

Paving a Pathway out of Poverty



Mission Statement

The Society of St Vincent de Paul is involved in a diverse range of activities characterised by:

Support and friendship

Through person-to-person contact, we are committed to respecting the dignity of those we assist and fostering self-respect. We assure confidentiality at all times and endeavour to establish relationships based on trust and friendship.

Promoting self-sufficiency

It is not enough to provide short-term material support. Those we assist are also helped to achieve self-sufficiency in the longer-term and the sense of self-worth this provides. When problems are beyond our competence, we enlist the support of specialised help.

Working for Social Justice

We are committed to identifying the root causes of poverty and social exclusion in Ireland and, in solidarity with people experiencing poverty and disadvantage, to advocate and work for the changes required to create a more just and caring society.

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Foreword by SVP National President

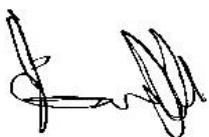
With austerity no longer featuring in news headlines, it is easy to forget that there are still thousands of people who continue to struggle on limited incomes. Particularly stark is that compared to 2008, 70,000 more children are growing up in poverty and are missing out on childhood experiences others take for granted. Every week we meet families caught in a poverty trap and struggling to afford basics. In 2017, one in three of the 130,000 calls to SVP for help were related to food poverty. Our experience shows that when times are tough, food is typically what families cut back. Rising housing costs mean this is increasingly the case.

SVP know from our visits that it's not possible for anyone to have a chance in life unless they first have a secure, safe home. State investment in social housing always pays dividend by supporting citizens to work or study and bring up their children in a secure environment. But the situation is not improving. As I write this, there are currently 5,989 adults and 3,755 children homeless. We constantly are engaging with people who just want a home. Many people we meet, including those living in emergency accommodation, are working but cannot afford private rents.

We also know that education can break the cycle of poverty. But if children don't have the materials they need to learn, or they can't take part in activities like their friends, this negatively influence their experience of school. If we want all children to reach their potential, school costs must stop being a barrier to participation. At the same time, we need to start investing much earlier. Before children from disadvantaged backgrounds even start school, they have already fallen so far behind their peers, that it is almost impossible to make up the lost ground. For those who defy the odds and get the results they need, college may still be out of the question due to costs.

"I am asking that you look after people who have too many needs and not enough rights – people who demand with reason a greater say in public affairs, freedom from poverty, access to education and security in employment." *Blessed Frederic Ozanam*

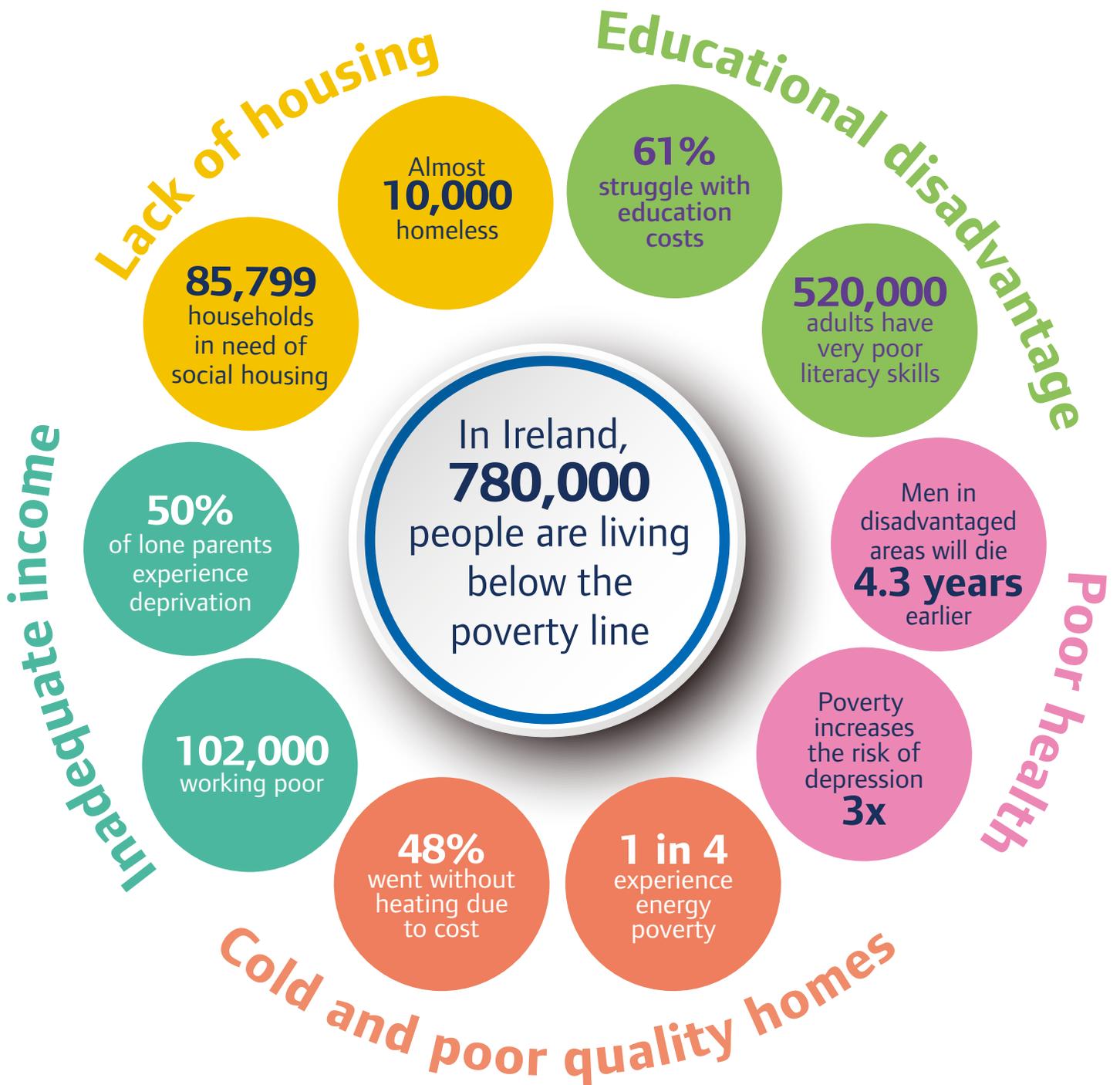
Irish society must not accept that poverty or inequality is acceptable. It is a basic human right to live with dignity, but poverty takes away that right. Our submission is a blueprint for an equal society, promised by so many in authority, and if implemented, would positively change many lives.



