They always seem to be grouped in with others. For example, they are told that they get benefits for this and that. One thing that I always say, and I know that I have support in fighting for it, is that when a person becomes a pensioner, they lose their carer's allowance but do not stop being a carer. Caring is unpaid work.

I have never denied that other benefits are justified. However, benefits should be set aside from the discussion on carers. That is a must. Although benefits are introduced because there is a need involved, they complicate and, in many cases, deny carers the status that they should have and their right to seek something such as, for example, rate relief.

I am sorry for that introduction, but it is important to put things into context. I thank the departmental officials for their paper, which is of great help. I am pleased that they have put in that effort.

Option 3 is one of the options provided by the officials. If a new rate relief scheme were to be pursued, would the period of two years matter to carers? It might be worthwhile to wait that time for work to be completed that will, hopefully, benefit them?

You referred to council tax and the associated disregard for carers. What checks and balances are in place locally that would offset the need for a high degree of monitoring on rate relief? Surely, when it comes to all benefits, one is always anxious about people bending the rules, committing fraud, etc. Is a mechanism already in place to deal with somebody who chooses to go along that line?

Finally, I hope that this meeting is the commencement of something that will lead to a conclusion somewhere down the line. That depends on my colleagues. Would you welcome further research by officials on any option that may be offered, particularly option 3?

**Ms Ferguson:**

As to whether two years would matter, the preference of our organisation and members would be for a well-worked-out, fair, equitable, and clearly communicated scheme. If that takes a little extra time to work out, it will be much better in the long run. Obviously, and it is referred to in our paper, the more complex an entitlement is, the more difficult it is for people to take up that entitlement. It is partly for that reason that we favour a universal carer benefit rather than one that is means tested. We know all of the difficulties that come with means testing.

Your second question, which is about the checks and balances that are already in place, might be better addressed to colleagues in the Department. In general terms, there is a range of definitions and eligibility criteria for a range of supports from the system. Obviously, in the benefits system, there are the qualifying conditions for carer's allowance, which are, as far as we are aware, not particularly problematic or prone to any particular levels of abuse.

**Mr McNarry:**

I am sorry to interrupt: does that mean that there is no evidence that carers cheat?

**Ms Ferguson:**

No more than the general population — *[Laughter.]* Any of us could become a carer at any time, but it does not make one a saint. Carers do incredible work, but that does not automatically make them good people, and they are as likely as to be susceptible to temptation as anyone else. However, benefits for carers are not at such a level that it would be worth the risk of being caught committing fraud. Therefore, although I have no evidence for this, I suspect that carers may be less liable to fraud.

If one considers health and social care, then to be eligible for support under the Carers and Direct Payments Act (Northern Ireland) 2002, carers must carry out regular and substantial care. There is no qualifying benefit involved, nor does a set number of hours worked need to be proven: it is an impact-based definition. Health and social care has had no problem monitoring and policing that system and does not tend to have people trying to obtain services and support to which they are not entitled. Therefore, there is a full range of options available; from a very clear set of rules that are enforced to a more common sense impact-based definition. It is a case of fitness for purpose, and both systems work very well.

The new pension arrangements will allow carers to gain credits to their pensions from 1 April 2010, without necessarily being in receipt of carer's allowance. Other arrangements are being put in place to allow acknowledgement by doctors and social workers that someone is undertaking a level of care. If we are to take a longer period to examine this issue, it will be interesting to investigate how that model operates in Northern Ireland in the coming year.

It seems to me that it is possible to find a definition that is clearly understood and easy to monitor without being overly complex and bureaucratic and without needing lots of officers to test every individual's circumstances.

As regards further research, I think it would be worth dedicating more time and work to ensuring that we get it right.

**Mr Weir:**

Thank you for your presentation. Having read your paper and that of the Department, the presentation today is very useful in clarifying the options available. I agree with your central conclusion that it is important to do things correctly, but I suspect that it will require further work, and that a more realistic implementation target date would be 2011 rather than 2010.

I know that the Committee will hear evidence from the Department later. However, reading between the lines in what it has said in its document, and making assumptions about its position — and if I get this wrong perhaps Brian McClure, who is sitting in the Public Gallery, will shake or nod his head — option 2, which would enhance the earnings disregard in the rate relief scheme, is the option with least merit. People are generally dismissive of that option, and I see from a slight nod from Mr McClure that that is the case.

Of the other two options, option 3 is clearly your favoured option, although within that option there is a range of, for want of a better word, sub-options. In your paper, you refer to how you see option 3 being developed. However, there needs to be much more research and information on that option from the Department's point of view. It may be difficult for you to provide an answer to this question today, but it would be useful to the Committee and the Department if you would explain how you see option 3 operating.

Although option 3 is your favoured option, option 1 has some merit in that the formula has been used elsewhere. Therefore, it is a fallback option: for example, this is how the system operates in England, and it has been tried and tested.

I will make a comment and ask you whether you agree with it. Obviously, there can be a great variation in the overall costs of implementing the scheme. However, I think that one of the crucial issues about the scheme chosen is how much it will benefit carers directly. For the sake of argument, if an option costs £2 million overall, and it turns out that 80% is going towards administration, that option would be a lot less attractive than a package that was smaller overall but which meant that the net result was greater for carers. Do you agree that one of the key issues will be to ensure that there is a relatively straightforward system that minimises administration and makes sure that carers who need support are given it?

