



Crosscare Pre-Budget Submission-Budget 2018

Crosscare 07/07/2017

Pre-Budget Submission to the Department of Social Protection – on the protection of young unemployed adults under 26 affected by homelessness

Contents

Executive Summary.....	2
Crosscare's work 2016	3
Primary objective for young jobseekers	4
Developments in 2016.....	4
Young Adults and Homelessness in Dublin	5
Housing crisis	5
Crosscare's work with young adults in homeless services	6
Transition to Housing Assistance Payments	6
Changes to Jobseekers' supports.....	7
Case Study: Harry.....	8
Care Leavers with no access to the Aftercare Allowance	9
Young adults and Leaving Direct Provision.....	10
Case Study: Ibrahim	12
Conclusion.....	13
Recommendations	14
Appendices.....	15

Executive Summary

About Crosscare

Crosscare is the social support agency of the Dublin Archdiocese. With over 75 years' experience of working with those in vulnerable and marginalised situations, Crosscare's vision is of a society where all people have the opportunity to fulfil their potential. Working in the areas of youth work, homelessness, community supports and food poverty, our mission is to provide innovative and relevant services to those most in need.

Crosscare's vision is of society where all people have the opportunity to fulfil their potential and our mission is to provide innovative and relevant services to those most in need regardless of their ethnicity, nationality, religion, beliefs or sexual identity. Crosscare's values are love, respect & excellence. Details on Crosscare's work during 2016 is outlined on page 3.

Budget 2018

For Budget 2018, Crosscare continues its objective to secure commitment from the Government and the Department of Social Protection to alleviate the impact on young adults aged 18 to 25 living in poverty.

Crosscare's pre-budget submission in July 2016 (appendix 1) and subsequent submission to the Department of Social Protection in November 2017, *'Submission to the Department of Social Protection on policy approaches to alleviate poverty for young people under 26 at risk of experiencing poverty'* (appendix 2) provided evidence based analysis on young adults adversely affected by age-related payments and provided pragmatic and achievable recommendations. During two meetings with the Minister for Social Protection Crosscare discussed the issues affecting three specific groups of young adults aged 18 to 25 namely:

- 1. Stamp 4 residents leaving Direct Provision and living independently**
- 2. Emergency accommodation residents**
- 3. State Care leavers living independently**

The Department undertook costings based on these recommendations and it remains to be seen if these will have any influence on Budget 2018.

To date, job-seeking adults aged 18-25 who are affected by homelessness or are at risk of homelessness continue to experience the same issues and are living in poverty. With the exception of the minimal changes to rent supplement personal contributions and weekly increase of €2.70 for Jobseekers aged 18-24 and €3.80 for Jobseekers aged 25 in Budget 2017, progress has not been made in relieving the adverse impact that is specifically facing the aforementioned three groups.

CROSSCARE WORK 2016



Homelessness

- Accommodated 2,024 people and 125 families in our 6 residential services in city centre & Dun Laoghaire
- Of our former residents, we supported 93 people to find their own homes and supported 97 people to stay in their own homes



Young People

- Worked with 4,178 young people through our youth work services
- Supported 4,726 young people through our voluntary youth clubs and Summer projects
- Had 9,380 contacts from young people to our youth information service
- Supported 57 young adults formerly in care through our aftercare service
- Supported 13 young people in our 6-bed residential setting
- Provided counselling to 374 families in our 6 teen counselling centres



Community

- Provided 127,720 meals through our cafés, meals-on-wheels service and homeless residences
- Distributed almost 8,000 food parcels through our 6 community food banks
- Redistributed 1,468 tonnes of surplus, end-of-line or donated food or hygiene products from our main food bank to member charities and not-for-profit organisations
- Supported 678 people through befriending visits and phone calls, help at meal times and accompanying service to appointments
- Informed and advocated for 4,534 people through 12,515 contacts on residency/social protection/housing/homelessness and other issues
- Celebrated the achievement of 693 individuals who completed 180 courses in our community college
- Worked with 1,627 people on addiction and related matters through 670 counselling sessions and 509 support calls
- Trained 550 parents on parenting, addiction and related matters



Social Policy

In 2016 we used the experiences of people using Crosscare services to move towards improvement of State practices and policies – with a focus on:

