

**NICVA response to Department for  
Communities – Equality Impact  
Assessment 27<sup>th</sup> Jan 2021**

**February 2021**

## **Background and Introduction**

NICVA is the umbrella body for the voluntary, community and social enterprise (VCSE) sector in Northern Ireland with over 1,100 members, who provide a wide range of services and activities for public benefit. These range from health, social care, and emergency services; advice and counselling, community development and peacebuilding; to environmental, arts, and sporting activities. We work to support and advance the interests of the people and communities that our members support. We offer a wide range of practical services and support to our members to help them do what they do best - find innovative solutions for social challenges. NICVA's database of VCSE sector organisations holds records of over 6,100 organisations employing over 53,000 people across Northern Ireland. For further details on the NI VCSE sector visit NICVA 'State of the Sector' resource at - <https://www.nicva.org/stateofthesector>

## **Consultation timeline**

NICVA welcomes the opportunity to contribute to the Department for Communities Equality Impact Assessment relating to the draft budget allocations for 2021-22. However, we would like to take this opportunity to convey our significant concerns with regards to the lack of appropriate timeframe provided to respond.

We understand that the late timing of the Spending Review and resulting delay in the NI Executive approving the budget paper has significantly constrained the time available to government departments for consultation and consideration of the equality impacts of the budget.

In this challenging context we commend the Department for Communities for moving quickly to produce and consult on a particularly detailed draft EQIA on the impact of the draft budget on its functions. However, we would express caution that the short consultation period has not been conducive to securing a broad range of complete responses from those with particular insight and knowledge as to how the budget will impact upon the Department's equality duties.

The limited time available to respond could significantly impact on organisations and the wider public's ability to access, fully analyse and respond to the information. This

is concerning given the significant detrimental impacts the draft budget proposals pose on many vital areas of public life and services such as housing, and access to welfare benefits; employment related support; the arts and sports. This consultation will be of significant interest to many organisations across the VCSE sector given the potential for impact both on their own work and organisations, and on the lives and interests of those they serve. However, given the short time frame for responding, coupled with the impact on the pandemic both on their resources and opportunities to undertake engagement we suggest that capacity to do so will have been inhibited. It is important this is taken into consideration by the Department going forward and that more meaningful opportunities for engagement and consultation are pursued given the budgets potential for impact and the challenging budgetary decisions that lie ahead.

### **Comment on the impact of the draft budget proposals outlined via the EQIA**

NICVA is deeply concerned as to the significant adverse impact the draft budget proposals outlined via the EQIA, will have on the work of a broad range of VCSE organisations and most vitally on the needs and interests of those individuals and communities they serve, of whom some of the most vulnerable stand to be significantly impacted.

#### *Impact on the most vulnerable*

We are concerned by the EQIA assessment of the draft budget proposals that as stands the budget will have a particularly adverse impact across a significant number of section 75 groupings, namely persons of different age (children and young people & older people); women; those with a disability, and those with dependents (in particular lone parents). This is particularly alarming given these groups already disproportionately suffer poverty, hardship, and exclusion, which is currently exacerbated by the fallout from the pandemic.

We would also consider that there will be adverse equality impacts on minority ethnic groups as a result of a number of the draft budget proposals and would ask that the department reflect this in the final EQIA.

These concerns are exacerbated by the current social and economic context, with increasing numbers entering the welfare benefits system, unemployment levels at an all-time high, increasing levels of poverty and the continued impact of austerity budgeting being felt across our communities and the looming longer-term impacts of both the pandemic and Brexit.

For the purpose of detailing impact, we have selected below to briefly comment on a number of key policy and service areas set to be affected by the draft budget proposals but these are not exclusive, with other wide ranging critical service and policy impacts noted via the EQIA.

*Welfare Reform Mitigations* - The EQIA cites no resources being made available in the draft budget to fund a range of recommended new welfare mitigations, including mitigations to offset the two-child policy and to address the universal credit 5 week wait. We are disappointed the welfare mitigations have not been properly strengthened, this is concerning, due to the major adverse impact of this current policy on a number of Section 75 groups including women and children.

*The provision of advice services* - NICVA is deeply concerned about the proposed £1.5million cut to the Advice Sector contained within the draft budget due to the current social and economic context previously outlined. Independent advice has given vital support for increasing number of people accessing universal credit. The provision of independent advice is paramount to ensuring current and future claimants (such as those who will turn to Universal Credit for support at the end of the current Coronavirus Job Retention Scheme) can ensure full access to their rights and entitlements. If these services are removed the impact will undoubtedly be on some of the most vulnerable in our society, including young people, older people and people with disabilities.

Organisations across the independent advice network report they are already working at maximum capacity and have responded admirably in their support to the department in its Covid19 response, including running the Covid19 Community Helpline. The proposal not to prioritise this funding within this budget appears short-sighted and will impact our most vulnerable at a time when demand for provision is likely to be at its most acute.

We welcome the Minister for Communities verbal commitment to work to avoid this by ensuring that advice sector funding continues.

*Housing and Homelessness* Also of concern as set out in the EQIA, are the impacts on access to social housing, housing related support and the failure to adequately tackle homelessness. This includes no allocation for Housing Transformation and sustained depletion of Supporting People services. These funding gaps risk damaging vital housing and support services, including hindering progress in the long-awaited revitalisation programme to ensure sufficient social housing is available to meet demand. The budget proposals will also lead to reduced opportunities for other key service and policy interventions to reduce housing need, tackle inequality and in alleviating impacts of homelessness – further jeopardising vital safety nets and support. We recommend the department secures the necessary funding to address these concerns. Failure to do so will have an adverse impact on some of the most vulnerable groups of people across our communities by increasing housing insecurity and homelessness.

