Title: Domestic Abuse (Safe Leave) Act (Northern Ireland) 2022 – Implementation	Regulatory Impact Assessment (RIA)	
	Date: 11/6/24	
	Type of measure: Secondary legislation	
Lead department or agency:	Stage: Initial	
Department for the Economy	Source of intervention: Domestic NI	
Other departments or agencies:	Contact details:	
	safeleaveconsultation@economy-ni.gov.uk	

Summary Intervention and Options

What is the problem under consideration? Why is government intervention necessary? (7 lines maximum) Northern Ireland currently offers no method of paid leave to employees in cases of domestic abuse. The social and financial burdens this creates may therefore be a factor in determining whether other existing leave entitlements are taken or not and whether affected individuals are able to access vital and necessary services. To address this, the Domestic Abuse (Safe Leave) Act (Northern Ireland) 2022 ("the Act") was passed by the Assembly in May 2022. The purpose of the Act is to introduce a statutory provision requiring the Department for the Economy to make regulations providing for paid leave for workers/employees that are victims of domestic abuse in each leave year. The proposal is to introduce a statutory entitlement of 10 days paid safe leave.

What are the policy objectives and the intended effects? (7 lines maximum)

The Act contains a statutory provision requiring the Department for the Economy to make regulations providing for 10 days paid leave in each leave year for workers/employees that are victims of domestic abuse. The right applies to both workers and employees and the cost of safe leave is met by employers. Safe leave is for each leave year and therefore cannot be carried over into a new leave year. The Department wishes to develop appropriate regulations so that it meets the needs of victims of domestic abuse and ensures that employers understand and can fulfil their obligations. The regulations will create a minimum standard for an issue which may be difficult to navigate by employers and employees.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base) (10 lines maximum)

- 1) Do nothing.
- 2) Statutory provision Introduce regulations which will allow workers and employees at least 10 days paid safe leave in each leave year (preferred option).

The preferred option is Option 2.

Option 1 is not a viable option as there is a statutory obligation set out in law. The Department has a duty to make regulations to provide 10 days safe leave. Doing nothing would also mean that victims of domestic abuse were not able to access paid time off work in order to deal with issues related to domestic abuse.

Will the policy be reviewed? Yes	If applicable, set review date:

Cost of Preferred (or more likely) Option			
Total outlay cost for business £m	Total net cost to business per year £m	Annual cost for implementation by Regulator £m	
0.598	1,516	0.0015	

Does Implementation go beyond minimum EU requirements?			YES X	NO 🗌
Is this measure likely to impact on trade and investment?			YES 🗌	NO X
Are any of these organisations in scope?	Micro Yes X No	Small Yes X No 🗌	Medium Yes X No 🗌	Large Yes X No □

The final RIA supporting legislation must be attached to the Explanatory Memorandum and published with it.

Approved by: Colin Jack Date: 13 June 2024

Summary: Analysis and Evidence

Policy Option 2

Description: Introduce regulations which will allow workers and employees up to 10 day safe leave in any leave year

ECONOMIC ASSESSMENT (Option 2)

Costs (£m)	Total Transitional (Policy)	Average Annual (recurring)	Total Cost
	(constant price)	Years	(excl. transitional) (constant price)	(Present Value)
Low	199,227		606,587	805,814
High	1,195,360		3,033,278	4,228,638
Best Estimate	597,680		1,516,639	2,114,319

Description and scale of key monetised costs by 'main affected groups' Maximum 5 lines

The total year one cost to employers is estimated to be some £2.114 million. This will be incurred as employers familiarise themselves with the proposals. Some employers may require minor amendments to their HR or internal reporting systems to ensure that the privacy of applicants for safe leave is maintained. This is captured in administration costs. Employers will incur salary costs for the period of safe leave related absence.

Other key non-monetised costs by 'main affected groups' Maximum 5 lines

Employers may be impacted by employee absence during a period of safe leave. This may have implications for productivity, staff availability and training needs. While these may be short term non-monetised costs and would already be experienced by employers during periods of other short notice leaves of absence such as sick absence, it is appropriate to acknowledge these.

