



Northern Ireland  
Assembly

Committee for Social Development

# OFFICIAL REPORT (Hansard)

Welfare Reform Bill: Advice NI Briefing

23 October 2012

# NORTHERN IRELAND ASSEMBLY

## Committee for Social Development

### Welfare Reform Bill: Advice NI Briefing

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#### **Members present for all or part of the proceedings:**

Mr Alex Maskey (Chairperson)  
Mr Mickey Brady (Deputy Chairperson)  
Ms Paula Bradley  
Ms Pam Brown  
Mr Gregory Campbell  
Mr Michael Copeland  
Mr Sammy Douglas  
Mr Mark Durkan  
Mr Fra McCann

#### **Witnesses:**

Mr Kevin Higgins	Advice NI
Ms Jenny McCurry	Advice NI
Ms Sinead McKinley	Advice NI

**The Chairperson:** I welcome the representatives from Advice NI to the table. We have Kevin Higgins, Sinead McKinley and Jenny McCurry. I remind everybody in the room that this session will be recorded by Hansard. I thank you for being here, Kevin, Sinead and Jenny. Yesterday, we had the announcement from the Minister, and I presume that you have read that and taken it on board. You have provided us with a submission. You have addressed the Committee before and elaborated quite well on your position. I will leave the floor to you.

**Mr Kevin Higgins (Advice NI):** Thank you, Chair, and thank you to the Committee for the invitation. I will introduce my colleagues. Sinead McKinley is North Belfast Advice Partnership advice co-ordinator, and Jenny McCurry is a social policy student at Queen's University who is volunteering with Advice NI and doing a piece of work related to welfare reform.

If it is OK with the Committee, we propose to take the following approach: I will give a very brief summary of the key aspects of the Bill from the perspective of Advice NI — when I say brief, I mean brief — and I will pass over to Sinead, who will talk about the issues faced on the front line by advice services, what advisers are seeing and the needs of clients. I will then pass to Jenny, who will talk a little bit about the research that she is going to do for us, and then it will come back to me. We would like to focus on four things: three additional clauses that we would like to propose, and one amendment to an existing clause. We feel certain that those will not threaten parity but will demonstrate that we are trying to do our very best to mitigate what the Minister called unpalatable consequences. People have called them stronger things than that.

The Assembly debated the Bill in great depth last week. I know that the Committee is, of course, familiar with the content of the Bill and, in particular, many of its shortcomings. As the Chair rightly said, the briefing paper by Advice NI sets out the parameters of where we are coming from today. I want to briefly draw the Committee's attention to a number of quite recent reports and assessments, primarily from GB, on emerging thinking on the impact of the Bill. For example, a new report by the Children's Society and others has highlighted that up to half a million families stand to lose out under universal credit. The report gives a number of examples of how that will happen, but I will take just one: 230,000 severely disabled people who do not have another adult to assist them could receive between £28 and £58 a week less due to the abolition of the severe disability premium. It does not say that they do not have health problems or anything like that; it simply says that it is an arbitrary cut and that is the amount they will lose out on.

According to the Resolution Foundation, almost 1.2 million people will be affected by the in-work conditionality aspect of universal credit. In a briefing note published earlier this month, the foundation highlighted that, under universal credit, conditionality will be extended to working people for the first time, and claimants who do not reach the earnings threshold, equivalent to a 35-hour week at national minimum wage, will be expected to increase their income through a combination of additional employment, higher wages or increased hours. The foundation estimated that that will impact on 1.2 million people. If there is to be increased conditionality, obviously the next step will be an increased risk of sanctions for not adhering to that increased conditionality. It will put a lot more people at least under the threat of increased sanctions.

As for the performance of Atos Healthcare, the current provider of medical assessments for disability living allowance (DLA) and employment support allowance (ESA), the Committee will know that the National Audit Office (NAO) report that came out last week contained a number of findings, including that just 10% of the penalties triggered by poor performance had been applied. That is relevant because it all feeds into our proposed new clauses and amendment, which we think will add value to the Bill. The Chair of the Public Accounts Committee (PAC) at Westminster, Margaret Hodge, has stated that:

*"People with disabilities must be able to access the benefits to which they are entitled. The department relies on medical assessments to make sure it awards the right benefits to the right people. Getting this wrong can have devastating impacts on individuals and their families."*

As we know, the people who are most likely to be negatively impacted by the Bill are those with disabilities. That is mainly where the axe is going to fall.

Also with regard to those with disabilities, I want to highlight the report 'General Practitioners at the Deep End', which many of you will have seen. It involved 100 GP surgeries serving the most socio-economically deprived populations in Scotland. That work and that report underpinned a number of British Medical Association (BMA) statements. The BMA would not, I suppose, make statements on welfare reform lightly or flippantly. These are some of the statements:

*"The idea of saving £2bn ... from the group of people in question seems to be inhumane and unreasonable".*

The group of people in question are those with disabilities.

*"Evidence seems to suggest that people with serious health conditions are sometimes being declared fit for work."*

And, finally:

*"the full impact on disabled people and the associated costs to the government are being ignored".*

Again, that ties in with the four suggestions we have made.

