



Barnardos

CHILDREN'S BUDGET 2013



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PREFACE

There is little doubt that the recession has taken its toll on families across Ireland in recent years. All families, with few exceptions, have struggled with the impact of increasingly stretched incomes. However, there are many families for whom the consequences of recession are profound. There are families who are living daily with levels of deprivation that should not be acceptable to any of us in what remains a relatively well off nation. Despite the enormous challenges facing Ireland, and the complexity of the issues involved, Barnardos believes that budget decisions continue to reflect political decisions that focus on targeting the most at risk members of society. This is reflected in figures that show that 1 in 10 people are experiencing food poverty, with those most at risk including those groups who have been most adversely affected by recent budget cuts: unemployed people; low income households; people with disabilities or poor health; people with low education; families with more than three children under 18; and lone parents.¹

The scale of the challenge facing the State in Budget 2013 is not to be underestimated. However, the continued pursuance of cuts that disproportionately affect vulnerable children and families while huge amounts are funnelled into bank repayments undermines the notion that Ireland is a fair and just society. A broader approach to tackling the fiscal crisis must be sought. Austerity is simply not working, and it is especially not working for Ireland's children. Alternatives to this approach must be examined and priorities refocused to ensure the

¹ *Department of Social Protection (2012) Constructing a Food Poverty Indicator for Ireland*

protection of children. Alternatives include reform of current systems to eliminate poverty traps and support parents in employment while making sure that children have access to quality support services. They include supporting children's education by making it affordable for parents and making sure that children who need it have access to support. And they include a more holistic approach to service provision that is underpinned by the best interests of children.

Fergus Finlay, *CEO*

Catherine Joyce, *Head of Advocacy*

INTRODUCTION

Barnardos is aware of how difficult it will be to achieve the objective of generating savings worth €3.5bn in Budget 2013. There is little fat left in any area of State spending and all decisions are now down to the bone. However, the cumulative effect of previous Budgets has already adversely affected low income families pushing many of them to breaking point. The combination of lower wages, reductions in welfare and public services coupled with the imposition of taxes has meant that the children of the recession are experiencing levels of poverty not seen in decades. In 2010, just over 200,000 children lived in households experiencing poverty.²

Barnardos is unsurprised by the findings of the Irish League of Credit Unions 'What's Left' Tracker for 2012 which found that 1.8m people are left with €100 or less each month after their bills are paid and that a further 602,000 adults had no disposable income at all at the end of the month after all their bills were paid. Furthermore, 40% of people have borrowed to pay their household bills in the past 12 months with 10% using moneylenders.

What this means in reality is that more children are going hungry. In our daily work with children and families, Barnardos is seeing more children coming in to services hungry and suffering the effects of cold and damp as parents struggle to meet daily costs such as food, heating and housing. Children's health is being affected as they are living in damp and cold homes, they have poorer concentration levels in school which impacts on their ability to learn and puts them

² Central Statistics Office (2010) *EU Standards of Income and Living Conditions*

at risk of falling behind in education. The solutions to poverty and disadvantage are not simple and require multi-layered approaches to really break the intergenerational impact inherent in many of the communities we work in. However, it is absolutely true that continued cuts to incomes and crucial support services are worsening the situation for children in the short-term and make it increasingly difficult to tackle entrenched problems in the medium and long-term. Budget 2013 must break the cycle of recent budgets and avoid targeting those who can least afford it.

SOCIAL PROTECTION

INTRODUCTION

While all household incomes have reduced during this recession, there continues to be stark income inequality in Ireland. Current policies to resolving the economic crisis are exacerbating this. Strikingly, comparing the impact of economic policies adopted in Ireland with Iceland, which also suffered an economic collapse, demonstrates how inequitable Irish economic policies are. The impact of these policy choices is very evident. For instance, the poorest tenth of earners in Iceland suffered a drop of 9%, whereas in Ireland the drop was 26%. In contrast, the richest 10% in Iceland experienced a drop in earnings of 38%, but in Ireland the top 10% showed an increase of 8%.³ The CSO also found that families with children are suffering the worst consequences of the recession – many are now going without essentials such as electricity, clothing and food.⁴

