



**Northern Ireland
Assembly**

**COMMITTEE FOR SOCIAL
DEVELOPMENT**

**OFFICIAL REPORT
(Hansard)**

Welfare Reform Bill

3 December 2009

NORTHERN IRELAND ASSEMBLY

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SOCIAL DEVELOPMENT**

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Members present for all or part of the proceedings:

Mr Simon Hamilton (Chairperson)
Mr David Hilditch (Deputy Chairperson)
Mr Billy Armstrong
Mr Alex Easton
Ms Anna Lo
Mr Fra McCann
Ms Carál Ní Chuilín

Witnesses:

Ms Anne McCleary)
Mr Colm McLaughlin) Department for Social Development
Ms Margaret Sisk)

The Chairperson (Mr Hamilton):

We will now receive a briefing on the responses to the equality impact assessment (EQIA) on the proposed welfare reform Bill. I welcome Ms Anne McCleary, the director of social security policy and legislation in the Department's social policy and legislation division, and Ms Margaret Sisk and Mr Colm McLaughlin from the social policy and legislation division. The Department hopes that the Committee will be able to share its views on the EQIA at the end of the briefing.

Ms Ann McCleary (Department for Social Development):

I thank the Chairperson and Committee members for affording us the opportunity to explain the outcome of the consultation and the EQIA on the proposed welfare reform Bill.

I will begin by making a few comments about the proposed Bill. It is a significant piece of legislation, which has the policy aim of supporting and encouraging unemployed people to move closer to the workplace and, even in the prevailing economic climate, to return to the labour market as soon as possible. The Bill's aim is to ensure that the welfare system gives people the opportunity to prepare for the working environment by improving their skills and providing other kinds of practical support. It is also about providing personalised support in parallel with personal responsibility. As an aside, the proposed Bill is not connected to the recent Green Paper on care and support; the two are entirely separate.

I will provide some background to the consultation. As members will be aware, the GB Welfare Reform Bill received Royal Assent at Westminster last month. We are now moving ahead with our Bill. Copies of the EQIA were issued to 57 interested parties, and it was brought to the attention of political representatives such as MLAs and MPs, and others. We received six responses, but our offer to meet those respondents was taken up only by the representatives of the Law Centre (NI), with whom we had a very useful discussion.

The closing date for the responses was late November, but we had a late request for an easy-read version of the EQIA, and consequently, the deadline for consultation was extended to early December.

The Committee has a copy of the Department's response to the consultation. Therefore, I will simply highlight the key issues that have arisen. Margaret Sisk, Colm McLaughlin and I will be happy to deal with any questions that you may have at the end.

The key issues, which are generally policy issues about the Bill's content, are Work for Your Benefit schemes; work-related activity as required by the employment and support allowance; lone parents, which I will mention later; sanctions for violent conduct and loss of benefit; the abolition of income support; the abolition of adult dependency increases; and general issues relating to the recession and resources.

There are a number of cross-cutting themes in the Department's response to those issues. Many of the proposed changes are being initiated first in GB as pilot schemes, and we will wait to see how those pilot schemes pan out. They relate specifically to working for benefit, to work-related activity as required by the employment and support allowance and to lone parents.

A theme has emerged not just concerning this legislation but with previous legislation, as I am sure the Committee is aware. The key factor is that we will be taking account of the circumstances in each lone parent case, and we are well aware of the difficulties with childcare provision in Northern Ireland. That aspect of the legislation has been recognised and is in the draft Bill. That shows the importance of the issue as it was originally proposed that it would appear in the ensuing regulations.

Many of the Department's proposals are personalised. I said at the outset that the legislation is about providing personalised support and conditionality. We take into account the facts of each case, and that will be a key factor throughout all the legislation and its outworkings.

The final cross-cutting theme deals with the training of the folk who were involved in implementing the scheme on the ground.

Ms Ní Chuilín:

Will accelerated passage be sought for the Bill?

Ms McCleary:

We have yet to take the Minister's mind on that. However, we expect to talk to her about it in the next couple of weeks.

Ms Ní Chuilín:

My mind and that of my party is that we would not support the use of the accelerated passage procedure.

Ms McCleary:

We will be looking at that in the near future.

Ms Lo:

A couple of weeks ago, I hosted a question and answer session for several women's groups. Those groups were mainly concerned with the lone parent issue. In the absence of a childcare strategy and given the fact that we do not have quality, accessible or affordable childcare in Northern Ireland, the legislation should not be applicable to Northern Ireland. What is your answer to that?

Ms McCleary:

In practice, the fact that there is no available and affordable childcare in a particular circumstance will be taken into account, and that person will not be forced to do anything if childcare is not available or affordable.

Ms Lo:

Therefore, each case will be looked at individually.

Ms McCleary:

Yes.

