



Barnardos

Children's Budget

2015

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Introduction

Parent: "Looking after children is how you define a society."

As 2014 progresses there is increasing commentary highlighting Ireland's return to economic growth with better than expected exchequer returns, reducing unemployment and increasing consumer confidence. But such commentary is disingenuous and unhelpful as many of the communities we work with are still reeling from the impact of austerity measures imposed over the past six years. Issues including high levels of private debt, significant levels of long term unemployment and inadequate access to public services are very common. This leads to overriding feelings of hopelessness and despair which are becoming entrenched by the continued adoption of economic policies that reinforce societal inequalities.

Parent: "I don't believe there is an economic recovery – maybe for a certain few but they never had it too bad. They could ride the storm."

Children in low income families are falling victim to societal inequality that keeps them stuck in intergenerational cycles of poverty. It is a damning indictment of austerity policies that consistent poverty among children increased from 6.3% in 2008 to 9.9% in 2012 with almost half of all families relying on social welfare or low paid work. Highlighting the unequal distribution of austerity, in 2012 the richest 10% of households received 24% of the total disposable income and the poorest 10% of households received just 3%¹.

Parent: "I believe that politicians have no idea what is reality. The notion of economic recovery seems to be to be a long way away for us. I can't see it happening."

Persistent inequality is the result of pursuing austerity policies in a low taxation regime. Ireland has one of the lowest levels of taxation and social insurance in the EU, at three-quarters the EU average level. The Government's Statement of Priorities and Medium Term Economic Strategy pledged to tackle inequality and ensure that any economic recovery benefits all citizens. To honour this commitment Budget 2015 decisions must invest the maximum available resources into quality public services that will make a real difference to children's lives. With inflation rising again and the related increase in pricing of some goods and services it is imperative that those on low incomes are not pushed deeper into poverty as they struggle to compete with the rising costs of living. Barnardos remembers how many families were left behind by the Celtic Tiger. The Government must ensure that any rising tide of economic recovery lifts all boats, not just those of the already well off.

¹ Social Justice Ireland (2014) Poverty and Income Distribution, Dublin www.socialjustice.ie

Parent: "I want Budget 2015 to improve the social welfare rates it is ridiculous to think families can survive on what they are getting. It is creating a society where there will be huge problems in the future. There are no facilities for children, no afterschool activities etc. There will be a bigger gap between the haves and the have nots and it will cause bigger problems in the future."

Following consultation with Barnardos' frontline staff the following top four priorities for Budget 2015 were identified which would make a significant improvement in children's lives. These are:

- Eliminating child poverty
- Tackling the housing crisis
- Investing in children's services across the health sector
- Improvement and availability of early childhood care and education and educational supports.

Parent: "My ambitions aren't excessive – when I'm in my 50s I would like to own a little house so I can say; 'that's mine'."

Eliminating child poverty

Better Outcomes, Brighter Future; the national policy framework for children and young people 2014-2020 has set the target of removing 70,000 children out of poverty by 2020. However children do not grow up in isolation; their quality of life is highly influenced by their parent's income. Therefore to achieve this target, it is imperative that, at a minimum, basic **Adult Social Welfare** rates are increased in line with inflation. Failure to do so against a backdrop of rising living costs and the imposition of more taxes (such as water charges) will push more families into debt and poverty.

Child Benefit plays a key role in addressing child poverty given it is universal and presents no inherent poverty traps to the take up of employment. Too many flat rate cuts have been made to date which has disproportionately affected low income families so its current rate must be maintained. The social welfare system must be changed to reform in-work supports and address poverty traps. The take up of a job must guarantee real financial gain for parents.

Addressing child poverty means pursuing budgetary decisions that are redistributive and equitable. Unfortunately, previous Budget choices targeted those who can least afford cuts resulting in a widening income inequality gap between rich and poor.

Real life experiences:

- A child coming home with a party invite or seeking to join the football club can be a huge barrier for parents. Every parent wants to be able to provide for their children and don't want to feel their children are missing out on things their friends are doing. But now children are becoming more socially withdrawn from activities such as birthday parties, football and swimming as parents can't afford the present or entry fee or the bus fare / petrol.
- A mother having to pay an unexpected bill such as repairing the washing machine can send a family further into debt when they are already living day to day, week to week. Anything unexpected adds a huge amount of stress and worry. Resorting to money lenders is common despite knowing the huge amount of interest imposed and the tactics used to chase payment. As a parent said to us, she has 'enough to live on for A week, but not enough for every week'.