That sets the context. When we look at what is happening in GB, we begin to see more clearly the emerging implications of this legislation. I suppose that that is what will happen here in the future. I invite Sinead, our co-ordinator of advice services in north Belfast, to present to you on the pressures currently faced by advice services in north Belfast.

**Ms Sinead McKinley (Advice NI):** Thank you for inviting us along. I work in north Belfast. Our six main advice providers come from a range of different backgrounds, such as community, church, ex-prisoners and citizens advice. We all work together to provide advice right across the north of the city. We have 13 full-time advice workers, and last year we dealt with 35,000 inquires. That is a lot of work and pressure. We are now doing longer hours and holding weekend surgeries, and we are stretched to full capacity. People are so worried about what is already happening in the welfare system and what is about to happen. There is an increased demand for the service. I have been doing this job for 15 years, and I really do not know how we will cope with that.

One of the key issues for us is funding. We really need long-term funding. We cannot plan and review our services if we are continually worried about how we are going to pay our advice worker until the end of March next year. That is a continued strain on the sector. We are firefighting, rather than looking to the long term at how we can work in partnership with the likes of the Social Security Agency (SSA) to help people get the right information and advice.

When we look at what we have at the moment, we see people continually coming back to our service, at least six times a year, whereas, before, when we had benefits like incapacity benefit, they were maybe coming in once a year. Now, they are continually coming in with questions about the new regulations attached to employment support allowance. They are more worried about their benefits. We are also seeing people with more complicated cases, with the knock-on effect that one benefit has on another. We are continually chasing progress on benefits, and there is increased demand for tribunal representation. Last year, we attended 960 appeals for 520 clients. We have an 80% success rate, so we know that tribunal representation definitely works for clients, but we cannot continue to meet the demand that is being placed on our services. It is putting a real strain on not just clients but advisors. They are taking on a lot of work, and it is putting them in a very vulnerable position. We are asking people to open up about their medical history. Last week, I had to send advisers on applied suicide intervention skills training (ASIST). That is not their role, but it is going to be their role as things progress in the next year or two.

I hope that the Committee will really look at some of the pressures on our sector and that it will work in partnership with all of us to try to help people to get the right information and advice.

**The Chairperson:** OK, Sinead, thank you for that.

**Ms Jenny McCurry (Advice NI):** My role at Advice NI will be in supporting the policy work. I plan to write a short series of policy reports that will look at some aspects of the changes and at how best their impact might be mitigated in Northern Ireland. One particular concern is the impact the changes will have on women. We heard yesterday that the payments will be split in some circumstances, but we do not yet know when that will be. There is a serious concern that that will impact on the financial independence of women. There is also concern about the requirement to move lone parents to jobseeker's allowance (JSA) after their youngest child turns five, and about how that is going to be practical in Northern Ireland with the childcare provision we have. There is also concern about how that will impact on lone parents' ability to pursue higher education and find work of a better quality.

My role will be to conduct some interviews and focus groups and to go out and talk to people. Some research has been done in GB and we have some findings from England, but it would be useful to know exactly how the changes will impact on people here. I also hope to do some focus groups with people from black and ethnic minority communities. Another big problem is that the online assessment service will only be available in English. That will also have an impact on people in Northern Ireland because this is the region of the UK where people are least likely to have access to the internet or to have ever used it. Hopefully, through going out and talking to people and looking at existing research, I will be able to find out a bit more about what is going on and how we can support people in the best way.

**The Chairperson:** OK, Jenny, thank you.

**Mr Higgins:** I will now get to the meat of the presentation: the four changes that we would like to see made. Number one — if you remember nothing else about the presentation after we leave this morning, we would like you to remember this — is to include a clause in the Welfare Reform Bill that would highlight a statutory right to independent advice for those who are negatively affected by the Bill. We do not say that flippantly or lightly. The Committee will know that the Housing (Amendment) Act (Northern Ireland) 2010 came through the Committee in November 2009, and a couple of

members were part of that. It places a duty on the executive — I take it that that means the Housing Executive:

*"The Executive shall secure that advice about homelessness, and the prevention of homelessness, is available free of charge to any person in Northern Ireland."*

I would argue that that is relatively minor in comparison with the Welfare Reform Bill. People in the housing field will say that it is very important, and I do not dispute that. However, what I am saying is that we should include a clause in the Bill to the effect that the Department for Social Development shall secure that independent advice about welfare reform, in particular to those negatively affected by welfare reform, is available free of charge to any person in Northern Ireland.

The counterargument, if I could even go so far as to call it that, is that people may say that there are advice services at the moment, but we are clearly saying that those services are reaching capacity, and that is why Sinead is here today. We all know about the social security cuts that have come in since 2010, and we all know about the recession and people losing their jobs. We all know that tribunal representation is at capacity at the moment, and we have a raft of changes. Given all that, we think — and we can stand over this — that it makes sense to include a statutory right to independent advice. If that could be agreed, we could move on, and the questions could be about how we do it, whether it is too difficult and what the processes are. We can overcome all of that. We are here to overcome questions like that, but the starting point has to be whether we can include a statutory right to independent advice. That is the first change, which is at the top of our list.