Benefits (£m)	Total Transitional (Policy)	Average Annual (recurring)	Total Benefit
	(constant price)	Years	(excl. transitional) (constant price)	(Present Value)
Low	0		521,300	521,300
High	0		2,606,502	2,606,502
Best Estimate	0		1,303,251	1,303,251

Description and scale of key monetised benefits by 'main affected groups' Maximum 5 lines

Victims of domestic abuse who are workers and employees will be able to take paid leave from work in order to help them deal with issues related to domestic abuse. This will mean that they can have paid time off from work to help them deal with extremely traumatic circumstances, helping them to maintain income at a time they might need it most. In terms of employer benefits, the benefits of this entitlement are non-monetisable.

Other key non-monetised benefits by 'main affected groups' Maximum 5 lines

The ability to take safe leave may encourage workers and employees to confide in their employer at an earlier stage which may in turn encourage them to seek the necessary support to help them escape their situation. Safe leave may help workers and employees stay in employment and help them maintain financial independence and employment. Employers may benefit from the retention of valued staff and increased employee engagement and associated productivity increase.

Key Assumptions, Sensitivities, Risks Maximum 5 lines

- 1. Only those who need to take safe leave will seek to use it.
- 2. That the methodology for anticipating the uptake of safe leave is the best estimate recognising existing data limitations and the relative lack of robust outcome data from similar legislation implemented elsewhere recently.
- 3. That the up take will be comparatively low when compared to other types of paid leave.
- 4. The calculations below are based on existing data relating to the reporting of domestic abuse and do not take account of any possible adjustment in the level of reporting or disclosure.
- 5. The focus of cost of policy in this assessment is on costs to businesses and not government, therefore public sector expenditure is not included.

BUSINESS ASSESSMENT (Option 2)

Direct Impact on business (Equivalent Annual) £m			
Costs: 1,516	Benefits: 0	Net: 1,516	

Cross Border Issues (Option 2)

How does this option compare to other UK regions and to other EU Member States (particularly Republic of Ireland) Maximum 3 lines

There is no legal entitlement to paid leave from work for victims of domestic abuse in Great Britain (GB) or in the EU more generally. However, a statutory right to 5 days paid leave came into effect on 27th November 2023 in the Republic of Ireland.

Evidence Base

There is discretion for departments and organisations as to how to set out the evidence base. It is however desirable that the following points are covered:

- Problem under consideration;
- Rationale for intervention;
- Policy objective;
- Description of options considered (including do nothing), with reference to the evidence base to support the option selection;
- Monetised and non-monetised costs and benefits of each option (including administrative burden);
- Rationale and evidence that justify the level of analysis used in the RIA (proportionality approach);
- Risks and assumptions;
- Direct costs and benefits to business;
- Wider impacts (in the context of other Impact Assessments in Policy Toolkit Workbook 4, economic assessment and NIGEAE)

Problem under consideration

Domestic abuse impacts all aspects of a victim's life. It is becoming an increasingly accepted and understood position that domestic violence is both a societal issue and a workplace issue. Domestic violence has a real and tangible impact on employees and employers in the workplace. While an increasing number of employers have voluntarily recognised this issue and put in place arrangements to permit their staff to take leave to help them deal with matters relating to domestic abuse, this is not universally accessible to those who need it. There is currently no statutory right in operation in Northern Ireland which specifically permits paid time off for domestic violence related leave.

The NI Assembly recognised this when it passed into law the Domestic Abuse (Safe Leave) Act (Northern Ireland) 2022 ("the Act"). Assembly Members stressed that one of the important features of the Act is that it will help victims of domestic abuse maintain their financial independence and be able to access leave from work without losing income. Remuneration for safe leave should reflect the employee's usual rate of pay and is paid by the employer.

The Department is committed to developing and delivering a framework which makes these 10 days paid leave available to workers and employees who are the victims of domestic abuse.

Rationale for intervention

The rationale for this intervention is, as set out above, that domestic violence is both a societal **and** a workplace issue.