The cost of raising children is well documented. The Vincentian Partnership for Social Justice has found that the average weekly cost for an infant is €91.13, for a pre-schooler it's €48.29, a primary school pupil it's €78.66 and the cost for a secondary school pupil is €144.92. However, the costs are much higher for younger children when childcare costs are factored in. The high costs facing families with children make State support crucial, especially for those families on low incomes. Recent CSO SILC figures showed that excluding family allowances from analysis for 2010 would have increased the at

3 *'Irish solution has been to make most vulnerable pay'* by Vincent Browne in *Irish Times*, Wednesday 10th October 2012

4 *CSO Quarterly National Household Survey, 2011*

risk of poverty rate for people living in households with children from 18.7% to 38.6%.⁵

CHILD INCOME SUPPORTS

Reform of current child income supports is long overdue to ensure a more equitable system for all parents. A universal payment for all children must remain at the core of any reform, in recognition of the costs associated with raising children. While targeting the limited resources at low income families is more equitable, reform must not put more families at risk of poverty, especially lone parent families, who are already facing reductions in their income due to changes made to the One Parent Family Payment. Families reliant on social welfare have already disproportionately borne the cost of this recession. It is totally unacceptable that reform is made purely on the basis of generating exchequer savings. Families' ability to provide adequately for their children is at stake.

It is well known that employment is key to escaping poverty. Reform of the social protection system must include in-work supports such as Family Income Supplement (FIS) to avoid reinforcing poverty traps and to support those on low incomes to stay in or take up work. FIS has already proven to be beneficial in offsetting the impact of poverty. Reform must be coupled with investment in public services for children as these are an essential form of assistance to families who face the loss of income supports.

Barnardos believes that reform to child income supports must be phased in over time and any reductions in the universal rate must be countered by an increase in income and service supports for low income families.

⁵ *Survey on Income and Living Conditions (SILC) Thematic Report on Children 2004 – 2010*

Recommendations:

- Reform Child Income Supports in an equitable way. Ensure particularly at risk families, including lone parent families, are not pushed further into poverty by reforms.
- Phase any reduction to Child Benefit in over 3-4 year period to ensure families already under financial pressure are not unduly burdened.
- Retain adult social welfare rates at the present level.
- Ensure in-work supports are expanded to encourage the take up of low paid employment.
- Ringfence the funding saved from cuts to income supports for reinvestment in public services for children especially childcare and after-school care.

BACK TO SCHOOL CLOTHING AND FOOTWEAR ALLOWANCE (BSCFA)

The costs associated with sending children to school continue to be a significant burden on parents often sending families into debt or having to forgo paying other bills. The reduced rates applicable to the BSCFA in 2012 meant that there was a greater shortfall for parents reliant on social welfare to pay out of their own meagre resources. The income guidelines applicable are very low and there continues to be a distinction between one parent and two parent families, resulting in many low income families being ineligible and leaving parents to turn to alternative sources such as money lenders to ensure their children have all they need for school.

Recommendation:

- Do not make any further cut to the BSCFA rates. Synchronise the income thresholds applied with those applicable to FIS so that all family types and all those in receipt of FIS are eligible.

ONE PARENT FAMILIES

Budget 2012 brought about significant changes to the One Parent Family Payment, to be phased in over time. These include ending the payment when the youngest child reaches the age of seven in 2014/2015 and reducing the income disregard allowing lone parents to combine low paid employment whilst also receiving a portion of the payment. The impact of these changes means it is increasingly difficult for parents to meet the costs of raising a family alone. The majority of lone parents are already in work or want to work but the ongoing lack of supports such as reliable and affordable childcare and after-school care can present impossible challenges for parents to juggle employment with their parenting responsibilities.

Barnardos, as part of the 7 is Too Young campaign, has strongly opposed these changes as they are likely to increase welfare dependency among one parent families and increase poverty in families who are already at a much higher risk of poverty than other family types. This reform was also opposed by the Joint Oireachtas Committee on Jobs, Social Protection and Education on the grounds that supports such as comprehensive after-school provision to assist these families are unlikely to be put in place in the short term. Minister Burton's commitment that these changes would not be progressed until a 'Scandinavian Model' of childcare is in place must be honoured.

Recommendation:

- Efforts to achieve a 'Scandinavian Model' of comprehensive childcare and after-school care system must be rolled out, but in its absence, the One Parent Family Payment must continue to be available to lone parents until their youngest child reaches secondary school.