Members will already know from constituents coming through their offices about the problems with medical assessment and the knock-on effects on ESA, DLA, and so on. People with disabilities are going to be profoundly impacted by this Bill because it replaces DLA with a personal independence payment (PIP) for those of working age and because it limits to 12 months the period for which people in the work-related activity group (WRAG) can receive contribution-based ESA. Those two things will be based on the medical assessment. The medical provider's report plays a big part in determining whether you are placed in the WRAG or whether you will continue to get DLA and the additional premiums that flow from that. What we believe would add a sharper edge is statutory scrutiny by this Committee of the medical provider's performance. At the moment, there is a contract in place between the Social Security Agency and the medical provider, and responsibility lies with the Social Security Agency to scrutinise the performance of the medical provider. We want to see something more than that. We believe that the Committee could add a sharper edge to the performance of the medical provider by providing scrutiny there.

The Committee will have seen the two TV programmes at the start of August: 'Dispatches' and 'Panorama'. They must have made for very uncomfortable viewing for anybody watching them, particularly MPs and MLAs. You must have been thinking how you could change the attitude of, "We can almost do what we want. We can produce reports and pass them to the decision-maker, and, at that point, our accountability ends. We do not have to stand over those reports. We do not have to go to tribunals to stand over them or anything like that." We think that we have an opportunity here to address that issue. At the moment, from the Committee's point of view, the scrutiny of the performance is slightly at arm's length. Let us try and see if we can bring more accountability to the performance of the medical provider. That is the second point. Again, neither of the two points threatens parity. They do not do anything that will change the level of benefits paid.

The third point is around monitoring. We would like to see the Committee monitoring the impact of the implementation of welfare reform, both directly on people and indirectly on displaced expenditure. The direct impact on people is fairly straightforward. It involves, say, the numbers of people reassessed from DLA to PIP who do not make it across or who make it across at a reduced level. That is one example, and that is a direct consequence of welfare reform legislation. However, advisers are highlighting to us that the issue of displaced expenditure is equally important. There is a knock-on impact. You can make a saving on the social security spend by spending less on DLA or ESA, and that is fine, but what are the knock-on impacts? For example, in the report, 'General Practitioners at the Deep End', GPs highlighted that when people's benefits were negatively affected, it drove them to their GP. If they suffered from mental health problems, it very often caused their condition to deteriorate, so there was an impact on the health budget. There is also an impact on justice. We have already talked about how the number of tribunals has gone through the roof, and you know about the success rate of ESA appeals and all of that. That is fact at the moment. However, what will the impact be if people do not get their DLA or the amount is reduced when they move from DLA to PIP? What will happen when they argue that they are not in the right group for ESA and that they should be in the support group and should not, therefore, be affected by the 12-month limit? All that will have to

be absorbed by the Justice Department. It will have to pay for the additional tribunals and extra sittings that we know will happen. Again, there would be displaced expenditure there. There might be savings in social security, but look at all the extra spend that is displaced. Also, shortfalls will occur in the social housing sector and the private rented sector, but what is the displaced expenditure when it comes to homelessness and the Housing Executive or whatever body having to find people emergency housing? So, there should be monitoring of the impact of the implementation of welfare reform directly on individuals and indirectly on other Departments.

Finally, we think that there should be an amendment to the child maintenance clause. We think that it is unfair that the parent with care is effectively penalised for having no other option but to pursue child maintenance through the statutory scheme. We say, yes, maintain the penalty, maintain that fee, but place it where it should be. If we can get a family-based agreement, that is the best way to go. If it means that we are not upsetting children and all of that, we should try and get an agreed settlement. If an agreed settlement cannot be obtained, you penalise whichever party or parent is responsible for not allowing that family-based arrangement to be put in place. So, if it is the parent with care who is blocking maintenance, you apply the penalty or the charge to them. I do not think that that will often be the case, but, if it is, so be it. If, as is more often the case, it is the non-resident parent who is obfuscating and blocking the family-based arrangement — of course, when there is relationship breakdown, communication will be at an all-time low — then discharge the penalty on the non-resident parent. Again, you are not breaking parity. You are still charging the fees, penalties, and so on, but it will be more effective, and you will be charging the person who is responsible for the penalty being imposed in the first place.

Those are the four issues. We know the way the Bill is at the moment, and we think that those four things could change it. Come March or April, when Royal Assent is given, this Committee could say that it changed the Bill and that it put in place things that will mitigate its effects and help the most vulnerable in Northern Ireland but that do not threaten parity. We want to focus and major on those four things, and that is why we have come here today to present to the Committee.

**The Chairperson:** Kevin, you are suggesting the inclusion of a new clause that would, in effect, ensure that there is statutory advice available to those who engage with the Department on this issue. It is basically about the provision of statutory advice. Is that right?

**Mr Higgins:** Independent advice.

**The Chairperson:** The second issue is about statutory scrutiny or enhanced scrutiny of the medical provider. Can you explain what precisely that means? Is that the process of assessment? You mentioned the medical provider, but there is an assessment process.

