

Mid-Term Review

Roadmap for Social Inclusion

To: Department of Social Protection & IPSOS

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Introduction

The Society of St. Vincent de Paul (SVP) welcomes the opportunity to provide input into the mid-term review of the Roadmap for Social Inclusion. SVP's experience of working with people living in poverty affords key insights into areas in which public policy is effective and where there are important gaps. In the context of this consultation, we translate the issues encountered by our members on the ground into concrete policy solutions.

Response to Consultation Questions

1. What progress do you feel has been made in reducing poverty and social exclusion since publication of the Roadmap for Social Inclusion 2020 – 2025 in January 2020?

SVP recognise and understand the series of social and economic shocks that have impacted Ireland since the Roadmap for Social Inclusion was published in 2020, and the challenge this has brought in terms of addressing poverty and social inclusion. We also note that many of the commitments are out of date in light of a new Programme for Government.

We welcome and note that progress has been made under the provision of hot school meals, analysis of the drivers of food poverty, the publication of research on the cost of disability, improvements in income supports for individuals and families in budget 2021 and 2022, and the publication of new strategies such as Our Rural Future.

However, a key weakness in the current Roadmap is a failure to link actions and commitments to outcomes/targets – many of which are not ambitious enough. It is not clear how many of the commitments are linked to a reduction in poverty, especially those that relate to the publication of research or a strategy. The break in time series for the Survey of Income and Living Conditions in 2020, also significantly limited the ability to measure the impact of the Roadmap on poverty reduction. Overall, the mid-term review is pertinent and timely.

2. In your experience, what has worked well in reducing the number of people in Ireland experiencing poverty and social exclusion?

Adequate income supports

The Pandemic Unemployment Payment (PUP) was set at €350 per week, an upfront recognition that the rate of Jobseekers Allowance (maximum personal rate of €208) and other primary benefits are currently insufficient. Our response to the pandemic shows the difference adequate social protection payments make –without these vital supports twice as many unemployed people would be living at risk of poverty (CSO – SILC 2021 data). The removal of Covid-19 income supports has brought payment back to inadequate level and below what is required to meet a Minimum Essential Standard of Living (MESL).

It is also important to note that when poverty was rising rapidly among older people in the late 1990s, successive governments acted to reverse the trend through increases in the state pension. This led to the proportion of older people at risk of poverty falling from 27.1% in 2004 to 9.6% in 2010 and the proportion in consistent poverty falling to a low of 0.9% in 2010.¹ Similar focus and ambition is needed now to address poverty across all age groups.

Recognizing the additional needs of older children through a higher rate of QCI was a welcome evidence based anti-poverty measure. This measure recognised the additional costs facing families with older children as established by the Vincentian MESL Research Centre and the higher rate of poverty experienced by older children. However, it is notable that Budget 2023 failed to provide attention support to older children, providing a €2 uplift in the Qualified Child Increase regardless of age. This decision has the potential to offset the progress made in Budget 2020 and Budget 2021.

¹ Data extracted from the CSO Statbank and Survey of Income and Living Conditions <https://data.cso.ie/#>

Focus on the issue of child poverty

The Government's child poverty reduction target outlined in *Better Outcomes, Brighter Futures: The National Policy Framework for Children and Young People 2014-2020*, sought to reduce the number of children living in consistent poverty by at least two-thirds on 2011 levels.

To support the Government in achieving its child poverty target, a child poverty subgroup was established under the auspices of the *Better Outcomes, Brighter Futures* National Advisory Council for Children and Young People in October 2015. The subgroup was comprised of both statutory and non-governmental (NGO) representatives² and was co-convened by the Department of Social Protection and the Children's Rights Alliance.

