

Women's **Policy Group NI**

WPG NI Response to the Department of Finance Consultation on Revenue Raising Measures - Domestic Rating Measures

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1. Introduction:

The Women's Policy Group (WPG) is a group of policy experts and practitioners who advocate collectively for women and girls by promoting gender equality through an intersectional feminist lens. We challenge systemic injustice and discrimination affecting women and girls by informing society and influencing policy and law. Our work is informed by women and girls' lived experiences and rooted in international human rights law.

The WPG is made up of women from trade unions, grassroots women's organisations, women's networks, feminist campaigning organisations, LGBTQ+ organisations, migrant groups, support service providers, NGOs, human rights and equality organisations and individuals. Over the years this important network has ensured there is good communication between politicians, policy makers and women's organisations on the ground. The WPG is endorsed as a coalition of expert voices that advocates for women in Northern Ireland on a policy level.

If you have any questions or queries about this response, or would like to discuss this evidence further with the WPG, please contact Elaine Crory, Women's Sector Lobbyist at elaine.croory@wrda.net

This response was prepared by the following WPG members:

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Please note that this response also includes evidence from other WPG work, compiled by a range of WPG members, and not all member organisations have specific policy positions on all the areas covered in this response.

1.1 Endorsements

The WPG would like to endorse the response submitted to this call for evidence by the Women's Regional Consortium.

2. Past Consultations Responses, Evidence Submissions and Briefings:

The WPG, and its associated member organisations, have published a wide range of evidence through various evidence submissions, public consultation responses and

specific briefings on issues relating to the impact of the budget cuts on people in Northern Ireland. Responses made by the WPG, and some of our members, in relation to these issues include:

- WPG NI (2023) Response to DfC EQIA on Changes to the Discretionary Support Scheme. Available [here](#).
- WPG NI (2024) Response to DoH Consultation on the re-introduction of hospital parking charges. Available [here](#).

The Women's Policy Group NI also responded to all of the 2023-2024 Budget EQIAs published by NI Departments in 2023. These responses included:

- WPG NI Response to The Department for Education Spending Plans EQIA – August 2023. Available [here](#).
- WPG NI Response to The Department for the Economy's Spending Plans for 2023–2024 Equality Impact Assessment – June 2023. Available [here](#).
- WPG NI Response to the Department of Health's Spending Plans for 2023–2024 Equality Impact Assessment – June 2023. Available [here](#).
- WPG NI Response to Department for Infrastructure's Spending Plans for 2023–2024 Equality Impact Assessment – June 2023. Available [here](#).
- WPG NI Response to the Department for Communities' Spending Plans for 2023–2024 Equality Impact Assessment – June 2023. Available [here](#).
- WPG NI Response to The Executive Office's Spending Plans for 2023–2024 Equality Impact Assessment – June 2023. Available [here](#).

Other relevant publications produced by the Women's Policy Group in recent years include:

- WPG 'Where's Our Democracy?' Campaign (2023) Common Sense Budget for Northern Ireland. Available [here](#).
- WPG Letter with Cross-Party Support to Secretary of State (August 2023) The Impact of Budget Cuts. Available [here](#).
- WPG Letter to Secretary of State (May 2023) The Impact of Budget Cuts. Available [here](#).
- WPG (2022) Open Letter on the Cost of Living Crisis in Northern Ireland. Available [here](#).
- WPG (2021) Relunched WPG COVID-19 Feminist Recovery Plan. Available [here](#).
- WPG (2020) Original WPG COVID-19 Feminist Recovery Plan. Available [here](#).

3. General Comments on the Revenue Raising efforts:

Northern Ireland is facing yet another financial crisis. In 2023, the Secretary of State imposed an extremely punishing budget on the people of NI, with spending decisions

overseen by Permanent Secretaries that we cannot hold to account. The budget for 2024 is expected to be similar, and now the Secretary of State has asked the Permanent Secretaries to find ways of raising revenue. This is unfair, undemocratic and financially unsustainable.

The 2023 budget cuts have already had a devastating impact on organisations and communities in Northern Ireland. The Secretary of State has argued that the cuts had to be made in order to repay public debt, but the impact of the cuts will not save money. Instead, they will worsen people's quality of life and their health and, in turn, increase dependence on the public purse.

Cutting government spending and implementing revenue raising measures during a financial crisis will not save the government money, it will cost the government more in the long term and have disproportionate impacts on the most vulnerable communities. Asking Northern Ireland to generate additional revenue at a time when our public services are on their knees will not lead to economic prosperity, it will simply plunge the most vulnerable communities further into poverty. Savings to the public purse should not be made on the backs of people in Northern Ireland who are already struggling to make ends meet.

We are calling on Departments to resist the implementation of revenue raising measures and listen to the voices of communities in Northern Ireland who will bear the brunt of the financial hardship that will come with reducing funding for public services. To find out more about the need for common sense to be applied in regards to the NI budget, you can read the 'Where's Our Democracy?' Campaign's 'Common Sense Budget (2023)' [here](#).

3.1 Super-parity

Super-parity is the argument that the Secretary of State is using when seeking to raise revenue. The argument may seem simple; "why should Northern Ireland be better off than Great Britain in these ways?" but it's not as simple as it first appears. Many of the differences are there because we recognise that NI is systematically disadvantaged in comparison with GB, and the Executive has made decisions as to where to direct the Block Grant in order to subsidise these areas.

Areas where NI has super-parity include: domestic water charges, welfare reform mitigations, university tuition fees, concessionary transport fares and charges for domiciliary care.

3.2 Sub-parity

Sub-parity is rarely, if ever mentioned in these discussions. This refers to areas where Northern Ireland receives comparatively less spending than GB. Areas where NI has sub-parity include: childcare, mental health spending, public sector pay.

All of these choices are policy choices, like any other: they are not written in stone. There is room to deviate from practice in GB. And yet, the room to manoeuvre is limited while the block grant remains as it is. This is why, as we begin a process of public consultations on “revenue raising measures” that put every one of the areas of super-parity on the chopping block, we must fight to ensure that we do not end up in even more areas of sub-parity.