- Reinstating full social protection payment for young adults
- Ending inappropriate discharges from hospitals into homeless services
- Making consistently high quality aftercare service available to all leaving care
- Addressing barriers of migrant communities to access homeless, social protection and other supports
- Removing barriers to Irish emigrants returning home



Volunteers

Over 1,850 volunteers supported our work





In 2016 Crosscare celebrated its 75th anniversary

Crosscare, Holy Cross College,
Clonliffe Road, Dublin 3.
Tel 01-8360011 Email info@crosscare.ie

Primary objective for young jobseekers

Crosscare concentrates on both direct service provision and drawing from service users' experiences to influence policy change at a macro level. The issues outlined in this submission are based on the experiences of the people who use Crosscare services and the frontline staff members who work with them every day.

Crosscare believes that there is an opportunity to alleviate poverty and protect young jobseekers affected by homelessness. This submission outlines the obstacles facing specific groups of young jobseekers affected by homelessness who access the services of Crosscare and it proposes recommendations to address them adequately and fairly.

It presents further cases that Crosscare has worked on over the past year to demonstrate a detailed perspective of the issues for the Department and Minister to consider in the plans for Budget 2018.

It is Crosscare's primary policy objective for budget 2018 to call on the Minister's Department to **actively address the income inequality for young people experiencing abject poverty and to end age-related social welfare entitlements.**

Developments in 2016

In 2016, Ireland experienced its first wave of economic recovery since the recession, with higher employment rates and the end to extreme austerity measures. Whilst the housing crisis will remain until the supply of housing starts to relieve extreme pressures of demand, the challenge for Government is to balance the recovery equitably. There are many groups of people who have been adversely affected by the cuts enforced by austerity and it is imperative that those groups who are less visible or who do not have a strong advocating voice are protected from inequities and not left behind in the recovery.

Crosscare works with a broad range of people with various needs including people in homeless services, migrants, youth, people experiencing poverty and people living with addiction, health or mental health needs. Through Crosscare's work with young people across its services in the past year, it is evident that young people continue to present to homeless services or are at risk of homelessness and feel the daily impact on their lives where the safety-net of social protection is significantly restricted. Crosscare calls on the Government to re-instate that essential safety-net to protect these young people most in need.

Young Adults and Homelessness in Dublin

The complexities of homelessness are represented significantly in international research. The pathways to and from homelessness, the length of time spent homeless and the categories of homelessness such as ‘insecure’, ‘houseless’, ‘roofless’ or ‘inadequate’ (defined by European Typology of Homelessness and Housing Exclusion), all contribute to the understanding of the process of homelessness. Most recently, research published by Trinity College Dublin and informed by various voluntary organisations and statutory agencies, revealed the multiple transitions through homelessness and living situations of young adults from 2013-2016¹. The research correlates to some extent with Crosscare’s submissions in relation to the impact of barriers to educational engagement and labour market participation on young adult’s transition from homeless services into independent living:

‘limited access to educational and employment opportunities negatively impacted on the young people’s sense of self-worth and reinforced their socio-economic marginalization.’

The most recent homelessness report on figures for the month of May 2017 reports a total of 780 adults aged 18-24 accessing local authority-managed emergency accommodation². This age group represented 16% of the total persons accessing emergency accommodation in Ireland, and 11% of the total were based in Dublin. The root cause of homelessness is identified as “*the supply shortage across the housing sector*”. Figures for adults aged 25 are included in the 25-44 age category and therefore undistinguishable, but it is inevitable that the representation of people aged 18-25 would be higher where adults aged 25 are included.

Out of Crosscare’s three homeless hostel services, a total of 396 residents were aged 18-25 in 2016. This year so far there are 246 residents aged 18-25 (Appendix 3). Crosscare therefore, is representing a large majority of this age group in homeless services and have a unique and significant insight into their experiences.