**Ms Ferguson:**

I agree absolutely. To some extent, the decision will come down to a cost-benefit analysis. Both sides need to be looked at. My view is that the benefits that will accrue to carers will be very significant to individuals: it will be about whether enough carers will be reached to make the set-up and administration costs worthwhile. I accept that the calculation has to be done and the decision made. Small increases in carers' income can make a huge difference to their lifestyles when so many of them are teetering on the brink.

I have something else to say about option 2 before it is dismissed completely. Working-age carers who are forced to give up work find themselves in the most difficult circumstances. Therefore, we are very keen to have a scheme that will assist working-age carers. Compared to the other two options, option 2 seems to be the least effective way of getting support to carers.

**Ms Purvis:**

Thank you, Ms Ferguson. Which carers are not benefitting from the relief that is currently available?

**Ms Ferguson:**

Do you mean rate relief, or benefits?

**Ms Purvis:**

I mean all benefits and reliefs.

**Ms Ferguson:**

There are a couple of pressure points. The first is whether people recognise themselves as carers in the first place and seek the help that is available. We have done some work in that regard and we found that two thirds of carers take at least a year, and one third of carers take up to five years, to recognise that they are carers. Improving recognition and identification of carers is an issue for everyone. I know that health and social care has taken that on board.

The Carers and Direct Payments Act (Northern Ireland) 2002 was one of the few pieces of legislation that went through the previous Assembly and became law. It was our Assembly Committee that recommended the inclusion of a duty of health and social care to provide information and we are just starting to see that rolling out. The first difficult area is getting



people to recognise that they are carers and to seek help. A lot more work needs to be done in that regard; although I am not sure whether that is the responsibility of the Department of Finance and Personnel (DFP).

The second group that is finding things difficult comprises older carers, because of the overlapping benefits rule. David McNarry is more of an expert on this matter than I, as he has done a lot of work in the area. Older carers feel very aggrieved, because working all their lives and paying stamps, and what they are doing now in respect of caring, are not being recognised. Caring does not stop at age 65; it often gets heavier. This is a huge problem. If I were asked to identify what our members see as the biggest problem with benefits entitlement, the overlapping benefits rule would definitely be number one.

Another difficulty concerns people who try to keep a hold on the world of work. Perhaps they are moving in and out of part-time work as their caring permits. They have great difficulty in keeping their carer's allowance because the £95 cut-off is a straight cut-off; there is no taper involved. If somebody earns £1 more than £90, their carer's allowance is lost, and that causes real problems for people in transition. Those are the issues most often presented to us.

**Ms Purvis:**

Is a person aged over 65, who receives carer's allowance and who is looking after a spouse or partner, entitled to any form of relief?

**Ms Ferguson:**

No. Attendance allowance will go to the person with care needs. Very often, but not always, that allowance is used in the household. However, if someone is not living with the person for whom they are caring, that person receives attendance allowance but the carer gets no benefit from that.

**Ms Purvis:**

Is there any benefit with respect to claiming rate relief or housing benefit? Can attendance allowance be used for that purpose?

**Ms Ferguson:**

The carer cannot do so. There are pensioner's benefits: however, Brian McClure would be better placed to speak about how older people fare in the rating system and the rate relief system.

**Ms Purvis:**

How many carers are affected by this?

**Ms Ferguson:**

We are talking about 15,000 carers aged 65 and over in Northern Ireland, 6,500 of whom are caring for more than 50 hours a week. Those people are supposed to be retired, but they are doing more than full-time hours for no pay and often at great cost to themselves.

**Ms Purvis:**

To be honest, I am not convinced by any of the options in the paper. I am no lover of means-tested benefits or universal benefits, because they do not target the most vulnerable.

I know that you support option 3. However, I am concerned that universal carers' relief would lead to the situation in which those who are most vulnerable, and who already receive other benefits, would be taken out of that category and be put into a universal benefit category. How would a carer who receives full lone pensioner rate relief of 20% or 25% be affected by the introduction of a universal benefit? I am concerned that there may be an unintended consequence, which is another reason why we need more research on the issue.

I understand that we depend an awful lot on carers without giving them recognition. That is Government's fault for using carers on the cheap. The role that carers play must be recognised, as must the consequences of that role and its impact on their health, well-being and lives. Their incomes must be supplemented, but I wonder whether rate relief is the way to do it.

**Ms Ferguson:**

Our research shows that, apart from lost income, carers feel that they bear additional costs due to the disability of the person for whom they are caring. Certain costs apply to all carers, regardless of their income stratum. That is why we favour a universal benefit.

As to whether rate relief the way to proceed; inasmuch as the question is how to deliver extra relief to pensioners through the premium that already exists, I say that it is. I do not believe that it is fundamentally wrong to apply rate relief to carers, if that can be done. It then becomes a matter of ensuring that more problems are not created for carers in the long run by having a more

complicated system that will deliver the same amount of money by taking off income elsewhere. I find it difficult to say with absolute confidence that this will not have unintended consequences. That is why we support the notion of looking at one or two options. We are juggling four here, and they need to be explored in more detail before we come to a final decision.

**Mr McQuillan:**

Helen, you said that your preferred option is option 3. A fixed reduction scheme would result in a reduction of 20% or 25% across the board. Do you prefer that to an income-based scheme?

**Ms Ferguson:**

Yes, partly because of its simplicity. There are problems with carers knowing their rights and entitlements. The simpler the scheme, the more likely it is that it will capture most people who are entitled to it and the more cost effective it will be to implement. The top-line costs of that scheme may be higher, but the administration costs will be lower.