Kieran Stafford

National President, Society of St Vincent de Paul

THE PERVASIVE IMPACT OF POVERTY



130,000 calls for assistance

SVP's Response

 €12.5m on food	 €5.1m on direct financial support to households	 €4.3m on fuel & electricity
 €3.7m on education	 €1m on clothing & furniture	 €0.6m on holidays & outings

Summary of SVP Budget Priorities

Housing

	Responsible Department
Social and affordable housing	
<ul style="list-style-type: none"> Build and acquire public and affordable housing at the requisite level of ambition and resourcing required to meet both current and future demand. Ensure an adequate allocation of social housing is prioritised for those who are homeless. 	DHPLG
<ul style="list-style-type: none"> Protect and expand financing and funding options to ensure the necessary resourcing for building of social housing, including through the <i>Rebuilding Ireland</i> revolving fund. This should include availing of the Structural Reform Clause and ensuring the ability of AHBs to borrow and build social housing is not impeded due to changes in their reclassification. 	DHPLG
<ul style="list-style-type: none"> Review tax measures such as vacant site and vacant property levies, ensuring that measures are adequate in terms of incentivisation and to address speculation and hoarding. 	DHPLG
Homeless prevention and tenancy security	
<ul style="list-style-type: none"> Enhance levels of housing assistance supports to bring them in line with market rents. This should be pursued alongside greater security of tenure and rent certainty measures including considering linking rent increases to the rate of inflation or the rate of CPI. As an interim measure, RPZs should be expanded nationwide and beyond the initial three years. 	DHPLG
<ul style="list-style-type: none"> Develop a fully-funded and evaluated Youth Homelessness Strategy which supports access to a range of housing options, depending on need and preference. Consider the needs of young people during their transition into their new home. 	DHPLG
<ul style="list-style-type: none"> Pursue durable restructuring options in the case of Non-Performing Loans, including favourable rates and mortgage-to-rent options to help ensure people can stay in their homes. Ensure the rights of tenants in buy-to-let properties are protected and given equal weight under a receiver, as well as those that have engaged in restructuring arrangements. 	DHPLG
Standards	
<ul style="list-style-type: none"> Ensure provision of adequate resources and capacity for Local Authorities and Residential Tenancies Board (RTB) to conduct inspections and pursue breaches of minimum standards. Assure protection for tenants against adverse consequences arising from the outcome of an inspection. 	DHPLG

Education including Early Years

	Responsible Department
Quality early years education and care	
<ul style="list-style-type: none"> Base state subsidies on a realistic assessment of the cost of providing quality childcare to ensure that the level is high enough to deliver accessible quality environments for children, reduce the financial burden on parents and improve pay and conditions of staff. 	DCYA
<ul style="list-style-type: none"> Provide the requisite level of resources to implement the recommendations of the <i>Childminding Working Group Report</i>. Begin by establishing a budget line in 2019. 	DCYA
<ul style="list-style-type: none"> Support effective community based early intervention and prevention services aimed at tackling child poverty. 	DCYA
School costs	
<ul style="list-style-type: none"> End the ‘voluntary’ contribution system in non-fee paying primary and secondary schools. Begin by restoring capitation rates to 2010 levels. 	DES
<ul style="list-style-type: none"> Increase funding for the School Book Rental Scheme by €20 million. 	DES
<ul style="list-style-type: none"> Extend the medical card waiver to students eligible for concessionary school transport. 	DES
<ul style="list-style-type: none"> Restore the Back to School Clothing and Footwear Allowance to the 2011 level of €305 for children over 12 years, and to €200 for children under 12 years. Equalise income thresholds for one and two-parent families. 	DEASP
<ul style="list-style-type: none"> Make child benefit payable to families with children over the age of 18 enrolled in secondary school, reflecting the higher educational costs for families with adolescents. 	DEASP
<ul style="list-style-type: none"> Increase funding for the School Meals Programme by 10% to improve access to adequate nutrition for low-income students. 	DES & DEASP
Further and higher education	
<ul style="list-style-type: none"> Increase SUSI maintenance grant rates to bring them in line with the cost of living. As a first step, reverse the cuts to the grant implemented in 2011 & 2012 and restore the adjacent grant distance to 24km. 	DES
<ul style="list-style-type: none"> Expand eligibility of SUSI to part-time students to provide financial support to flexible, mature and part-time learners. 	DES
<ul style="list-style-type: none"> Extend the Cost of Education Allowance to all recipients of the Back to Education Allowance. 	DEASP

Income Adequacy

	Responsible Department
Adequate social welfare	
<ul style="list-style-type: none"> Benchmark all social welfare rates at a level which is sufficient to both lift people above the poverty line and provide them with a Minimum Essential Standard of Living. Restore 2010 rates in real terms, starting with a €5 increase in Budget 2019 with proportionate increases for Qualified Adults and Children. 	DEASP
One parent families	
<ul style="list-style-type: none"> Allow lone parents in employment whose children are aged between 7 and 14 to receive both Jobseekers Transition Payment and Working Family Payment. 	DEASP
<ul style="list-style-type: none"> Increase the earning disregard for the One Parent Family Payment (OFP)/ Jobseekers Transition Payment (JST) to €161 per week to allow lone-parents to take up and increase working hours. 	DEASP
<ul style="list-style-type: none"> Address the anomaly by which lone parents in receipt of Rent Supplement and OFP/JST, who want to take up education or training, are not eligible for SUSI maintenance. 	DEASP & DES
Older children	
<ul style="list-style-type: none"> Recognise the higher costs faced by families with older children by introducing a new rate of QCI for over 12s. Begin by increasing the rate for older children by €5 per week. 	DEASP
Young people	
<ul style="list-style-type: none"> Restore full adult rate to young people under 26 years on Jobseekers Allowance on a phased basis over next three budgets. 	DEASP
Older people	
<ul style="list-style-type: none"> Increase the Living Alone Allowance by €3 to ensure income adequacy for older people living on their own. 	DEASP
Direct Provision	
<ul style="list-style-type: none"> Increase the weekly allowance for children living in Direct Provision to the current rate for a Qualified Child including a €5 increase for over 12s, and the adult weekly allowance to €38.80 as recommended by the Working Group on the Protection Process. 	DEASP
Exceptional Needs Payment	
<ul style="list-style-type: none"> Adequately fund frontline Community Welfare Services to ensure that the service is accessible to those that need it and that a total budget of €50 million is available to meet the exceptional and urgent needs of low-income households. 	DEASP