**Mr Higgins:** It would be specifically Atos, which does the medicals at the moment for DLA and ESA; we do not yet know who the medical provider for DLA to PIP is going to be. At the moment, the Social Security Agency has the contract with Atos, the medical provider. Advisers have raised this with Advice NI, and we have raised it with the Social Security Agency. The agency will tell you that it is its responsibility to monitor that contract and to ensure and verify the performance of the medical provider. We are saying that that needs to be built upon and made more robust. We feel that the Committee should be involved in that in some way; I am not sure how, but we can work up the detail. Given the problems, which we all see, of people feeling that they did not get a fair go at the medical assessment, and given the two TV programmes I mentioned, I think that there is merit in seeing whether we can strengthen and bolster the medical provider's performance and give the Committee a role in that. If you look at the Public Accounts Committee's comments on the National Audit Office report on the shortcomings of the medical provider's work, you see that this may provide an opportunity for the Committee to have a more direct involvement in the provider's performance.

**The Chairperson:** You are looking for greatly enhanced monitoring of the impacts, first, on people and, secondly, on displaced expenditure. Your last point refers to child maintenance provisions and the issue of the penalty for the parent who is not the one preventing an agreement. I just want to be clear, because I see all of those things as involving enhanced scrutiny or monitoring, with the exception of the provision of independent advice and the issue of penalising a parent.

**Mr Copeland:** Kevin, you said that your existing structures are already creaking, and I know from my constituency office the scale of the hit on the ground. Can you give any indication of what you foresee being the likely increase in need from where we are now to when the legislation kicks in?

**Mr Higgins:** There is information there on which calculations can be based. The Treasury document that we all know came out in 2010 referred to a 20% cut. We also know that 50 per 1,000 head of population in GB claim DLA, while in Northern Ireland it is 100 per 1,000 head of population. So, that is twice as many people. There is no doubt that there will be a differential impact here. If we use the 20% cut referred to in the Treasury document, we can estimate the number of people on DLA who will be negatively affected. They will, undoubtedly, come in for advice because the additional premiums that they get could be affected — the money itself, Motability schemes, blue badge and all of that additional support. Again, that is not to say that the person does not have a disability or a health problem; it is just that they simply do not reach whatever threshold this is set at. So, 20% is one way that we can try to estimate demand.

We also know the numbers on contribution-based ESA who are placed in the work-related activity group. So, everybody who is claiming contribution-based ESA in the WRAG group will, as a result of this, see their benefits stopped after 12 months, and that is all additional demand. Undoubtedly, such people will come to advice services. We will go through the merits of the case, and it may be that not everybody will fit the criteria. In that event, we will be open and honest and say that they do not, but many will, and that will feed through to appeal workloads. As for contribution-based ESA and the WRAG, of course people in the support group are not affected by the 12-month rule. So, that is where people will be coming from there. For those on DLA, it will be about getting onto PIP. For those on ESA, it will be about getting into the proper group, which for some people will be the support group. We know the numbers there, so we could then work up demand and estimate what the demand would be on the advice sector.

**Mr Copeland:** If you have extra demand and you are creaking now, you will need extra resources. I am curious about the increase in and availability of those resources. Given the fact that we have twice the number of people on DLA, a substantial proportion of whom are receiving that benefit as a result of mental illness, do you know whether the contract between the Department for Social Development and Atos, or whoever the provider will be, will give weight to expertise and knowledge of mental illness? In my view, when it came to the ESA stuff, people who were not qualified to pass judgement on mental illness or recognise a mental illness were sitting in judgement of people who quite clearly were mentally ill. Do you know whether that was inculcated into the way in which the contract was constructed? It strikes me that, if it was not, it should have been.

**Mr Higgins:** I will pass that comment on to Sinead. My one comment on that is that, undoubtedly, it will be discharged by healthcare professionals. That means that some will involve GPs and doctors but some will involve other healthcare professionals, such as nurses and so on. I suppose that our query is whether that examination will give an accurate picture. I sat in on one of the examinations a couple of weeks ago to see how it works. It lasts for 30 minutes to 45 minutes and may not be conducted by a doctor; it may be conducted by some other healthcare professional. The information is typed into a computer because it is a computer-based system. Can that snapshot really give an accurate picture, particularly for people with mental health problems, as you rightly pointed out? I am not so sure that it can. Sinead will comment on that.

**Mr Copeland:** I am sorry; just before you do that, Sinead, I have a question. There are people who suffer the consequences of physical illness or mental illness or both. They may be examined by someone who is not a doctor. The number of GPs involved in this process is a lot smaller than I had originally thought, and some of the figures on the mainland are frightening. Is it possible that someone who suffers from both physical illness and mental illness could be examined by a healthcare professional who specialises in one or the other?