**Mr McQuillan:**

Twenty per cent, or 25%, does not represent a serious amount of money in some cases, but it is recognition that a person is caring for someone else. Four and a half years ago, my stepfather died, and my mother moved into our house. I did not appreciate how much work my stepfather had been doing until my mother moved in with us, and my wife and I had to employ someone to help us part-time. My stepfather had been caring for my mother without recognition even from us, because we did not realise what he was doing. If something can be done, it will make a difference to people. If we can say that we have made that one difference in four years; that would be a result. I support whatever way this matter can be pushed on.

**Mr O'Loan:**

Thank you for your presentation. Fundamentally, we are all sympathetic to the issue, because we are all aware of the colossal —

**Mr McLaughlin:**

I thought that you were about to say that we are all getting older.

**Ms Ferguson:**

It could be any of us at any time.

**Mr McNarry:**

Do not be looking for me to care for you. *[Laughter.]*

**Mr McLaughlin:**

I was not thinking that at all. *[Laughter.]*

**Mr Weir:**

If there are any more Budget debates, we will all be getting cared for.

**Mr O'Loan:**

I claim no expertise of the system, which is already complicated. The way forward has to involve further analysis. There is no question of trying to have something in place for April 2010; and even April 2011 could be ambitious. The issue is complicated, and it is only worth doing something if it is done right. That means not simply looking at the rating system but at how the social security system and the health system interact in this matter.

Your paper states that, initially, you did not consider the rating system to be the best route forward. Will you amplify that?

**Ms Ferguson:**

Our organisation tries to represent our members' concerns to policymakers as fully as possible. Carers tend to be most exercised by the benefits system; particularly the overlapping benefits rule and items such as the taper on earnings replacement. Our members are most concerned about those issues, and our organisation is also concerned about them because they affect the largest number of people. However, the Assembly cannot do anything about those matters easily, as David McNarry discovered when he tried hard to do something in the Assembly about the benefits system.

In contrast, the rating system is within the gift of the Assembly, so it is possible for it to take steps in that direction. Using the rating system has not been a campaign priority for us up to now, but we see it as an opportunity that exists, and we wish it to be exploited as fully as possible.

**Mr O’Loan:**

Do you see a problem with the definition of carers? Do you envisage a self-certification process for carers, given the fact that a huge number of people have some kind of caring responsibility?

**Ms Ferguson:**

One wants to focus on the people who, in the health and social care definition of a carer, have regular and substantial caring responsibilities. Such people are putting a lot into caring for other people and are suffering the most impact. For a rating system, a self-generated definition would not work in the way that it does in health and social care, because people who go to health and social care for support will, inevitably, have regular and close contact with staff in the agencies involved, and those agencies will be able to make a reasonable assessment about whether the people meet the criteria that they are claiming to meet. Therefore, the rating system would have to allow for a person to be validated, externally, as being a carer.

The obvious way to do this is to identify carer’s allowance, or eligibility for carer’s allowance, as signifying that an individual is providing regular and substantial care. However, there are great difficulties with this, because many people who are carers do not get carer’s allowance. Also, some older people do not bother applying for it, because they know that they will not get it, and some who care for two or more people do not get carer’s allowance because they are not caring for any of them for more than 35 hours a week. There are also people who, for whatever reason, do not want to apply for disability benefits or attendance allowance, or who cannot get those benefit; their carers, therefore, are not be eligible for carer’s allowance.

We are reluctant to have carer’s allowance alone as the passport to some form of rate relief, but one could look at other models, such as the one that will soon be brought in for pension credit and which allows for carer’s allowance or certification by a doctor or a social worker. That system is similar to the one operating in England for the disregard on rates for carers and it is the type of system that we would suggest — one that is in use elsewhere and that is known to be working reasonably smoothly.

**Mr O’Loan:**

As regards a good holistic system around social security, finance and health, can you point to any jurisdictions that display best practice?

**Ms Ferguson:**

No. As we have an integrated health and social care service, we are probably a bit further ahead of other jurisdictions in areas such as communication. Within health and social care, we have the carer's assessment, which is a useful tool. When health and social care offers someone a carer's assessment, it should be looking at their full range of needs, not just those that health and social care has to meet. Health and social care should be looking at an individual's income, ability to work and need for education and training, and it should put the carer in touch with the agencies that have the responsibility. Therefore, mechanisms do exist for us to move to more integrated support for carers.

Recently, a joint review was carried out between the Department of Health, Social Services and Public Safety (DHSSPS) and the Department for Social Development (DSD). That review tried to look at some of the points of connection. We are keen that the Minister of Health, Social Services and Public Safety develops an action plan based on the recommendations of that review and keeps things moving forward. However, some mechanisms could be used more effectively, and the carer's assessment, in particular, offers a useful tool for carers.

**Mr McLaughlin:**

You are welcome. This is an exceptionally complicated issue, and I think that it gets more complicated every time we try to respond to it.

**Ms Ferguson:**

I can see that.

**Mr McLaughlin:**

You are talking about the range of people who need care. Many of them are under pension age and suffer from various disabilities; others are advanced in age and are suffering ill health as a direct consequence. That applies to those who need the care and those who are providing it.

Working on the basis that there is now universal acceptance that care in the community, in all its facets, is a significant premium to the welfare and health system, are we losing sight of that benefit? For example, recognition could be facilitated if people understood how much it would cost to revert to institutional care in these circumstances rather than applying reliefs and cross-calculating benefits, which means an awful lot of administration. There is an industry involved in

such work, which is what we see every time we try to come up with a response. From our limited perspective, we are looking to see whether we can introduce another relief, and there is goodwill all round: you can see that people are doing their best and that agencies are responding. However, things are getting more complicated every year.