In October 2017, the Department of Employment Affairs and Social Protection, in conjunction with partner departments, published a paper detailing the whole of government approach to tackling child poverty. Its approach is based upon the European Commission's *Recommendation on Investing in Children* and 'emphasises the need for a combined approach to tackling child poverty levels in Ireland, involving both income supports and services'.³ Alongside income supports and the provision of services the paper also prioritises improving employment prospects for parents as a way of reducing child poverty.⁴

A number of positive initiatives were introduced during this time and included a higher rate of payment for older children, an increase in the Back to School Allowance, restoration of in-work supports for one parent families, the provision of

² Barnardos, ISPC, National Youth Council of Ireland, One Family, Early Childhood Ireland, Society of St Vincent de Paul, Children's Rights Alliance.

³ Department of Children and Youth Affairs, *Better Outcomes, Brighter Futures: The National Policy Framework for Children and Young People 2014-2020*. Department of Children and Youth Affairs 2014.

⁴ Department of Employment Affairs and Social Protection *Distilled paper on whole of Government approach to tackling child poverty*.

hot school meals, and targeted supports for families through the new National Childcare Scheme.

This focus on child poverty in Government budgets, coupled with an increase in employment and income supports led to a welcome decline in the numbers of children living in consistent poverty. Between 2014 and 2018, over 60,000 children were lifted out of consistent poverty, with over 26,000 children lifted out over poverty in 2018 alone.

The 2019 figures see a reversal of this positive trend when the rate increased marginally for the first time in five years. In 2019, the rate of consistent poverty among children stood at 8.1 %, which equates to approximately 97,000 children – an increase of 5,000 children compared to 2018.⁵ This compares to a rate of 5.1 % for adults aged 18-64 and 2.3 % for those over the age of 65. The rate of consistent poverty increases to 17 % among one-parent families,⁶ highlighting how if we are to be successful in tackling child poverty, we must support lone parents.

In 2021, the National Advisory Council for Children and Young People Paper on produced an updated paper on Addressing Child Poverty.⁷ This Paper provides an overview of how a Child Poverty Action Plan could be developed and identifies the key overarching components that are needed to ensure that the goal of eliminating child poverty is achieved within its lifetime. The key recommendations from this paper must be incorporated into the Roadmap mid-term review alongside Government commitments on the EU Child Guarantee. This is expanded upon further under question 4.

⁵ Data extracted from the CSO Statbank and Survey of Income and Living Conditions <https://data.cso.ie/#>

⁶ Data extracted from the CSO Statbank and Survey of Income and Living Conditions <https://data.cso.ie/#>

⁷ <https://www.gov.ie/pdf/?file=https://assets.gov.ie/213580/928533d9-413d-4848-951f-80d21c515f65.pdf#page=null>

3. And in your experience, what has not worked so well or is challenging in reducing the number of people in Ireland experiencing poverty and social exclusion?

Key challenges and policy gaps

The key challenge ahead is ensuring that the Roadmap can adequately respond to the socioeconomic impact of covid-19, the cost of living crisis as well as the need to effectively tackle structural causes of poverty that have persisted for many years.

The key challenges as seen by SVP are:

- Prior to Covid (data relating to 2019) – progress on headline poverty figures was being made but persistent high rates remained among unemployed, lone parents and people with a disability. It was estimated that 800,000 people were experiencing enforced deprivation (CSO-SILC).⁸ Almost 1 in 6 households were in energy poverty (ESRI-2022)⁹ and almost 40% couldn't afford an unexpected expense, rising to 76.8% for one parent family - the highest rate in the EU (EUROSTAT -SILC).¹⁰
- Experience during covid - the quick response to protect the incomes of individuals during the pandemic prevented a dramatic rise in poverty but those already in poverty issues such as food and energy poverty were exacerbated. The rate of food poverty rose from 7.4% in 2019 to 12% in 2020¹¹ and the number of energy customers in arrears increased by 15% (CRU data).¹²
- Learning loss for children from disadvantaged backgrounds due to COVID-19 school closures well evidenced and still ongoing since restrictions were lifted.¹³

⁸ Central Statistic Office (2020) Survey of Income and Living Conditions 2019

<https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2019/>

⁹ Economic and Social Research Institute (2022) Energy Poverty and Deprivation in Ireland