**Ms McKinley:** When Atos was introduced, we were told that it would bring people in so that, if you had a mental health problem, you would see a counsellor, or, if you had a back problem, you could see a surgeon. You would be examined by the relevant person, depending on your condition. That has not happened. GPs and nurses are actually doing the majority of the examinations. One of the main problems is that when people go in with a mental health problem and it is clear that they are on very high levels of medication for their mental health, that is being sidestepped. The medical professional involved is not even taking that on board and is not going back to the GP for additional information or looking at whether the patient is seeing anyone else. The whole area of mental health is being skimmed over. The majority of people who come to us in north Belfast have mental health problems, so they become more vulnerable. We are hounding GPs, which is a big problem for us, because we have GPs who are very good at giving us additional evidence, but we also have GPs who want to charge for additional evidence, and maybe the GP is not the right person to be giving the additional evidence. The flip side of that is that you can get a very good supporting letter from your

GP but the Department will not look at it. It is about how you marry all those things together so that GPs are aware of what is being asked and so that Atos, in a sense, is aware of the criteria for the benefit. When people apply for ESA, the descriptor that they have to meet is very clearly stated on their form. When they go to the medical, it is a completely different assessment. The specific questions around the descriptors are not asked. We have to tease that out of people and give them examples of what the benefit form is asking of them. If that is not put in front of them at the medical, they are disadvantaged from the moment they go in.

We have found that people who very clearly meet the criteria for benefit are not receiving it. It is an ongoing thing, and they are being put through the stress of an appeal, where they have to go in front of a panel and put their case forward. That is happening daily; at the moment, we are dealing with 20 appeals a week. A lot of people are putting their evidence in front of a panel and are being told that they are being awarded the benefit, but it is six months of worry and stress that there is no call for.

**Mr Copeland:** And cost.

**Ms McKinley:** And cost, yes, indeed.

**Mr Douglas:** Thanks very much for your presentation. I want to follow on from Michael's point about the expansion of your work in the future. I am not quite sure whether you could do this or whether you have done it, but could you quantify how much monetary benefit that this would bring to Northern Ireland? Think of the benefit take-up campaigns; a lot of people do not claim benefit. I imagine that that will be the case with some of these measures as well. It would be helpful if you were able to quantify what this would bring for the people in Northern Ireland who are on benefits. That money goes back to Treasury if you do not claim that benefit. It is a good selling point on top of everything else.

**Mr Higgins:** Good question. We do an annual membership profile report, and we get statistics. We do not do it ourselves; our members keep a tally of all the work that they do and the income that they generate. We get the information from the appeals service. It is able to tell us the numbers of people who are being represented by our members, their representatives and advisers and the success rate of all of that. The bulk of that work is related to DLA and ESA. We are able to tell very clearly. That is verifiable information. You are quite right: we delivered the benefit uptake exercise last year. I understand that the Minister will make an announcement imminently about that work. When you see the report and what the Minister says about that, you will see — again, it is verifiable information — the impact that independent advice services are having on generating additional money for people. I understand that that will be out this week.

**Mr Brady:** Thanks very much, Kevin, Sinead and Jenny, for your presentation. It was very comprehensive. I suppose that I should declare an interest as an ex-independent adviser. You talked about the increase in work. Obviously, that will happen anyway because, allegedly, they are replacing a complex system with one that is supposed to be more simple. One of the points that you made, Sinead, was about online accessibility. I imagine that that will increase your workload greatly anyhow because, in my experience, people will go to advice centres before they go to the statutory organisations. Otherwise, many advice centres would not exist. You are going to have a huge increase in work.

There have been all sorts of discussions over the years about mainstream funding. That simply has not happened. Maybe that is something that the Department should look at, particularly in relation to independent advice centres. That is much required. You raised four points. It is very important that people should have a statutory right to independent advice. That is extremely important because of the depth of knowledge that advisers have around all aspects of social security and benefits in general.

Fra and I were on the Committee in the previous mandate. When the initial stages of welfare reform were being introduced in June 2007, the then Minister wanted it rushed through under accelerated passage. We were told at the time that, if we did not agree to that, people's benefit would be affected. One of the amendments that we put forward was exactly what we have been talking about. In relation to mental health, the person who examined or was dealing with the person should be an expert, such as a community psychiatric nurse, a clinical psychologist or a psychiatrist. We were told that staff would be trained and that that would not happen. As for what is happening in Britain and undoubtedly is starting to happen here, people are going to the assessments, and it is a tick-box exercise. My experience in my constituency is that people are being assessed by nurses, and sometimes doctors,

but mostly nurses who, in some cases, are not clued in. I had one person who went in with a particular type of boot that he had been given by Musgrave as a compression thing because he had broken his foot very badly. The nurse did not have a clue what it was; they did not know why he had it. That is the kind of example I am talking about. It seems that the primacy of medical evidence would go a long way to alleviating that problem. If you had somebody with a mental health problem and they were dealing with a psychiatric community nurse, a psychiatrist or a psychologist, medical evidence from them should be paramount. That should take primacy. The medical provider should take note of that. People are winning appeals because that type of medical evidence is then being assessed by the decision-maker, whereas, as you rightly said, it is being ignored at the initial stages. That is very important. What are your views on that?

The monitoring is important and will have a tremendous impact. You outlined that.