If the debate were to be informed by an objective assessment of the net monetary cost to the Government and to society of investing in such care, that would recognise the work of carers and would provide the trade-off between the amount they should receive and what it would cost to provide such care in an institutional setting: that would give carers their entitlements and their due recognition.

I suspect that there is value in asking for such a study, because its findings could be put into the debate. People could then decide whether they want to employ another army of civil servants to work out how to deliver assistance, the cost of which would come out of the money to be used to help carers. Generally, people want to do something, and they recognise that urgent need.

I am delighted that David McNarry has raised this issue, because I am not well enough aware of it either. To me, the issue seems to get more complicated every time I read about it. I look at it and try to inform myself about it, and I try to pick my way through the multiplicity of efforts of the people who are trying to help; but, sometimes, it seems that those who are trying to help are getting in each other's way.

For me, reliefs are an admission of defeat, because people are not being paid what they deserve for the service they provide.

**Ms Ferguson:**

If you find the system complicated, with all the information and support that you have at your disposal, imagine how complicated it is for a 71-year-old carer whose husband has just had a stroke and who is encountering the benefits system and health and social care for the first time.

There is a need to take an overview across government of the costs and benefits of supporting carers. We have attempted to do that. Three years ago, we worked out that the unpaid work done by carers in Northern Ireland would cost £3.12 billion, which was more or less the amount of money that the Government put into the Health Service in that year. Therefore, without carers,

the capacity of health and social care to look after older and more vulnerable people in our community would have to double. Therefore, information on the benefits provided by carers is available: we know a lot of the answers.

**Mr McLaughlin:**

Yes, but it appears that we are not telling ourselves.

**Ms Ferguson:**

That is right. You mentioned the need to take a good overall look at the issue. The British Government have promised a complete review of benefits for carers, because there is a sense that tweaking the system here and there is not the best way to go. We have been waiting for that review for a couple of years and, as part of the UK-wide organisation, we pushing very hard to get it.

In the meantime, we are where we are. Unfortunately, the Assembly has little power to vary the benefits system. Therefore, it is a matter of looking at what is within our gift and whether it is worth a candle. It is not in our interest, as an organisation, to promote any waste of public funds, because we want those funds to be applied as effectively as possible in the support of carers. If this option turns out not to be not cost-effective, we would like the Committee to decide to not create a rate relief for carers and put recommendations to DSD or DHSSPS on what they should be doing, if that would be more effective in the long run.

**Mr McLaughlin:**

I want to reflect on this a bit more and have a further discussion. I see value in some networking between the various Committees and Departments that are addressing this issue in their separate ways. As you know, we have received correspondence from the Social Development Committee. Furthermore, I see value in communicating with other regional Assemblies and in trying to get a coherent message to the existing Government and the incoming Government so that we can drive the review forward within a measurable period of time.

I think that we will just be putting layer on top of layer, and, at the end of the day, people will become totally lost in the maze. It will always fall short, and people might get some but not all of what is needed, whereas work could be standardised or at least streamlined.



**Ms Ferguson:**

We are in favour of that. The Department for Social Development and the Department of Health, Social Services and Public Safety recently had a joint review of the situation in Northern Ireland. However, that is falling down because they did not consult with DFP, the Office of the First Minister and deputy First Minister (OFMDFM), the equality side, or with education and the housing sector. All those aspects interact. However, the review might be a useful starting point for discussion with other Committees to consider what other interfaces exist. It would mean, at least, that we do not need to start from scratch.

**Mr McNarry:**

I am grateful to all members — I am not summing up or anything — and I want to pick up on what Mitchel said about complications and objective assessments. I am trying to tie the request for today's meeting to an opening that I thought might bring additional relief and help to carers.

Mitchel, and Helen in her response, mentioned the joint review. It was carried out because I brought a Bill on carers to the Assembly. However, nobody supported it. Therefore, although we talk a lot, I brought a Bill to the Assembly that laid out what I believed was required. It had passed all the necessary loopholes, and money had been spent to put it in front of Members. However, nobody supported it, and it is still held by me. Therefore, I am alert to what Mitchel has said: it is music to my ears.

I do not want to develop the conversation on carers because it is a massive issue, and members will have gathered that from Helen's comments. I do not want to go beyond what this Committee is tasked to do. However, the main problem is that, because of existing parity legislation, the Department for Social Development did not want to stand up for Northern Ireland carers. That was unfortunate, to say the least, because I felt that we had an opportunity, as a devolved Government, to stand up for our own people. We heard about the figure of £3.1 billion in relative savings, and, as Dawn said earlier, that is cheap labour. I think that DSD became frightened of an excursion from parity, which is a serious avenue to go down.

The joint review did nothing for my Bill and what it was requesting from Margaret Ritchie's Department: and no disrespect to her or to her Department. Michael McGimpsey's Department produced a very welcome outcome: additional respite care. That has yet to be clarified, but it is a massive bonus for carers. Therefore, I agree, Mitchel, about where we could and should go with

this issue. However, you did not back me in the Assembly.

**Mr McLaughlin:**

I did not back you for the reasons that I have set out.

**Mr McNarry:**

My Bill is still there, and I welcome anything that the Committee can do to revisit the issue. It all boils down to money. Carers save the economy £3.1 billion. I will argue with anyone that, if they all went on strike, they would bust the economy. However, they are carers so they will not go on strike, and people know that. I am delighted with what Mitchel said, because it may enable us to look at other aspects of the issue after we hear from the departmental officials. Thank you for allowing me to say that, Chairperson.