We must also fight to have the block grant increased to reflect the degree of need in Northern Ireland and its unique situation and circumstances. We note also that the areas of sub-parity are areas that especially impact the most vulnerable and, particularly in the case of childcare, women. Women are much more likely not to be in paid work in Northern Ireland specifically because of caring responsibilities, so failure to act on this contributes directly to the welfare of the NI economy.

We are calling for an approach to this exercise that recognises that restricting people’s choices not only harms them, but also harms the economy as a whole. Years of underfunding, short-term budgets, and ‘quick-fix’ responses to structural crises have left our public services vulnerable. The punishing 2023 Budget, implemented by the Secretary of State to Northern Ireland, has only exacerbated this, putting our basic public services on the brink of collapse.

3.3 Fiscal floor

In November, we recommended the introduction of a needs-based funding floor for Northern Ireland, similar to that which is in place in Wales. This would ensure that the funding floor for Northern Ireland is calculated at a needs-based level that the Block Grant cannot dip below - with the aim of correcting the underfunding of public services. We note that this recommendation was part of the package offered to political parties by the Secretary of State in December 2023. We welcome this offer and remain hopeful that this package will be accepted by all parties and mark a positive change to the way Northern Ireland is funded.

Northern Ireland’s needs are significant; while Northern Ireland is one lowest contributors to revenue per head in the UK¹, it has the highest per capita spend² at

¹ Office for National Statistics. (2022). *Country and regional public sector finances, UK: financial year ending 2021*. (<https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/publicsectorfinance/articles/countryandregionalpublicsectorfinances/financialyearending2021>)

² Pigeon, C. (2012). *Pros and Cons of the Barnett Formula for Northern Ireland*. (http://www.niassembly.gov.uk/globalassets/documents/raise/publications/2012/finance_personnel/2912.pdf)

£118 identifiable expenditure on services per head³. However, this spend used to be greater before the pandemic, at £121 per head. Northern Ireland is the only nation to have not returned to or increased its pre-pandemic services per head spend. The NI Fiscal Council predict that this ‘Barnett Squeeze’ will worsen in Northern Ireland if there are no interventions⁴.

Northern Ireland is a ‘low-wage’ economy, with the highest rate of economic inactivity across the four nations. We have the highest uptake of Universal Credit and equivalent legacy benefits in the UK and more people cutting back on essentials than anywhere else in the UK. While spending may seem quite high relative to England and the other devolved nations, it is because the need in Northern Ireland warrants it. The Barnett Formula was never meant to be a permanent fixture to determine devolved spending⁵ and if reforms can be made to rightfully protect Wales from underfunding, those same reforms can be made for Northern Ireland.

3.4 Programme for Government

For the past two financial years, Departments in Northern Ireland have been making decisions without Ministers, an Executive, and a Programme for Government (PfG). The last PfG - a draft document that was taken on by the Senior Civil Service - provided Departments and the public with a framework for some overall policy direction during a time with no government. Without a PfG, we have seen departmental overspends and a general lack of direction of resources. Budgeting without a guiding document like a PfG is bad practice, as the Budget needs to be informed by policy objectives, not the other way around⁶. In the midst of multiple crises, we need a PfG to guide a cross-departmental approach to budget decisions, specifically around maintaining public services.

A PfG also provides transparency for the public and allows for proper scrutiny. These crucial aspects of good budgeting have been absent in our budgeting process, especially in the most recent Budget set by the Secretary of State. Without a PfG, there is no mechanism for public engagement on the policies aligned to the Budget’s resources. The only consultation that was given on this Budget was regarding the Equality Impact Assessments/equality screenings, which did not provide much scope for influencing policies so much as mitigating the worst of the impacts.

³ HM Treasury. (2023). *Public Expenditure Statistical Analyses 2023*. (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1171658/E02929310_HMT_PESA_2023_Accessible.pdf)

⁴ Ibid.

⁵ Simon Hoare MP, Northern Ireland Affairs Committee. (2023). *The funding and delivery of public services in Northern Ireland - Oral evidence*. (<https://committees.parliament.uk/oralevidence/13777/pdf/>)

⁶ OECD. (2002). *OECD Best Practices for Budget Transparency*. (<https://www.oecd.org/mena/governance/efficient-and-effective-budgeting.htm>)

3.5 Gender Budgeting

Gender Budgeting requires government departments to analyse the different impact of a budget on people of different genders, starting as early in the budget cycle as possible. The aim of gender budgeting is to ensure that the distribution of resources creates more gender equal outcomes. Over time, gender analysis should become embedded at all stages of the budget process. Women's intersecting identities are also included in this analysis and policy-makers are expected to promote these areas of equality as well.

There is widespread political support for gender budgeting in Northern Ireland and a growing evidence base that it can help create a more equal society. In the current budget crisis women will experience particular disadvantages due to the pre-existing socio-economic conditions. We cannot afford to continue making decisions at the expense of women and risk further degradations to gender equality and additional intersecting equalities as well. The benefits of gender budgeting would also help to improve the budgetary process as a whole.

Gender budgeting is good budgeting; it encourages greater transparency of government processes, more in-depth assessments of how policies and budgets affect constituents and closer cooperation between governmental and non-governmental stakeholders. It encourages a more targeted approach to the spending of public money, which will improve policy outcomes. Implementing gender budgeting mechanisms would provide decision-makers with the tools to recognise and mitigate gendered economic impacts and promote gender equality. Whilst political crises that affect budget processes are outside the control of departmental officials, strategically embedding gender budgeting measures will create a firewall to prevent such disproportionate disadvantages in future.