<https://www.esri.ie/publications/energy-poverty-and-deprivation-in-ireland>

¹⁰ Eurostat (2022) Inability to face unexpected financial expenses - EU-SILC survey[ilc_mdcs04]

¹¹ Department of Social Protection (2022) Mapping Exercise on Food Poverty in Ireland -

<https://www.gov.ie/en/press-release/919b8-minister-obrien-welcomes-publication-of-the-report-on-food-poverty-government-programmes-schemes-and-supports/>

¹² Commission for the Regulation of Utilities (2021) Covid-19: Arrears and NPA Disconnections April 2021

Update <https://www.cru.ie/wp-content/uploads/2021/06/CRU21065-Covid-19-Arrears-and-NPA-Disconnections-April-2021-Update.pdf>

¹³ Mohan et. al (2020) Learning for all? Second-level education in Ireland during COVID-19

<https://www.esri.ie/publications/learning-for-all-second-level-education-in-ireland-during-covid-19>

Devit et al (2020) Teaching and Learning During School Closures: Lesson Learned

https://www.tcd.ie/Education/research/covid-19/teaching-and-learning-resources/Teaching-and-Learning-during-COVID-shutdown-Post-Primary-Teacher-Perspectives-Report_July_USE_web.pdf

Corona Citizens Science Project - Wave 3 Results <http://www.nuigalway.ie/corona-study/results3/>

- Significant progress made on reducing homelessness during COVID-19 largely due to eviction ban and quicker exits from emergency accommodation for families.¹⁴ Since it has been lifted numbers in homeless accommodation has reached record levels¹⁵ (*note narrow measure of homeless in Ireland compared to other European Countries*).¹⁶
- Prior to the cost of living crisis the gap between social welfare income and the cost of a minimum essential standard of living for a single adult was €52 per week, rising to €70 for a one parent family (2022 data).¹⁷ Forecasts for 2023 expect this gap to grow to €93 for lone parents and to €59 for a single adult.¹⁸ This does not include the extra costs of disability estimated at €9,000 to €13,000 annually.¹⁹

What is not working well

- *Actions and commitments in the Roadmap are not linked to targets or outcomes:* A key weakness in the current Roadmap is a failure to link actions and commitments to outcomes/targets – many of which are not ambitious enough. It is not clear how many of the commitments are linked to a reduction in poverty, especially those that relate to the publication of research or a strategy.
- *Siloed budgets and barriers to effective cross government work:* SVP are supportive of a whole of Government approach and we welcome the development of cross-departmental structures through the Roadmap Steering Group, of which SVP is a member, and see it as a positive mechanism for accountability and implementation. However, challenges remain as departments often work in

Doyle (2020) COVID-19: Exacerbating Educational Inequalities? <http://publicpolicy.ie/papers/covid-19-exacerbating-educational-inequalities/>

¹⁴ Irish Times Article (September 2021) Reduction in homelessness a 'positive impact' of Covid-19 <https://www.irishtimes.com/news/ireland/irish-news/reduction-in-homelessness-a-positive-impact-of-covid-19-1.4688118>

¹⁵ RTE News (July 2022) Homeless figure approach record levels in second quarter <https://www.rte.ie/news/ireland/2022/0729/1312967-homeless-figures/>

¹⁶ Morgan- Williams (2022) Why we need a new legal definition of homelessness <https://www.rte.ie/brainstorm/2022/0207/1278337-ireland-homelessness-definition-legislation/>

¹⁷ Vincentian MESL Research Centre (2022) MESL 2022 Annual Update https://www.budgeting.ie/download/pdf/mesl_2022_annual_update.pdf

¹⁸ Vincentian MESL Research Centre (2022) MESL Budget Impact Briefing

¹⁹ Indecon Economics and the Department of Social Protection (2022) The Cost of Disability – Research Report: <https://www.gov.ie/en/publication/1d84e-the-cost-of-disability-in-ireland-research-report/>

silos, particularly in relation to budgetary decisions. Additionally, most departmental business plans or statement of strategies do not include a clear requirement that poverty and social inclusion measures are incorporated into service considerations and policy development. This means poverty is not seen as a top-line priority from some Department leading to a fragmented approach to policy implementation.

