

Law Centre NI response

Department of Finance: Draft Budget 2026 – 2029/30:

March 2026

Introduction

Law Centre NI (LCNI) welcomes the opportunity to respond to the Department of Finance (the Department) “Draft Budget 2026 – 2029/30” Consultation.

LCNI provides free, independent and specialist legal advice, casework and representation in the areas of social security, employment and immigration law. In addition to providing direct support to the public, we provide assistance, legal information and professional learning to the advice sector across Northern Ireland (NI). As a regional infrastructure support organisation, we are acutely aware of the impact of law, policy, and practice areas across communities in NI.

In responding to the consultation process LCNI will address the following three questions:

- 1. Do you agree with the prioritisation of funding within the 2026-2029/30 draft budget?**
- 2. What services should be prioritised in the 2026-2029/30 Budget?**
- 3. Have you any other views?**

Consultation response

- 1. Do you agree with the prioritisation of funding withing the 2026-2029/30 draft budget?**

From the consultation papers, it is difficult to fully interpret the data presented and what this means for individual funding programmes. Based on ‘Annex A’ of the written ministerial statements to the assembly¹, the trajectory of the proposed resource DEL funding allocation for both Communities and Economy indicate an upward trend, which overall is a positive outcome. However, it is concerning that the annual increases year on year are less than inflation. Increases in year 2027-28 represent a modest 2.4% increase, with just over 1% in 2028-29. It is disappointing that this does not align to the principles set out in the Fair Funding Partnership agreement, ² as agreed in June 2025 between Government and the voluntary and community Sector in NI. Failure to apply inflationary increases year on year, will further exacerbate, a sector that has been operating for too long against a backdrop of increased funding pressures, reduced capacity in a challenging labour market and increased demand.

LCNI welcome the retention of ring-fenced funding for welfare mitigations, however, would seek to see enhanced support in this area. This is discussed further in the following sections.

2. What services should be prioritised in the 2026-2029/30 Budget?

(i) Adequate funding and investment in the NI advice sector

LCNI strongly propose that prioritisation is given to adequate funding and investment in the NI advice sector. LCNI continues to see a growth in demand for our services, driven by the major changes to the welfare system, the ongoing cost of living crisis and the growth in employment and immigration rights issues.

The draft budget does not explicitly mention the independent advice sector. The reference regarding advice is to “Debt Advice” at £2.8m — not welfare rights or social security advice. Given unprecedented demand for advice and representation, LCNI is concerned with this omission. The advice sector prevents crises that cost significantly more across health, housing and justice. Increasing allocation to front line support services will mean people can access timely interventions at the right time, when they need it most. The advice sector prevents crises every day. It provides vital support to many individuals and communities across NI, navigating increasingly complex systems, appeals, digital exclusion, and rising error rates. The demand upon these services remains high.

¹ [Minister of Finance WMS - Proposed Draft Budget 2026 to 29-30](#)

² [Partnership Agreement](#)

The resourcing of the advice sector must be prioritised by the Executive. This will ensure that the sector can attract sufficient, high-quality staff who can provide this specialist, independent and free advice, and information in an accurate and timely manner, and that there are sufficient resources and capacity to challenge incorrect decisions. As a regional and specialist organisation, LCNI's legal representation highlights the need for investment in the advice sector, as it leads to positive outcomes for many individuals across NI. For example, this is prevalent in our work relative to overpayments. Recent statistics obtained by LCNI demonstrate that there was almost 15,000 official error statistics in 2024/25 totalling more than £10.5m in relation to Universal Credit overpayments – this is a 31% increase in Universal Credit. As the move to Universal Credit (UC) progresses, LCNI continues to call on DfC to monitor the actual occurrence of official error decisions in UC.

We regularly hear from our clients about the adverse impacts which the recovery of overpayments, caused through no fault of their own, can have upon them. This echoes similar circumstances facing other advice organisations across NI and demonstrates the critical importance of and need for these services to be accessed by those who are in poverty. Although the Department for Communities' (DfC) Make the Call service provides benefit checks, they do not provide advice. Therefore, it is critical that this sector receives significant and sustained investment.

(ii) Robust Social Security System

While LCNI appreciate the budget constraints facing NI and indeed welcome the recognition by the Department for the need for stability and long-term planning, we are extremely concerned that the stated constrained allocations risk deepening poverty and inequality. The Department, by failing to prioritise the funding of an adequate social security system, perpetuate the cycle of poverty, reduced wellbeing and economic inactivity that persists in NI.

Poverty violates human dignity and undermines the enjoyment of all other rights. Therefore, freedom from poverty should be treated as a foundational and interdependent right and a strategy to alleviate poverty should underpin any Departmental draft budget proposal. Lack of investment now will act as a barrier to the realisation of other fundamental rights of the people of NI, such as access to healthcare, housing, and education. LCNI urge the Department to consider our key recommendations in this response.

