



## **BUDGET 2016 SPECIAL NEWSLETTER**

### **Disability Federation of Ireland**

An advocate for the voluntary disability sector

Supporting organisations to enable people with disabilities

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### **Budget 2016 once again fails to deliver for people with a disability**

DFI are bitterly disappointed and deeply concerned about Budget 2016 and Government policy in general as it does not show a comprehensive ambition to resolve the poverty and exclusion experienced by people with disabilities.

There is some long-awaited relief to people with disabilities and their families in some areas. We acknowledged the restoration of the Respite Care Grant, the partial restoration of the Christmas Bonus, investment of €15 million for early childhood education for children with disability, the investment in social housing, and the increase in the home carer tax credit, all which will be of assistance to people with disabilities and their families. However, this Budget does not go far enough to demonstrate that Government is committed to give people with disabilities and their families a serious start to a life of inclusion and hope.

The Budget is as much about the provision of accessible public services as it is about having sufficient income. A huge focus again this year has been on how better off people will be in relation to their income situation. We estimate that around 40,000 people and families will face disability for the first time over the year ahead. Their critical need will be for timely and accessible public and social services along with sufficient income. The negligible extra income as a result of tax changes will not nearly support them, while access to appropriate social services in a timely fashion will continue to be a major problem following this Budget.

There are some 600,000 people with disabilities in Ireland and there has been no move to attack the extra costs of disability or measures that would drive activation towards employment, even though the Government launched an employment strategy for people with disabilities recently. There are to be 48,000 more people at work next year according to Minister Noonan, while Minister Howlin stated that the best weapon against poverty is a decent job. This Budget is not likely to lead to employment for anyone with a disability over the coming year. Inequality, poverty, and deprivation are therefore going to rise for people with disabilities. We are frustrated that people with disabilities can only expect an incremental restoration of funding from previous budget cuts, however there has been no implementation of measures to make the current reality of

poverty and exclusion a thing of the past. How are people with disabilities and their families to take confidence and have hope that they can play a real part in the life of their community?

Another worrying development is the lack of clarity and transparency in relation to the figures for the overall adjustment to be made in Budget 2016. It is also true to say that electoral concerns for the current government parties have overtaken the social agenda in this budget.

This Government came into office committed to disability as their first social justice priority. That commitment has not been honoured to date and this Budget has sadly not changed that. Nowhere does it show ambition to tackle in a systematic way the continuing reality of poverty and exclusion that is part of daily life for people with disabilities and their families. Nowhere does it give hope for a life of participation and equal inclusion. Government has continued to renege on its commitment. This Budget was heralded as the first in a series of restorative budgets yet there is no sign that Government is using it to commence an ambitious approach to implementing the National Disability Strategy.

## Financial Impact of Budget 2016 for People with Disabilities

### Health

- Just €280m in new money goes forward to next year's health budget, a mere 2% raise on 2015.
- €8 million for expansion of therapeutic services for children, particularly speech and language
- Funding for the National Maternity Strategy.
- No decrease in prescription charges or hospital fees.
- €35m in funding to mental health and suicide prevention.
- Free GP services to under 12's.
- €66m extra allocated to Fair Deal.

### Housing

- Increase of €69 million to social housing budget, bringing it to €414 million.
- €135 Million provision for Community and Rural Development in 2016.
- Total funding of over €180 million for the capital provision for local authority housing will deliver more than 1,000 new units through a programme of construction and acquisitions.
- The provision of only €76 million for CAS in an attempt to meet the housing needs of vulnerable groups with some 450 units to be provided for people with specific needs in 2016.

### Children and Education

- Budget of €8.5 billion allocated to education this year.
- €15 million in 2016 to support children with special needs to access early childhood care and education.
- 2,260 new teaching posts and 600 new resource teachers on the way
- Pupil teacher ratios to decrease: from 28:1 to 27:1 for primary classes, and 19:1 to 18.7:1 for secondary.
- Introduction of free pre-school education for children aged between three and five, until they reach primary level, under the ECCE.

### Income Support

- Restoration of Respite Care Grant to €1700.
- Supports for water services to include €25 a quarter for people with disabilities and carers.
- €3 increase per week for pensioners and carers aged 66 and over.
- €2 increase for qualified adults aged under 66 years and an increase of €2.70 for qualified adults aged 66 years or over.
- €3 million additional funding to fund Free Travel scheme, increasing the funding to €80 million in 2016.
- Carer's Allowance to be paid for 12 weeks (currently 6 weeks) from January, after the death of the person being cared for.
- €2.50 weekly increase in Fuel Allowance
- New Paternity Benefit to be launched in 2016.
- Family Income Supplement threshold to increase by €5 per week for each of the first two children.
- Christmas bonus of 75% of payment (not less than €20) to be paid to those on all social welfare payments, including Disability Allowance, Carers Allowance and Domiciliary Care Allowance.
- Child benefit to be increased by €5 a month from January.