Energy

	Responsible Department
Income supports	
<ul style="list-style-type: none"> Increase Fuel Allowance to a value of €795 to restore purchasing power parity to 2010 levels. This can be achieved by increasing the rate to €24.85 and reintroducing the 32 weeks payment period. 	DEASP
<ul style="list-style-type: none"> Introduce a new Cold Weather Payment scheme for those in receipt of Fuel Allowance and Working Family Payment, providing a guaranteed extra one-week of fuel allowance payment in the event of extreme cold weather. 	DEASP
Energy efficiency measures	
<ul style="list-style-type: none"> Expand eligibility criteria of the Warmer Home schemes to include those living in the private rented sector. Deliver SEAI grants to enable landlords who provide their properties for HAP tenants to avail of energy efficiency upgrades. 	DCCAE
<ul style="list-style-type: none"> Implement next steps identified in the SEAI Behavioural Insights report, investing in supportive financing schemes and rolling out trusted energy advisors, particularly at community level. 	DCCAE
<ul style="list-style-type: none"> Publish the evaluation and consultation paper on energy efficiency standards in the rental sector at the earliest opportunity. 	DCCAE

Health

	Responsible Department
Medical card thresholds	
<ul style="list-style-type: none"> Increase medical card income thresholds to the equivalent of the highest means-tested welfare payment. Equivalise allowance for dependents in line with other social welfare payments and extend automatic eligibility for the medical card to recipients of the Working Family Payment. 	DoH
Prescription charges	
<ul style="list-style-type: none"> Abolish prescription charges for all medical card holders. Begin by reducing prescription charges for medical card holders from €2 to €1.50 in Budget 2019. 	DoH

Making the Fight against Poverty a Priority

Poverty is unacceptable, especially in Ireland, the fifth wealthiest country in the world.¹ Poverty not only hurts the individual affected; it hurts communities, it hurts the economy, and it hurts society. The risk of poverty among children in Ireland is now above the EU average and the rate for one parent families is the second highest among all EU28 countries just after Bulgaria.² Numerous research reports confirm that groups and communities that suffered most from the recession are now benefiting least from the recovery.³ The negative social and economic costs arising from the recession are still apparent to members of SVP throughout Ireland. In 2017, as the pervasive impact of the housing and homeless crisis intensified, our 11,000 members continued to provide support to thousands of families in need, including help with food, fuel and education costs.

SVP strongly believe that the measurement of our country's success should not just be based on economic growth. A functioning economy means having an adequate social protection floor that meets everyone's basic needs and where no one suffers enforced deprivation. It means having access to decent jobs. It means having equal access to quality housing, education, childcare and healthcare. It means people are healthy and secure and that everyone reaches their potential.

"Poverty is not inevitable, and its eradication is possible, but it requires well-designed policies, resources and political will."

The proposals included in this pre-budget submission are incremental steps that will have a positive impact and help pave a way out of poverty for hundreds and thousands of people.

Budget 2019 needs to reflect a real commitment to tackling poverty in all its forms and requires:

- An integrated, whole of government approach to budgetary decisions.
- Ensuring all public expenditure is evaluated against the impact it has on reducing poverty.
- Prioritising investment in services and supports over tax cuts.

Over the medium-term, SVP is calling on Government to fully resource and implement the new National Action Plan for Social Inclusion. This means the fight against poverty needs to be prioritised on an ongoing basis, at all levels of Government, so that Ireland meets its commitments under the Sustainable Development Goals to eliminate poverty by 2030.

¹ International Monetary Fund http://escr-irl.org/wp-content/uploads/2016/01/CC_ESC_Report.pdf

² Source European Survey of Income and Living Conditions. Eurostat indicator [ilc_peps01] & [ilc_peps03]

³ Watson et. al. (2018) Poverty dynamics of social risk groups in the EU <http://www.esri.ie/publications/poverty-dynamics-of-social-risk-groups-in-the-eu-an-analysis-of-the-eu-statistics-on-income-and-living-conditions-2005-to-2014/> The 2016 Pobal HP Deprivation Index <http://trutzaase.eu/deprivation-index/the-2016-pobal-hp-deprivation-index-for-small-areas/>

Housing

In 2014, the Convention on the Constitution favoured changes to the Constitution to include the right to housing.⁴ Over the intervening years, the housing and homeless crisis has deteriorated into an unacceptable emergency. The last year has seen the price of housing and rent continue to spiral, becoming increasingly out of reach for those on low and median incomes. Demand continues to outstrip supply with an acute shortage of social and affordable homes. Significant numbers of families became homeless in 2017, and this trend continues to escalate in 2018. Most of those becoming homeless are from the private rented sector. It is clear that a reassessment of the Government's housing policy is needed to increase the ambition and prioritisation of the delivery of social housing.

Social and affordable housing

In 2017, a total of 780 local authority houses were built, bringing the total number to 1,027 since *Rebuilding Ireland* was announced.⁵ There are almost 86,000 households on the social housing waiting list, but there still is an overreliance on the private rented sector to meet this need.⁶ In 2017, 76% of social housing support was provided for by the private sector.⁷ In total, 25,941 social housing support will be provided in 2018, but only 5,869 new social housing stock will be built or acquired. Of equal concern, the impact of the decision by Dublin City Council to deprioritise homeless families in its allocation scheme for social housing support remains unclear.

The vacant site levy was increased in Budget 2018 from 3% to 7%, but questions remain as to how effective this will be against land hoarding when the value of land is increasing by double digits.⁸ The recent Eurostat adjudication of the reclassification of Approved Housing Bodies (AHBs) in Ireland is also particularly concerning. The impact of the reclassification, which essentially places AHB income and expenditure 'on the books', would potentially be such that would limit the financial support available to AHBs. With AHBs due to provide a third of social housing up to 2020⁹, it is vital that reclassification does not hamper efforts to ramp up social housing output. Members have also seen an increase in requests from Traveller families in emergency accommodation. The Department of Housing, Planning and Local Government (DHPLG) should establish a statutory Traveller Agency with powers to approve and enforce Local Traveller Accommodation Plans (TAP).