RENT SUPPLEMENT

Reform of the Rent Supplement is long overdue, especially in light of the fact that households are renting for longer periods of time as a result of the property collapse. Yet the changes made in recent Budgets such as lowering the thresholds at which the payment can be made have made finding suitable accommodation impossible for some. Focus Ireland have highlighted how recent cuts and changes to Rent Supplement have exacerbated the difficulties for those at risk of or trying to move out of homelessness⁶ leading to greater incidences of homelessness. These reduced thresholds are often not reflective of market rental prices and place a significant burden on low income families to make up the deficits. Structural reform to the system is needed by transferring the administration of the scheme to the local authorities who would negotiate rents with landlords directly.

Recommendations:

- Do not make any further reductions in Rent Supplement in Budget 2013. No changes should be made to this payment until an independent system for the transparent setting of rent limits is established, as recommended by Focus Ireland.
- Transfer administration of the Rent Supplement to local authorities under the Department of Environment, Community and Local Government. An alternative to tenants negotiating rent directly with landlords should be found to ensure that tenants are not being charged top ups and that Rent Supplement realistically covers the cost of accommodation for tenants.

⁶ Focus Ireland (2012) *Out of Reach: The Impact of Changes in Rent Supplement*

EDUCATION

INTRODUCTION

The education sector, like other areas, has experienced wide ranging cutbacks in spending and subsequent withdrawal of supports to families. However, if Ireland is to recover from this recession, further cuts to educational services and supports are counter productive. The future of the country depends on our ability to provide children and young people with the tools they need to innovate, create and achieve in a global economy.

EARLY CHILDHOOD CARE AND EDUCATION (ECCE)

The benefits of ECCE are well proven and documented, leading to better outcomes for children educationally and socially, whilst also yielding long term savings to the exchequer as ECCE can help break the cycle of poverty. However in Ireland, with the exception of the Free Pre-School Year for 3-4year olds, service provision across the sector is expensive and issues around quality and staff development remain outstanding. Barnardos has long called for a public subsidised model to be developed offering a child centred, high quality accessible service. This would be a departure from the current system of provision which has largely evolved to meet the needs of working parents rather than the emotional and educational needs of the child.

Recommendations:

- As a step towards establishing a 'Scandinavian Model' of public subsidised model of ECCE, maintain funding to ensure the continuation of the Free Pre-School Year and also extend the scheme for a second earlier year for each child.

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- Improve adherence to SIOLTA (quality standards) and AISTEAR (curriculum framework) and maintain the higher capitation grant for those services offering the Free Pre-School Year that employ staff with graduate qualifications, to incentivise professionalisation of this sector.

AFTER-SCHOOL SERVICES

The investment in the after-school services sector has been historically underdeveloped in Ireland, with the result that there is no national policy or legislative framework underpinning provision. As a result, service provision is ad hoc, expensive, unregulated and varying in quality standards. There is significant diversity within the services presently offered. The benefits of participating in quality after-school services are significant. Quality after-school services can modify the impact of poverty, act as a protective factor against early school leaving and are a space to foster social skills and social support for positive mental health.⁷

Barnardos believes that the development of a public subsidised model of ECCE must also include after-school services, thus creating a comprehensive child centred system for 0-12 year olds, comparable to that in Scandinavian countries. Such a system would meet the dual purpose of being directly beneficial to the child but also enabling parents to re-enter or remain in the labour market. As highlighted in the 7 is Too Young campaign, any plans or schemes introduced to address after-school service provisions based solely on pushing lone parents into the labour market would be regressive and not result in high quality services that best meet the needs of children.

⁷ *Jo-Hanna Ivers et al (2010) Current Steps and Future Horizons for CASPr: Review of CASPr North East Inner City After Schools Project, Dublin*

Recommendations:

- Develop an after-school services national policy that would oversee the roll out of subsidised after-school services across the country. An emphasis must be placed on regulation of services to ensure quality standards and greater professionalization of the sector.
- No further cuts to the community after-school service sector to protect a sector already seriously damaged by previous budget cuts – a sector vital to working with some of the most marginalized children in communities.