**The Chairperson:**

We can certainly have a further discussion after we hear the Department's evidence. You are welcome to stay for that session, Helen.

**Ms Ferguson:**

I wish that I could, but, unfortunately, I cannot.

**The Chairperson:**

You said that the rate relief scheme is within the gift of Department. I do not wish to pre-empt what the departmental officials will say, but I would like to hear whether there is some way that a rate relief scheme could alleviate the financial pressures that carers face. The Committee will be able to put that matter to the Department.

Thanks very much for coming along today. I do not know what will emerge from the discussion with the departmental officials, but I am sure that David will notify you of its outcome.

**Ms Ferguson:**

Thank you very much.

**The Chairperson:**

I welcome departmental officials Brian McClure, head of rating policy division, and Patrick Neeson, rating policy division. They are no strangers to the Committee. I invite you to make a

few opening remarks based on what you have just heard. Members will then ask some questions.

**Mr Brian McClure (Department of Finance and Personnel):**

Thank you, Chairperson. We are here to listen and learn; we are not here to state a position. Is the issue for discussion today the plight of older carers or the plight of carers generally? There is a significant difference in the scale of those two issues. As Helen said, there are about 15,000 older carers. However, all carers represent a significantly larger number, and, therefore, that is a much bigger issue for us to consider.

**The Chairperson:**

Today's discussion concerns all carers.

**Mr McClure:**

The work that we have done so far relates to older carers. We have not examined the situation that faces all carers.

**The Chairperson:**

Will you take us through your options anyway?

**Mr McClure:**

The Committee was provided with copies of our paper, and the discussions that I have heard indicate that you understand the detail of it. The rate relief system already provides enhanced relief for carers. The carer's premium, for example, is available if the applicant or his or her partner is looking after a disabled person and is in receipt of carer's allowance. That affords us an easy option, in policy and legislative terms, to provide a further enhancement through the rate relief scheme. We can do that easily through subordinate legislation. Indeed, we can do it in a matter of months but, given that we are in late February, we cannot do it in time for April 2010. However, in policy and legislative terms, we can easily do it for next year.

The enhancement to the rate relief scheme would benefit only about 200 older carers, who would, of course, welcome it. We believe that the cost would be anything between £50,000 and £100,000 each year. The one obstacle is the cost of administration. You will be glad to hear that LPS systems can deal with that easily. However, Housing Executive systems cannot. The Housing Executive's preliminary estimate of the cost of taking that on is around £100,000 each

year.

I note from Helen's paper that she believes that we should examine that in careful detail. It is, effectively, a show-stopper due to the cost of administration. It simply would not pass the sensible test. If the Committee wishes me to go back to the Housing Executive formally and get a proper assessment, I will do so.

**The Chairperson:**

Certainly.

**Mr McClure:**

Its preliminary assessment was certainly in that area. I will do that.

I mentioned that option 1 would benefit only 200 households. Option 2 is included for the sake of completeness. That option would not find favour with Carers NI or the Committee. Therefore, we would not explore it.

To introduce a completely new rate relief scheme, on which there was a great deal of focus this morning, would be much more complex. Certainly, having listened to the discussion around the table, I agree that if we contemplate any special relief scheme for carers who are outside the low-income relief scheme, we need to get it right with regard to targeting and affordability, and not to overburden the rating system, which, as I am sure that LPS has said in its evidence, is already overburdened with complications. We need to be careful about that.

I am getting close to stating a position. I just want to outline the context. The introduction of a new rate relief scheme requires a great deal of work. It poses the question as to whether that work should be done. After the Committee session, we will, of course, report back to the Minister on all matters that were discussed today. It will be for him to decide whether we engage in that work.

I wonder whether there are any alternatives to commissioning further work on this issue. It was suggested that interdepartmental working is required. That might be a useful first stage before either DFP or Assembly Research Services do anything. What are your views?

**The Chairperson:**

I am aware from what other people said that procedures for joint Committees are already in place in Standing Orders. Perhaps the Committee will consider that issue during its discussion afterwards.

Given that the previous session overran, I want to move on to questions. Option 3 seems to be the preferred option, although I do not want to presume that. If it were pursued, would that dispense with the carer's premium that is already in place? Would that balance out the cost?

**Mr McClure:**

As part of the process of getting it right, we need to look at the alignment of any new schemes, not only with the rate relief scheme that exists but with the benefits system. We do not want to do something that is then taken into account in the calculation of another benefit when, in fact, there is no effective additionality. If there is no additionality, there is no point in doing that.

That would all have to be part of the process of trying to get any rate relief scheme right. We will certainly look at that. If it stepped on the toes of the existing carer's premium as regards the low-income rate relief scheme, we would have to look at that. However, that could be fixed easily. A much more significant point is the new relief itself.

**Mr Patrick Neeson (Department of Finance and Personnel):**

The carer's premium is a housing benefit premium. It already exists. Therefore, there is nothing that we can do about that.

**Mr Weir:**

I want to make a couple of points on that issue. The briefing papers that the Department and Carers NI produced have been useful in framing the debate so far. As you said, it is clear that more work has to be done before we get to the concrete stages of precisely how to move forward on the issue.