⁴ Convention of Constitution (2014) http://escr-irl.org/wp-content/uploads/2016/01/CC_ESC_Report.pdf

⁵ DHPLC (2018) Overview of activity under social housing provision programme by year <http://www.housing.gov.ie/housing/social-housing/social-and-affordable/overall-social-housing-provision>

⁶ Housing Agency (2017) Summary of Social Housing Assessments https://www.housing.gov.ie/sites/default/files/publications/files/sha_summary_2017.pdf

⁷ DHPLC (2018) Overview of activity under social housing provision programme by year <http://www.housing.gov.ie/housing/social-housing/social-and-affordable/overall-social-housing-provision>

⁸ Irish Examiner January 24, 2018 <https://www.irishexaminer.com/breakingnews/business/rental-market-in-crisis-as-house-prices-climb-824420.html>

⁹ DHPLG (2016) *Rebuilding Ireland – an Action Plan for Housing and Homelessness* Available at: http://rebuildingireland.ie/Rebuilding%20Ireland_Action%20Plan.pdf p. 103

Recommendation 1: Build and acquire public and affordable housing at the requisite level of ambition and resourcing required to meet both current and future demand. Ensure an adequate allocation of social housing is prioritised for those who are homeless.

Recommendation 2: Protect and expand financing and funding options to ensure the necessary resourcing for building of social housing, including through the Rebuilding Ireland revolving fund. This should include availing of the Structural Reform Clause and ensuring the ability of AHBs to borrow and build social housing is not impeded due to their reclassification.

Recommendation 3: Review tax measures such as vacant site and vacant property levies, ensuring that measures are adequate in terms of incentivisation and to address speculation and hoarding.

Homeless prevention and tenancy security

In the past year, family homelessness has increased by 37%.¹⁰ SVP members are receiving increasing requests for assistance from families in emergency accommodation, and who have received notices to quit, or are facing rent hikes. Families in emergency accommodation have to cope with the uncertainty over their future and endure the daily worry of how they are going to feed their children a nutritious meal, the disruption caused to schooling, developmental delays and the stress placed on families forced to share the same room. Despite a commitment to stop the use of hotels and B&Bs by July 2017, failure to stop the flow of households into homelessness has meant almost half of families remain in hotels.¹¹ A further 598 are in family hubs. This approach comes at a significant cost, with the amount paid to hotels and B&Bs by Dublin City Council in 2017 totalling €47m. The total spent on emergency accommodation came to €97.5m.¹² The number of families remaining homeless for more than two years has continued to rise.¹³ With more family hubs planned, quality standards for homeless services should be placed on a statutory basis.

Overreliance on the private rented sector

Figures from Daft.ie's Rental Report show that listed rents increased by 10.4% during 2017.¹⁴ This coincides with a record low number of properties available for rent, contributing to a competitive and expensive rental market.¹⁵ Of particular concern is the precariousness that tenants continue to find themselves in, including those who entered the Housing Assistance Payment (HAP) scheme as a way out of homelessness. SVP experience is of a growing number

¹⁰ DHPLG (2018) Homeless Data; <http://www.housing.gov.ie/housing/homelessness/other/homelessness-data>

¹¹ <https://www.rte.ie/news/politics/2018/0329/950893-homeless/>

¹² Dublin City Council (2018) Region Local Authority Homelessness Financial Report End of Year 2017 http://www.housing.gov.ie/sites/default/files/publications/files/financial_report_end_of_year_2017_-_dublin.pdf

¹³ Focus Ireland (2018) Review of Dublin City Council Scheme of Lettings – Impact on the Homeless Crisis <https://www.focusireland.ie/wp-content/uploads/2018/03/Memo-on-the-proposed-DCC-Scheme-of-letting-priorities-FINAL.pdf>

¹⁴ Daft.ie (2018) The Daft.ie Rental Price Report <https://www.daft.ie/report/ronan-lyons-2017q4-rental-price>

¹⁵ At the end of 2017, there were 3150 properties available to rent. <https://www.daft.ie/report>

of households becoming homeless as their HAP tenancy breaks down for a variety of reasons, including unsustainable top-ups and unrealistic HAP limits. It is paramount that rent certainty and security of tenure measures, including linking rent increases to the rate of inflation or the rate of CPI, making a rent register publicly available, and ending evictions to no-where, are enhanced and enforced. Without such measures, the flow into homelessness will continue.

Recommendation 4: Enhance levels of housing assistance supports to bring them in line with market rents. This should be pursued alongside greater security of tenure and rent certainty measures including considering linking rent increases to the rate of inflation or the rate of CPI. As an interim measure, RPZs should be expanded nationwide and beyond the initial three years.

Youth homelessness

SVP is conscious that an experience of homelessness at a young age has the potential to have life-long consequences. Youth homelessness has increased by 85% over the past three years, with recent homeless figures putting the number of young people ‘officially’ homeless at 943.¹⁶ However, this is likely an underestimation as young people are more likely to experience ‘hidden homelessness’ than adults. The vulnerabilities and support needs of young people can be very different to adults and requires a range of specialist policy and service responses, particularly for those leaving care. Young people need access to a range of accommodation options, as well as tenancy sustainment support.

Recommendation 5: Develop a fully-funded and evaluated Youth Homelessness Strategy which supports access to a range of housing options, depending on need and preference. Consider the needs of young people during their transition into their new home.

Mortgage arrears

The sale of Non-Performing Loans (NPLs) could exacerbate the number of households becoming and remaining homeless. Over 14,000 homes in arrears are at risk of repossession,¹⁷ including those with split mortgage agreements, and buy-to-let properties. The situation of unregulated investment funds purchasing properties in mortgage arrears accentuates concerns about security of tenure for those in the rented sector. A growing issue is the number of empty properties that have, and will continue to, become available as banks address their Non-Performing Loans. Just 163 properties have been made available for social housing of the over 2,000 repossessed homes offered to the Housing Agency for purchase using the €70 million Rebuilding Ireland revolving fund for vacant properties.¹⁸

¹⁶ Department of Housing Homeless Report March 2018 http://www.housing.gov.ie/sites/default/files/publications/files/homeless_report_-_march_2018.pdf

¹⁷ Irish Times April 10th 2018 <https://www.irishtimes.com/business/economy/more-than-14-000-in-mortgage-arrears-could-lose-their-homes-1.3456121>

¹⁸ Irish Times 24th of February 2018 <https://www.irishtimes.com/news/social-affairs/housing-agency-may-buy-about-500-homes-from-ptsb-for-social-housing-1.3403542>

Recommendation 6: Pursue durable restructuring options in the case of Non-Performing Loans, including favourable rates and mortgage-to-rent options to help ensure people can stay in their homes. Ensure the rights of tenants in buy-to-let properties are protected and given equal weight under a receiver, as well as those that have engaged in restructuring arrangements.