EDUCATIONAL SUPPORTS

Frontline educational supports have been particularly hit in previous Budgets. There has been an overall reduction in teacher numbers and specific cuts to Resource Teachers, Language Support Teachers, Special Needs Assistants, Visiting Teachers for Travellers and Guidance Teachers. Our children deserve to reach their educational potential and the continual withdrawal of supports prevents many children from reaching that potential. The impact of cuts is felt more deeply by those students from disadvantaged backgrounds. While DEIS schools have been somewhat protected the majority of students from disadvantaged backgrounds do not attend DEIS schools.

Recommendation:

- Refrain from any further cuts to frontline educational supports in schools, regardless of designation.

SCHOOL BOOK COSTS

The cost of education places a significant burden on poor families particularly the costs of uniforms and school books. Barnardos' 2012 School Costs Survey found that as children age and progress through the educational system, the associated costs rise with significant

increases for those in secondary school. The majority of parents are spending on average between €76-€100 for books for a primary school pupil and over €250 for a secondary school pupil. School book rental schemes are effective in reducing costs and ensuring all pupils have the required textbooks. However, they are more frequently used in primary schools than secondary schools leaving parents to bear the full costs of books.

Barnardos proposes the development of a school book rental system that would build towards each school providing books directly to children, as happens in other countries. This system, phased in over time, would be funded by the annual School Book Grant given to each school together with a small contribution from parents. Parental contribution must be capped for all schools to ensure savings to parents.

Recommendation:

- Adopt a national policy, led by the Department of Education and Skills, under which schools will use their School Book Grant to incrementally build up a set of textbooks for all their pupils.

CLASS SIZE

The issue of large class sizes remains a constant feature of our education system. It will become even more pertinent given the significant rise in pupil numbers expected in the next few years. Already in 2012, there are 112,821 pupils in classes of at least 30 – up from 97,000 a year earlier.⁸ The combination of having more pupils enrolling coupled with fewer non-class teachers puts greater pressure on teachers to be able to meet the diverse needs of their students, especially those who are at risk of falling behind. Large class sizes can particularly affect children from disadvantaged backgrounds.

⁸ 'Class sizes rising as cuts bite.' *Irish Independent*, September 4th 2012

Recommendation:

- Do not increase class sizes in DEIS schools.

NATIONAL EDUCATION WELFARE BOARD

The National Education Welfare Board continues to play a vital role in preventing and combating absenteeism from school. The incorporation of the Home/ School/ Community/ Liaison Scheme and the School Completion Programme into its remit has been a positive development. Non-attendance at school is an early warning system and a strong indicator of overall child welfare. Failure to address it has serious long term implications for children and society as a whole. About 12% (approximately 58,000) of primary school students and 18% (approximately 53,000) of post-primary students were absent for 20 days or more during the school year in 2009/ 2010.⁹ Combating the issues underlying poor attendance requires concerted action and close collaboration among schools, school support services and other stakeholders involved with children, young people and their families. It is for this reason that Barnardos welcomes the incorporation of the NEWB into the Child and Family Support Agency as it is a natural fit when dealing with vulnerable children.

Recommendations:

- Ensure work of NEWB continues and develops within the Child and Family Support Agency.
- Extend the remit of the NEWB to incorporate children from age of four.

⁹ *National Education Welfare Board (2012) Analysis of School Attendance Data in Primary and Post-Primary Schools 2009/10*

HEALTH

INTRODUCTION

Barnardos strongly welcomed the commitment in the Programme for Government to introduce a Universal Health Insurance system providing equal access for all based on need rather than ability to pay. The present two tier system adversely affects those reliant on the public health system which is under-resourced leading to lengthy delays in accessing appropriate healthcare. Delays in diagnosing and treating illnesses or developmental delays have a significant impact on children given the speed of a child's growth and development in childhood.

ROLL OUT OF UNIVERSAL HEALTH SYSTEM

The introduction of this new system has been slow, meaning the crises within the current system remain, not helped by the recruitment embargo in place leaving many vacancies unfilled. As a result, the health of some children is deteriorating particularly for those whose parents do not have a medical card or GP only card as they are unable to afford to bring them to the GP. Barnardos has long called for the introduction of free medical care for all children under 18 years as access to quality healthcare plays a crucial role in breaking the intergenerational cycle of poverty. The new equitable system should be expedited and children must be among the first beneficiaries of this system. However, during this transition phase children's health should not suffer because of the inefficiencies in the public health system. It is imperative that Budget 2013 enables the Department of Health to ensure greater access to affordable frontline health services especially for those moving from welfare to low paid work.