Recommendations:

- Increase adult social welfare rates to keep pace with rising cost of living.
- Maintain Child Benefit rates.
- Improve in-work supports to ease the transition from welfare to work.
- Reverse the cuts made to the Back to School Clothing and Footwear Allowance in Budget 2012 so rates applicable would be €150 per primary school pupil and €250 per secondary school pupil.

Tackling the housing crisis

Families' experiences of overcrowding, substandard housing conditions, insecure tenancy and homelessness are becoming more common. This is due to the dearth of social housing stock, landlords' reluctance to accept rent supplement tenants or charging rents that far exceed the amount of rent supplement received and the inappropriateness of emergency accommodation facilities for families.

The inability for parents to make their house a home for their family has far-reaching consequences on children as it affects their social, emotional and educational development. It can lead to strained relationships and conflict between parents as they struggle with the potential of becoming homeless. This can be so overwhelming that it undermines their ability to focus on meeting the other needs of their children. Living in overcrowded accommodation means having no personal space as children share bedrooms with multiple siblings or have to sleep on the sofa. There is no space to do homework or play (indoors or outdoors). Families who do become homeless are staying in emergency accommodation such as B&Bs or hotels for longer due to the absence of more appropriate accommodation becoming available. Such venues are wholly unsuitable for raising a family. At present, according to Dublin City Council, 150 adults with 311 children are living in hotel accommodation.²

In response to the housing crisis, the Government launched its *Construction 2020* initiative and its *Implementation Plan on the State's Response to Homelessness* outlining actions to tackle this crisis between now and 2020. While plans and commitments are necessary, more decisive immediate action is urgently required to address the problem in the short term and into the long term.

Real life experiences:

- A mother with a five week old baby was in need of urgent accommodation but none was available. She was placed in emergency homeless accommodation and after a short while moved into supported homeless accommodation/ transitional housing. Six months later she is still in this temporary accommodation as there is no appropriate housing to move to.
- A couple with four children renting a two bedroom house are unable to move to larger house as they are having difficulty in getting landlords to accept rent supplement or are being asked to top up the rent by €300 per month which they can't afford. Their current house is in poor condition as well as being overcrowded.
- A mum of six children who was a victim of domestic violence left the family home and presented as homeless to escape the violence at home. After eight months in a refuge she could not secure private rented accommodation and eventually returned to the family home because there was no other real choice for her.

Recommendations:

² Irish Times 16 Sept Carl O'Brien article ref

- End the practice of housing families requiring emergency accommodation in B&Bs and hotels. The costs are prohibitive and the venues totally unsuitable for children. There is a strong need to diversify and improve current emergency accommodation provision to meet the needs of families.
- Expedite the roll out of the Housing Assistance Payment (HAP) as a matter of urgency to support families struggling to find or stay in appropriate private rented accommodation.
- Introduce rent controls to stabilise the market and ensure rent prices rise at modest rates in line with inflation.
- Expedite the construction of social housing to make inroads into the waiting lists – approximately 10,000 new housing units need to be provided on an annual basis.

Continued underinvestment in children's services

Our health system is still split between public and private systems and low income families simply can't afford to pay for vital services privately. There has also been a reduction in coverage available under the medical card system which is adding undue hardship to some families. Access to a universal health insurance system for all has been promised but is slow to become a reality, despite recent legislation planning to introduce free GP care for the under sixes.

The impact of the recruitment embargo across key health and support services has translated into a decimation of service provision in recent years. Key HSE services such as speech and language therapy, psychology and Child and Family Agency prevention and early intervention teams have been cut back with widespread regional differences. This has resulted in mounting waiting lists and many more situations escalating to crisis level. Childhood is time limited so any delay to assessments or treatments impedes a child's development.

Despite being only recently established, there are already significant funding concerns within Tusla, the Child and Family Agency. Social work services are under serious strain, operating at about 70% of their required staffing levels. There are more than 9,000 cases of child welfare and protection referrals were on waiting lists for an initial referral. This can result in children being left in unsafe situations which can cause further and more serious harm to them over time. The longer and more entrenched problems become, the more difficult and more expensive it becomes to solve them. Staff shortages across the disciplines remain common. This is resulting in fewer staff undertaking prevention and early intervention work and instead being reassigned to deal with crises when they occur. This shift is not only more costly but also less likely to meet the full needs of the child and their family.