Standards

SVP members regularly visit families living in inadequate, substandard conditions. Acutely aware of limited alternatives, they feel they have no option but to accept the conditions to hold onto their home. Low standards and living in cold, damp rented homes can have serious impacts on both the physical and mental health of tenants.

"We are visiting a family, a mother and her seven-year-old boy and one-year-old daughter. The apartment is so damp that there's mould everywhere and even the floors are constantly wet. She has to keep getting new bedclothes such is the dampness of the bedroom."

In 2016, the inspection rate of registered tenancies was 4.4%, with a total of 13,603 inspected. Of these, three quarters were deemed non-compliant with Standards Regulations.¹⁹ Improvement or Prohibition Notices were issued, or legal action initiated, in only 2,500 cases.²⁰ The moves to strengthen enforcement and sanction mechanisms, and enhanced powers of the RTB including for inspection, are welcomed and must be introduced and implemented as a matter of urgency.

Recommendation 7: Ensure provision of adequate resources and capacity for Local Authorities and Residential Tenancies Board (RTB) to conduct inspections and pursue breaches of minimum standards. Assure protection for tenants against adverse consequences arising from the outcome of an inspection.

Estimated cost: €20 million.

¹⁹ National Oversight and Audit Commission (2018) Performance Indicators in Local Authorities 2016 <http://noac.ie/wp-content/uploads/2018/01/2016-PI-Report.pdf>

²⁰ Furthermore, of a total of 304 HAP tenancies in Dublin in March 2017, only 119 had been inspected and only two of these met the basic rental standards <http://www.thejournal.ie/hap-scheme-rental-standards-3765929-Dec2017/>

Education including Early Years

SVP sees access to education as a critical enabler out of social exclusion and poverty. In 2016, SVP directly spent €3.7 million helping people in various situations and at different life stages to access education and training to improve their life chances.

Quality early years education and care

SVP welcomes the introduction of the Affordable Childcare Scheme; however, the delay in its roll-out and insufficient budget allocations in Budget 2017 and 2018 are concerns for members working with vulnerable families. It is critical that data from the independent assessment of the cost of childcare commissioned by the Department of Children and Youth Affairs is used to strengthen and inform future policy development and investment in early years.

Recommendation 1: Base state subsidies on a realistic assessment of the cost of providing quality childcare to ensure that the level is high enough to deliver accessible quality environments for children, reduce the financial burden on parents and improve pay and conditions of staff.

SVP is concerned that only 122 childminders out of approximately 22,000 are registered with TUSLA and are therefore not eligible for ACS.²¹ This raises quality issues as well as limiting the supply of affordable childcare to parents.²² In March 2018, a report by the Childminding Working Group was published and outlined a number of recommendations to regulate and recognise the childminding sector. It is essential that a budget line is established in 2019 to implement these actions.

Recommendation 2: Provide the requisite level of resources to implement the recommendations of the Childminding Working Group Report. Begin by establishing a budget line in 2019.

Cost: €3 million.

There is a large body of research which shows that children who attend prevention and early intervention services start school better prepared and ready to learn. As well as tackling child poverty, this approach is more cost effective as it reduces the need for extra supports within the education system in later years. It is critical that effective programmes are supported and funded.²³

Recommendation 3: Support effective community based early intervention and prevention services aimed at tackling child poverty.

Cost: €5 million.

²¹ Children's Rights Alliance (2018) Report Card 2018. <http://www.childrensrights.ie/content/report-card-2018>

²² O'Dwyer, M. & McCormack, M. (2014) Quality through Professionalisation: Local Evaluation of the Tallaght National Early Years Access Initiative. <https://www.earlychildhoodireland.ie/wp-content/uploads/2015/05/FINAL-Quality-through-professionalisation.LoRes.pdf>

²³ See Doyle et al. (2016) Preparing for life: Early Childhood Intervention. http://geary.ucd.ie/preparingforlife/wp-content/uploads/2016/08/PFL_Summary-Report_2016.pdf

Supporting families with school going costs

SVP members are acutely aware of the up-front and year-long costs of education which are beyond the capacity of families living on inadequate incomes. In 2017, the Department of Education and Skills (DES) introduced a school circular aimed at reducing the cost of education to parents. Schools that complied with the circular could avail of additional funding via a premium school capitation fund. In 2018, the DES confirmed that they were not actively monitoring compliance with the circular and no school has been awarded additional funding.²⁴ SVP are also concerned at the number of children going to school hungry, in particular children who are experiencing homelessness. These factors prevent children and young people reaching their potential.

It is estimated that every year parents subsidise 'free' education to the value of €46 million through fundraising and contributions.²⁵ Budget 2017 and 2018 failed to deliver on the *Action Plan for Education* commitment to restore the 15% cut in general school funding. This must be delivered in Budget 2019. In addition, SVP wants to see an increase in funding for school books, transport, school meals and income supports for children. In the mid-term SVP is asking the Department to carry out an assessment of the adequacy of the capitation rates and incrementally increase funding to schools so that all children have access to quality, free primary and secondary education.²⁶

Recommendation 4: End the 'voluntary' contribution system in non-fee paying primary and secondary schools. Begin by restoring capitation rates to 2010 levels.

Estimated cost: €35 million.

Recommendation 5: Increase funding for the School Book Rental Scheme by €20 million.

Cost: €20 million.

Recommendation 6: Extend the medical card waiver to students eligible for concessionary school transport. **Estimated cost:** €2 million.

Recommendation 7: Restore the Back to School Clothing and Footwear Allowance to the 2011 level of €305 for children over 12 years, and to €200 for children under 12 years. Equalise income thresholds for one and two-parent families.

Estimated cost: €18 million.

Recommendation 8: Make child benefit payable to families with children over the age of 18 enrolled in secondary school, reflecting the higher educational costs for families with adolescents. **Estimated cost:** €62 million.

Recommendation 9: Increase funding for the School Meals Programme by 10% to improve access to adequate nutrition for low-income students.

Estimated cost: €4 million.