Housing crisis

A total of 4,922 adults were recorded as homeless in May 2017 which is up by almost a quarter on the same period in 2016 (3,993). The steady increase is indicative of the shortage level in affordable housing and rental accommodation. Rents have reached pre-recession rates again and the shortage in housing supply has been well documented. Invisible barriers in terms of tenancy selection in the private rented sector and budgeting constraints are a few of the issues that Crosscare has already highlighted to the Department of Housing, Department of Children and Youth Affairs and the Department of Social Protection that negatively and unfairly act as barriers for young people to move out of homeless services and into independent accommodation. Soaring rental rates in Dublin particularly are impacting heavily on the level of move-on of emergency accommodation residents to

¹ *Living in Limbo*, Mayock & Parker, 2017

² Department of Housing, Homelessness Report May 2017

independent living. Strained homeless services and supports have been major barriers to accessing emergency accommodation for young adults with support needs. However, for those eligible for social welfare supports, they face a further constraint: a lower budget to access and sustain a tenancy in an extortionate private rented market.

Crosscare's work with young adults in homeless services

As a Dublin-wide service, Crosscare has worked with 1,399 young adults across its homeless services since the introduction of the age-related Jobseekers Allowance in January 2014. The organisation has possibly the most significant engagement with young adults experiencing homelessness which lends a unique insight into the pathways and issues that this group experiences. Crosscare has endeavored to record and present evidence-based case studies that demonstrate the issues and the impact of age-related payments on this age group of jobseekers. These have been presented to the Department in previous submissions on this matter.

Crosscare's submission in November 2016 outlined both the educational and activation schemes which are exclusionary to young adults according to: categorised age groups, length of time on social welfare, educational attainment and placement availability. It included cases of young adults accessing Crosscare services who are adversely impacted by these barriers. Mayock & Parker³ outline a number of implications for homeless prevention and enhancing support structures, which echo Crosscare's recommendation for a system-based approach that assists young adults into education, training and employment. In other words, supports for young adults to attain skills to earn an independent living where they have been adversely affected.

Young adults aged 18 to 25 with no family care or supports but are 'housing ready' and want to sustain an independent living, are forced to manage on a lower rate Jobseeker's Allowance, placing them at a further disadvantage. The amendments to Jobseeker's Allowance introduced in Budget 2017 made steps towards acknowledging and addressing the inequities imposed on young adults aged 18 – 25, with the reduction in personal rent contribution for those in receipt of Rent Supplement for adults aged 18-25 from €30 to €10 for those in receipt of €102.70 per week and €20 for those in receipt of €147.80 per week.

Transition to Housing Assistance Payments

This year, the roll out of the new **Housing Assistance Payment** by all Local Authorities has presented some disparities. The new system is to replace the Rent Supplement scheme for those on long-term social welfare however; the assessment of personal rent contributions differs from the Department of Social Protection. The changes introduced in Budget 2017 to reduce personal rent contributions to €10 and €20 do not apply to the HAP scheme and rent assessments for HAP appear to be varied across Local Authorities according to the

³ Living in Limbo, Mayock & Parker, 2017

differential rents system. This is affecting the move-on rate of young adults out of homelessness who are concerned about whether they can afford to maintain a tenancy with a higher rent rate than €10/€20 with an income of €102.70/€147.80 per week.

Changes to Jobseekers' supports

The increase in Back to Education Allowance to €160 per week, increasing to €193 from September 2017 is another welcome development for those young adults who meet the qualifying criteria. However, as mentioned in our previous submission, this scheme is one of many that are exclusive to those who meet restrictive qualifying conditions (e.g. aged over 21, PLC and third level, minimum 3-6 months in receipt of social welfare). There is still a gap between those who can access these education and activation schemes and those who are on an inevitable and insecure count down to the end of age-related payments.

The Department's 2016 annual statistics report recorded 25,195 people aged 18 to 24 in receipt of Jobseekers Allowance which represent 11.5% of the total recipients of the scheme (218,260)⁴. A total of 20,994 adults aged 18 - 25 were in receipt of the lower rate of €102.70 per week, that's 71.5% of total Jobseeker's Allowance age-related allowances. A further 1,882 adults aged 18-24 were in receipt of Supplementary Welfare Allowance (also at age-related rate), making 12.5% of the total recipients of the scheme (15,067).

The total aged 18-24 in receipt of employment supports payments was 61,819 (i.e. TUS, CE, Rural Social Scheme, Gateway, Back to Work Enterprise, Back to Education, Partial Capacity, JobBridge, Short term enterprise, Work Placement Programme Graduate, Work Placement Graduate Open).

One welcome announcement from the Department is the amendment to the entrance age onto the CE scheme from 25 years to 21 years with the additional access to a training allowance.