We need to ensure that we do not get into a situation that does affect benefits and, perhaps, additionality, because we could leave ourselves in the worst of all worlds. Carers will see no benefit, because what is being given in one area will be taken away through something else. Subsequently, there will be a double whammy: people will not benefit and, at the same time, a

situation will be created in which expenditure is shifted from annually managed expenditure to departmental expenditure limits. That ends up costing a considerable amount to the Executive, because it is substituting money that would be coming in from Westminster, while at the same time, providing no benefit to the people. That is a crucial issue.

I can see some merit in DSD and the Department of Health, Social Services and Public Safety being involved in taking the issue forward. The Department of Finance and Personnel will have the lead role. What procedures are in place to set up an interdepartmental group to get input from those Departments?

**Mr McClure:**

If the Minister wished that to be taken forward, he would write to ministerial colleagues and suggest an interdepartmental working group. That would mean that officials with expertise in the area would get together and work through a programme to develop proposals.

**Mr Weir:**

It is difficult to think of other Departments that would be directly affected, but I can see that there would be some level of expertise and interest from DSD, in particular, and, because of the health implications, the Department of Health.

A number of people do not qualify for carer's allowance because of the income threshold. Do they not qualify, or, do they not get any money? I am aware of certain benefits that have underlying entitlement. Even if the person does not get any money in those cases, they tick the boxes, which means that they meet the qualifying conditions.

**Mr McClure:**

I do not think that it is to do with income; I think that it is more to do with the number of hours that a person spends caring. Helen mentioned that some carers look after a number of people, but they are not entitled to carer's allowance because they care for each individual for fewer than the requisite hours. I am not an expert on that; I am referring to only what I heard this morning from Helen. When talking about coming up with some sort of definition, she made a useful suggestion about pension credits.

**Mr Weir:**

I think that I am right in saying that people can officially qualify for pension credits in the sense that they are seen to meet the criteria, but they might not receive money. That is called an underlying entitlement, which means that it becomes a passport benefit.

**Mr McClure:**

Helen said that pension credits take it into account if someone is in receipt of carer's allowance or has a certificate from a doctor. If this is going to run, it is something that could be looked at.

There is a lot of talk this morning about the most vulnerable. The most vulnerable people in Northern Ireland get help with paying their rates. Many get 100% help, and 20% of the most vulnerable households in Northern Ireland do not pay rates. Therefore, the provision of rate relief will not provide additional help to those households.

There are other issues about delivering other help. We are stuck on the issue that benefits are not a devolved power. However, rating is a devolved power; that is why we are talking about it and why rating relief is being considered. It is worth bearing in mind that 20% of households already receive rate relief.

**Mr Weir:**

I understand that. Some people may fall outside our scoping. All that we can do is try to look at the people we can help. If the rates system is the only available avenue, people who do not pay rates will not see any additional benefit, no matter what measures are taken. I am conscious of the parity issue when benefits are concerned, and we should avoid doing anything that would damage that system, but opportunities do exist.

**Mr McClure:**

Yes, and if the issue were to be looked at across Departments, one of the first questions would be about whether there were avenues other than the rating system that could provide help. Perhaps that issue has already drawn a blank. Has it?

**Mr McNarry:**

No. Have you finished?

**Mr Weir:**

Another way to put that question might be to ask whether what is done through rate relief can be supplemented by activities elsewhere.

**Mr McClure:**

Yes.

**Mr Weir:**

For example, looking at what can be done for the most vulnerable carers has been mentioned. Some help may be available for some people through the rating system, and maybe other Departments could provide other more general help. I do not know.

**Mr McClure:**

Yes, other support mechanisms.

**Mr McNarry:**

Sorry for appearing to laugh; I was not really. There really is no one out there interested. There are brick walls and that is why an organisation such as Carers Northern Ireland exists with, we will all agree, an articulate spokesperson in Helen.

My experience is that, unless people are politically motivated or pushed by society, they would like the issue of relief for carers to just go away. I was not being facetious or laughing at what you said, Brian, because your answer when you said if it can be done was on the button. To date, no Department has shown any will to help carers here in any way. They just adopt what is sent to them without challenge or deviation.

**Mr O'Loan:**

It is a difficult area through which to chart a way forward. Nobody should present the issue as one of a lack of caring about carers just because we find it difficult to find the best way forward. For many of us, that is not the case.

I come back to the point that I made to Helen: the only way to make progress is to consider this in the round and to look at the interests of various Departments, because the Health Department clearly has a major input in the form of direct services or direct payments that it



provides to a home. The social security benefits system is extremely important. There is some potential in the rate relief system, because it is the only part of government income over which we have control.

Even the policy objective is unclear. What are we trying to achieve? It is not a well enough thought-out policy objective to say that we are looking at the situation, we are very sympathetic to carers, some people are carrying a huge burden and we want to show some understanding by cutting their rates. There will be cases in which extra money coming into a household or relief on its outgoings will not necessarily reduce a carer's burden. The policy, what we are trying to achieve and what Departments could, potentially, bring to the table all need a lot of thinking through.

I am not saying that a move to a joint Committee is wrong, because I have not thoroughly thought through what is the best approach. However, more departmental working and analysis should be undertaken first.

**The Chairperson:**

I am getting a clear indication that more work needs to be undertaken to produce more information.

**Mr McNarry:**

We, quite rightly, disposed of the Rates (Deferment) Regulations (Northern Ireland) 2010 today. The explanatory memorandum to that paper states:

“The Finance and Personnel Committee in their ‘Response to the 2007 Executive Review of the Domestic Rating System’ had recommended the introduction of a deferred payment scheme for pensioners and considered that, ‘even if only a small number of pensioners were to benefit, the choice of deferment should be available’”.