- ***Lack of local delivery and implementation***: Vertical as well as horizontal joint work is required to ensure anti-poverty and social inclusion measures are also embedded at a local level, as currently there is a lack of integrated use of resources or of long-term planning of services in local government. SVP believe that local government expenditure should reflect an emphasis on tackling disadvantage and poverty. SVP calls for ‘ring-fencing’ of money by a local authority solely for the purposes of progressing initiatives related to addressing poverty and social exclusion. Examples of relevant local authority responsibilities include the provision of social housing, physical infrastructure, community facilities including sports and recreation, education and welfare.
- ***Data limitations and poverty proofing***: The consistent poverty measure is a robust and important primary indicator to track progress on poverty. However, it is important to recognise the limitation of this measure. For example, some of the most marginalised groups in Irish society including those living in emergency accommodation, direct provision centres and members of the Roma and Travelling communities are not counted in official poverty figures. It also does not adequately capture inequalities in access to services. Notably, when the rate of consistent poverty among children was falling from 2014 onwards, the number of children experiencing homelessness increased by over 300%.²⁰ Similarly, while the rate of consistent poverty among all lone parents was falling, the proportion of lone parents working below the poverty line more than doubled between 2012 and 2019.²¹
- The Roadmap for Social Inclusion 2020-2025 references the need to undertake Poverty Impact Assessment, Equality and Gender Proofing and

²⁰ Focus Ireland ‘Family Homelessness Data’, available at [https://www.focusireland.ie/resource-hub/latest-figures-homelessness-ireland/?t=\\$2#Family](https://www.focusireland.ie/resource-hub/latest-figures-homelessness-ireland/?t=$2#Family)

²¹ Society of St Vincent de Paul (2019) Working, Parenting and Struggling: An Analysis of the Employment and Living Conditions of One Parent Families.

Social Impact Assessment,²² however none of the 69 commitments in the roadmap are directly related to poverty proofing policy or budgetary decisions. The Programme for Government commits to ensure “any changes made in social welfare provisions will continue to be gender- and equality-proofed” but does not refer to the need to assess the impact of policy on poverty nor the impact of changes in policy from other Government Departments.

- *Arbitrary nature of the social protection system in setting rates leading to inadequacy:* Political and economic factors and influences have traditionally determined social welfare payment levels. As a result, significant variations in payment levels exist between different recipients, and this has contributed to the administrative complexity of the system. Ireland is an outlier in Europe when it comes to benchmarking and indexing pensions and social welfare payments. In a 2015 review of minimum benefit schemes by the European Commission it was found that the majority of countries have a clear metrics for establishing the level of payments. The most common approach is related to establishing minimum living standards using through prices, basket of goods, the absolute poverty line, or reference budgets. Most counties also account for household composition and make adjustment as required. In Germany for example, the benefit level is deduced from the expenditures of lower-income groups, measured every five years using a representative income and consumption dataset.

4. What would you like to see prioritised in terms of moving people out of poverty and social exclusion, up to the end of the *Roadmap for Social Inclusion 2020 – 2025* in 2025?

²² **Poverty impact assessment (PIA):** This is the process by which government departments, local authorities and State agencies assess policies and programmes at design, implementation and review stages in relation to the likely impact that they will have, or have had, on poverty.

Equality and Gender Proofing: The introduction of Equality and Gender Proofing ensures that institutional arrangements are in place to support equality and gender proofing, both in the independent fiscal and budget office and within key government departments, and draws on the expertise of the Irish Human Rights and Equality Commission (IHREC) to support the proofing process.

Social Impact Assessment (SIA): This is an evidence-based methodology which estimates the likely distributive effects of policies on household incomes, families, poverty and access to employment.