### Employment Supports

- Addition of €2.50 per week to top-up payments for Community Employment, Rural Social Scheme, Gateway, Tus, and JobBridge programmes.

### Taxation

- Changes to the levels of Universal Social Charge, with a new entry point of €13,000 introduced.
- Home Carer Tax Credit will be increased by €190 to €1,000.



## Health Budget

For 2016, the Department of Health will have funding of €13.175 billion. This equates to almost €900 million more than Budget 2015 for current and capital expenditure (€600 of which is the supplementary budget for 2015).

### Extension of GP Care

There will be further investment in primary care, including extension of GP care without fees for all children aged 11 years and under by the end of 2016 (subject to negotiations with the IMO). Other measures proposed are the expansion of GP access to diagnostic services, and allowing more GP's around the country to offer minor surgery procedures.

#### ***DFI Comments***

DFI welcomes the extension of free services to children 11 and under, however we are concerned that the delay in negotiating this service will be protracted. Furthermore the failure to address the immediate needs and concerns of those in receipt of discretionary medical cards and those receiving long term illness benefits continues to be quite remarkable.

The principle of free GP care for all is a positive as it aligns with the social right to health in the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD). DFI is disappointed, however, that the first identified phase of the roll-out of free GP care, i.e. the delivery of free GP care for the 70,000 people on the long term illness scheme, was rolled back on.

This measure, while moving towards a goal of health, well-being and prevention for all groups, unfairly disadvantages people with serious illnesses such as Motor Neurone Disease, Polio, and Multiple Sclerosis, who may be having serious difficulties in getting or keeping a medical card.

## Expansion of Child Speech and Language Therapy within Primary Care

Funding will be allocated to expand the availability of Speech and Language Therapy at Primary Care Level. It will also support the reorganisation and expansion of Speech and Language and other therapies under the Progressing Disability Services Programme for Children and Young Adults, including the development of early intervention services to facilitate children with a disability in mainstream pre-school settings.

### ***DFI Comments***

DFI acknowledges that Minister Lynch has said “The additional funding to expand Speech & Language Therapy at primary care level is very welcome. It will allow Speech and Language and other therapies to be re-organised and expanded under the Progressing Disability Services Programme for Children and Young People, including the development of early intervention services to allow children with a disability to attend mainstream preschools”.

This is a welcome acknowledgement of the need to include children with impairments and developmental delays in mainstream health provision. Thus offering the benefit of early intervention and the possibility of reducing the impact on the child/young person’s life.

## Mental Health

Additional €35 million for primary care and specialist mental health services

### ***DFI Comments***

The Minister’s intentions to expand the Counselling in Primary Care (CIPC) service including to children under 18 is a positive step in improving early intervention.

The active integration of the mental health services with other health services for children and young people with disabilities will be the critical factor in the realisation of the real impact of this spend.

## National Maternity Strategy

- National Woman and Infants Programme to be established to standardise and improve maternity care across all 19 maternity units and address front-line staff pressures
- Bereavement Teams will be appointed to maternity units as standard

## Ambulance

- Funding will be allocated to provide extra Community Responder teams (which provide a rapid response to emergencies in more isolated areas)
- Number of paramedics to be increased, especially in rural areas

## Fees

- No increase in hospital fees or prescription charges
- No change to Drug Payment Scheme Threshold
- No change to medical card or GP Visit card threshold

### ***DFI Comments***

DFI is concerned that these charges haven't been decreased in this budget as they unfairly target people with the greatest health and financial needs, including people with chronic conditions and disabilities in need of monthly medication. It will increase the burden of those trying to live with additional costs of disability.

## Fair Deal scheme

The Fair Deal nursing home scheme will also continue to be funded with approval within four weeks to everyone who needs it.



## Social Protection

### People with Disabilities and Older People

DFI regrets that fact that there were no changes to the basic social protection payments for people with disabilities.