Ms Margaret Sisk (Department for Social Development):

If I may add to that, Anne mentioned the lone parent regulations that are already in place. We appeared before the Committee, and Ms Ní Chuilín is well aware of the background to those regulations. However, the proposed Bill will include a requirement that the personal adviser to a lone parent of a child who is already subject to the jobseeker's allowance (JSA) requirement must take account of the availability of childcare and must also look at the well-being of the child when any personal agreement is drawn up.

Therefore, the Bill will strengthen the safeguards that are in place for lone parents, which are already part of the JSA regime. The new Bill will introduce work-related activity for other lone parents. Parents of children who are younger than seven years of age will not be forced to go to work. The idea is that those people will be helped to access training to polish up their CVs so that they will be ready to access the labour market when their child reaches the age of seven or 10. I do not know whether that reassures you.

Ms Lo:

During the debate, there was a great deal of confusion about what age a child would be before a mother was asked to go to work. I understand that a child would be seven or eight years old. Some people said that you are planning to introduce measures for when the child is one year old. Is that correct?

Ms Sisk:

There are different requirements, depending on the age of the child. Lone parents with children under the age of one are currently expected to attend work-focused interviews. The Bill will remove that requirement, so it will ease the requirements for lone parents with the youngest children. The parents of children who are between the ages of two and three will be required to attend work-focused interviews.

In the case of children between the ages of three and six, parents who are benefit recipients and their partners will receive help to take part in work-related activity. The idea is that they should be able to access training, improve their skills and polish up their CVs, because the concern is that, the longer that women are away from the labour market, the more they lose confidence and the more difficult it is for them to get back into work.

The requirement for parents of children of ages seven and above to move from income support to jobseeker's allowance already exists, and it was done by the lone parent regulations that we made in December 2008. The Bill will put in place the safeguard that I mentioned, under which the personal adviser must take account of the child's well-being and of issues such as the availability of childcare. That safeguard is currently dealt with under regulations, but it will be included in primary legislation, thus making the Bill much stronger. When we briefed the Committee on the Bill, Ms Ní Chuilín said that she wanted that safeguard to be included in the Bill. That is a move in the direction of providing more safeguards.

Ms Lo:

Women have many concerns about this matter, and I empathise with them. Many women say that they want to stay at home and look after the children. What about their right to choose to do that? They are contributing to society by raising their children.

Ms Sisk:

We do not disagree with that, but the vast majority of children who live in poverty come from lone parent families. The purpose of the legislation is to try to move those people out of poverty. It is not to make life more difficult for them but to try to help them and their children to move above the poverty line. People who live on benefit will never be very well off, and the best opportunity that they have is to move into work and move up once they get into work.

Ms Lo:

The training aspect is important, because, for many people, there is no point in having a job that is not well paid, because the money that they earn is used to pay the childminder.

Ms Sisk:

I understand the point that jobs must be sustainable and well paid. Unfortunately, the Department for Social Development does not have any great control over that.

The Chairperson:

Obviously, we will await sight of the actual legislation. You said that that safeguard will be in the Bill, and the fact that the position that is set out in the regulations and guidance will be strengthened is to be welcomed. Is the proposed safeguard comparable to the GB legislation?

Ms Sisk:

Yes, the measure is contained in the GB Act.

Ms McCleary:

A Government amendment to include that was made.

The Chairperson:

Was that amendment made in the House of Lords?

Ms Sisk:

Yes, that is correct.

The Chairperson:

In that case, I give the House of Lords a vote of confidence.

Mr F McCann:

You can thank Wallace Browne and Maurice Morrow.

Ms Sisk:

It may also have had to do with the change of Secretary of State at the Department for Work and Pensions from James Purnell to Yvette Cooper. The fact that that post is now held by a lady may have made a difference.

The Chairperson:

That is very good. I shall wait and see what the Bill says. That is interesting.

Mr F McCann:

Who determines what childcare provision is available? In any area, one will find that most childcare must be paid for and is totally out of reach of someone who is on benefits. When that provision is removed from an area, little affordable childcare is left.

My second question relates to JSA sanctions. In a number of cases, people have legitimately forgotten their signing-on day. I know that that is probably not an excuse. However, it results in the loss of two weeks' benefits. When they phone up, they are told that they could, after three weeks, apply for a crisis loan. However, their benefits have been suspended only for two weeks. That has a knock-on effect for the wider family unit, which depends on someone to pay the way in the household. Not only is that person penalised but so is the entire family unit.

A while ago, during discussion on the now Welfare Reform Act 2007, I asked whether community-based work would qualify under Work for Your Benefit schemes. Many areas depend on local voluntary community workers, who also draw benefits. At present, they are penalised for so doing.

Ms Sisk:

To start with childcare provision, in practice, our policy is that it is a woman's decision as to whether accessible and affordable childcare is available to allow her to work, unless it were obvious that it is and she is not accessing it; if, say, there is a nursery school in the area of which everyone is aware. As far as I understand it, however, the normal course of events is that staff in

jobs and benefits offices do not counter-argue with a woman who says that she cannot access childcare.