See page 74 of the Roadmap for Social Inclusion:

<https://www.gov.ie/pdf/?file=https://assets.gov.ie/46557/bf7011904ede4562b925f98b15c4f1b5.pdf#page=1>

Income Adequacy and Benchmarking Working Age Payments

Benchmarking social welfare payments to an adequate level is one of the most critical factors needed to achieve the Roadmap's target of reducing consistent poverty to 2% by 2025. We understand that progress on commitment 25 will be determined based on the outcome of commitment 22 and the Pension Commission's recommendations as "an aligned approach is required to ensure consistency and equity between indexation and Government agreement on pensions benchmarking approach." We also note Commission on taxation and welfare recommended "that Government undertakes a regular benchmarking exercise in respect of all working-age income supports (including supports for people who are unemployed, people with disabilities and people parenting alone), following which multi-annual targets should be set for social welfare rates which provide for regular incremental progress. Annual increases in social welfare rates should be based on a transparent and evidence-led process." The report also notes the importance of adequate welfare payments in the overall strategy to reduce poverty and inequality.²³

However, we are concerned that benchmarking social welfare payments to average wages or the Consumer Price Index will not be effective in meeting the anti-poverty commitments set out in the Roadmap, if rates are set at level below what is needed to meet an adequate standard of living. It is our view that an appropriate benchmark should aim to:

- Combat poverty and social exclusion by establishing an adequate social protection floor
- Ensure that everyone has an adequate income to meet the cost of living and live with dignity
- Provide people with the means to access opportunities and to participate in society
- Offer certainty to people on fixed incomes

For these reasons, many organisations in the Community and Voluntary sector have advocated that the Minimum Essential Standard of Living (MESL) data is the most appropriate adequacy benchmark for social welfare payments. The MESL data provides a multi-dimensional view of income adequacy that is grounded in social

²³ Report of the Commission on Taxation and Welfare (2022) <https://www.gov.ie/en/publication/7fbcb-report-of-the-commission/#:-:text=agus%20Liota%20Molta%C3%AD-,%20Foundations%20for%20the%20Future%3A%20Report%20of%20the%20Commission%20on%20Taxation,in%20the%20Programme%20for%20Government.>

consensus on what are the minimum requirements to participate in Irish society today. As well as determining the rate at which social welfare rates need to be set in order to ensure adequacy and a life with dignity, the data also highlights policy levers that can reduce the cost of living through access to quality public services. This is very relevant to the whole of Government approach to addressing poverty that underpins the Roadmap.

Energy Poverty and Climate Justice

On the back of the pandemic, we are now facing a winter in which many households will find the rising cost of living simply impossible to meet. The issue of energy poverty is a long-standing problem prior to this energy crisis and requires action across a number of Government. The current version of the Roadmap for Social Inclusion is very weak on the issue of energy poverty, with a limit action to review existing retrofit schemes. There is also no actions for the Department of Transport. This is notable given the importance accessible and affordable public transport plays in terms of social inclusion and the cost of living.

SVP welcome the steps been taken by the Department of Communication, Environment and Climate Action to develop a new Energy Poverty Action Plan. This plan must be ambitious on all fronts, from taking action within the energy market to creating new markets for retrofitting and joining up different areas of action so that people receive wraparound support.

You can find SVP detailed submission on the new Energy Poverty Action Plan here:

<https://svp.ie/getattachment/3fe7d61f-ffb6-4747-83cb-6fa84be3de4d/SVP-Submission-on-Energy-Poverty-Action-Plan-Consu.aspx>

Given this is a such a vital area in terms of poverty reduction, just transition and in the context of the cost of living and energy crisis, this must be a priority area of the review.