²⁴ Irish Times Article 6th March 2018, <http://www.irishtimes.new.com/news/education/no-school-has-been-rewarded-under-plan-to-cut-uniform-costs-for-parents-1.3415959>

²⁵ Irish Times Article 23rd of April 2018 <https://www.irishtimes.com/news/education/parents-spent-46m-making-up-for-school-grant-cuts-1.3470907>

²⁶ Barnardo's have estimated that the cost of providing free primary education is €103.2 million per year and for secondary school the cost is €126 million <https://www.barnardos.ie/assets/files/pdf/Making-Primary-Education-Free-briefing-paper.pdf>

Enabling access to further and higher education

SVP actively supports access to further and higher education and is concerned about the lack of progress under the *National Plan for Equity of Access* as many hard to reach groups continue to have difficulties in accessing further and higher education. The rise in the cost of accommodation and the cuts and changes to the grant have made third level more unattainable for low-income groups.

"To be honest, I have not really enjoyed college like I thought I would. It can be quite lonely during the week. I avoid going out with my classmates because I can't afford to and I don't want them to know this."

Lone parent families are the cohort most likely to experience poverty in Ireland and the group most frequently helped by SVP. Census data shows that lone parent participation in education has decreased by approximately 20% between 2011 and 2016.²⁷ The decision by DES to extend eligibility to the Student Assistance Fund to lone parents studying part-time in August 2017 and the availability of additional scholarships to disadvantaged and non-traditional students was welcome. However, the number of students covered by these scholarships is relatively small. SVP wants to see more financial support for flexible, mature and part-time learners as it would assist in reducing the burden of third level costs on disadvantaged and non-traditional students, particularly those with caring responsibilities.

Recommendation 10: Increase SUSI maintenance grant rates to bring them in line with the cost of living. As a first step, reverse the cuts to the grant implemented in 2011 & 2012 and restore the adjacent grant distance to 24km.

Estimated cost: €40 million.

Recommendation 11: Expand eligibility of SUSI to part-time students to provide financial support to flexible, mature and part-time learners.

Estimated cost: €50 million.

Recommendation 12: Extend the Cost of Education Allowance to all recipients of the Back to Education Allowance.

Estimated cost: €4 million.

²⁷ Census 2016 Profile 4 – Households and Families . Family Units in Private Households 2011 to 2016 by Type of Family Unit, Number of Children, Economic Status of Reference Person and Census Year. CSO Statbank <http://www.cso.ie/en/databases/>

Income

Adequate social welfare

Every household and family in Ireland should have an income which is adequate to meet their needs. SVP acknowledges a key response to this is addressing the high cost of services. However, social welfare schemes are a last resort for people in difficult circumstances. We believe it is vital that all social welfare payments are “adequate” so that people do not continue to be trapped in poverty. Everyone, both in and out of work, deserves to live with dignity. An adequate level of social welfare provides people with stability in their lives and supports people to be active in society.

Recommendation 1: Benchmark all social welfare rates at a level which is sufficient to both lift people above the poverty line and provide them with a Minimum Essential Standard of Living. Restore 2010 rates in real terms, starting with a €5 increase in Budget 2019 with proportionate increases for Qualified Adults and Children.

Estimated cost: €150 million.

One parent families

Since 2012 when the reforms of the One Parent Family Payment (OFP) were first implemented, SVP has continued to highlight the negative impacts of these changes. We have been particularly critical of the decision to abolish the features of the One Parent Family Payment which supported lone parents to take up part-time employment and education. A review of the reforms published in October 2017 confirmed that despite a small increase in full-time employment, over 50% of lone-parents stated they were worse off financially, and poverty rates had increased. As a result, 40% of parents reported that their well-being and that of their children had been negatively impacted.²⁸

Recommendation 2: Allow lone parents in employment whose children are aged between 7 and 14 to receive both Jobseekers Transition Payment and Working Family Payment.

Recommendation 3: Increase the earning disregard for the One Parent Family Payment (OFP)/ Jobseekers Transition Payment (JST) to €161 per week²⁹ to allow lone-parents to take up and increase working hours.

Estimated Cost: €27 million.

Recommendation 4: Address the anomaly by which lone parents in receipt of Rent Supplement and OFP/JST, who want to take up education or training, are not eligible for SUSI maintenance.

²⁸ Indecon (2017) Independent Review of the Amendments to the One-parent Family Payment since January 2012. https://www.welfare.ie/en/downloads/DEASP_OFP_Review.pdf

²⁹ In 2011 the disregard equated to 16.9 hours of NMW employment. Increasing to €146.50 would disregard the first 15.3 hours of NMW employment (in terms of the 2017 NMW rate). To restore the value of the disregard in terms of hours of NMW employment, an earnings disregard of €161.40 would be required

Older children

Older children aged between 12 and 17 years of age are more likely to experience poverty than younger children.³⁰ According to the Vincentian Partnership for Social Justice (VPSJ), it costs an average of €122 per week to provide for the Minimum Essential Needs of an older child; over 63% more than the costs for a younger children.³¹ Currently, social welfare supports provide for 89% of a younger school age child's minimum needs, but only 56% of the minimum needs of an older child.³² Additional targeting for older children would contribute to the child poverty reduction target.

Recommendation 5: Recognise the higher costs faced by families with older children by introducing a new rate of QCI for over 12s. Begin by increasing the rate for older children by €5 per week.

Estimated Cost: €35 million.

"I can't get the school stuff because when I get money and pay my electricity and food bills, I have nothing left. I get money on Thursday and by Saturday will have nothing left. We have no luxuries, and I feel horrible not being able to provide normal stuff for my girls or go anywhere for fun."

Young people

SVP expresses concern about the impact of the lower rate of Jobseekers Allowance for people under 26 years. The Minimum Essential Standard of Living (MESL) needs of an unemployed young adult living in the family home is €151 per week, which is almost 1 1/2 times the JA payment a young adult, aged 18 to 24, is entitled to.³³ This does not consider the financial burden on young people who are living independently. The policy rationale for this decision was based on the premise that cutting the rate of JA for this group would incentivise employment but is potentially a driving factor in increased rates of poverty, deprivation, homelessness and emigration among this group. For example, between 2007 and 2015 the rate of severe deprivation among 18 to 24-year-olds increased by almost 157% (4.6% to 11.8%) – twice as much as the general population (67% increase from 4.5% to 7.5%).³⁴

Recommendation 6: Restore full adult rate to young people under 26 years on Jobseekers Allowance on a phased basis over next three budgets.

Estimated Cost: €34 million.