*Employment related Support* The draft budget allocation also does not provide funding for the Department to deliver on planned and much needed COVID related employment support initiatives including dedicated support for young people and improved access to childcare. With soaring levels of unemployment and the economic fallout of COVID impacting across communities, the related draft budget proposal will adversely impact a number of key section 75 groupings in particular young people and women who are already disproportionately economically disadvantaged. The failure to provide these supports will also hinder overall economic recovery.

In addition to these worrying indications contained in the EQIA, details have also emerged separately on wider shortfalls in funding in the Department for Communities budget. We are aware the Department has recently unsuccessfully bid for over £300 million of additional funding from the government's available public funds to meet wide-ranging needs not covered by the currently proposed draft budget. This further threatens their ability to deliver a wide range of needs from the recruitment of additional staff to administer increasing working age benefit caseloads which have soared due to the Covid-19 crisis, to other funding needed to respond to the crisis including

support to address homelessness, social supermarkets, sports recovery, and arts recovery, as well as funding for independent advice, vulnerable households, grants to Councils and housing programme improvements.

### *Impact on the VCSE Sector*

Following the release of the Charities Fund in June 2020, the Communities Minister thanked the voluntary and community sector “for the crucial and important role they play in supporting thousands of people across our community.” Indeed, organisations across the sector, have and continue to make a vital contribution to many of the departments core service delivery responsibilities including the COVID 19 response<sup>1</sup>.

We believe it is vital therefore that future department strategy and policy, and therefore the budget reflect this contribution and commitment. Thus, it is extremely concerning that VCSE organisations stand to be so adversely impacted by the draft budget proposed.

For some organisations including as we have outlined previously those in the independent advice sector the impacts of the proposed budget on their organisations would be immediately damaging resulting in the direct loss of staff and services at a time when their support and expertise have never been more needed.

For other organisations across the sector the challenge will be in responding to the social and economic impacts of the budget proposals on their communities, including amongst many of the most vulnerable.<sup>2</sup> This is concerning given that VCSE organisations across the sector already report significant difficulties in meeting demand<sup>3</sup> and are coming under increasing resource pressures due to reduced income, as result of reduced public spending and also fundraising income (linked to the impact of COVID) etc with this situation only likely to be exacerbated by the lasting impact of the pandemic and the emergence of Brexit impacts.

The sectors working partnership with the Department is more important now than ever as we come out of the COVID-19 pandemic with organisations across the sector

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<sup>1</sup> <https://www.nicva.org/resource/nicva-public-perception-survey-identifies-high-levels-of-public-usage-and-trust-in>

<sup>2</sup> [Northern Ireland economy to lose out if third sector shrinks - BelfastTelegraph.co.uk](https://www.belfasttelegraph.co.uk/news/northern-ireland/northern-ireland-economy-to-lose-out-if-third-sector-shrinks-1.4611111)

<sup>3</sup> [NICVA Covid Impact Survey -November 2020](https://www.nicva.org/resource/nicva-covid-impact-survey-november-2020)

uniquely placed to support people and communities making them vital to COVID-19 recovery planning.

It should also be noted that the sector not only provides these services, but the vast amount of knowledge held by the organisations and their employees/volunteers with regards to the problems facing our society and what works and what does not work is vital to effectively and efficiently providing support where and when it is needed. It is vital therefore that these services are adequately resourced and supported going forward.

### **Concluding Comments**

We conclude that the current flat rate budget detailed via this EQIA, without a commitment by the Secretary of State to approve the New Decade New Approach funding and with limited Covid-19 relief funding, institutes unprecedented adverse impacts on the most vulnerable at a time when they and those community and voluntary sector organisations who serve them are facing extreme challenge.

Given the current social and economic context we are particularly alarmed at the disproportionate impact these draft proposals pose for a significant number of Section 75 groupings, who already face a raft of inequalities and challenges, only exacerbated by the pandemic. As a result, their impact is likely to be most acute and significantly detrimental to the rights, needs and resulting quality of life of those impacted. They also create potential for lasting impact on not only affected individuals but for communities, wider society and on the demand for and pressures on other key public services (for e.g., health and social care services) and budgets as a whole.

As detailed these budgetary decisions if progressed will affect not only the delivery of essential public services by statutory providers but also many essential public services provided by voluntary, community and social enterprise organisations supported by the Department. This is at a time when these organisations are consistently reporting unprecedented levels of demand for their services and supports, coupled by growing income and resource pressures. As we have outlined, for those organisations who face cuts to services and staffing under these draft proposals, the impact will be acute, leading to significant gaps in or the cessation of much needed public services,

culminating in resulting unmet need and a loss of valuable staffing, resources and expertise from the sector.

We urge the NIO and NI Executive to consider alternative policies, in the form of additional funding to address the adverse impacts under the current policy. If these resources are not forthcoming, we urge the department to be rigorous in exploring all opportunities to put in place appropriate mitigating measures. We press that this be done in full, timely communication and consultation with the VCSE sector, given their vested role, interest and expertise and the budgets potential for adverse impact across the sector and its beneficiaries. We appreciate Minister Hargey and her departments openness to engaging with both NICVA and our members at an early stage in response to concerns regarding the draft budget proposals. NICVA are keen to continue this dialogue with the Minister and her department and to support ongoing communication and engagement with the VCSE sector regarding the challenging budgetary decisions ahead and all efforts to reduce or mitigate their impact.

**For more information on any aspect of our response please contact:**

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