(iii) Welfare Mitigations and Discretionary Support (DS)

It is clear from the draft budget that tough decisions have been placed before the Department which will adversely impact on people in need. Regrettably, these budget pressures also militate against the development of policy in the direction anticipated by the recommendations of the two independent reports into DS³ and Welfare Mitigations⁴. Implementation of the recommendations of both reports would provide better support to people across communities in line with the overarching Draft Programme for Government commitments and the Department for Communities Strategic Priorities, including to deliver a social security system which supports the reduction of poverty and to continue the promotion of social inclusion.

In relation to welfare mitigations, the draft budget does include allocations for welfare mitigations; listing mitigations as a previous Executive Commitment within the Department for Communities (DfC) baseline, i.e.: £48.2m (2026–27), £48.9m (2027–28), £49.5m (2028–29). This recognition is welcome, as mitigations remain essential to preventing homelessness, debt, food insecurity, and hardship, however there are significant risks with the current proposed allocations. For example, the allocations fail to account for real-terms inflation, which in turn raises claimant numbers or deepening poverty. Furthermore, while the Budget acknowledges the need for additional mitigation funding to address the impact of removing the two-child limit, no such funding is allocated in the baseline and is instead deferred to the final Budget. LCNI would like to draw the Departments attention to the fact that the two-child limit remains one of the highest-impact drivers of child poverty, delaying allocations puts children and families at immediate financial risk. Dedicated multi-year funding for expanded mitigations should be set out now.

LCNI is concerned that there is no explicit reference to an allocation of funds for DS. DS is the safety net below the safety net of social security. It faces high demand and provides a critical lifeline to claimants who are having difficulty with living expenses and household items. The Independent Review of Discretionary Support noted the particular contribution of the Scheme to the protection of people's dignity. LCNI calls on the Department to ensure that budget allocations to DS respect the legislative integrity of the scheme and ensure

³ [Discretionary Support Independent Review | Department for Communities](#)

⁴ [Welfare Mitigations Review - Independent Advisory Panel Report | Department for Communities](#)

decision makers retain the discretion necessary to ensure that claimants who are most in need can access this critical and necessary support.

(iv) Equality and human rights concerns

LCNI is troubled that the equality section of the draft budget highlights that the proposals may adversely impact all nine Section 75 groups. As such, LCNI strongly recommends that departments are required to publish detailed equality screening and EQIAs before finalising allocations, with mitigation strategies for any adverse impacts.

(v) Support for migrants

NI's demographic is changing:⁵ we have witnessed an increase in international migration since the Millenium and Brexit has affected the composition of migrant groups.⁶

It is important that migrants have access to quality immigration advice. Unfortunately, there is limited immigration advice capacity in NI: a major UK study concluded that there is an 'extreme shortage of immigration and asylum legal aid provision' in this jurisdiction.⁷ Investment in community-based advice service is urgently needed.

Quality immigration advice does not just benefit the individual beneficiaries. Advice provides clarity as to a person's entitlement to a range of public services such as social security, healthcare, social housing, further education, etc. Immigration status also unlocks entitlement to public services, which in turn can make it easier for statutory agencies to discharge their duties towards migrants. Evidence indicates that investment in immigration advice generates a significant 'Social Return on Investment' for public funders because the social, economic, and fiscal benefits significantly outweigh the costs.⁸

We note that the Executive Office has provided a commitment to fund 'regional immigration advice' that is available to 'all who need it.' This is a laudable objective and must be delivered in the long term.⁹ In recent months, the UK Government has announced a number of policy proposals that, if implemented, will effectively extend the period of time it takes for

⁵ Dr Raymond Russell, 'NIAR 9-25: [International Migration in Northern Ireland: an update](#)' (NI Assembly RAISE research paper: 13 February 2025)

⁶ Dr Raymond Russell, 'NIAR 9-25: [International Migration in Northern Ireland: an update](#)' (NI Assembly RAISE research paper: 13 February 2025)

⁷ Dr Jo Wilding, 'No Access to Justice 2: Mapping the UK's continuing immigration and asylum legal advice crises' (Justice Together, 2025) available [here](#), p 15

⁸ See: Justice Together, '[It is a no-brainer: Local authority funding for immigration legal advice in the UK](#)' (18 May 2023).