³⁰ Department of Social Protection (2017) Social Inclusion Monitor http://www.socialinclusion.ie/documents/2017-05-18_SocialInclusionMonitor2015_rpt_FinalWcov_000.pdf

³¹ Vincentian Partnership for Social Justice (2018) Minimum Needs of Older Children. https://www.budgeting.ie/download/pdf/minimum_needs_of_older_children_vpsj_submission.pdf

³² Ibid

³³ Vincentian Partnership for Social Justice (2017) Pre Budget Submission 2018. <https://www.budgeting.ie/publications/prebudget-2018/>

³⁴ Source European Survey of Income and Living Condition 2016. Eurostat Indicator: ilc_mddd11

Older people

Older people living alone are particularly vulnerable to income inadequacy. The cost of transport and heating are key areas that affect the adequacy of income for older people living alone in rural areas. In 2017, the VPSJ estimated the household income from State Pension and secondary supports for a pensioner living alone is slightly over 50% that of a pensioner couple. However, the MESL expenditure need of the pensioner living alone is 80% that of a pensioner couple household.³⁵

Recommendation 7: Increase the Living Alone Allowance by €3 to ensure income adequacy for older people living on their own.

Estimated Cost: €32 million.

People living in Direct Provision

SVP welcomed the increase in adult and child payments for those in the Protection Process in 2017, but highlighted that the increases fell short of the recommendations of the MacMahon Report. SVP is asking that all recommendations are expediated and actioned without delay and that adequate resources are allocated to ensure the full implementation of the report.

Recommendation 8: Increase the weekly allowance for children living in Direct Provision to the current rate for a Qualified Child including a €5 increase for over 12s, and the adult weekly allowance to €38.80 as recommended by the *Working Group on the Protection Process*.

Estimated Cost: €4 million.

Exceptional Needs Payment

SVP is concerned that the reduction in Government spending on Exceptional Needs Payments (60% decrease between 2008 and 2017) and the restructuring of the service, including the closure of local offices, has imposed further hardship on low-income people. It is SVP's experience that this budget reduction is resulting in officers having to refuse payments which they would have previously approved or approving payment for lower amounts. Delays and difficulties in accessing services creates unnecessary stress and strain on people when they are vulnerable.

Recommendation 9: Adequately fund frontline Community Welfare Services to ensure that the service is accessible to those that need it and that a total budget of €50 million is available to meet the exceptional and urgent needs of low-income households.

Cost: €20 million.

³⁵ Vincentian Partnership for Social Justice (2017) Pre Budget Submission 2018. <https://www.budgeting.ie/publications/prebudget-2018/>

Energy

According to the latest SILC, 29% of people living in consistent poverty are unable to afford to keep their house adequately warm.³⁶ Recent weather events have served as a stark reminder of the stress many households continue to face over being able to meet their utility costs. SVP members are seeing a rise in requests for support with utility costs. Considering the Public Service Obligation (PSO) levy, standing charge and VAT, the uncontrollable related costs of the average electricity bill in an urban area accounts for 37%. For rural areas, this increases to 39%.³⁷ The PSO levy alone has increased by more than 231% over the last five years.

Fuel Allowance and greater assurance during extreme cold weather

An additional week of fuel allowance was introduced in Budget 2018. This brought the payment to a cumulative €607.50. While welcomed, there has been an average increase in energy costs of 24.2% since 2010.³⁸ With more unpredictable weather patterns, it will be important to future-proof support and provide assurance for vulnerable customers. SVP members support low-income families living in poorly insulated and cold accommodation who may not be entitled to fuel allowance. Additional arrangements are needed for such households in the event of adverse weather.

Recommendation 1: Increase Fuel Allowance to a value of €795 to restore purchasing power parity to 2010 levels. This can be achieved by increasing the rate to €24.85 and reintroducing the 32 weeks payment period.

Estimated cost: €62 million.

Recommendation 2: Introduce a new Cold Weather Payment scheme for those in receipt of Fuel Allowance and Working Family Payment, providing a guaranteed extra one-week of fuel allowance payment in the event of extreme cold weather.

Estimated cost: €13 million.

Energy efficiency

Increasing energy costs are a concern considering a report by the Sustainable Energy Authority of Ireland (SEAI) on Energy in the Residential Sector found that after a decade of decline, the typical amount of energy used in Irish homes is again on the rise. Between 2005 and 2016, electricity use in households increased by 5%.³⁹ The SEAI report reveals more needs to be done to improve the housing stock. Since 2000, 134,883 homes have been upgraded under the

³⁶ CSO (2018) Survey of Income and Living Conditions 2016, Table 7c. <http://www.cso.ie/en/releasesandpublications/er/silc/surveyonincomeandlivingconditions2016/>

³⁷ Based on an urban domestic average consumption of 3,600kWh and a rural domestic average consumption of 3,900kWh. <https://www.cru.ie/wp-content/uploads/2017/07/CER17042-Review-of-Typical-Consumption-Figures-Decision-Paper-1.pdf>

³⁸ CSO (2018) Consumer Price Index - Division 04 Housing, Water, Electricity, Gas and Other Fuels - March 2018 <http://www.cso.ie/en/releasesandpublications/er/cpi/consumerpriceindexmarch2018/>

³⁹ <https://www.seai.ie/resources/publications/Energy-in-the-Residential-Sector-2018-Final.pdf>

Warmer Homes schemes.⁴⁰ An estimated over one million homes need improving.⁴¹ Tailored dissemination and outreach initiatives towards vulnerable households are needed. A review of subsidy schemes in other European countries identified energy consultants can increase awareness and confidence of government schemes.⁴²

"During the cold spell, I couldn't light my fire because it was getting a back draft down the chimney, full of smoke. My son has bronchitis, and my daughter has asthma, so I had to get the heaters out."

Many that approach SVP for assistance are from the private rented sector. This sector has a higher proportion of E, F and G Building Energy Ratings (BERs) than either local authority or owner-occupied homes.⁴³ With upward pressure on rents over a number of years, there is a concern that there is less incentive for landlords to improve the energy efficiency of rental properties.⁴⁴ However, investing in measures with short payback periods can lead to significant improvements for landlords and tenants.⁴⁵ An evaluation on the impact of introducing energy efficiency standards in the rental sector is in the process of being updated with 2016 Census data. Given the expansion of the rental sector, there is a pressing need to introduce minimum energy requirements and publish the research and accompanying consultation paper as soon as possible. Proposed legislation should be balanced with incentives to support landlords to reach new energy efficiency standards.

Recommendation 3: Expand eligibility criteria of the Warmer Home schemes to include those living in the private rented sector. Deliver SEAI grants to enable landlords who provide their properties for HAP tenants to avail of energy efficiency upgrades.