What you said about the fees on child maintenance is fair. Ideally, people want an in-house solution, and, if that does not happen, the charges should be imposed on the person who is not prepared to do that. The point has been made that the constituency that I represent is on the border. The caring parent is often left chasing somebody who is in a different jurisdiction. That has not been factored in to any great degree, and that is important.

In Lanarkshire in Scotland, Atos got a contract for work capability assessments and contracted it back to a statutory agency. By doing that, it made around £18 million. That statutory agency really should have had the contract in the first place, it might be argued.

I would like to hear your views on the primacy of medical evidence and on the issue around funding.

**Mr Higgins:** We are trying to get a balance in that the work is being outsourced to a private sector firm under a commercial agreement. That introduces tensions around all of this, because you have a provider trying to maximise its revenue from the contract. On the other side of that balance, real people who are having to go through this with health problems are coming into advice centres. There is a tension between service provision and the commercial drive to maximise profits. That drives the firm to consider how it can provide the service at reduced costs, and that takes you down the road of using nurses rather than always using a doctor, as would have been the case under the old medical support services way of doing things. If the Committee were sitting on the other side of the equation, it would allow the weight, strength and robustness to counteract the incentives to maximise profits that commercialism can bring into this. If you could get the Committee involved in some way in the service delivery end, it would be useful. It makes sense to me.

The demand on the advice sector was mentioned. To get that included in the Bill is top of our shopping list. It would be a fantastic thing for the Committee to be able to stand over that and say that it got that added, because look what the advice sector can do. I include in the advice sector the Law Centre, Citizens Advice and Advice NI. It does not matter. Look what the advice sector can do in the areas of benefit uptake, tribunal representation, taking people to commissioners, and so on. Deploy that resource to try to mitigate the worst impacts of welfare reform. We have tried to highlight the fact that we are at capacity as it is, and there will have a bit of thought on how we can deploy it best. We are open to discuss that. Resources are a part of that, of course, but maybe it is about us doing things differently as well. Get it in there, and we can work on it.

**Mr Brady:** I have a couple of points. The success of statutory independent advice is predicated on the fact that the independent advice sector will have proper resources and funding. Obviously, you can change to some degree what you do, but most people will agree that, right across the sector, you are doing very well in the advice that you provide. Therefore, it is really about resourcing.

An issue for many years has been that there are a number of people who get a medical certificate from their GP saying that they should refrain from work and then those people go to someone who tells them that they are not actually looking at their ability to work. They are looking to see not what is wrong with them but what is what right with them. There is that anomaly, and GPs are falling back on that and saying that they are not there to decide whether a person is fit for work. Ultimately, they are, because it still says that on the certificate. All of those anomalies need to be sorted out, and that would make things easier. If you got the nuts and bolts of it right, it would be easier to follow it through. That is part of the difficulty.

On the monitoring, you are right about striking that balance. However, ultimately, if someone has a particular mental health or physical problem and has a consultant, it should be the consultant who deals with them regularly, backed up by GP medical evidence. Ultimately, these decisions are made

by civil servants who are not medically qualified or by so-called health professionals who are in the middle. They abdicate responsibility by telling people that they do not make the decision and that it is made by a civil servant. The point I am making about the primacy of medical evidence is that the decision-maker should have the medical evidence to strike the balance with what the health professional is saying. That is important.

**Mr Higgins:** It is. We have reiterated to the Social Security Agency that decision-makers are exactly that — decision-makers. They should take their role seriously. Very often they do, but you are right. Their role is to make decisions. If there are competing elements of evidence and medical evidence, they should be weighting that accordingly, and then making what is hoped to be the right decision and getting the decision right first time.

**Mr Brady:** I will finish with this point. The problem is that they do not have that balance, because the medical evidence that has been put aside at the initial stages does not filter through to them. It is only at the appeal stage. That has been going on for many years, as I have certainly seen in my experience of representing people. People were able to produce medical evidence. In some cases in the old medical support service system, people brought in X-rays, and the doctor, nurse or whoever was carrying out the examination told them not to show them to the X-rays, because they were not experts in that. It is very important that the medical evidence goes through to the decision-maker and is not ignored, which it is at the initial stage of most cases.

**The Chairperson:** Mark, were you going to make a point on that?

**Mr Durkan:** I was going to make a point on the medical assessment and the lack of accountability of the medical assessment providers. Obviously, the major impact is the impact that it is having on people who are being wrongly assessed, but there is a major impact on the Department, which is facing the cost of the appeals. I raised this point last week or the week before. It is about building something into the contract which states that, if a decision is overturned after appeal, the medical assessment provider foots the bill for that appeal. It would make them be a lot more scrupulous or stringent in their assessment process.

**Ms P Bradley:** Thank you for your presentation. I do not want to regurgitate things that have been said. I do not disagree with most or any of what I have heard. I also worked in the advice sector; I worked for the Citizens Advice for five years. I know the problems, due to what came through the door there, and that was some years ago. I also know what is coming through the doors of my constituency office now. There are lots of issues and problems out there. I do not disagree with any of the four points that you highlighted to us today. When the Bill comes into force, I would like to think that there will be some sort of monitoring put in place around the impact that it is having. Some of us sit on the Health Committee as well. We would like to be able to see how it is going to impact on health inequalities and everything else. So I would like to think that something will be put in place for that.