For gender budgeting to be fully implemented, the next stage must be to reformulate budgets and budgetary policy with targeted measures to improve outcomes for women and girls. Additionally, Section 75 screening and impact assessment typically takes place at the very end of the budget planning process or after the budget has been finalised. The OECD highlights that best practice for gender budgeting is to embed it at all levels of policy- and budget-making: planning, formulation, approval, implementation, monitoring and reformulation. It is crucial that gender equality obligations are not a 'tick-box exercise,' but rather that gender equality is mainstreamed in every area of the budgetary process through gender analysis of data supported by experts from civil society.

3.6 Invest to save

The concept is simple; spending money now will save money in the long run, and the proposals we have set out below propose ways to save that involve an initial outlay. We all understand this concept in the management of our household budgets, although of course many of us simply do not have the financial freedom to spend in order to save in the long term. This is famously well-illustrated by the author Terry Pratchett in his book *Men at Arms*, as the character Sam Vimes reflects on how expensive it is to be poor:

*"The reason that the rich were so rich, Vimes reasoned, was because they managed to spend less money. Take boots, for example. ... A man who could afford fifty dollars had a pair of boots that'd still be keeping his feet dry in ten years' time, while a poor man who could only afford cheap boots would have spent a hundred dollars on boots in the same time and would still have wet feet."*⁷

We must always remember that the government budget is not the same as a household budget, and our domestic financial hard choices are not the same as the choices they face, armed with a significant pot of public money and the means to borrow without the same kind of restrictions that we face as individuals. If and when it is deemed necessary, money can be found for investment; in major infrastructure projects, for example, or in the case of emergencies like the Covid furlough scheme. The government is not forced, like Sam Vimes, to make choices that they know are a false economy due to a lack of options; when they choose to do so it is always a choice. Today we are calling on them to make a different, and better, choice.

We are calling on the government to 'spend-to-save' - a simple concept where investing money into preventative measures now will save the government from spending money in the future fighting the fires that could have been prevented or mitigated in the first place. The single-year budget cycle paired with short-term policy focuses have led to responsive spend that may cost less at the time but in the long-term will add up in comparison to sustainable, preventative investment.

Revenue raising measures, like the reintroduction of hospital parking charges, water charges, prescription fees and increased student fees, will not raise enough to cover the overspend nor cover the funds needed to deliver good public services. Additionally, the projected revenue raised from many of the recommended revenue raising measures will not happen within months of implementation but within years, while the impact of these charges on those struggling financially will be felt immediately. The implementation of the revenue raising measures will also not be a cost-free policy decision. There will be administration costs associated with delivering

⁷ Pratchett, Terry (1993). *Men at Arms*. London: Gollancz. p. 32

the agreed revenue raising measure, which may be equal to or more than the revenue generated.

Ultimately, this is a short-termist decision in response to the current budget crisis. It will not solve the budget crisis, but it will cause further economic burden on those struggling the most. We must realise that spending-to-save is not an idealistic approach to budgeting, but a necessary one.

3.7 Women's Ability to Pay for Proposed Charges

Women are more likely to be in receipt of social security benefits, more likely to be in low-paid, part-time and insecure work, more likely to be providing care either for children or other family members which limits their ability to carry out paid work and more likely to have to make up for cuts to public services through unpaid work. All these factors contribute to keeping women's incomes generally lower over their lifetimes and therefore puts them at greater risk of living on a low-income and in poverty.

These existing gender inequalities have been worsened by the Covid19 pandemic⁸, a decade of welfare reform and austerity policies that have hit women harder⁹ and now the Cost-of-Living Crisis is compounding the worsening situation for women. The impact of all these issues coming together has helped to create a perfect storm where women on the lowest incomes are struggling to meet their most basic needs, having to access foodbanks and expensive credit to afford essential items. This raises grave concerns for future generations and the costs and impacts to individuals, communities, the economy, education and health.

Women often bear the brunt of poverty in the home managing household budgets to shield their children from its worst effects. This means that women end up acting as the 'shock absorbers' of poverty going without food, heat or clothes in order to meet the needs of children and/or other family members when money is tight¹⁰. These actions taken by women are often unseen within the home and given little attention or focus in terms of policy. Indeed, this has not been acknowledged in this consultation even though many women are likely to be considerably impacted by many of the proposed measures in this consultation and in other revenue raising consultations.

⁸ NI Covid-19 Feminist Recovery Plan: Relaunch One Year On, Women's Policy Group NI, July 2021.

<https://wrda.net/wp-content/uploads/2021/07/WPG-COVID-19-Feminist-Recovery-Plan-Relaunch-One-Year-On.pdf>

⁹ Estimating the gender impact of tax and benefit changes, Richard Cracknell, Richard Keen, Commons Briefing Papers SN06758, December 2017. <http://researchbriefings.files.parliament.uk/documents/SN06758/SN06758.pdf>

¹⁰ A Female Face, Fabian Society Blog by Mary-Ann Stephenson, Women's Budget Group, February 2019. <https://fabians.org.uk/a-female-face/>

The following paragraphs highlight how women have been impacted by welfare reform and austerity policies, a constrained budget for Northern Ireland, the impact of debt and the Cost-of-Living Crisis. The points made in the following paragraphs should be considered in identifying the gendered impacts across the full range of revenue raising consultations.

3.7.1 Welfare Reform/Austerity Policies and Women

The safety net provided by the social security system has been weakened by a decade of welfare reform changes meaning that many people are unable to meet the costs of essential items such as food, heat and clothing and are unable to cope with unexpected life events such as a washing machine breaking down. Welfare reform and austerity policies have disproportionately impacted on women. Research by the House of Commons Library shows that 86% of the savings to the Treasury through tax and benefit changes since 2010 will have come from women¹¹.

In Northern Ireland an analysis of the impact of the reforms by the Northern Ireland Human Rights Commission (NIHRC)¹² showed that across most income levels the overall cash impact of the reforms is more negative for women than for men. Their most striking finding was that households with children experience much larger losses as a result of the reforms than those without children. This is particularly the case for lone parents (who are mostly women) who lose £2,250 on average, equivalent to almost 10% of their net income.