Recommendations:

- Expedite the roll out of the new Universal Health Insurance system and ensure that children will be among the first groups of beneficiaries.
- Ensure medical card guidelines and disregards are in line with social welfare rates, and allow all those moving from welfare to low paid employment to keep their medical card for three years.

MENTAL HEALTH

Emphasis on care within the community instead of a hospital setting is the focus of the A Vision for Change (2006) strategy and the Primary Care Strategy (2001). However, progress towards this aim remains well behind target. Both the availability of primary care teams and Child and Adolescent Mental Health teams are patchy with many teams not having full staff complement. Despite €35m being allocated in 2012 to build up the CAMHS teams, there are up to 1,500 vacant posts – many of them being allied health professional posts.¹⁰ This means that the service being delivered is very medical in focus and not the interdisciplinary approach that was originally planned. This dilutes the ability to engage in interagency work with vulnerable young people to prevent issues escalating, given the strong correlation between mental health difficulties, child protection and juvenile justice. In 2012, there are 56 CAMHS teams in operation in comparison to 61 in 2010.¹¹ Barnardos endorses the recommendation of the Taskforce on the Child and Family Support Agency which calls for the incorporation of CAMHS into the Child and Family Support Agency. To retain child and adolescent mental health services within the HSE system would be a significant

¹⁰ *Independent Monitoring Group (2012) 6th Annual Report of the Monitoring Group on A Vision for Change*

¹¹ *Parliamentary Question 12th July 2012*

missed opportunity to try and think holistically towards treating and protecting children.

Recommendation:

- Invest in CAMHs teams nationally and bring it within the remit of the Child and Family Support Agency.

CHILD WELFARE AND PROTECTION

Barnardos believes Ireland is on the cusp of significant change in how we treat and protect our children. Political and legislative developments that have occurred recently will hopefully be further strengthened by the passing of the Children's Referendum on November 10th. This is a once in a generation chance to reform our child welfare and protection systems to reduce the scale and impact of abuse and neglect on children.

CHILD AND FAMILY SUPPORT AGENCY

Barnardos has always been a strong advocate for prevention and early intervention initiatives and believes that the reformed child welfare and protection system underpinned by the work of the Child and Family Support Agency must have a greater emphasis on such services. The benefits of prevention and early intervention services are well documented, leading to greater outcomes for the child, their family and wider society.

Essentially, Barnardos' vision, to be led by this Agency, is to ensure that every child has local access to universal or prevention services and interventions like quality health services, education including pre-school and social amenities. Children facing additional challenges such as developmental delays should also have easy access to early intervention services like health and educational supports, life skills supports and family support programmes. And when prevention and early intervention isn't enough, children should have local access to a range of crisis welfare and protection services including social work, fostering and residential care; aftercare and homeless services;

juvenile justice supports and addiction programmes. The child should move along a continuum of supports, increasing if and when the needs of the child become greater.

In order to achieve this vision, Barnardos believes that the Child and Family Support Agency, which will become operational in 2013 and have a staff of around 4,000, must be fully resourced in order to focus on preventative and intervention work. The work of CAMHs and Speech and Language therapists must be subsumed into this agency as recommended by the Taskforce on the Child and Family Support Agency. It is crucial that the Agency is sufficiently resourced from the outset. This great opportunity must not be wasted by the failure to adequately resource and prioritise the Child and Family Support Agency from the beginning of its existence.

Recommendations:

- Incorporate key agencies such as CAMHs into the Child and Family Support Agency to ensure the emphasis on preventative work with vulnerable children is underpinned from the outset.
- Ensure sufficient financial resources are allocated to enable the Agency achieve its objectives of reforming the delivery of child welfare and protection services in Ireland.

CONCLUSION

Successive budgets have disproportionately affected those families with children most at risk of or already living in poverty. It is essential that the current approach to austerity is adapted in Budget 2013 to ensure that those on low incomes are protected from further deprivation and disadvantage. While Barnardos recognises the severity of the challenges facing the Government, we believe that we have reached a stage where further targeting of low income families will put children at significant risk. Alternatives to this must now be found to ensure the protection of vulnerable children and their families.



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