Recommendation 4: Implement next steps identified in the SEAI Behavioural Insights report, investing in supportive financing schemes and rolling out trusted energy advisors, particularly at community level.

Recommendation 5: Publish the evaluation and consultation paper on energy efficiency standards in the rental sector at the earliest opportunity.

⁴⁰ Parliamentary question <https://www.kildarestreet.com/wrans/?id=2018-04-17a.3187>

⁴¹ SEAI (2017) Behavioural insights on energy efficiency in the residential sector <https://www.seai.ie/resources/publications/Behavioural-insights-on-energy-efficiency-in-the-residential-sector.pdf>

⁴² Ibid

⁴³ Vincentian Partnership for Social Justice (2014) Minimum Household Energy Need. <https://www.svp.ie/getattachment/716d46e2-e390-4fce-8e4e-cc3fb2297f62/Minimum-Household-Energy-Need-VPSJ-Research-report.aspx>

⁴⁴ ESRI (2017) Working Paper 565, Can tenants afford to care? Investigating the willingness-to-pay for improved energy efficiency of rental tenants and returns to investment for landlords <https://www.esri.ie/pubs/WP565.pdf>

⁴⁵ Ibid

Health

Poor health is inextricably linked to poverty, and health inequalities are a major concern for SVP. Long waiting lists, health related charges and costs, inadequate community-based health and social care, and limited availability of mental health services significantly impacts on the health and well-being of the people SVP assist. The publication of *Sláintecare on the Future of Health Care* is welcome and it is important that the requisite level of funding is provided to ensure its successful implementation. SVP is fully supportive of a system of Universal Health Care (UHC) for all and the removal of the current two-tiered system. In the initial stages of implementation, it is important that low-income and vulnerable groups are prioritised.

Improving access to health care for low-income households

The income thresholds for the medical card have not been revised since 2005. Analysis of the SILC estimates that approximately 15% of children living below the poverty line did not have a medical card or a GP card.⁴⁶ Although it is not possible to determine from this data whether this is due to non-take up or ineligibility, the level at which the current thresholds are set means that individuals and families can be on a very low income and not be entitled to a medical card.⁴⁷ The additional allowance of €38 for children under 16 represents just 21% of the adult allowance of €184, well below the recommended target for children of 33-35% of an adult payment. If the medical card thresholds were equivalised to the same standards as other social welfare payments, income thresholds would be more generous and would make more families with children eligible.

In most cases, if a family's income is derived solely from social welfare they qualify for the medical card, as they have already satisfied a means test. Families in receipt of Working Family Payment typically don't meet this criterion and although allowances can be made for working families when applying for the medical card in relation to travel, housing and childcare costs, the assessment is complex and may contribute to the higher rate of non-take up among working poor households.⁴⁸

Recommendation 1: Increase medical card income thresholds to the equivalent of the highest means-tested welfare payment. Equivalise allowance for dependents in line with other social welfare payments and extend automatic eligibility for the medical card to recipients of the Working Family Payment.

⁴⁶ Estimate based on analysis of the 2015 Anonymised Microdata File of the Survey of Income and Living Conditions.

⁴⁷ Callan et. al. (2017) Income-Tested Health Entitlements: Microsimulation Modelling Using SILC <http://www.tara.tcd.ie/bitstream/handle/2262/82171/5/callan.pdf?sequence=1>

⁴⁸ Keilthy (2009) Medical Card Eligibility among People at Risk of Poverty http://www.combatpoverty.ie/publications/workingpapers/2009-04_WP_Medical%20CardEligibility.pdf

Reduce health-related charges and costs for low-income households

SVP welcomed the Budget 2018 reduction in prescription charges to €2 per item and the reduction in the monthly ceiling by €5 to €20. However, for low-income households on a fixed income, prescription charges can still be expensive. In line with the recommendations of the Sláintecare Report, we are asking that prescriptions charges for medical card holders are further reduced in Budget 2019, and set a target to abolish charges by 2020.w

"One of my daughters has health issues, and a recent trip to hospital cost me €130 for food and travel."

SVP acknowledges that while the move towards Centres of Excellence provides the best of treatment for people, it has increased health-related travel costs, which has a disproportionate impact on low-income households. Patients that need to travel to access care can incur high transport, food, accommodation and car parking costs. There is also the cost of caring, with another person often having to accompany them. Improving access to Exceptional Needs Payments as outlined in the Income section is a key to reducing the burden of health and hospital related charges on low-income patients.

Recommendation 2: Abolish prescription charges for all medical card holders. Begin by reducing prescription charges for medical card holders from €2 to €1.50 in Budget 2019.

Estimated cost: €34 million.

Data sources for infographic

Income adequacy & poverty

Central Statistics Office (2018) Survey of Income and Living Conditions. Poverty rate applied to Census of Population Figures 2016. <http://www.cso.ie/en/releasesandpublications/er/silc/surveyonincomeandlivingconditions2016/>

Housing

Homeless figures refer to the number of people living in emergency accommodation in March 2018. Department of Housing, Planning and Local Environment (2018) Homelessness Report March 2018. http://www.housing.gov.ie/sites/default/files/publications/files/homeless_report_-_march_2018.pdf

Housing Agency (2017) Summary of Social Housing Assessments 2017. https://www.housing.gov.ie/sites/default/files/publications/files/sha_summary_2017.pdf

Educational disadvantage

European Survey of Income and Living Conditions. Eurostat Indicator [ilc_atso7] Degree of difficulty paying for formal education.

CSO 2013 PIACC 2012 Programme for the International Assessment of Adult Competencies: Survey Results from Ireland. <http://www.oecd.org/skills/piaac/skills-matter-9789264258051-en.htm>

Energy poverty

Department of Communications, Energy & Natural Resources (2016) A Strategy to Combat Energy Poverty. <https://www.dccae.gov.ie/en-ie/energy/publications/Documents/5/A%20Strategy%20to%20Combat%20Energy%20Poverty%20-%20Web%20Version.pdf>

Central Statistic Office (2018) Survey of Income and Living Conditions. <http://www.cso.ie/en/releasesandpublications/er/silc/surveyonincomeandlivingconditions2016/>

Health inequalities

Irish Medical Association (2012) *Position Paper on Health Inequalities* <https://www.imo.ie/policy-international-affair/overview/IMO-Position-Paper-on-Health-Inequalities.pdf>

SVP expenditure data

Society of St Vincent de Paul (2017) Financial Statement 2016 <https://www.svp.ie/News-Media/Publications/SVP-Financial-Statements.aspx>





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