3.7.2 Universal Credit and Women

There is substantial evidence that Universal Credit, and in particular problems with the five-week wait at the start of a Universal Credit claim, are causing widespread financial hardship, debt and increased reliance on food banks. Women's Regional Consortium research on the Impact of Universal Credit on Women¹³ painted an overwhelmingly negative picture of life for women living on Universal Credit fraught with financial insecurity, worry, debt and in some cases cold and hunger.

The research found that almost all of the women reported negative impacts due to the five-week wait for Universal Credit. Many had needed to borrow money from family members/friends (61%) or lenders (25%) to survive. Some had been forced to cut back on food/essentials to make ends meet (53%) and others had resorted to selling their possessions (18%) or using a foodbank (21%). Others had reported getting behind

¹¹ Estimating the gender impact of tax and benefit changes, Richard Cracknell, Richard Keen, Commons Briefing Papers SN06758, December 2017. <http://researchbriefings.files.parliament.uk/documents/SN06758/SN06758.pdf>

¹² Cumulative impact assessment of tax and social security reforms in Northern Ireland, NIHRC, November 2019. https://www.nihrc.org/uploads/publications/Final_CIA_report_Oct_2019.pdf

¹³ The Impact of Universal Credit on Women, Women's Regional Consortium, September 2020. <https://womensregionalconsortiumni.org.uk/wp-content/uploads/2021/04/September-2020-The-Impact-of-Universal-Credit-on-Women.pdf>

with their bills (42%) and sadly some of the women reported that the five-week wait had impacted negatively on their children (39%) or that they had felt cold/hungry (30%) due to a lack of money.

3.7.3 Discretionary Support and Women

Changes to the Social Fund as a result of welfare reform have meant that there is less help available through the social security system for those with extreme, exceptional or crisis situations. Since the Social Fund has been replaced by Discretionary Support (DS) there has been a weakening of this safety net for the most vulnerable borrowers meaning that it no longer provides the support it once did.

Funding cuts across Departments as a result of a constrained Budget imposed by the Secretary of State for Northern Ireland has seen further cuts to Discretionary Support with a reduction in the funding available for Discretionary Support grants to £20m in 2023-24 from £40.3m in 2022-23¹⁴. The Department for Communities emphasises that this cut will reduce the number of times and/or circumstances where help can be made available for those suffering financial hardship.

Statistics show that 67% of those in receipt of Discretionary Support Grants are women. Reducing access to this important source of crisis help will therefore be particularly detrimental for women who are already suffering great financial pain as a result of welfare reform and the impact of the Cost-of-Living Crisis. It will also mean that those on the lowest incomes and some of the most vulnerable households in Northern Ireland will be driven to expensive and sometimes dangerous forms of lending.

3.7.4 Women and Debt

Borrowing and debt is far from gender neutral. As women's incomes are generally lower over their lifetimes this leaves them more vulnerable to short-term financial problems or income shocks making them more likely to have to rely on borrowing and debt to make ends meet.

Research by the Women's Regional Consortium¹⁵ on Women Living with Debt in Northern Ireland showed a significant amount of women reported having difficulty meeting their debt repayments and/or missing repayments (60%). The majority of the women's borrowing had been to fund essential items or to make ends meet. It also found that many (51%) had resorted to high-cost lending. The impact of the Cost-of-

¹⁴ Changes to the Discretionary Support Scheme, Draft Equality Impact Assessment, Department for Communities, July 2023. <https://www.communities-ni.gov.uk/sites/default/files/consultations/communities/dfc-changes-to-the-discretionary-support-scheme-eqia.pdf>

¹⁵ Women Living with Debt, Women's Regional Consortium, September 2022.m
<https://www.womensregionalconsortiumni.org.uk/wp-content/uploads/2022/09/Women-Living-with-Debt-1.pdf>

Living Crisis on women's debts was evident with 60% of the women reporting their debts had been impacted by rising energy prices and 60% also reporting their debts had been impacted by rising food prices.

Single parents are more likely to be impacted by financial hardship and debt. In Northern Ireland Census results show that the majority of single parent households are headed by a woman (93%). Research by the Joseph Rowntree Foundation¹⁶ has found that single parents are by far the most likely of any family type to be struggling with poverty. Further research by the Joseph Rowntree Foundation¹⁷ shows that the risk of living in very deep poverty has increased by a third for people in lone-parent families, to reach 19% or 900,000 people.

Low-income households are more likely to have to rely on high-cost credit as they are often unable to access cheaper forms of borrowing due to their low-income and/or other debts. Many of these borrowers are forced to use expensive forms of lending to buy essential goods and larger purchases they otherwise could not afford. This leaves these households vulnerable to exploitation through high interest charges, illegal lending and the likelihood of problem debt.

Some of the most vulnerable borrowers are forced into using illegal lending or 'loan sharking' because of a more urgent need for money. In Northern Ireland illegal lending is often linked with perceived paramilitary activity¹⁸. Research conducted by Advice NI on behalf of the Consumer Council¹⁹ in Northern Ireland has highlighted that one of the themes around illegal lending is low income and lack of access to mainstream credit. Two pieces of research by the Women's Regional Consortium²⁰ with women in Northern Ireland found examples of borrowing through loan sharks including paramilitaries.