In the UK Government research paper 'Workplace support for victims of domestic abuse' it is stated that as many as one in five victims may need to take time off work because of abuse¹.

The same paper highlights that while the biggest component is the physical and emotional harms incurred by victims (£47 billion), this is followed by considerable costs to the economy (£14 billion) due to lost output due to time off work and reduced productivity as a consequence of abuse.² It also highlights that for employers, domestic abuse can mean a reduction in productivity and staff unexpectedly taking time off work – which can have impact on the wider team and workplace environment. It also suggests that productivity and absence linked to domestic abuse can mean significant economic losses for individuals and employers. Research by Vodafone and KPMG found that the potential loss of earnings per female victim of abuse is £5,800 each year, stemming from the

¹ Domestic Violence and the workplace | TUC

² The economic and social costs of domestic abuse (publishing service gov.uk)

negative impacts on career progression. Meanwhile, UK business lose £316m in economic output each year as result of work absences related to domestic abuse³."

In light of these economic impacts, it is clear that affirmative action is merited.

In addition to the economic issues, the Department understands that employment may provide a pathway to help someone leave a violent relationship. Safe leave could provide important help to workers who experience domestic violence. Employment can help individuals to maintain financial independence and security. It can also provide a route and the opportunity to access relevant services.

Policy objective

As set out above the key policy objective of the Department, in accordance with the provisions of the Act, is to make regulations providing for 10 days paid leave for workers/employees that are victims of domestic abuse in each leave year. While employers will have the discretion to grant more than 10 days, 10 days will be the statutory maximum in any leave year.

The Department's policy intent when developing regulations is to ensure that the safe leave framework can meet the needs of victims of domestic abuse while ensuring that employers understand and can fulfil their obligations.

In particular, the Department is focused on:

- Creating a framework that can be easily accessed by those who need to use it. The Department
 is mindful that the process should be as simple as possible so that it does not add to the trauma
 that victims of domestic abuse have already experienced.
- Creating a framework where the measures operate well, and employers can easily understand
 their obligations and how they can support their employees using these provisions. We need to
 ensure that the process will help build on and maintain supportive working relationships for
 victims of domestic abuse and their employers.
- At all stages, that those involved in the process are fully cognisant of the need to protect the
 privacy and security of the victim when managing information required to be provided by the
 employee/worker and minimising, where possible, the administrative burden on the employer.

Description of options considered (including do nothing), with reference to the evidence base to support the option selection.

1. Do nothing

This is not a viable option as there is a statutory obligation set out in law. The Department has a duty to make regulations to provide 10 days safe leave. Doing nothing would also mean that victims of domestic abuse were not able to access paid time off work in order to deal with issues related to domestic abuse.

2. Statutory provision - Introduce regulations which will allow workers and employees 10 days safe leave in each leave year (preferred option)

The preferred option is Option 2. This option reflects the intent of the Northern Ireland Assembly. As previously stated, given the rationale set out above about the impact of domestic violence on individuals and their employment/employer, the Department also supports the position that this statutory provision should be fully implemented.

Monetised and non-monetised costs and benefits of each option (including administrative burden)

The potential costs and benefits identified in this Impact Assessment are summarised in the table below.

³ New research shows how domestic violence and abuse affects UK workplace - Vodafone UK News Centre

Table 1: Summary of costs and benefits

Type of cost/benefit	Descriptor
Absence costs	The cost of absence is the remuneration the employer pays even though the employee/worker is absent.
Familiarisation costs	Employers will have to familiarise themselves with the new policy to understand how to fulfil their obligations when a worker makes a request for safe leave.
Administrative costs	Employers may incur administrative costs as they administer requests for safe leave through their internal HR systems.
Exchequer costs	The cost of producing statutory guidance and conducting the initial statutory one year review and subsequent reviews at three year intervals.
Employee benefits	The ability to take safe leave may encourage workers and employees to confide in their employer at an earlier stage. This may, in turn, encourage them to seek the necessary support to help them recover and rebuild their lives. Safe leave may help workers stay in employment thus helping maintain financial independence and employment at a crucial time.
Employer benefits	Employers may benefit from the retention of valued staff as well as avoiding the cost of recruitment if a worker is able to remain in employment after availing of safe leave. There may also be a positive contribution to overall employee engagement of both the individual who needs to access safe leave, as well as colleagues. Improved employee engagement has a positive impact on productivity ⁴ .