The following changes in social protection were introduced in Budget 2016:

- €3 increase per week for Pensioners and Carers aged 66 and over.
- €2 increase for qualified adults aged under 66 years and an increase of €2.70 for qualified adults aged 66 years and over.
- Carer's Supports Grant (formerly Respite Care Grant) to be restored to €1,700 per year.
- Carer's Allowance to be paid for 12 weeks (currently 6 weeks) from January, after the death of the person being cared for.
- €3 million additional funding for Free Travel scheme.
- Supports for water services to include €25 a quarter for people with disabilities and carers.
- New Paternity Benefit to be launched in 2016.
- Family Income Supplement threshold to increase by €5 per week for each of the first two children.
- Christmas bonus of 75% of payment (not less than €20) to be paid to those on all social welfare payments, including Disability Allowance, Carers Allowance and Domiciliary Care Allowance.
- Child benefit to be increased by €5 a month from January.
- An extra €2.50 per weeks on the Fuel Allowance for long-term welfare recipients.

### **DFI Comments**

While there are some minor positives, this budget has struck another blow to the possibility of social inclusion for people with disabilities by not bolstering income in order to lessen the poverty and deprivation levels people experience.

We welcome measures designed to improve the living conditions of carers and families. DFI campaigned heavily for the restoration of the Respite Care Grant since it was cut by 19% from €1700 to €1375 in 2013. Along with carers groups we have long argued that the Respite Care grant provided a vital lifeline for families where a child's disabling condition results in extra costs to the family. It also formed part of the acknowledgment of the extra costs associated with having someone with a disability in the household, and the impact this has on poverty levels, including restricting parental participation in the workplace. The extension of the Carers allowance should the caring role end when the person being cared for dies is also a welcome move. We also welcome the increase in the Christmas bonus.

However, once again, the added cost of living with a disability, in addition to the increased cost of living, has not been taken into account. By not relieving prescription charges, for example, or addressing eligibility for the medical card based on need and not income, this budget will inevitably lead to further poverty and deprivation for people with disabilities. In not dealing with the cost of disability issue in an adequate and considered way, this government is sending a very clear message to people with disabilities: independent living is not being supported, and dependency on family and institutions is increased.

### **Jobseekers**

The earnings disregard for Jobseeker's Transitional payment will increase from €60 to €90 per week for existing and new recipients. All earnings above €90 will be assessed at 50% rather than the current assessment of 60%.

### **Activation Measures**

There will be an increase of €2.50 per week in top-up payments paid towards meals and travel costs for Community Employment (CE), Rural Social Scheme (RSS), Gateway, Job Initiative, Tús and JobBridge participants.

### ***DFI Comments***

Despite government commitment to mainstreaming, there continue to exist anomalies in the ways activation and employment measures are being designed, that result in exclusionary budgetary decisions. For example, measures are designed for those on the live register that do not include people on disability payments who may wish to work. Activation systems need to be designed to accommodate the employment aspirations of people with disabilities who have the capacity to work so they can be included in the creation of almost 50,000 jobs expected to be created in 2016.

This budget also did little to address the barriers to taking up employment faced by people with a disability. These include the utter lack of flexibility and timeliness in moving in and out of social protection payments as well as problems with medical card eligibility which may prevent people where there is a disability in the household from seeking employment that will put them above the threshold for the medical card. DFI estimates that these continuing issues will impact hugely on the effectiveness of the Comprehensive Employment Strategy in supporting people with disabilities into work.

Overall, this budget, in effect, says it is acceptable for a large cohort of our population to live in poverty, on a contingency payment and spend a lifetime doing so.

Until we have budgets where the social impact is considered before budgetary decisions are made, and these decisions are made in a cross-departmental and considered way, we will continue to have a situation where the Health Service Executive is supporting people to live independently in the community while the Department of Social Protection makes it explicit that the only route out of poverty is through employment. This is a vicious circle for people with disabilities locked out of the current employment landscape meaning they will be left with no income to maintain their health or participate in society.



## Education

There is a budget of €8.5 billion allocated to education this year.

### Primary and Secondary Education

Allocation of €15 million in 2016 to support children with special needs to access Early Childhood Care and Education Scheme (ECCE) which will bring free pre-school education to all children between three and five.

#### **DFI Comments**

The budget this year has been described as a family friendly budget. Following a consultation process there is an imminent report on 'pre-school inclusion'. The detail of that report and the active implementation of its recommendations will be needed to ensure that this very welcome addition to the childcare package is indeed available and accessible to all children.

2,260 new teaching posts and 600 new resource teachers on the way:

#### **DFI Comments**

The availability of additional resources is very welcome and as it is proposed that this will address demographic demand we could anticipate an increase in accessibility to mainstream school across the country.