Research by the University of Ulster found that Universal Credit was repeatedly described as a driver for illegal lending²¹ particularly around the harm caused by the five-week wait and issues with short-term benefits loans that were repaid from future benefits. This ensured that benefit claimants were often short of the funds they

¹⁶ UK Poverty 2022, Joseph Rowntree Foundation, January 2022. <https://www.jrf.org.uk/report/uk-poverty-2022>

¹⁷ Going without: deepening poverty in the UK, Joseph Rowntree Foundation, July 2022. [Going without: deepening poverty in the UK | JRF](https://www.jrf.org.uk/report/going-without-deepening-poverty-in-the-uk)

¹⁸ Expensive Lending in Northern Ireland, Centre for Economic Empowerment, NICVA, May 2013. https://www.nicva.org/sites/default/files/d7content/attachments-resources/cee_expensive_lending_in_northern_ireland_2013.pdf

¹⁹ Illegal Lending – The Human Story, Advice NI, September 2019. <https://www.adviceni.net/policy/publications/illegal-lending-human-story>

²⁰ Making Ends Meet: Women's Perspectives on Access to Lending, Women's Regional Consortium, February 2020. <https://womensregionalconsortiumni.org.uk/wp-content/uploads/2021/04/Making-Ends-Meet-Womens-Perspectives-on-Access-to-Lending.pdf>

²¹ Women Living with Debt, Women's Regional Consortium, September 2022. <https://www.womensregionalconsortiumni.org.uk/wp-content/uploads/2022/09/Women-Living-with-Debt-1.pdf>
Illegal Money Lending and Debt Project, Research Report of Findings, Ulster University and the Consumer Council, March 2020. https://www.consumerCouncil.org.uk/sites/default/files/2020-07/Illegal_Money_Lending_Report.PDF

needed to support their household, leading them to look to other means of getting the money they needed.

An independent Review into Discretionary Support²² has found that it provides an important source of borrowing for those on the lowest incomes and can help to divert people from illegal lending such as paramilitaries. The Review found that 11% of their survey respondents (19 out of 172) said they managed the impact of not getting a Discretionary Support award by borrowing from a local money lender.

3.7.5 The Impact of the Cost-of-Living Crisis on Women

Economic crises tend to hit women harder and the Cost-of-Living Crisis is no different. In February and March of 2023 the Women's Regional Consortium and Ulster University carried out research with 250 women in Northern Ireland on the impact of the Cost-of-Living Crisis on their lives²³.

The findings from this research paint a stark picture of women's lives which are increasingly occupied with hunger, cold, debt, anxiety and concerns about the outlook for themselves and their children:

- 96% of the women felt their financial situation was worse than it was in the previous year.
- 91% of the women reported difficulty paying their bills as a result of cost of living increases.
- The price increases reported as having the biggest impact on women's household budgets were increases in energy bills (90%) and increases in food bills (89%).
- Just over half of the women reported being in debt (56%) and of these 82% reported they had to borrow as a result of cost of living increases.
- 62% of the women reported they had been unable to save recently and 31% reported their savings had decreased. None of the women reported they had been able to increase their savings.
- The actions taken by the women to cope with cost of living increases were:

²² Independent Review of Discretionary Support, Department for Communities, February 2022. <https://www.communities-ni.gov.uk/sites/default/files/publications/communities/dfc-independent-review-of-discretionary-support-22.pdf>

²³ Women's Experiences of the Cost-of-Living Crisis in Northern Ireland, Women's Regional Consortium & Ulster University, June 2023. <https://www.womensregionalconsortiumni.org.uk/wp-content/uploads/2023/06/Womens-Experiences-of-the-Cost-of-Living-Crisis-in-NI-2.pdf>

- o 86% buying cheaper items;
 - o 81% cutting energy use;
 - o 55% using charity shops/second hand websites;
 - o 49% reduced the use of their car/public transport;
 - o 47% relying on friends/family for help;
 - o 43% skipped meals.
- 78% of the women had felt cold or hungry or both as a result of cost of living increases.
- 41% of the women had needed to use a foodbank/other charitable support due to increases in the cost of living.
- Many of the women were skipping meals, living in cold homes and going without other necessities such as clothing to protect their children and families from financial hardship and poverty.
- Lack of awareness around existing help through the benefits system meant that some women missed out on financial support that could have significantly helped their household budgets and emotional wellbeing.
- Rural women faced additional issues particularly around transport costs, lack of public transport, reliance on unregulated home heating oil, rising prices/availability of broadband, increased isolation due to cost of living pressures and less choice in terms of price/products when shopping in smaller, local shops.
- Women who were asylum seekers with No Recourse to Public Funds (NRPF) found it really difficult to cope with the rising cost of food (particularly healthy food), transport costs and children's costs. This meant that they often had to rely on charity or borrowing from friends/family to make ends meet.

3.7.6 Unpaid Care and Women

Caring remains a gendered issue and it is still very much seen to be seen to be “women’s work”. According to the 2021 Census, there are over 220,000 people providing unpaid care in Northern Ireland. The Family Resources Survey shows that 57% of unpaid carers are women and 43% are men in Northern Ireland. A recent consultation by the Department of Health²⁴ has proposed cuts to domiciliary care packages which will mean that more people, many of them women, may end up acting as unpaid carers for elderly or disabled family members.

²⁴ <https://www.health-ni.gov.uk/sites/default/files/consultations/health/doh-budget-eqia-cons.pdf>

Research from Carers NI in 2022 found that a significant number of unpaid carers were experiencing financial pressure and 1 in 6 said they were struggling with the cost of food²⁵. Trussell Trust research shows that one in four people (27%) providing unpaid care for sick or disabled loved ones in Northern Ireland are experiencing food insecurity – more than twice the rate of non-carers (12%)²⁶.

A report by the Carer Poverty Commission in Northern Ireland also showed that one in four unpaid carers in Northern Ireland are living in poverty which is significantly higher than the non-carer population (16%) and higher than the carer poverty rate in the rest of the UK (23%)²⁷. It showed that carers are being driven to poverty by a combination of the high extra costs of caring for a sick or disabled person, barriers to employment and inadequate support from the social security system. This severe financial pressure is leaving carers struggling to afford the price of food, borrowing money from loan sharks, living in cold homes and relying on charity shops to get by.

Research carried out by the Women's Regional Consortium & Ulster University on the impact of the Cost-of-Living Crisis on women²⁸ highlighted the issues for those providing unpaid care. Around 28% of the women who took part in the research were providing unpaid care and it was clear that increases in the cost of living had put a strain on them causing them to struggle to make ends meet, to heat their homes adequately, to afford travel costs for medical appointments, impacting on what activities they can do with the person they care for and causing significant anxiety and stress.