Child Poverty with a Focus on One Parent Families

SVP welcome the steps being taken to implement the EU Child Guarantee in Ireland but is concerned there is currently no national strategy to address child poverty. As

there are a number of areas the Child Guarantee does not address, namely income, parental employment and transport, there is a need to implement a comprehensive child poverty strategy to ensure co-ordination and action across all Government targets. We are also concerned that the Irish Government response to the EU Child Guarantee will not reach its ambition as there is limited evidence of links to the 1) goals of the child guarantee, 2) evidence on what is effective at reducing child poverty, 3) child outcomes and well-being indicators or effectively to the outcomes of target groups or 4) tangible and measurable actions government can take. The inclusion of family hubs under housing as an action is just one example of this.²⁴

Importantly, the Government's Roadmap for Social Inclusion 2020-2025 commits to establish and report on a new target in respect of child poverty, to improve Ireland's ranking from 20th to at least 5th for 2025. This commitment must be the starting point to develop a new National Child Poverty Strategy, of which the EU Child Guarantee is key component.

This new plan must be based on the blueprint provided by National Advisory Council for Children and Young People, with specific sub-targets and supporting actions for children in one parent families and those in households where disability is present.

High-Level Recommendations for a New National Child Poverty Strategy

- Set a new target to reduce the proportion of children living in consistent poverty to 2 per cent or less by 2025 and eliminate child poverty by 2030 in line with the UN Sustainable Development Goal of No Poverty. Introduce legislation to make this target legally binding.
- Establish a co-located Child Poverty Unit in the DCEDIY and DSP tasked with strategically developing child poverty actions plans and driving implementation across Government.
- Resource and implement cross-governmental national action plan to ensure Ireland reaches the target of reducing child consistent poverty to 2 per cent or less by 2025 and delivers on the commitments set out under the EU Child Guarantee.

²⁴ SVP (2022) Submission on the EU Child Guarantee <https://svp.ie/getattachment/0a767385-5526-40f8-b915-0b4083cfd14f/SVP-Submission-EU-Child-Guarantee-Jan-2022.aspx>

- Fully implement the 2017 Joint Oireachtas Committee on One Parent Families, with updated actions, as is committed to the current Programme for Government.
- Develop a 'child poverty dashboard' requiring annual reporting by Government to monitor progress across a number of domains and sub-group targets for children most at risk of poverty and exclusion, including children in one parent families, those living in homeless accommodation or direct provision, Traveller, and Roma children and those with a disability.
- Establish a well-resourced parliamentary oversight committee to monitor action on child poverty.
- Place the process of poverty and equality proofing of all Government policy on a statutory basis.
- Report annually on how the budget will reduce child poverty and how the Government is progressing towards its targets.

Address the Extra Cost of disability

The Roadmap has delivered on the commitment to publish research on the extra cost of disability. The Government must act on this research and form an action plan - with clear budgets, timelines, and with actions assigned to various Government Departments and Agencies - to address the real issues of poverty and social exclusion highlighted by the report.

5. If there are any specific aims, ambitions, commitments or targets in the Roadmap for Social Inclusion 2020 – 2025 that you would like to comment on, please provide details. This can include identifying gaps in what is included in the Roadmap, or any other comments you may have.

Targets

There is a need to reconcile the double targets for each area i.e. there is a discrepancy between EU Rankings and absolute levels.

- Does EU absolute level target (%) account for progress in other EU countries?

- e.g. At-risk after social transfers: Target of 12.8% or top 5 is now 7th in 2019. 14.9% (actual in 2018 is 12th in 2019. Was 13.1% in 2019 or 7th (actual)
- APROPE: Target of 16.7% (5th), would place Ireland 7th in 2019. Ireland 20.6% in 2019 or joint 14th.

Lack of sub-group targets—The Roadmap does not include target for at risk groups such as lone parents, those who are long term unemployed, persons with disabilities (employment focused only) or contain a data strategy to capture levels of poverty and deprivation among marginalised groups including Migrants, Asylum Seekers, Roma, LGBTQ and Traveller communities. Setting sub-targets with appropriate policy targets could have assisted in the achievement of the overall target as tackling poverty in vulnerable groups would eventually bring about a change in the composition of the poverty population.

Targets for basic necessities: we now have good data on food poverty and energy poverty. Targets must accompany the specific actions set out in the section on basic necessities to effectively track progress.

Groups included in the Roadmap: The unemployed and the high rates of poverty among this group is notable in its absence. The review must address this by including targets and actions for this group.