I make that case for carers too: even if only a small number will benefit, the choice should still be available to them.

I have given you credit for the papers that you produced, which have been more than helpful. I also welcome the manner in which you and your colleagues have addressed the issue by speaking to Carers Northern Ireland and so on. I do not want to argue with you, but do you now see that there is merit in conducting further research? I would like to make that proposal when

the Committee goes into private session, but there is no point in me doing that if you do not think that further research would be worthwhile.

**Mr McClure:**

It is clear from this morning's discussion that a heck of a lot of work is needed.

**Mr McNarry:**

Are you referring to rate relief?

**Mr McClure:**

Yes; a heck of a lot of work is required to bring forward sensible proposals on the provision of rate relief for carers. That is particularly the case if we are considering the plight of all carers rather than older carers only, as we had done before. I do not think that DFP can do that work on its own. If the Minister wishes to examine the matter further, we will need to engage with a large number of stakeholders, not only Carers NI but organisations right across the voluntary sector and, indeed, other Departments, to bring forward proposals.

First, we will have to run the issue past the Minister. He said that he will keep an open mind, but he also expressed concern that people move in and out of being carers. He is concerned about the administrative difficulty that is associated with providing rate relief for people whose circumstances change over a few years. Many rate reliefs, such as the allowances for farmers, relate to longer-term positions. Farmers tend to remain farmers, but people do not remain carers. People move in and out of care: they are in transition.

**Mr McNarry:**

I would argue with that.

**Mr McClure:**

There is a body of carers who care for people over a long period of time, particularly, as Helen mentioned, older carers. The difficulty is that some carers are carers for a couple of years, whereas others do it for 10 or 20 years. There is a question about how that should be dealt with in the local taxation system.

**Mr McNarry:**

The issue of relief for carers was brought to the Committee because it was thought that doing so would highlight their plight, get them recognition and the benefit of rate relief to them would be appreciated.

**Mr McClure:**

In many ways, it would open other doors.

**Mr McNarry:**

The Committee might be instrumental in opening those doors, but I urge caution. The other two Departments that have been referred to and that I have come up against have doors that are not very easy to open. We must be careful. However, my possibly unfair question, which I will ask anyhow, is: do you believe that there are sufficient carers in Northern Ireland who deserve rate relief?

**Mr McClure:**

I am not ducking the issue, but I do not know the answer to that. Our previous terms of reference involved looking at older carers.

**Mr McNarry:**

I think that we should stick with that approach. I —

**Mr McClure:**

We identified that a couple of hundred older carers who are not in receipt of housing benefit and who are ratepayers could benefit. The number may be quite modest, but the relief would be important to them.

**Mr McNarry:**

Does your report state that there are between 500 and 1,000 carers who are not owner-occupiers, most of whom are in Housing Executive homes?

**Mr Neeson:**

We do not know the exact number, or the number of those who have an underlying entitlement. It could be as high as 1,000.

**Mr McNarry:**

Your report states somewhere between 500 and 1,000; so, it is not just 200.

**Mr Neeson:**

The 200 probably relates to the owner-occupied sector.

**Mr McClure:**

That is right. However, even 1,000 is a modest figure when compared to the 15,000 older carers who Helen talked about.

**Mr McNarry:**

She said only that that was the figure. The Committee has been trying to research how many carers would benefit from rate relief without interference to any of their other benefits. I wanted to make the point to the Committee by reading out what I did about pensioners, even if only a small number of them benefited. It shows that we care.

**Mr McClure:**

Yes. As I said, policy-wise and legislative-wise, it is easy to enhance carer's allowance under the low income rate relief scheme, but the administrative cost is disproportionate. However, I will go back to the Housing Executive following this meeting to ask for a breakdown and a full assessment.

**The Chairperson:**

The Committee must decide whether it wants to pursue rate relief for older carers or widen the issue to open doors for support to carers in general.

**Mr McNarry:**

May I comment on that now?

**The Chairperson:**

No one has any more questions for Patrick and Brian, so I was going to suggest that the Committee debates the issue after they leave. We must decide whether there is any point in widening the debate if it we are pursuing the single issue of rate relief.

**Mr McNarry:**

Please indulge me by allowing me to make a comment that I would like Brian to hear. It is clear that there is active interest in the subject. The longer the discussion has gone, the less sure I am that I or anybody — although, I will wait to see — could make a proposal that takes us down a specific path. Everyone has said that, because there are many strands to the situation, we have been inclined to deviate away from the rates issue. I am not saying that some of it was smoke and mirrors. Would it be in order for the Committee Clerk and his staff to examine what has been discussed today and meet Brian to come up with some kind of more specific option that the Committee to consider at our next meeting?

**The Chairperson:**

Do you mean more specifically about rate relief?

**Mr McNarry:**

Yes, or about how we could involve an interdepartmental aspect to set up a working group and whether the Minister would be prepared to go along those lines.

I am not too sure of the protocols, but it seems that Brian would have to go back to his Minister on a number of the issues. He could maybe then could work through them with the Committee Clerk so that we have a sense of direction as to what is attainable. I can see the interest and the sympathy, but I do not want to raise expectations on the issue or waste people's time on it.

**The Chairperson:**

I am open to other members' views, but I think that we could ask Brian to take the idea of having an interdepartmental working group to look at the wider issues back to the Finance Minister. That is one good suggestion that has come out of the discussion.