"I care for my mother who is 84 and immobile. Her heating has had to be on more and it is taking way more money for gas than it used to try to keep her warm enough. She has a hospital bed (she needs it because it's adjustable), a hoist, an electric cushion to stop her getting bedsores. All these extra electric things are running as well all day every day. Her electricity has really soared as well not just in terms of how much it is used but in the cost of it as well which is crazy. I'm trying to take her out an odd time for a wee break and change of scene but the money's just not there for it anymore."

"My son has a serious brain condition, he's in a wheelchair and has spinal, brain and kidney problems. We're filling our car up two or three times a week to travel

²⁵ State of Caring in Northern Ireland 2022, Carers NI, November 2022.

<https://www.carersuk.org/reports/state-of-caring-in-northern-ireland-2022/>

²⁶ [Hunger in Northern Ireland, Trussell Trust, June 2023. 2023-Hunger-in-Northern-Ireland-report-web-updated-10Aug2023.pdf. \(trusselltrust.org\)](https://www.trusselltrust.org/2023-hunger-in-northern-ireland-report-web-updated-10aug2023.pdf)

²⁷ The experiences of poverty among unpaid carers in Northern Ireland, the Carer Poverty Commission in NI, August 2023. <https://www.carersuk.org/media/jb0ah2xh/the-experiences-of-poverty-among-unpaid-carers-in-northern-ireland.pdf>

²⁸ Women's Experiences of the Cost-of-Living Crisis in Northern Ireland, Women's Regional Consortium & Ulster University, June 2023. <https://www.womensregionalconsortiumni.org.uk/wp-content/uploads/2023/06/Womens-Experiences-of-the-Cost-of-Living-Crisis-in-NI-2.pdf>

to his hospital and care appointments. That broke things for us, the first time we have ever been in debt. It destroyed us. Nobody recognises this and we don't get any help for any of it. We have him every other weekend and the heat in the house has to be on 24/7 it's not easy. As far as food we only eat off the bargain shelves that's it."

(Quotes from Focus Group participants in Women's Regional Consortium Research on the Impact of the Cost-of-Living Crisis on Women)

3.7.7 Lived Experiences of Women

The voices of those in poverty are often missed in these discussions around revenue raising. We have raised in the preceding paragraphs how women's financial wellbeing has been impacted by a range of factors over the last number of years leaving those women on the lowest incomes struggling to afford the essentials and to be able to live dignified, healthy lives. It is abundantly clear from the wealth of evidence and research that many women and families are not in a position to be able to pay additional charges of any kind. Many of these women are already going without the essentials of life, including food and heat, to try and provide for their children and families. Asking these women to contribute to revenue raising is simply unconscionable.

The Women's Regional Consortium has a wealth of lived experience from women who have taken part in our research. This is extremely valuable in illustrating the precarious financial situation of many women and families at the present time. We include a selection of quotes from the women who took part in Women's Regional Consortium research on the impact of the Cost-of-Living Crisis to help Government understand the financial pressures women are facing and to ensure that their voices are front and centre of considerations around revenue raising.

We also refer the Department to the addendum to the research paper: [Quotes from Women's Regional Consortium Focus Group Research on Women's Experiences of the Cost-of-Living Crisis](#). We urge the Department to consider this lived experience carefully in making any decisions around revenue raising:

"We're not living, we're just existing."

"I don't understand them saying inflation is 10% sure the prices have doubled! Everything is going up more than that. Gas is the same it has at least doubled for me, I just can't get out of the emergency."

"I spent £30 on one bag of shopping which had about 6 items in it. It's shocking. We're all eating chicken strips and chips, that's all we eat for 4 days is chicken strips because I can't afford anything else."

"I've had to sit in a cold apartment which is causing damp. I've had to wash in cold water and go without food."

"I've had to skip meals to make sure my children eat or I just eat toast."

"I'm having to borrow for the way I normally live. I used to have a certain amount of money to cover my ordinary bills but that's not there anymore. I'll have another week until I get paid so I'll use my credit card to get whatever I need. It's all essential stuff, it's just for living."

"I had £400 saved and I had to go into it, it's gone. I put it away as a fund for my oldest. It's horrible going into your kid's money, I feel so guilty about it but we had to eat."

"The extras are all gone now, going out is a luxury, we were hardly able to do it in the first place. Even the special occasion treats are gone now like for birthdays, etc. There's no spare income for it now."

"I live off cereal or toast. My son is 17 months old and I'm starting to potty train him early to save money on nappies. You're having to start to do things earlier because of the price of things."

"I'm only heating the room I'm in which with a new baby isn't ideal. I'm cutting back and going out places so that I'm not having to use my own electric."

"I had to superglue the soles of my boots back together because they started talking to me. I walk a lot especially now as I can't afford the bus. I'm sewing my coats and missing meals, anything to save money."

"Our Government need to get back up on the hill [Stormont] to do more for people. Their people are struggling, on their knees, starving, cold. Why are they not up there fighting our corner?"

"Government need to increase benefits. There needs to be an increase in income whether people are working through a Living Wage and if you can't work on a benefits system that gives you enough of an income that you're able to live and not struggle. At the minute anyone on benefits is existing they're not living."

"I don't think anyone recognises the impact of this Crisis on women especially. We have a high level of responsibility and it's impacting really badly and Government

are not taking enough notice. People are suicidal and feel like a failure. I'm lying in bed at night and getting really bad intrusive thoughts to the point where I look at my daughter and think if something happens to me who will look after her? I asked the person in charge in my hostel to ring me in the morning and check if I'm OK. It's really, really impacting on people and Government need to be more aware of the impacts of this Crisis."

"My kids go to Breakfast Club in school and that's a godsend. If I didn't have that I don't know what I'd do. There are times I've went three or four days with very little to eat, maybe I'd grab an apple just so I have something in my stomach and I'm not going to bed with hunger pains and growling in my stomach."