A case study is presented below that demonstrates the experience of one customer who is a resident in Crosscare homeless services, in receipt of an age-related Jobseeker's Allowance and has struggled to access both private rented accommodation and education or training schemes.

⁴ Department of Social Protection, Annual Statistics Report 2016

Case Study: Harry

Harry, a male resident of a Crosscare homeless hostel aged 24 became homeless in July 2016. He had a previous history in homeless services. He is in homeless services for one year now and in receipt of Jobseeker's Allowance at a rate of €102.70 per week. He has no other source of income and no external supports regarding his finances. The service he is in at the moment does not supply food outside the basics of milk, bread and eggs. This means that Harry must use a portion of his JSA to buy food in order to have a more balanced diet.

He pays rent for his accommodation at €25 per week, which includes the cost of utilities. He spends €45 per week on food and toiletries, which leaves him with €30. When he pays €5 per week for phone credit and €10 per week for a gym membership he is left with just €15 per week for clothes and travel expenses.

The cost of private rented accommodation in Dublin is currently at an unprecedented high which, on top of the added cost of utility bills, makes it difficult for him to afford to move out of homeless accommodation.

Income: €100 per week
Rent: €25 per week
Food and toiletries: €45 per week
Gym membership: €10 per week
Phone: €5 per week
Total outgoings: € 85 per week
Remaining: €17.70

Harry has just €17.70 per week remaining for clothes and travel expenses, and nothing at all for any form of social interaction with his peers. His gym membership is the only source of social interaction he has outside of the accommodation. He feels socially isolated from his peers which can have a detrimental effect on a person's self-esteem and mental well-being, particularly for young people. This can lead to them disengaging from the service which in turn makes it that much more difficult to move them out of homelessness. He has made efforts to engage with INTREO supports and access activations schemes, however, his situation is affecting his focus and he needs regular support and encouragement from the Housing Case Manager.

Crosscare does all it can to support young people in Harry's position such as supplying leap cards for residents when they secure viewings for rooms to rent. However the knock-on effect of having to offer these basic extra supports is that young people in particular, feel less independent and less capable of managing independent living.

Care Leavers with no access to the Aftercare Allowance

Crosscare has raised the issue of the disparity in access to support for young adults leaving State Care in previous submissions, outlining the circumstances where a Care Leaver is ineligible for the more sustainable Aftercare Allowance (appendix 2). Mayock & Parker (2017) also refer to the differing of experiences of aftercare provision for young people leaving State Care,

‘which led a number to feeling unsupported as they exited the care system and also led them into situations of ‘hidden’ homelessness and housing precariousness’.

This finding also correlates with Crosscare’s submission which highlighted that there are groups of young people who are leaving State Care and managing an independent living on the age-related payments in the absence of family care or support. It refers specifically to young people who are outside of TUSLA’s Care Leavers policy, which operates a Standardised National Aftercare Allowance for young people leaving care up to the age of 21 who are in full time education or training and therefore excluded those who are not or cannot engage in full time education or training. These Care Leavers are referred to the Department of Social Protection to apply for age-related Jobseeker’s Allowance. Again, they too face all the difficulties mentioned with sustaining a tenancy independent of family care and support.

The recommendation put forward in Crosscare’s previous submission was to increase allowances to those outside of the Care Leavers Policy for reasons such as mental health needs, addiction needs, behavioural or confidence needs and who were engaged with appropriate supports such as aftercare, counselling or addiction services. It remains a key recommendation in this submission to secure a safety net for those young adults who are outside of the TUSLA Care Leavers policy, and access to a full adult rate for this group.

Crosscare has also engaged as a significant key stakeholder in the development of the **Youth Employment Initiative** (YEI) with the East Wicklow Youth Service and the Kildare and Wicklow Education and Training Board. The pilot project engaged 31 young adults classed as ‘NEETS’ (Not in Education, Employment or Training) and engaged them with a Youth Development Officer to work on progressing a career path including accessing training and employment placements. The Initiative had a 61% individual progression rate and is recommended for roll out in other areas of disadvantaged young adults. However, the evaluation of the initiative indicated barriers to success rates as dependent on a number of factors. It highlights both homelessness and age-related social welfare payments as some of the barriers. Homelessness was noted as a growing trend among this age group and particularly affected young people who were engaged in the Aftercare welfare scheme which requires them to be in full time education to stay in their foster aftercare home. This

