



Advice NI Opening Statement NI Assembly Communities Committee

14th March 2024

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Kevin Higgins, Head of Policy & Information, Advice NI

Thank you for the invitation to present to the Committee and it's great that the Assembly is back up and running and that Committees are in place to perform their role of holding the Executive and Ministers to account.

Firstly, just to say a few words about the independent advice network: Advice NI is involved in service delivery via our Helpline and we provide infra-structural support (for example policy & information, training, membership services, quality) to the frontline. There are frontline providers across all Council areas, and Members will know I'm sure the local providers in your area. We also have specialist providers (either by subject for example 'housing', or by client group for example 'older people' or 'people with disabilities'). Last year the network dealt with over 260,000 enquiries, with over 75% being social security related; Universal Credit, PIP and crisis support being to the fore. The debt service dealt with @ £52m in debt, with an average debt per client of £14,000, with small business debt, mortgage debt and credit card debt to the fore.

I have been asked a number of times over the last couple of years and indeed, whilst the Assembly was previously suspended, what is the point of that place, what difference do they make? And I always point to the implementation of the 'Evason' welfare mitigations report in 2016, which is something that the entire Assembly here can be rightly proud of, going the extra mile to protect those in greatest need from the harshest impacts of welfare reform.

Since then we have had to cope with the DLA to PIP reassessment of 125,000 cases, the rollout of Universal Credit and the 4 year freeze to benefits ... all of which has squeezed incomes particularly those on the lowest incomes both out of work and in work and driven foodbank demand to record levels.

We have had Covid, emergency food parcels, we have had high inflation which has hit everyone but hit the poorest hardest, we have had the Cost of Living crisis, with the sky-rocketing energy bills crisis and spiking interest rates. We have had the inadequate Budget settlement which has led to cuts to crisis support in the form of Discretionary Support and Discretionary Housing Payments. And, in the first few weeks of this Assembly we have had debates

about the affordability of school uniforms and unaffordable childcare costs ... all of which speaks to households struggling to make ends meet, and again I have to say it: especially those poorest households on benefits and in low paid work. And just this week we have the NI Audit Office report into Child Poverty in NI, highlighting 7%-9% of children living in low income households that cannot afford the basics – with costs of child poverty estimated to be between £825 million and £1 billion and referring to the impact of the 2 child limit.

But now in many ways we stand at a crossroads:

- Part of the vital welfare mitigations package is in danger of collapse;
- In what will be a General Election year, there is more polarised political framing coming to the fore in the social security debates:
 - Prime Minister seeking to squeeze benefits to pay for tax cuts;
 - In the budget we saw the Chancellor on the one hand increase the point at which families start losing child benefit from £50,000 a year to £60,000. And yet the April 2017 two-child limit means most families cannot claim means-tested benefits and tax credits for any additional children born after this date. And we have the benefit cap which limits the total amount of benefit some of the poorest families with children can get, set at £22,020 per annum for couples / lone parents and £14,753 for single people.
- And there is undoubtedly a cranking up of the depressingly familiar rhetoric attempting to demonise and dehumanise benefit claimants:
 - We have certain commentators talking about “Pouring even more money into the benefits system”;
 - Against this we have the real-life experiences of people living in poverty: For example “Mum-of-five Sophie says money is so tight that she regularly goes without in order to feed her children.”
- And we have much more welfare reform coming down the track:
 - We have Move to UC for @60,000 legacy claimants this year and for @50,000 Employment & Support Allowance claimants in 2028;
 - The Health Transformation Programme will remove the Work Capability Assessment (associated with UC and ESA), meaning that the Personal Independence Payment (PIP) assessment will be the only health and disability functional assessment in the future when this is introduced;

- A greater focus and ‘bearing down’ on the economically inactive and all the risks that are associated with greater conditionality for this group of people that includes people who have retired early, carers, students and those incapable of work due to sickness and disability;

So at a time when people are really struggling, as we stand at a crossroads, it is essential that the Committee take a compassionate approach to helping those who need it most, here are 5 points you might want to consider:

- Doing all you can to ensure the Benefit Cap mitigation cliffedge is avoided, with Extension Regulations passed without delay;
- Urging the Minister to consider the recommendations of the 2 independent reports (mitigations review and Discretionary Support review) and advocating to strengthen the support provided by our welfare mitigations and Discretionary Support scheme;
- Carefully monitoring ‘Move to Universal Credit’ and in particular some of the issues we have already highlighted for example the impact on farmers and the self-employed, deductions without proper notice especially in the first Assessment Period and the importance of getting the timing right to maximise April benefit uprating thus avoiding a freeze to entitlement;
- Supporting calls for recognition of and sustainable support for the independent advice network;
- And finally calling on the Minister to expedite the publication and implementation of an Anti-Poverty Strategy.

We don’t need any more reviews or reports, we (or rather the people out there on low incomes) need to see action without delay.



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