



## NIWBG Statement on the Autumn Budget

November 2024

Last week, the Autumn Budget was set by the Chancellor and outlined a number of changes that have the potential to both positively and negatively impact on women. The decisions announced by the Chancellor will determine the Barnett consequentials that directly feed into the Northern Ireland Block Grant. The Chancellor announced that additional Barnett consequentials from the Autumn Budget will result in an extra £1.5 billion for the Northern Ireland block grant, totally £18.2 billion. It is not nearly enough to completely fix public services here, yet is positive to see additional money coming in especially as it is more than what the Department of Finance predicted.

It was revealed in the Chancellor's speech that the City Deals for Causeway Coast and Glens and Mid South West will go ahead, after they had been paused in the pre-budget period. This is very welcome, as resourcing tends to favour urban areas over rural. For example, rural women's organisations receive only 3% of government funding for women's groups<sup>1</sup>. However, we are concerned with the remaining negative impacts resulting from the pause to the two City Deals and urge stability around these key pieces of investment.

We welcome the changes to the fiscal rules that were announced by the Chancellor, which allow for further borrowing to fulfil commitments on key capital projects. However, we are disappointed that the Chancellor will only focus this investment on physical infrastructure. We consider investment in social infrastructure to be equally important as investment in physical infrastructure in building a solid foundation for a stable, strong economy. There were some positive changes to tax announced last week, such as changes to inheritance tax and wealth tax. However, we believe government could have gone further in ensuring that our tax system counteracts economic inequality, an issue that is particularly gendered with the gender wealth gap at 35% in the UK (on average, men have £92,762 more total wealth than women)<sup>2</sup>.

We welcome the announcements of increases to National Living Wage, minimum wage, and apprentice wage. We know women are more likely to be in low-paid precarious work, and increasing these wages based on recommendations from the Low Pay Commission will help offset the higher levels of low pay and resulting poverty that women tend to face. This is

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<sup>1</sup> WRDA (2024). *Gender Inequality in Northern Ireland: Where are we in 2024?* (<https://wrda.net/2024/04/24/gender-inequality-in-northern-ireland-where-are-we-in-2024/>)

<sup>2</sup> UKWBG (2023). *Why taxation of wealth is a feminist issue: A gendered analysis of wealth in Great Britain* (<https://www.wbg.org.uk/publication/why-taxation-of-wealth-is-a-feminist-issue-a-gendered-analysis-of-wealth-in-great-britain/>)

particularly relevant in Northern Ireland where we have a low-income economy. For apprentices' wages, we welcome the increase as we know women in Northern Ireland are more likely to enter apprenticeships at an older age<sup>3</sup>. Living off of apprentice wages during the first year of an apprenticeship can be a real barrier to women entering and/or continuing apprenticeships, particularly women with dependents. We recognise that meeting these increased wages along with increases to employer National Insurance Contributions may put significant pressures on sectors with majority low-paid workers such as childcare and social care. These sectors are essential and female-dominated; we echo calls from the UKWBG asking government to ensure that budget settlements for the relevant departments (Health, Education) and local authorities factor in the additional costs of these changes.

UK Women's Budget Group analysis<sup>4</sup> shows that, while there are foundations set by this budget that will promote gender equality, the budget as a whole lacks the ambition that is needed to tackle so many pertinent issues across the UK. In Northern Ireland, we ask that our own budget is much more ambitious; despite the difficult financial situation we believe this is possible. We call on the government to prioritise low- to no-cost options, set out clear timeframes that involve spend on policies/strategies in this current budget and future budgets to encourage long-term policy development and align the budget to the Programme for Government. We would like to see a focus on the following areas:

There were welcome changes to **social security** that were mentioned in the Autumn Budget, including reducing Universal Credit debt deductions from 25% to 15% and increasing the threshold for Carer's Allowance to 16 hours a week at the National Living Wage (NLW) rate. We regret, however, that the Chancellor did not make reference to the two-child limit, the benefit cap, the 5-week wait, and other aspects of social security reform that keep people in poverty. The need for debt deductions would be significantly less if the 5-week wait for Universal Credit was abolished, a policy that experts have been calling for since its inception and is a driver for illegal lending in Northern Ireland. The minimal changes to Universal Credit are incredibly gendered, as women in Northern Ireland are nearly twice as likely to be in receipt of Universal Credit than men<sup>5</sup>. While the increase to the Carer's Allowance threshold will alleviate some constraints on working carers, there is nothing announced for carers that are unable to work due to their caring responsibilities. This is a significant gap as 28% of unpaid carers live in poverty and 46% of those in receipt of Carer's Allowance living in poverty<sup>6</sup>. Removing the two-child limit, a move that would take about half of a million children out of poverty across the UK<sup>7</sup>, was not mentioned last week despite the government's focus on ending child poverty. We ask that the Northern Ireland government invests in protecting the welfare mitigations currently in place by extending them past the 2025 cliff edge and further strengthening them to tackle rising rates of poverty in Northern Ireland. We endorse the three key recommendations from the Cliff Edge