Pupil teacher ratios to decrease: from 28:1 to 27:1 for primary classes, and 19:1 to 18.7:1 for secondary.

#### **DFI Comments**

The commitment to lower pupil teacher ratio is welcome especially where school classes include a child with a disability enhancing the possibility of better school experiences for all children.

## Further Education and Training

€10.5 million in funding to drive apprenticeship programme.

### ***DFI Comments***

In this instance it will be imperative that this initiative is open and accessible to all young people including those with a disability otherwise the access to vocational training and development will be inequitable and therefore not in keeping with the UN convention on the rights of people with disabilities or indeed the UN convention on the Rights of the Child.

## Higher Education

Increases to supports for disadvantaged students in higher education

### ***DFI Comments***

As with all other investment Government Departments, schools and services need to work collaboratively to ensure that this support is applied without undue bureaucracy.

€3m is being made available to invest in the student assistance fund, and more generally for supporting disadvantaged students. Detail on the exact allocation of this sum will follow in the spring.

### ***DFI Comments***

It will be interesting to see the details promised in this allocation and whether or not they can meet the needs of those students where their disadvantage is that they experience an impairment or disabling condition.

## Resourcing Special Projects

€3m increase in literacy and numeracy strategy funding.

### ***DFI Comments***

Here too the emphasis must include those with a secondary disability resulting from physical impairment or poor communication skills that result in underachievement in literacy or numeracy.



## Housing

The housing budget provides a €379 million allocation for current spending in 2016, while €432 million will be invested through capital expenditure. While the limited positive initiatives in the Budget are welcome, the fact remains that the supply of appropriate housing will change little in 2016, while at the same time, housing need amongst people with disabilities continues to climb.

- Provision of 450 units for people with specific needs in 2016 as part of €76 million allocated to Capital Assistance Scheme (CAS) to meet housing needs of vulnerable people, a minimal increase from €71 million despite the ongoing housing need of people with disabilities and the additional costs for this provision.
- Total funding of €180m for capital provision for LA housing to delivery more than 1,000 units through construction and acquisition.
- Funding of €45 million for Private Housing Grants will provide for some 8,500 grants in 2016 which will assist with adaptation works to enable older people and people with disabilities to remain living independently in their own homes for longer. However, this is an increase of less than €5 million from last year.
- The Housing Assistance Payment (HAP) will increase in funding by €24.5 million to €47.7 million in 2016.

### ***DFI Comments***

While DFI acknowledges that Government has committed to develop and provide social housing, the capital expenditure for housing units for people with disabilities is not clear. Furthermore, we question how many of these houses will be built using the concept of universal design and planning for an ageing population, or how many will be designed for the needs of wheelchair users? Unfortunately, there is no indication of forward planning for people with disabilities in this Budget. Much more investment is needed to tackle the increasingly lengthy waiting lists and provide accessible and appropriate accommodation, especially in a context where capital funding for social housing has been significantly reduced since.

**DFI Comments**

It is a further concern that the majority of the increase in social housing spending (€47.7 million out of €69 million) will be on Housing Assistance Payment. This is a subsidy paid to private landlords and is therefore not social housing.

The private rental market and provision of social housing using private finance cannot respond to increase the delivery of housing for people with disabilities. A significant increase in CAS funding would have acknowledged this point but the budget allocation is only €5 million more than last year. Furthermore, the fact that CAS is not accessible to designated centres has not been resolved, meaning people with disabilities in institutions will not benefit from this positive, albeit limited, increase.



## Taxation

### Income Tax

Home Carer Tax Credit will be increased by €190 to €1,000 and a rise of €2, 120 to income threshold for home carers.

#### ***DFI Comments***

While this is a very welcome development, for those on low income below the tax threshold it is of little or no benefit. This credit should have been made refundable to benefit those on low incomes.

### USC

Income up to €13,000 is now exempt while the bands and rates have changed to the following:

€0 - €12,012: 1%

€12,013 - €18,668: 3%

€18,669 - €70, 044: 5.5%

€70,045 - €100,000: 8%

Those with medical cards and those aged over seventy who have an income of €60,000 or less have a maximum USC rate of 3%.

### VAT

There were no changes to the standard rate of VAT at 23%. The 9% reduced VAT rate for tourism related services is similarly being retained.

### PSRI

A new tapered PRSI Credit is being introduced for employees insured at Class A whose earnings are between €352.01 and €424 in a week.