"My pay does not stretch to cover food costs and fuel. We have been buying cheaper brands to make it through the month. I only put £70 in my car per month so going to see family who live 45 miles away is a no go, we can only do it once every few months."

3.8 Impact on international human rights obligations

As a context to more detailed comments, it is essential to note that Northern Ireland is bound by the international human rights obligations of the UK, as State Party to all key human rights conventions, including the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW). Progressive realisation of rights is a key principle of the international human rights framework, in recognition that implementation is affected by many factors including resourcing; however, this incorporates a complementary principle that existing rights cannot be rolled back or weakened²⁹. This is vital in the context of budget cuts, as the impact may affect the ability of some rights holders to enjoy and exercise their rights, and therefore must be assessed with alternatives and relevant mitigating action considered.

The relevant guidance to the UK in this regard is provided through recommendations from UN monitoring bodies for each of the nine core frameworks, which set out actions for the UK to strengthen realisation of rights for all. The full set of recommendations for Northern Ireland and the UK from UN monitoring bodies is extensive, ranging from over 300 recommendations from the Universal Periodic Review in 2022³⁰ to forthcoming Concluding Observations on the UN Convention on the Rights of the Child, for which the UK was examined in May 2023³¹. With regard to women and gender equality, it is relevant to note that the most recent Concluding

²⁹ See [International Covenant on Economic, Social and Cultural Rights](#) for a discussion of both principles

³⁰ Human Rights Council (January 2023) [Report of the Working Group on the Universal Periodic Review: United Kingdom of Great Britain and Northern Ireland](#)

³¹ UN Office of the High Commissioner on Human Rights press release 19 May 2023 '[Experts of the Committee on the Rights of the Child Note Progress in Addressing the Age of Marriage in the United Kingdom, Ask about High Poverty Rates among Families with Children with Disabilities and the Proposed Illegal Migration Bill](#)'

Observations for the UK express concern that protections for women in Northern Ireland are falling behind those of women elsewhere in the UK, and a key recommendation is 'to put protections in Northern Ireland on an equal footing with those in England, Scotland and Wales'.³² The CEDAW Concluding Observations also urge for full implementation of the recommendations of the Inquiry into abortion legislation in Northern Ireland³³, and note that action is required on the impact of welfare reform and poverty.

The likely impact of proposed revenue raising mechanisms, across Departments, is to reduce realisation of rights set out in CEDAW, in particular in relation to the ability of women and girls to fulfil their potential and have the widest range of future options available. For girls, this will have significant long term impacts, as women's earnings lag behind men's, and women disproportionately experience long term low income, with many unable to participate in the labour market due to caring commitments³⁴[6]. Specifically, reductions in public services will increase women's poverty, as the caring and unpaid work burden on women will increase and will force many women to leave paid work, entrenching poverty including child poverty and intergenerational poverty.

3.8.1 Building on CEDAW

It would be helpful for CEDAW to be recognised in this work as an international obligation of the UK³⁵ that provides the framework for effective action on gender equality; across devolved administrations and policy areas. At a minimum, CEDAW recommendations should inform policy and decision making, to ensure decision making remains in line with international law and good practice on gender equality.

In short, CEDAW requires States Parties to implement a rights based agenda that ensures legislation, policies and programmes are non-discriminatory and focus on progressive realisation of equal rights for all. The Concluding Observations provide a roadmap for progressing gender equality, and the most recent set of recommendations emphasises access to justice and support for victims and survivors, as well as increasing action on prevention and culture change. Importantly, this covers action on ensuring equal access to support and protection for low income and minoritised women, who are at the greatest risk of long term poverty and associated harms.

³² CEDAW Committee (March 2019) [Concluding Observations on the 8th periodic report of the UK](#)

³³ CEDAW Committee (February 2018) [Inquiry into abortion legislation in Northern Ireland under Article 8 of the Optional Protocol to CEDAW](#)

³⁴ See eg. NISRA (March 2022) [Women in Northern Ireland 2020-21](#) for an overview of income differences between men and women, and the reasons for these; family commitments are a key factor.

³⁵ [Convention on the Elimination of All Forms of Discrimination against Women](#) (CEDAW, 1979), articles 1 and 2. The UK signed the Convention in 1981 and ratified in 1986

Recognising CEDAW would also create effective links across Departments and strategies, which helpfully can act as a mechanism for creating a coherent framework for addressing gender equality. This, in turn, is vital, as the critical message of this response is that the disproportionate impact of cost of living increases on women is a result and expression of gender inequality and patriarchal norms, and cannot be sustainably addressed without action on gender equality in its widest sense.

4. Response to Consultation Questions

1. Should the maximum capital value cap be removed?

Yes, with caveats.

The WPG recognises the financial situation in which we find ourselves, and our position is that, should revenue raising measures be needed, the additional costs should lie with those who can best afford to pay. With that said, there are some people for whom this would have a disproportionate negative impact.

2. What, in your view, would be the impact of removing this support?

As noted above, there are some people who may experience this as an unaffordable raise. Some people, who may be asset rich but cash or income poor, may have bought homes that were valued far below the cap a number of decades ago, and may now find that, in retirement, their only asset is valued above the cap, but their income is limited to their pension or to Universal Credit.

While it is difficult, given how long ago the LPS set the value of houses, to estimate how many people this may impact, we do know that this is likely to impact women differently than it impacts men.

Research shows that women have lower financial wellbeing, have fewer retirement plans and smaller pension pots than men as well as being less likely to save regularly. Statistics from the Money and Pensions Service³⁶ show the following:

- A much smaller proportion of women are working in full time employment – 35% in comparison to 54% of men.
- Significantly more women are on lower personal incomes of up to £17.5k, (62%) compared to men (42%).
- Three in five women report not having a plan for their finances in retirement (60%). This is significantly higher than the figure for men (44%).