made participation in the YEI difficult as this project was on a part time basis. Other participants were receiving Carer's Allowance as a way of increasing their income and were restricted to work or take on a course of study of over 15 hours per week. They are faced with giving up this payment to progress in their future job or course prospects and feel it is too much of a risk to let this payment go. Others on €100 JSA found it very restricting and cannot afford to travel to interviews for jobs or travel to open days for courses in Bray or Dublin, as the cost of daily travel from Arklow is so expensive on public transport. One of the recommendations stemming from the YEI evaluation is to offer a higher rate JSA for 18-24 year olds participating in the initiative to incentivise participants. Again, this would require nationwide expansion of the YEI across all youth centres and promotion by the stakeholders.

Young adults and Leaving Direct Provision

Young adults who come through the asylum system in Ireland and who have been granted residency or refugee status are expected to move on from Direct Provision accommodation and live independently. In the asylum system, they are dependent on catered accommodation with only an income of €19.10 per week, a payment that has remained unchanged for 17 years. A welcome increase is expected in August at the rate of €21.60 per week for adults. On obtaining residency, they are asked to move on to private rented accommodation and apply for social welfare. They are not provided with any support to achieve this and must independently manage a tenancy for the first time in Ireland.

There is an immediate impact on these young people. Their circumstances are more varied than young Irish adults and their unique needs must be recognized outside of formal homeless service structures. They often have suffered extremely traumatic experiences in their native country before arriving in Ireland which affects their capacity to engage and live independently. They may not have had access to national social care services or aftercare services, but nonetheless they are young adults facing an independent life without any formal support. They do not have family support and will not have any access to any other financial support. They are isolated further by financial exclusion and will often struggle to sustain an independent living. They face language barriers, difficulty navigating the social welfare system, rent supplement applications, flat-finding, insufficient funds to negotiate a tenancy without either a deposit or rent in advance, and objection to Rent Supplement or HAP tenancies by private landlords. The incentive to seek work is certainly high, but the job market is strained and not sensitive to the needs of inexperienced young people lacking confidence, cultural and educational knowledge and skills.

The Department has recorded 400 adults aged 18-24 in receipt of Direct Provision allowance (€19.10) during 2016, all of whom are entitled to age-related JSA on exiting Direct Provision

when they are granted residency permission. These young adults are also further disadvantaged as they are not entitled to the full JSA on receipt of their residency permission whilst still residing in Direction Provision accommodation. They are currently experiencing extreme difficulties in accessing rented accommodation at current market rental rates and availability shortage.

The following case outlines an example of a Crosscare service user under 25 years old who is both a Direct Provision leaver and is now currently staying in emergency accommodation and receiving €102.70 JSA per week.

Case Study: Ibrahim

Ibrahim, a client of Crosscare Refugee Service and aged 23 years old, became homeless in April 2017. He had been working part-time in Wicklow and living in Dublin. His landlord evicted the tenants to renovate so he had to leave and managed to stay with a friend's flat in Drogheda, sleeping on the floor, for 4 weeks. He could not continue to afford to travel to work from Drogheda and was forced to leave his job. He could not source a new tenancy and came to Crosscare for assistance. He was assisted with accessing emergency accommodation through Dublin City Council and to apply for social welfare. He is now in receipt of JSA at €102.70 per week and has been placed in a shared room in Private Emergency Accommodation in Dublin through the New Communities unit – the community welfare office for non-Irish customers who are homeless. He struggles to manage his subsistence on the allowance. He pays €25 per week for transport (leap card), €60 on food and basics, and €5 on phone credit. He is not charged a fee for the emergency accommodation. He is left with €10 a week to cover any other costs. He is currently practicing Ramadan and does not spend money on socialising but likes to contribute to the Mosque activities. He is making efforts to readjust to his new surroundings and is seeking assistance from the local INTREO office on job-seeking and activation schemes that may be available to him.