Moreover, tax credits are available for childcare. It is not as though no money is available for it. However, all those matters must be taken into account. The regime is not intended to be punitive by any manner or means. It is intended to be encouraging and empowering. Therefore, no one will force a woman into work when it is obvious that no childcare is available to her. That is not the process that we want at all. It is not our policy intention.

Mr F McCann:

In current circumstances, and probably in the near future and the longer term, no jobs will be available. Surely that makes a bit of a nonsense of the suggestion. People have to be working in order to obtain tax credits.

Ms Sisk:

That is correct. The Department recognises, as does the Department for Work and Pensions, that, at present, there is an economic recession and no work is available. However, our point is that just because there is a recession does not mean that people cannot be prepared and made ready for work when it becomes available.

We hark back to a previous recession during the 1980s, when generations of people were simply left to languish on the dole or incapacity benefit. That is not sustainable, nor is it the right thing to do for people. We want people to be given training, support and encouragement to get them ready for work. Clearly, they cannot be forced out to work if there are no jobs available. That is obviously not the intention. That would make no sense at all.

Mr F McCann:

Will their children be provided for while they are training?

Ms Sisk:

Yes. They will still receive benefits while they are training.

Mr F McCann:

They will be out of the parental home. What will happen to their children then?

Ms Sisk:

The availability of childcare would have to be taken account of not only when those people are working but during the training process. Childcare would have to be available during the work-related activity.

Ms McCleary:

That is why it is a cross-cutting issue.

Ms Lo:

Will those people be given money or benefit?

Ms Sisk:

Yes, if necessary. That is one of the reasons why we have said that there are resource implications not only for us but for the Department for Employment and Learning, which provides the funding for a lot of those things.

The situation with regard to sanctions is that, if somebody does not attend for a job interview, they are given a chance to explain why they did not attend. They cannot be sanctioned simply because they did not turn up. If they have good cause, that is taken into account before any sanction is applied. However, I cannot comment on specific circumstances.

Mr F McCann:

People say that honesty is the best policy, but, if people are honest and say that they forgot to sign on, they are sanctioned right away because they should remember their signing-on day.

Ms Sisk:

I cannot say whether that happens.

Mr F McCann:

It is a fact.

Ms Sisk:

All that I can really say on the matter is that good cause must be taken into account.

As Anne said, the work for your benefit programme will run as a pilot programme in Great Britain for two years from the passing of the Bill there. At this stage, it is difficult for us to say exactly how the programme will work, because the Government have not started running it yet. However, if someone has been on jobseeker's allowance for a long time, they will have become detached from the labour market, and the idea is to help them to get closer to getting back into work. The purpose is to personalise work that will help people to move back into the workplace. Nothing has been set down in respect of what that work will be, but people will still be able to take part in voluntary activity, as long as they are available for work. In order to qualify for jobseeker's allowance, they must be available for work.

Mr F McCann:

Some people have been told that they cannot work voluntarily for a residents' association or a community association because doing so means that they are not available for work. Therefore, that is a grey area. Those people have told staff at the jobs and benefits office that they are available for work and are working voluntarily with organisations that are doing good work on the ground. More times than enough, those people are told that they cannot do that.

Ms Sisk:

Yes, because the condition for receipt of jobseeker's allowance is that people are actively seeking and are available for work.

Mr F McCann:

Does that mean that they cannot do voluntary work?

Ms Sisk:

They cannot do voluntary work if they are on jobseeker's allowance. They cannot say that they are unable to take a job because they are doing voluntary work.

Mr F McCann:

Will voluntary work be recognised under the work for your benefit programme?

Ms Sisk:

No, because it is not recognised in jobseeker's allowance at present.

The Chairperson:

In respect of the proposals on work-related activity, can you confirm how many ESA claimants in Northern Ireland will be affected by the pilot schemes?

Ms Sisk:

The pilot schemes will not affect anybody to start off with, because it is not our intention at this stage to run any. However, having said that, I cannot rule it out completely, because some of the input to decision-making on that rests with the Department for Employment and Learning.

The Chairperson:

That is the point that I was getting at.

Ms Sisk:

To be honest, at this stage, I am not aware of the Department's intentions to do anything like that, but I cannot say that it will not run a pilot scheme. The Department wants to look at what is happening in GB to see whether there is any benefit in running a similar pilot scheme in Northern Ireland or any necessity to do so. That is a decision for the Department.

The Chairperson:

Have you done any work on the number of people involved and the programme's resource implications?

Ms Sisk:

No. We will have to revisit that issue when we know more about the pilot schemes. Clearly, there could be resource implications, particularly for the Department for Employment and Learning, which will have to put in place a lot of the work programmes. Therefore, some things will be dependent on the availability of resources in the longer term, but it is much too early to say what those are likely to be.

The Chairperson:

You wanted the Committee's view on the EQIA, so we will send that to you for your consideration and response. Some issues have been raised, but the majority of members are in favour of parity. Thank you.

Ms Sisk:

Thank you.