



Law Centre (NI)

31 January 2011

Dear Peter,

### **Draft Budget 2011 - 2015**

Thank you for your letter of 14 January inviting comments on the draft DSD budget for 2011- 2015. The Law Centre is pleased to submit these brief comments to the Committee. We recognise that the statement provides a broad overview of the budget and some important principles but is short of much of the important fine detail.

Against the backdrop of the financial pressures stemming from the Comprehensive Spending Review settlement, we welcome the Department's commitment that its draft budget 'requires change to do more to protect those in need and the funding of frontline functions...'

We welcome the clear recognition of the implications of the radical programme of welfare reform already underway. The scale and scope of the reform of the social security system being driven by Westminster will bring significant pressure to bear on frontline services in Northern Ireland. The planned migration of claimants from Incapacity Benefit to Employment Support Allowance, for example, will affect approximately 76,000 claimants in Northern Ireland and will trigger increased pressure on frontline advice services. Changes currently proposed to Disability Living Allowance will also take effect during the life cycle of this budget and Universal Credit will be implemented in 2013. In addition, a range of other measures are being taken within the social security system over the next three years following the June 2010 and October 2010 statements by the Chancellor.

We note that monies have been ring-fenced in the budget from 2012 to cope with the costs of welfare reform rising from £6.0m in 2012-13 to £36.3m in 2014-15. It would be helpful to see a detailed breakdown of the anticipated costs of reform to assess whether the monies ring-fenced for welfare reform from 2012 – 2015 are likely to be sufficient to meet the anticipated additional costs of the reform programme.

We welcome the Department's commitment to 'take what steps it can to make sure that persons and families including the most vulnerable in our society are protected from the adverse consequences of the reform' and the recognition that protecting investment in community and voluntary services will help those most in need at this time. We would, of course, welcome detail of how this commitment will be translated into practical measures of support.

We have argued in the past that investment in childcare is an essential part of the welfare reform jigsaw. We appreciate that the policy decision on this requires Executive agreement and that no decisions may yet have been reached about whether and how to fund such investment and within which department(s). Nevertheless, we would welcome clarification as to whether any budget allocation is envisaged to support or contribute to the costs of implementing a childcare strategy in Northern Ireland over the life of this budget. We understand that a paper on childcare which cuts across government departments has now been completed by OFMDFM and we would welcome publication of this as soon as possible.

We would also be grateful for clarification about the role, if any, that might be played by the proposed Social Protection Fund and Social Investment Fund in picking up on gaps in support for those in need that emerge as a result of welfare reform.

Finally, given our work on mental health and community care matters, we would be grateful for spending plans for the ring-fenced Bamford monies to be explicitly set out in this draft budget.

Yours sincerely,

Ursula O'Hare (Assistant Director, Policy & Publications)