For Employer's PRSI the weekly threshold is increased to €376.01 at which liability for PRSI increases from 8.5% to 10.75%.

## Pensions

The additional levy on private pension funds at 0.15% introduced for 2014 and 2015 will end this year and not apply in 2016.



## Communities and Local Government

### New Schemes

- €30 million over 6 years for New Village Renewal Scheme

#### ***DFI Comments***

Village renewal funding is welcome with €5m being provided in 2016 and the remainder over the following 5 years. However precisely what this mean to people with disabilities living in villages and in rural communities is not yet clear. How the funding is channelled to communities will either make the Village Renewal Scheme part of a larger Programme of work or maintain it as a stand-alone project. This can seriously impact on whether the fund will result in outcomes which have the potential to positively affect the lives of people with disabilities in rural communities.

If for example the funding is channelled via SICAP or Leader Programme funding, it would be linked to these Programme actions and outcomes may include improved access to locally based employment, better broadband, improved local community services or rural training opportunities. It could also mean improved physical access to community venues.

If it remains a stand-alone fund, it may mean village renewal from the perspective of aesthetics and local tidy town type activities. These are also welcome and worthwhile projects, but if not linked to larger scale programmes, the funding may not impact as strongly on positive change for local people with disabilities.

- €5 Million Assist homeowners to address Lead in Drinking Water

#### ***DFI Comments***

The DFI support this preventative measure to reduce exposure to lead in drinking water. This is likely to affect those in Dublin or older cities where old Victorian lead pipes still deliver water into homes. There is also a possibility that private wells or those serviced by rural community water schemes may have small quantities of lead in their water naturally.

## Increased Funding

- 10% increase in current funding for Monitored Alarms for older people
- Funding for libraries has also been increased by 83% for 2016.

The Rates of motor Tax on larger Commercial vehicles is reduced to support the haulage industry.

## Continuing Funding for Local Communities

- €135m will be invested in Community programmes in 2016, which includes funding under the Social Inclusion and Community Activation Programme (SICAP) and LEADER Programme.
- In 2016, some 40,000 people will receive direct one-to-one labour market training and supports through the SICAP.
- €46 million will also be invested in 2016 to increase access to formal and informal educational activities and resources and to increase people's work readiness and employment prospects

### ***DFI Comments***

The SICAP Programme is in year one of a multiannual cycle and the funding announced in the Budget continues to support the existing Programme. However, issues persist in the operation of this programme on the ground. Implementation organisations are charged with implementing the programme within key designated geographical areas. Outcomes and targets are identified at central level for the organisations to meet and these must be recorded on a central reporting database. However, the process results in organisations not being able to address real issues of need in their local geographical areas. If an individual or family lives outside of the designated area(s) for the Programme, his or her needs cannot be addressed by this programme. The result is that individuals (including those with disabilities) and families who are as much in need of SICAP interventions as those within the designated catchment areas, cannot avail of SICAP support.

If interventions are carried out to support these individuals by a SICAP implementing organisation, they cannot be recorded as a SICAP intervention and therefore they do not 'count' as meeting the targeted outcomes for the Programme. As a result individuals and whole families can fall between two stools and are in danger of increased deprivation.

### ***DFI Comments***

The Leader Programme is an EU funded Rural Development Programme. It is currently in the process of reapplication so existing Leader Partnerships are currently reapplying for the funding to operate the Programme in Local communities around the country.

Speaking about the new LEADER Programme 2014-2020, which will assist projects that improve quality of life and promote growth and diversification of the rural economy, Minister Kelly said: “Leader is addressing many of the challenges facing rural communities, including through increasing economic activity and generating employment. It is a key multi-annual Programme which will continue to be supported in 2016 with the provision of €40m.”

The focus of the new Programme will continue to leave issues of social inclusion and community activation in rural areas to the SICAP Programme. With the difficulties already outlined within the SICAP Programme, any positive impact on the lives of people with disabilities living in rural areas will be more incidental and will be harder to identify as being a direct outcome of the Leader Programme interventions.

## **Other continuing Community Funding**

Funding for Volunteering and philanthropy supports continues. It appears to be remaining at the existing rate as no increase in funding is flagged.

### ***DFI Comments***

Volunteering is at an all-time high and schemes such as internship and other DSP activation programmes are welcome in that they offer participants the opportunity to participate and be involved in community services and supports. However, people with disabilities are still not eligible to be involved in many activation programmes and real efforts to develop and support volunteering opportunities for people with disabilities are absent.