I am looking at the part about child maintenance. I have been down this road myself, never mind anything else. An amicable agreement between two parties immediately after a separation very rarely happens. It is some years down the line before that happens. It would be ridiculous and awful if a parent with care were penalised. Quite often, the parent with care will be left without anything. I know that; I have been there. I will certainly be arguing against someone being penalised for that.

There are, and have been, many faults with medical assessments. We all recognise that. I do not think that anyone in this room does not recognise that.

The statutory right to independent advice is another very good idea. I assume that the money for that would have to come from the Department. Have you put any figure on what the projected cost of that might be?

**Mr Higgins:** At the moment, we are working on that and trying to estimate demand. That can be a difficult thing to do. Even estimates of the total negative monetary impact of welfare reform vary, but we have a fair idea of the numbers, specifically with DLA and ESA. We can work that up in more detail over the coming weeks and get it to the Committee. We understand that there is a bit of work to do. At the moment, at a high level, we are flagging up that it is a huge need that will be coming our way.

**Ms P Bradley:** If that is something that the Department would need to take on board, it would be another factor, because I assume that it would have to be funded from this level. It is something that we would need to keep an eye on to see how much it would cost. Thank you very much.

**Mr Higgins:** I totally agree. Getting the line added into the Bill would concentrate minds, and it would ensure that we put the necessary thought into it and that it was taken seriously.

**Mr F McCann:** The problem with coming last is that most of your questions have been asked. I will try to think of a couple of new questions.

**Ms P Bradley:** That is why I tried to get in before Fra.

**Mr F McCann:** I have a couple of points, and I raised this one before with regard to previous cuts. Has the Department sat down with the advice sector to work out what resources will be required to deal with what can only be a serious increase in the amount of people going through your doors?

**Mr Higgins:** I know that chief executives have met senior officials from the Social Security Agency, so I am quite certain that welfare reform has been on the agenda of those meetings. I am not sure if it has got to the point at which they are saying that they are going to make x amount of resources available. I do not think it has made as much progress as that. Our incentive for trying to get the line in is that it will hasten the journey towards knowing what we can put in place.

**Mr F McCann:** I would appreciate it if you could keep us in touch with that, because it has been a matter of interest for the Committee over a period.

You mentioned GPs in Scotland. A number of reports have come through from the BMA and its subcommittees coming out against Atos and the way it handles things. I think that we need to take that one stage further, because we have all dealt with complaints from constituents who have faced difficulties, not only with Atos, but with those within it who carry out the medical assessments. Have you any idea of what level of training is provided for them? Or, have you had any feedback on it? Mickey touched on it earlier. In 2007, it was one of the questions that we were pressing home. We said that there needed to be a high level of training to ensure that people were given fair representation with regard to their medical assessments.

**Mr Higgins:** To be fair: a lot of the information we glean from advisers or from clients coming through the door is that, irrespective of what training there has been, the performance in the medical examination is perceived to be insufficient. I suppose that is the first thing. Beyond training, it might be the experience of some of the people who are conducting the medicals. You have to try to be fair. Can somebody with not a great deal of experience and who is quite new to the profession be expected to hit the ground running, when they might see someone for 30 minutes and have to make an accurate assessment? That client might have a combination of physical and mental health problems, or all mental health problems. Training is one thing, but we wonder whether commercialism is taking over. It is being delivered as cheaply as possible, and, perhaps, nurses are receiving bare-bone training. On the other hand, they are not providing the service that we think people need and deserve.

**Mr F McCann:** What about the Department and those who have to assess the decisions by Atos.

**Ms McKinley:** We have asked a few times. All that we have ever been told is that the medical support team in Atos gets two days of training. I do not know how that is presented to them relevant to the benefit. I have been to a medical as well. Take a person with mental health problems, for instance. Someone who sits behind a computer asks the individual whether they have ever self-harmed. If the individual answers no, they are asked whether they have ever thought of suicide. They are left in limbo. It does make you wonder whether those people were actually trained to cope if someone were to open up about a condition. Their training is more in line with what people do on a typical day than the criteria for benefit. It has never been married together in that way.

**Mr F McCann:** I have a final question. The majority of the Bill is sanction-led. Further and serious increases of time sanctions have been proposed. Have you done anything on sanctions as they have worked up until now and how they will impact on people?

**Mr Higgins:** I am not sure how effective sanctions are with regard to what they are supposed to do. Are people even clear about what sanctions are supposed to do? Are they simply a penalty? What support is put in place to modify behaviour to ensure that it does not happen again? A sanction means less money coming into that household and less money going to the children, if there are children in that household. In some senses, it can be just punitive, and it can just penalise. I am not sure how effective those sanctions are, and I am not sure that there is very much research out there that highlights how effective they are in improving behaviour, if you like.