Monetised costs

Cost to Employers

The table below provides a summary of all the additional costs of introducing safe leave rights described in this impact assessment.

Table setting out anticipated costs to employers

Cost	High (0.05)	Best (0.025)	Low (0.01)
One off costs ⁵ (familiarisation)	1,195,360	597,680	199,227
Cost of absence ⁶	2,606,502	1,303,251	521,300
Administration costs ⁷	426,776	213,388	85,287
Total	4,228,638	2,114,319	805,814

Cost to Exchequer

⁴ Employee Engagement & Motivation | Factsheets | CIPD

⁵ NI Businesses who employ x Personnel Labour costs per hour x Time taken . It has been assumed that time taken will be 60 min high, 30 mins Best and 10 mins Low.

⁶ See Annex A for further details

⁷ Personnel labour costs x 5 hours x take up. It has been assumed high take up will be 5%, Best estimate is 2.5% and low is 1%.

The table below sets out the cost of producing statutory guidance and conducting the initial statutory one-year review and subsequent reviews at three-year intervals.

Cost	Year 1	Year 3 (recurring)
Statutory Guidance	10,000	5,000
Statutory Review	10,000	5,000

Non-monetised costs and benefits

The proposed policy is expected to have economic and non-economic impacts beyond those monetised in this impact assessment. These impacts are likely to be small, from a macroeconomic perspective, due to the hopefully relatively low number of employed people who will need to take safe leave. However, for those who take safe leave, the beneficial impact will be significant and important.

Benefits to employee

The ability to take safe leave may encourage workers and employees to confide in their employer at an earlier stage which may in turn encourage them to seek the necessary support to help them recover and rebuild their lives. Safe leave may help workers stay in employment thus helping maintain financial independence and employment at a time when they might need it most.

Benefits to the Employer

Employers may benefit from the retention of valued staff as well as avoiding the cost of recruitment if safe leave has prevented employee exit. There may also be a positive contribution to overall employee engagement of the individual who needs to access safe leave and their colleagues. Improved employee engagement has a positive impact on productivity⁸.

Benefits to the economy and the Exchequer

Supporting victims of domestic abuse in the manner proposed may help to maintain their attachment to the labour market with both short-term and long-term benefits to the economy, society and the Exchequer.

Rationale and evidence that justify the level of analysis used in the RIA (proportionality approach)

There are a significant number of issues which make accurately forecasting the potential uptake of domestic abuse safe leave difficult. It is recognised that the available statistics on the occurrence of domestic violence may not be fully reflective as many incidents of domestic violence are unreported. It is also difficult to estimate how likely or frequently victims of domestic abuse will exercise this right.

In developing this impact assessment, the Department has considered Northern Ireland specific domestic abuse data, employment and earnings data, and data on the size and structure of employers in Northern Ireland to estimate the cost of introducing Domestic Abuse – Safe Leave. The Department has made its best effort in its analysis. There are recognised assumptions and limitations that caveat these estimates.

Further analysis will be undertaken upon completion of the consultation exercise in order to reflect any additional evidence submitted by consultees. An updated and final regulatory impact will be produced alongside the safe leave regulations.

Risks and assumptions

Direct costs and benefits to business

If required, detailed analysis of direct costs and benefits to business will be undertaken upon completion of the consultation exercise and prior to further evaluation of policy options.

⁸ Employee Engagement & Motivation | Factsheets | CIPD

Wider impacts (in the context of other Impact Assessments in Policy Toolkit Workbook 4, economic assessment and NIGEAE)

Wider impacts will be considered upon completion of the consultation exercise and prior to further evaluation of policy options.