Income: €100 per week
Rent: €0 per week
Food, toiletries: €60 per week
Transport: €25 per week
Phone: €5 per week
Total outgoings: € 90 per week
Remaining: €10

Ibrahim has a previous history with Crosscare as he was assisted at the point of his integration into independent living for the first time in Ireland when he received refugee status at the age of 20. He does not have any family in Ireland as he fled his country alone to seek refuge in Ireland. Crosscare assisted him with looking for rented accommodation, which he later found for himself, and with accessing social welfare at that time. He also matched with one of Crosscare's volunteer befrienders who support the integration of refugees in Ireland. He needed a lot of support during that time and he worked hard to succeed at independent living and had found work despite speaking only Basic English. He is an example of the category of adults aged 18-25 who need support on leaving Direct Provision, who, with supports can succeed in living independently and finding employment. It is unfortunate that he has been pushed into homelessness as a result of the housing crisis despite his best efforts to succeed independently. He too is faced with similar difficulties to move on from homelessness those of residents of Crosscare homeless services aged 18-25.

Conclusion

This submission presents the ongoing policy failure that causes income deprivation and exclusion of young adults from access to equal social welfare and job supports that are available to all other jobseekers. It is specifically concerned with adults aged 18 – 25 who are at risk of homelessness or who are currently experiencing homelessness. The identified three groups have not been adequately protected by social protection policy and continue to struggle to move out of poverty and homelessness.

The experience of Crosscare in working with young adults that engage with its services is that these adults are motivated and always incentivised to sustain an independent living. They are looking for a fair chance to reach their potential but they are experiencing further inequity that is being imposed by the government and actively obstructs their independence and success. Age-related Jobseeker's Allowance is clearly an obstruction of rights based on age discrimination which is deepening income deprivation and exclusion. Restricted job supports similarly deprive young adults equitable access to the labour market compared to jobseekers over 25 and further isolates those affected by homelessness. The analysis and case studies from this and previous submissions form Crosscare's position on the unjust policy that the groups of young adults affected by homelessness are forced to endure.

Living costs are the same for this age group and the lower rates of €102.70 or €147.80 per week are not adequate to the cost of living. The age-related Jobseeker's Allowance falls well below the Minimum Essential Standard of Living (MESL) developed by the The Vincentian Partnership for Social Justice, who responded to the 2017 budget stating that the marginal increase will not 'enable young adults to live at an acceptable level without significant familial support'⁵. Familial support is a benefit that the three groups of concern cannot avail of.

The income deprivation residents in Crosscare has caused increased costs to Crosscare, taking on expenses such as bills, food, transport (leap cards) etc within the homeless services. Notwithstanding the pressures on the private rental market and competition from other employed renters, the young adults who are homeless and leaving State Care or Direct Provision have a multitude of obstacles preventing their move-on from homelessness and into self-sustained living.

⁵ <https://www.budgeting.ie/download/pdf/vpsjbudget2017mebsimpactbriefing.pdf>

Recommendations

Crosscare repeats its call to the Minister for Social Protection to remove the injustice of age-related payments and reverse the cuts to adults aged 18-25. Jobseeker supports must also be expanded.

3 key policy responses are required:

- 1. Restore full adult rate payments to adults aged 18-25, starting with those most in need, namely the three most affected groups: those in Homeless Services, those leaving State Care and those leaving Direct Provision.**
- 2. Provide greater access to Jobseeker supports and activation schemes for adults aged 18-25 that provides support to engage in a pathway to education and training. This should include national rollout of the Youth Engagement Initiative, an expansion of English language classes, and more activation scheme placements to be made available on demand.**
- 3. The HAP minimum contribution rates should be the same as the Rent Supplement minimum contribution rates for adults aged 18-25 in receipt of age related payments. The Department needs to ensure that this is implemented by the Department of Housing, Planning, Community and Local Government in order to remove any disincentives to exiting homelessness where claimants will be left with an even lower disposable income. The contribution rates should be consistent across all local authorities.**

Appendices

1. *Youth Poverty & Social Exclusion Pre-Budget Submission to the Department of Social Protection*, Crosscare, 2016
2. *Submission to the Department of Social Protection on policy approaches to alleviate poverty for young people under 26 at risk of or experiencing homelessness*, Crosscare, 2016
3. Crosscare Homeless figures for under 26's, PASS Data, Dublin Region Homeless Executive, 2017
4. Youth Employment Initiative – Arklow, Angeline Pluck, Crosscare, Kildare and Wicklow Education and Training Board, Wicklow Youth Service, 2017