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<sup>3</sup> Ballantine, J., Rouse, M., Gray, A.M. (2021). *Gender Budgeting: Working Paper 2, Case Study: Apprenticeships in Northern Ireland* ([https://www.ark.ac.uk/ARK/sites/default/files/2021-02/Gender\\_Budgeting-2.pdf](https://www.ark.ac.uk/ARK/sites/default/files/2021-02/Gender_Budgeting-2.pdf))

<sup>4</sup> UKWBG (2024). *Some promising green shoots for women: challenge of poverty remains, says WBG* ([Some promising green shoots for women: challenge of poverty remains, says WBG – Women's Budget Group](#))

<sup>5</sup> NISRA (2024). *Universal Credit Publication, Data To 31 May 2024* ([Universal Credit Publication](#))

<sup>6</sup> CarersNI (2024). *Carer's Allowance and poverty in Northern Ireland* (<https://www.carersuk.org/media/zy3lt5yk/carers-allowance-and-poverty-in-northern-ireland.pdf>)

<sup>7</sup> Save the Children (2024). *Save the Children Welcomes Announcement of Child Poverty Taskforce but the Two-Child Limit Must Be Scrapped at the Autumn Budget* (<https://www.savethechildren.org.uk/news/media-centre/press-releases/save-the-children-welcomes-child-poverty-taskforce-two-child-lim#:~:text=With%201.6%20million%20children%20impacted,of%20the%20Child%20Poverty%20Taskforce.%E2%80%9D>)

Coalition<sup>8</sup> regarding (1) resolving the 5-week wait in Universal Credit, (2) removing the two-child limit, and (3) providing support to private renters affected by the Local Housing Allowance. Further structural change is needed to the social security system to eradicate poverty, but these recommendations are low cost options that can help alleviate poverty rates in the 2025/2026 Budget.

The Chancellor announced £1.8 billion to expand **early education and childcare** services in England; it is positive to see commitment to resourcing services that both ensure women working in childcare are in stable, high-quality jobs, and help women with children get into/stay in employment. Northern Ireland is the only part of the UK without free childcare provision, and government has recently made a commitment to early education and childcare by developing the Early Learning and Childcare strategy. Within the draft Programme for Government, 'Deliver More Affordable Childcare' is listed as one of the nine priorities. We expect to see the Barnett consequential from the £1.8 billion directed towards further investment in implementing the childcare strategy in the 2025/2026 Budget.

Noticeably missing from the Chancellor's speech was **climate change**, which is an increasingly immediate issue that we know will have an adverse impact on women<sup>9</sup>. **Ending violence against women and girls**, which has been called an 'epidemic' in Northern Ireland, was also not mentioned by the Chancellor and is both a cause and consequence of inequality. Both of these issues cost the Executive significant amounts of money acting in response to these crises. We hope that in our own budget, we see an alignment of the draft PfG priorities 'Protecting Lough Neagh and the Environment' and 'Ending Violence Against Women and Girls' with the 2025/2026 Budget.

It is important to reiterate that, while the Autumn Budget is important, it is our own budget that will outline the prioritisation of spend in Northern Ireland. We welcome the Minister's announcement that the Northern Ireland Budget will be published next month and that there will be a 12-week consultation period. We look forward to engaging further with the Budget and we will continue to highlight the important role of budgets in achieving gender equality.

**The Northern Ireland Women's Budget Group (NIWBG) is made up of organisations and individuals from the women's sector, trade union movement, academia and wider civil society in Northern Ireland, with the aim of implementing a gender equal economy. The NIWBG works with a range of organisations in Northern Ireland on devolved issues and with sister organisations in Wales, Scotland, England and Ireland on East-West and North-South issues.**

**Please direct any questions to Alexandra Brennan, Coordinator of the NIWBG, at [info@niwbq.org](mailto:info@niwbq.org).**

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<sup>8</sup> Cliff Edge Coalition NI (2024). *Cliff Edge Coalition - Briefing* (<https://www.lawcentreni.org/wp-content/uploads/2024/06/Cliff-Edge-Coalition-Briefing-June-2024.pdf>)

<sup>9</sup> World Economic Forum (2024). *Climate change impacts women more. We must legislate to protect their health* (<https://www.weforum.org/stories/2024/01/women-health-climate-change/#:~:text=A%20report%20launched%20at%20COP28,to%20leave%20their%20homes%20worldwide.>)