The Agency has made huge progress in standardising practice and putting management structures in place for child welfare and protection services. It will be seriously undermined by a Governmental failure to invest properly in it now. The budget of Tusla must be put on a sustainable basis now and for the future, and it requires an increase of at least €50 million in the annual allocation. We owe this to children currently living in risk, and to children who have been suffering the neglect of the past.

Real life experience:

- Children are currently on a waiting list for up to two years to access psychology, psychiatry, occupational therapy, speech and language services in some areas of the country. These delays affect every aspect of the child's development, hindering them from reaching their milestones and full potential in the long run. Delays allow problems to grow, with lasting, sometimes lifelong, consequences for children.

- A mum of three who is reliant on social welfare is forced to spend €80 per month on medicine for her child as it is not now covered by the medical card.
- A child waiting 18 months for a speech and language assessment has now begun school. Once seen and assigned an intervention there will be another delay before the intervention will begin. She is already falling behind in school as a result.

Recommendations:

- Ensure sufficient financial resources are allocated to enable Tusla, the Child and Family Agency undertake all its functions.
- Expedite the roll out of community based mental health services across the country are fully staffed as planned within *A Vision for Change*
- Invest in the development of adequately staffed multi-disciplinary teams such as speech and language, occupational therapy and psychology to tackle lengthy waiting lists.

Education

Although Ireland has a large population of school age children our expenditure on education is much lower than the OECD average (9.7% of GDP compared to 13%³). More investment continues to be spent at third level rather than primary level despite the fact three times more children attend primary school than attend third level. This imbalance has resulted in cutbacks to educational supports, high class sizes and reduced capitation fees for every pupil. If all children, particularly those from disadvantaged backgrounds, are to benefit from any of Ireland's economic growth then this imbalance needs to be addressed to ensure children are supported to reach their educational potential. Failure to do so will reinforce the present inequalities that exist.

The absence of sufficient funding to schools puts a huge burden on parents to make up the deficit through voluntary contributions, donations etc. Barnardos' 2014 School Costs Survey again highlighted the continued stress on parents to meet all the costs associated with sending their children back to school, often pushing parents into debt or forgoing bills to make ends meet.

The costs associated with accessing quality early childhood care and education services are also prohibitive for many families as Ireland continues to under-invest in this sector. These costs are the highest in Europe. Investment in subsidised quality ECCE services is long overdue. Establishing a subsidised, accessible, affordable system rather than introducing tax credits is the preferred option because the latter will do nothing to enhance the quality of the service provision. Having high quality services has consistently proven to benefit children whilst also acting as a preventative protection against things like early school leaving and unemployment in later life, generating exchequer savings into the future.

Real life experience:

- A child's SNA hours were cut last year and he had to share her with another child. He did have a remedial teacher who did English and Maths with a small number of children but that has also been cut so they are all together in the bigger class and he is finding it really hard. The sharing of educational supports is becoming very common.
- A lone parent is unable to take up a low paid job because she can't afford the childcare costs. This can trap her and many like her into welfare dependency and perpetuate the cycle of poverty and educational disadvantage.

³ Department of Education (2013) Education at a Glance, OECD indicators, Dublin

Recommendations:

- Increase investment in the Pre-School Quality Agenda, preparing the way for the move to a Second Free Pre-School Year.
- Reduce fees for early years and after-school care for families in poverty through extending the CCS scheme to all childcare services, and through introducing a 100% subvention band for families with high levels of need.
- Refrain from any further cuts to frontline educational supports in schools, regardless of designation.
- Implement a five year vision towards achieving free school books for all, through ensuring schools use their School Book Grant and School Book Rental Scheme funds to invest in school book rental schemes to incrementally build up a set of textbooks for all their pupils.

Conclusion

Every day Barnardos hears from families who are at the stage where there is nothing left to give. They are at the pin of their collar and are sacrificing everything for their children – and their greatest fear is not being able to see a way out. Budget 2015 must give these families the one thing they crave for their children. Hope. Families fearing insufficient rent allowance will push them into unsafe and unsuitable emergency accommodation; parents fearing they will lose their medical cards; children waiting years to access potentially life-changing speech and language therapy. These families are not seeking handouts – they are seeking what all parents want, the chance to give their children the very best start in life and the same opportunities as other children. Our current system is denying them that chance with devastating consequences; not just for these families, but for societies at large. This must change in Budget 2015 if we are truly planning for a robust and secure recovery for all of society.

Parent: "Who decided that just because my children are poor they are not entitled to a full life?"