⁹ NI Assembly Committee for The Executive Office, '[Race Relations, Draft Refugee Integration Strategy and Delivery Framework Update: Executive Office](#)' (Hansard: 12 November 2025)

migrants to obtain 'settlement' (also known as Indefinite Leave to Remain or permanent residence).¹⁰

Another key issue is the accessibility of advice services for migrants who do not have the necessary language skills to communicate effectively in English. Whereas statutory agencies have access to interpreting services, voluntary and community sector organisations do not. The cost of professional interpreting and translation services can be prohibitive for smaller organisations. In 2025, the LCNI surveyed advice / migrant support organisations in the Greater Belfast area to understand their needs. The survey attracted 85 responses, the majority of which highlighted 'language' as one of the biggest barriers to being able to provide an effective service.¹¹ In the absence of funded interpreting services, organisations are unable to meet needs. At a macro level, migrants' inability to access community services raises important equality questions for government departments. Accordingly, we recommend that provision is made whereby community-based services can access interpreting services.

(vi) Promote economic inactivity through the provision of adequately resourced employment legal advice.

The Good Jobs Employment Rights Bill represents one of the most significant changes in NI employment law in decades. The bill aims to strengthen workers' rights and modernise employment law by increasing labour market participation, productivity, and job quality. The introduction of this Bill will also go some way in tackling economic inactivity. NI has one of the highest economic inactivity rates in the UK – at an average of 26.3%¹². Barriers to entering the labour market are in part due to poor working conditions, zero-hour contracts, low pay, and perceived impact on social security benefits. By investing adequately in employments rights advice, workers will have access to exercise their rights to ensure that there are fair and equitable employment law practices implemented in NI.

As the only provider of free Employment legal advice in NI, the service provided by LCNI is much needed. In the period 2024/25 LCNI have provided assistance to 1211 people. We anticipate that demand for this service will increase further over the coming years given the proposed implementation of the "Good Jobs Bill."

¹⁰ For example, see: UK Government, ['White Paper: Restoring control over the immigration system'](#) (12 May 2025); UK Government, ['Public consultation: a fairer pathway to settlement'](#) (20 November 2025)

¹¹ Law Centre NI, ['Supporting and advising asylum seekers: development needs in the community and voluntary sector in Belfast'](#) (October 2025)

¹² [Economic inactivity. Who what, where, why?](#)

LCNI have been in receipt of funding for employment legal advice for at least twenty years. During that time, we have seen a 22% nominal increase to the level of funding, we receive however when cost of living increases is factored in this represents a real term reduction.

LCNI have continued to maintain this vital service despite the increased funding pressures and ever more challenging recruitment market. Adequately resourcing this service will ensure that we can attract experienced legal professionals who can ensure that these services can thrive, promoting a fairer labour market and improve economic output.

3. Have you any other views?

LCNI are supportive of a multi-year budget. As a voluntary and community sector organisation, who relies on public funding to sustain our work, we are well placed to demonstrate the many challenges faced by shorter term budgets. Annualised funding streams are not effective models for long term sustainability of the sector, and in turn does not offer value for money for the public purse.

Having multi-year budgets will ensure that voluntary and community sector organisations can:

- **Plan and implement effective services that can better support the communities that we are here to serve.**
- **Provide stability to the Voluntary and Community sector.**
- **Better achieve value for money across the entire public services.**

Failure to invest in voluntary and community sectors, in particular legal advice, will have a detrimental effect on the people of NI who rely on these services.

It is essential that budgets include built in inflation linked increases to ensure long term sustainability. Voluntary and community sector organisations cannot continue to with stand year on year real term reductions. Failure to invest adequately will risk compromising service delivery as we fail to attract suitably qualified people into the roles, and more importantly cannot sustain those people long term if we are unable to offer competitive terms and conditions. Ultimately failure to invest and apply annual inflationary increases will risk loss of services, which in turn will add further pressure to other public sector services such as health.

Summary of key recommendations

- **There must be adequate funding and investment in the advice sector, to allow for specialist, independent, accurate and timely intervention to be provided across NI. Allocations should align with the principles set out in the Fair Funding Partnership agreement, between Government and the voluntary and community Sector.**
- **Prioritisation of adequate funding for a robust social security system. Failure to do so will perpetuate the cycle of poverty, reduced wellbeing and economic inactivity that persists in NI. A strategy to alleviate poverty should underpin any Departmental draft budget proposal.**
- **LCNI welcome the retention of ring-fenced funding for welfare mitigations, however, would seek to see enhanced support in this area. A Welfare Mitigations Package and Discretionary Support must be strengthened, not merely sustained.**
- **EQIA's must be published and mitigations proposed before any final agreement is reached in budget allocations**
- **Increased investment in regional immigration advice services**
- **Funding for interpreting services for community-based services**
- **Promote economic inactivity through the provision of adequately resourced employment legal advice.**

It is evident that the Department have faced challenging decisions by this budget allocation, which will impact upon people in need. It is LCNI view that the implementation of our recommendations will provide better support to people across NI in line with the overarching Programme for Government commitments.

We thank the Department for the opportunity to provide this response, and we are happy to discuss this further.

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