I do not know how the Committee will agree a way forward on rate relief. I do not want to create a lot of extra work for the Committee and the Department that may not come to anything. David is right: it would be good if we were to have a specific proposal, but we would need to have more information about what would and would not be feasible before we would be in a position to do that.

**Mr McNarry:**

If that is in order, and the Committee agrees, I propose that we defer a decision on the rating element until we have seen the wider report. If the Minister just says that he is not going to do that, or that there are complications, there is no point in putting a lot of work into getting to that point just to be knocked back. I think that the Minister is sympathetic.

**Mr McClure:**

The Minister is sympathetic and he has an open mind on the issue. He has simply flagged some concerns about overburdening an already overburdened rating system and the administrative difficulties that are associated with defining carers.

**Mr McNarry:**

Helen Ferguson clearly said that an element of rating benefit would be appreciated by carers. Had she been asked, she would have said that any help for carers would be greatly appreciated. However, the Committee can deal only with opening a door to that. It would be music to my ears, and to the ears of many carers and Members, if this became an Executive issue and if the Executive discussed the situation and decided that it is as good as any priority that they are dealing with, and better than some.

**The Chairperson:**

If we are agreed that that is the road to go down on that and wider issues, can we agree to contact the relevant Committees to set up that ad hoc joint Committee? An overlap has been discussed between the Health Department and the DSD on the issue of carers.

**Mr Weir:**

We can agree to that only if —

**The Chairperson:**

I am talking about the wider issues.

**Mr Weir:**

I understand that, but I would prefer to see a response. Ultimately, I have no problem if we go down the route of working jointly with Committees. However, with respect to the Committee as

a whole, the onus is on the Departments, which is where the focus and the joint working would take place, more so than in the Committee. I am not saying that we cannot come back to that issue but, at this stage, I would be loath to agree anything of that nature, especially until we have received some feedback.

**The Chairperson:**

I understand what you are saying. However, my experience is that Committee members need to drive it.

**Mr Weir:**

I appreciate that. In many ways, other Departments have input on the rating side to ensure that it is on the right track. I am concerned that the waters could become so muddied with so many other issues that nothing happens about rate relief. There may need to be a continued focus on the rate relief element.

**Mr Hamilton:**

I apologise for being late. I do not want to speak as the Chairperson of another Committee, but I will. Although I understand that there may be a need to deal with the Department for Social Development, I do not detect from anything that has been said or written about the issue that the Department of Finance and Personnel are not dealing with the Housing Executive or the Social Security Agency with regard to data already. As David can testify only too well, changing policy to deliver different, increased or enhanced benefits for carers is not a simple process. However, the Department for Social Development can help by ensuring that DFP's information is better. The Committee for Social Development recently looked at a White Paper from across the water about how provisions for carers could be enhanced through the existing benefit and social security system, and the Committee has an on that issue.

I agree with Peter and David: I am not sure whether there is a lot for that Committee to do at this stage. Members of that Committee will, I am sure, back anything that is being done. However, the whole idea of going through the rate relief system is not something that we could do. We would not have the issue of parity through the Social Security System to worry about. It is something that we might be able to do here. I agree with Peter and David about waiting.

**The Chairperson:**

I am getting confused. I thought that we had moved away from the rating side and were moving into the wider issue of carers.

**Mr McNarry:**

No, sorry, Chairperson. We cannot divorce the two issues at this stage. We can defer the matter now but, as I said earlier, it would be good if Brian and the Committee Clerk could get together and bring something to the next meeting as a route map of what is achievable —

**The Chairperson:**

Do you mean about rate relief?

**Mr McNarry:**

Yes, and even opening it up wider. That is the Minister's decision.

**The Chairperson:**

I want to clarify the situation. Are you talking about the establishment of an interdepartmental group to examine support for carers in general? I am suggesting the establishment of an ad hoc Committee to scrutinise the work of that interdepartmental group.

**Mr Weir:**

There appears to be a misunderstanding. I do not want to put words into Brian's mouth. However, my understanding is that there are implications for the Departments, even on the issue of rate relief. So, to take an example —

**The Chairperson:**

So, it was not about the wider issue of looking for support for carers.

**Mr Weir:**

It seems that there are at least two aspects that have implications for the Department, but are purely related to rate relief. The first is that the Department of Health and the Department for Social Development could have input. There is an issue about the definition of a carer, which would be vital for providing rate relief.



**Mr McNarry:**

DSD will have the greater input on that issue.

**Mr Weir:**

I do not doubt that. However, it may be worthwhile having someone from the Department of Health at the table. There would have to be some kind of technical assistance no matter what scheme was being worked up on the rate relief side to ensure that whatever was being proposed did not have benefits implications, and DSD would be the key Department. I am not against having a wider look at the carer's situation, but I thought that the interdepartmental aspect was, principally, to provide assistance on the rate relief side to ensure that all the implications and any pitfalls were avoided.

**Mr McClure:**

We need alignment with policy in others areas if we are to deliver a rate relief scheme that will not affect someone's benefits.

**The Chairperson:**

So, is that solely about the rate relief issue?

**Mr McClure:**

The discussion did widen out. However, it is my view that if the Minister wants us to do further work, we will have to look to other Departments for expertise and advice on options, because some options will have implications for benefits calculation or other support mechanisms.

**Mr McNarry:**

It is necessary for that to be in addition to what the Committee is asking for in that we find out Minister's view on that widening out aspect.

**Mr McClure:**

Given that the Committee has asked us to look at that issue, it would be helpful to us if the Committee had an agreed objective on what any new policy would be. We could then judge various options against that objective.

**The Chairperson:**

Thank you very much.