³⁶ UK Adult Financial Wellbeing Survey 2021 Gender Report, Money and Pensions Service, January 2023
<https://maps.org.uk/en/publications/research/2023/cross-cutting-themes-adult-financial-wellbeing-survey#Gender>

- Less than half of women (41%) feel they understand enough about pensions to make decisions about retirement, compared to 57% of men.
- Significantly fewer women are currently or have ever paid into a pension (69%) than men (73%).
- Women are more likely to have no savings at all (18%) compared to men (13%).
- Just over half (54%) of women from the struggling and squeezed segments report being able to save every/most months, significantly lower than the figure for men which is closer to three in five (59%).
- Almost half of women in the UK have less than £1000 in savings and investments (46%) which is higher compared to the figure for men which is closer to two in five (38%).
- 27% of women stated they would be unable to pay an unexpected bill of £300, compared to around a fifth of men (21%).

Given this reality, the Lone Pensioner Allowance, as it currently operates, is not the solution to the problem. It does represent a 20% discount, but this may be insufficient for some of those asset rich and cash poor people. In addition it is only available for people over the age of 70, leaving a number of years where a person may be in receipt of a pension but not eligible for this grant. Women in particular, who are more likely to outlive male partners, may benefit from this eventually, but given women's higher rates of pension poverty, it is not a sufficient mitigation for this policy as it stands.

It would be beneficial for the Department to examine the approach taken in the Republic of Ireland³⁷, where people who fall into this category can apply to avail of a deferral on their local property tax, the equivalent of rates. This deferral can apply until their circumstances improve or until the property is sold or inherited, ultimately allowing the collection of the full rates owed, but at a later date and to be taken from the value of the house rather than from the resident with a lower income. There are also partial deferrals, which allow people to pay partial rates and defer the rest. This is an important measure that allows people to maintain their home while in their later years or in temporary financial distress, and it ties the rates more closely to the value of the house.

We also urge the reintroduction of the Rate Support Grant, both to help those people who may struggle with increased rates when they are revised, but to help those who live in economically deprived areas.

3. Should the early payment discount be removed?

³⁷ Citizens Information, Deferring Payment of the Local Property Tax: <https://www.citizensinformation.ie/en/money-and-tax/tax/housing-taxes-and-reliefs/deferring-local-property-tax/>

Yes - with caveats.

4. What, in your view, would be the impact of removing this support?

This support inevitably creates a tiered approach that allows those with the means to save towards it, or with enough disposable income to pay their rates in one instalment without needing to save, to pay less than those who cannot afford that option. By definition it therefore disadvantages those with least disposable income, and as such it is unwarranted.

With that said, this incentive exists to encourage early payment, which advantages Councils in particular. Because the data available does not make it clear how much this will save in practice, and the numbers of early payers seems to vary a significant amount from year to year, it will be important to see a detailed business case for making this decision. It is important that it does not cost more to move everyone to paying by instalments, and ultimately not bring in any additional money.

An approach that would allow greater income generation from the approach that currently exists is the reintroduction of the Rate Support Grant, which may allow more people, particularly those on lower incomes, to realistically consider paying their bill in one instalment, and at the same time reduce the inequalities baked into the current system, and help to alleviate financial stress on those who have least disposable income.

Another alternative, if it transpires that collections would be arduous or expensive and negate the value of removing the early payment discount, would be to offer the equivalent reduction to any ratepayer who signed up to a Direct Debit, thereby levelling the playing field between those who can afford to pay in one instalment and those who cannot, and making rates collection relatively straightforward.

5. Should the landlord allowance of 10% be removed?

No.

6. What, in your view, would be the impact of removing this support?

Although we are uncomfortable, broadly speaking, with any subsidy given to landlords, we oppose this measure because it is very likely that landlords would make up for this loss of income by passing the cost onto their tenants via increased rents. In this answer we have considered the expertise of Housing Rights, who have said that “the rent paid by tenants to their landlords is overwhelmingly inclusive of rates”. The issues behind this answer are twofold; this proposal does not include any kind of protection for tenants, and tenants in the private rental sector are currently facing spiralling rents due to lack of supply.

Protections that guaranteed that the removal of support for landlords had to be covered by landlords and not passed on to tenants would meet our approval, provided the protection of tenants was sufficient. Housing Rights believes that this approach would lead to an increase in homelessness, which would lead to a knock-on effect whereby the Northern Ireland Housing Executive would be obliged to provide temporary accommodation. Our colleagues in NIAPN note:

“In briefing the Homelessness All Party Group on Monday 15th January 2024, the Northern Ireland Housing Executive estimated that the cost of providing Temporary Accommodation in 2023/24 could be around £30 million. To put this in perspective, NIHE spent £4.87 million on Temporary Accommodation in 2017/18.”

While this kind of accommodation is not ideal in and of itself, it puts an additional cost on public finances that seems to defeat the purpose of this as a revenue raising measure.

In addition, the private rental sector is over-saturated at the moment due to a lack of NIHE houses, such that demand far outstrips supply. In 2021, Local Housing Allowance was frozen, but rents continue to rise at a rate similar to inflation, and tenants in receipt of LHA, already those worse off, are struggling to make up the difference to maintain their tenancy and avoid homelessness. Homelessness is a tragedy for the individual or family who experiences it, but it is also a cost to be carried by the state, borne out most obviously in the increase in temporary accommodation provided by NIHE, but in untold other ways across the economic landscape, including increased health issues.

We recommend that the Executive examine ways to increase social housing supply and ways to protect tenants in the private rental sector and then consider revisiting this policy.

5. Additional Comments

To conclude, the WPG agrees that there are strong equality reasons for lifting the rates cap, and we support this provided that protections are in place. There are equality issues inherent in every revenue raising measure, and disproportionately they are likely to harm the worst off in society; this is a rare exception and one we therefore support. With regards to landlord allowance, we urge the Department to examine what supports and protections could be put in place to protect tenants before introducing such a measure; while it is not our view that landlords need or deserve greater support, we do feel that the Department must first protect tenants before introducing reforms that could harm the most vulnerable.

ENDS

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