There are many clauses in the Bill, and it covers lots of things. We covered sanctions, employability and childcare, and the fact that there are no jobs out there. We ended up coming back to the four things that will not threaten parity, the fact that changes can be made, and that it will improve things for people once it becomes law. Seemingly, this is our chance to change it, and you will know more about that than me. Officials will tell you that there is not too much detail and that all the detail will be in the regulations. However, when the regulations come before the Committee, it has to either accept or reject them. There are no confirmatory regulations; there is no scope to change.

Now is the time to put a Northern Ireland fingerprint on the legislation and, hopefully, what it is now will not be the same as what it will be when it receives Royal Assent. That is our goal anyway.

**Mr F McCann:** I have one final thing. It was interesting that the Minister said yesterday that part of the discussions that he had with Lord Freud involved the financial institutions and banking. Obviously, everybody would need to have a bank account. I have two questions. First, I take it that bank charges would apply if people open a bank account. Secondly, does it not seem unusual that you would have to go to a financial adviser to work out how you can spend your £200 a month?

**Mr Higgins:** Operationally, we are still very unclear as to how all this will work, and the online aspect has to be added in as well. Let us say that something happens to me, and I want to make my claim for universal credit today. Under the current system, I would ring up. It might take a while to get the paper claim in or whatever, but the date of my claim would be today. There is a school of thought that you will have to master the online system and you may have to open a bank account — it is not even a bank account; it has to be an online accessible account that provides the security to allow you to proceed with the universal credit claim. That is the biggest thing. Our concern is that I would become entitled to benefit from today as I satisfy the conditions, let us say, from today, but I cannot press the green button on the universal credit online claim until, for example, four weeks down the line, and we understand that my claim to universal credit does not start until I press that button. What about the number of weeks, through no fault of my own, when I have to open the account, get online and maybe go to the library because I do not have access in the house? We think that there is a big issue with the data claim and people actually lodging their universal credit claim.

**Ms McKinley:** The other thing about online access to benefit is that, when people have their online account, they are going to have tasks set with their online account. We will be inundated because people will come in continually to find out the task for their benefit. If they do not complete the task, they do not get paid. It will be a big problem for us, and for the bigger community sector as well, to make sure that people have access to online services.

**Mr F McCann:** I was also making another point about bank accounts. If someone opens a bank account, I take it that banking charges would apply for anything that they do in relation to whatever amount of money they get. It will dilute the amount of monthly money that people would have.

**Mr Higgins:** I completely agree with that. There could also be charges, and we all know what has happened with charges. We do not know where bank accounts are going in the future. Will you have to pay for the privilege of having a bank account in the future? We do not know where that is all going.

**Mr F McCann:** I thought that people already do pay.

**Mr Brady:** I have a couple of points. Following on from what Fra said, there is the whole thing that goes back to medical evidence. You may have somebody with bipolar, or one example that I mentioned during the clause-by-clause consideration was a condition called sarcoidosis where you could be disabled for three weeks out of the month. My question was about whether that would be aggregated. What about the training given to the person who would have to assess you? If you have bipolar, you could go in on a Monday and be great, but be in bed for three weeks after that. It is that kind of level.

The other thing that you mentioned, Kevin, was the severe disability premium. That, surely, will have a bigger impact here in the North because of the larger numbers of people on DLA, particularly people living alone. The severe disability premium lifts them above that subsistence level, and people will really suffer if that is lost. We already pay higher costs for electricity, gas, all the utilities and food, because everything has to be transported. To some degree, the severe disability premium lifts people out of that, although not completely, obviously. I think that that will have a huge impact here as well.

Kevin, you made the point that, if you do not have online access, you would go to the library. I imagine that an awful lot of people on benefit, whether they have online access or not, would not have the ability to use it, and that is a difficulty. That is why I go back to what I said earlier: you will be even more inundated than you are now.

**Mr Durkan:** There is also the fact that the libraries have had their opening hours reduced.

**Mr Higgins:** The severe disability premium is a huge issue. That is why, to take it back to the beginning, people with disabilities will feel the hurt with regard to the perceived savings that were to come out of the legislation. There is the 12-month time limit for ESA, and, if you have a partner working, that is, pound for pound, a drop and there is nothing that you can do about it. You are right. I understand that the support group will get you the severe disability premium in future.

**Mr Brady:** That is part of the issue. At the moment, you can be found to be capable and still be on DLA and get a severe disability premium. That will change, and that is one of the issues that has not been addressed.

**Mr Higgins:** People will still have those health problems or whatever, and they will have not improved in any way. That should not be underestimated. The simple fact is that the goalposts have been moved. People will be confused and ask themselves what is going on because their condition has not changed and nobody is saying that it has changed, but they are left high and dry with nothing. That feeds us back into what is going to be done and who is going to help them.

**The Chairperson:** OK members, thank you for your questions. Kevin, Sinead and Jenny, thank you for your presentation this morning, your submission earlier and your ongoing engagement with the Committee. It has been very helpful and informative. You have made your presentation, and you have underscored at least four key points and proposals. Obviously, we will consider them as we move further into the scrutiny of the Bill during Committee Stage. If you happy enough with the work so far, it leaves me to say thank you for being here.

**Mr Higgins:** Thank you.