Absence Costs Calculation

Summary

Domestic abuse victimisation and employment characteristics vary considerably across sex and age groups. To account for this in absence cost calculations, wage costs are calculated separately for a total of 10 demographic groups: five Labour Force Survey age groups (16-24, 25-34, 35-49, 50-64, 65+) split by sex. The wage costs associated with each group is then summed to generate a cost estimate in a given year (FY2022/23).

In each of the 10 demographic groups:

Estimated number of domestic abuse victims in group x Estimated number of private sector employees in group as proportion of total population x Proportion of male/female domestic abuse victims taking time off work x Median weekly private sector employee pay in group x 2 + Non-Wage Labour Cost = Cost of Absence in group.

Explanation

The estimated number of domestic abuse victims is calculated using publicly available PSNI Domestic Abuse Statistics. The number of recorded domestic abuse victims in five age groups is multiplied by the male and female proportions of total victims (Assumptions 1 and 2), splitting the five age groups by sex and creating a total of 10 groups.

The estimated number of private sector employees is then calculated for the same* 10 groups by applying the male and female proportions of self-employment (NISRA Labour Force Survey) to each age group, and then the male and female proportions of public sector employment (NISRA Quarterly Employment Survey) (Assumption 2). This is then divided by the total population, giving an estimated number of private sector employees in group as proportion of total population for each of the 10 groups.

In each of the 10 groups, the *estimated number of domestic abuse victims* is then multiplied with the *estimated number of private sector employees in group as proportion of total population* to estimate the number of private sector employees who are victims of domestic abuse (Assumption 3).

The proportion of male/female domestic abuse victims taking time off work is sourced from the British Crime Survey. The two proportions reflect the number of male and female victims of domestic abuse who indicated they had taken time off work due to domestic abuse. In each of the 10 groups, the estimated number of private sector employees who were victims of domestic abuse is multiplied with the proportion corresponding to the sex category of the group. This produces an estimate of the number of private sector employees who would take time off work due to domestic abuse in each of the 10 groups (Assumptions 2, 4 and 5).

In each of the 10 groups, the estimated number of private sector employees who would take time off work due to domestic abuse is multiplied with that group's *median weekly private sector employee pay* excluding overtime (NISRA Annual Survey for Hours and Earnings), and then multiplied by 2 on the basis that fortnightly pay broadly reflects that of 10 working days (Assumption 6).

The total fortnightly pay of each of the 10 groups' estimated number of private sector employees who would take time off work due to domestic abuse is then summed, producing a central estimate of the overall *wage cost of absence* in a given year following the introduction of Domestic Abuse Safe Leave.

The *non-wage labour cost* (NWLC) is estimated to be 17.95% of wages. Summing the wage costs and NWLC gives the estimated total *cost of absence* in a given year following the introduction of Domestic Abuse Safe Leave.

For the lower estimate of *wage cost of absence*, the estimated number of private sector employees who would take time off work due to domestic abuse in each group is reduced to two-fifths of the number in

the central estimate. For the higher estimate, it is doubled. The higher and lower estimates do not follow Assumption 4.

*Due to differences in age bands used in reporting PSNI Domestic Abuse Statistics and the NISRA Labour Force Survey, domestic abuse victim data from the 15-19 and 20-24 age groups is used to estimate the number of private sector employees who are victims of domestic abuse in the 16-24 group.

Assumptions:

- 1. The number of domestic abuse victims recorded by the PSNI accurately represents the number of people in scope of Domestic Abuse Safe Leave.
- 2. The sex differences in domestic abuse victimisation, probability of taking leave due to domestic abuse, self-employment and public sector employment are consistent across age groups.
- 3. Domestic abuse victims have the same probability of being in private sector employment as the total population.
- 4. The proportion of domestic abuse victims who took time off work due to domestic abuse would not change with the introduction of Safe Leave.
- 5. Those who would normally take some form of leave due to domestic abuse would instead use Safe Leave if it were available.
- 6. Those who avail of Safe Leave use the entire 10-day entitlement.