

## Key changes in Budget 2021

### October 2020

#### Introduction

The focus of Budget 2021 is investment in the resilience of the Irish people and the economy; children have demonstrated incredible resilience in this pandemic and continue to do so. Investment in children has never been more important than it is during this pandemic – particularly for the vulnerable children Barnardos works with who are living with mental health challenges, domestic violence and parental addiction.

Certain measures contained in Budget 2021, for example those targeting the carbon emissions of older vehicles or the lack of additional funding for Early Years Care (ELC) or School Aged Childcare (SAC), betray the lack of equality proofing. Indeed, Barnardos and others have called for social protection rates to be benchmarked against a Minimum Essential Standard of Living (MESL) as developed by the Vincentian Partnership of Justice, and this was not acted upon.<sup>1</sup>

Budget 2021 contains some key investments for children; but it remains to be seen if they will be sufficient to help children through this pandemic. What is clear to Barnardos, based on our experience helping children and families, is that significant investment in children must continue throughout the lifetime of this Government

## Key Budget 2021 measures affecting children and families:

### Department of Children, Equality, Disability and Integration

#### **Barnardos recommendations:**

- Begin the expansion of family support services outlined in the Programme for Government in 2021 covering the full costs for current and new service provision. This should be provided through multi-annual funding over the lifetime of the Government and include restoration of the annual cost of living increase for service providers in the Community and Voluntary Sector and provide funding for pilot/innovative work.
- Building on plans contained in the First 5: Government Strategy for Babies and Young Children, develop a targeted universalism approach to the funding of proven parenting programmes providing a suite of approaches which cater to the varying level of need.
- Guarantee all children and families seeking international protection in Ireland receive a family support service for the duration of their application process and for those granted leave to remain as they transition out of State reception and integration services. Include those successful in their application for family reunification under Section 56 and 57 of the International Protection Act 2015 and extend these supports for the first

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<sup>1</sup> Benchmarking Social Welfare Rates: SVP Submission to DEASP: April. 2019.

14 October 2020

year of the family's reunification in Ireland, paying particular attention to supporting young refugee sponsors.

#### **Key Budget 2021 Measures:**

- Overall budget allocation of €1.958 billion, an increase of €354 million on 2020.
- €61 million of additional funding for Tusla, with a total of €878 million for 2021.
- €25 million of funding for existing direct provision accommodation and improvement to existing accommodation.
- €638 million for Early Learning Care (ELC) and School Aged Childcare (SAC)
- €5 million for Youth Services.

#### **Barnardos' Reaction:**

The increase in the overall Budget allocation is representative of the expanded remit of the Department to include equality, disability and integration. Around €30 million of funding is allocated to Covid-19 response initiatives. Barnardos welcomes an increase in funding to Tusla of €61 million. Successive years' underinvestment has resulted in a large deficit which needs to be filled. This has resulted in Tusla's primary focus being crisis management rather than provision of much needed prevention and early intervention services. Worryingly this level of underfunding has severely impacted frontline, community based services for children and families.

With the deficit running in the region of €20 million there will be significant finance remaining to rectify the funding shortfall in contracted Community and Voluntary services (estimated to be in the region of €3 million)<sup>2</sup> and to invest in prevention and early intervention initiatives aimed at stemming the tide of abuse, neglect and trauma experienced by children. It is crucial the additional funding at Tusla's disposal filters down to the Community and Voluntary organisations providing frontline services. Chronic funding shortfalls are failing vulnerable children and families and this must be rectified. Similarly, Barnardos would like to see a significant proportion of the additional funding going towards prevention and early intervention supports, such as the suite of parenting programmes promised in the Programme for Government.

On the face of it, the €25 million investment in providing and upgrading accommodation for people living in direct provision appears too focused on building infrastructure at the expense of the people forced to live in the system. Yes, the buildings and infrastructure are in need of vast improvement in many cases; but children and families living in direct provision are in desperate need of services. Barnardos calls on the Department to ring fence a portion of this funding to provide evidence based, trauma informed support services to children and families.

A glaring omission, which stands out across the whole of the Budget, is the lack of any additional investment in ELC or SAC. This is an area which has dominated much of the political and social discourse this year; from pre-general election promises to commitments made in the Programme for Government, it is surprising to see no additional investment going to the sector. Particularly, in light of the fact that the sector was deemed important enough to be one of the first to reopen its doors post initial Covid-19 restrictions. While there has been progress in improving the quality of early year's education in recent years there is still more to achieve, and both the pay and conditions of early years' educators and the cost for parents remain significant

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<sup>2</sup> Just Economics (2019) *Breaking Point: Why investment is needed now to ensure the sustainability of quality services for children and families.*

issues. Furthermore, SAC lags far behind ELC in terms of quality and availability. Providing no additional funding to this sector is surely a missed opportunity.

## Department of Employment Affairs and Social Protection

### **Barnardos recommendations:**

- Poverty proof social welfare rates by benchmarking directly against Minimum Essential Standard of Living rates (MESL), ensuring payment increases are related to the real costs of adequate standards of living. Set a target of full income adequacy across all social protection payments over three consecutive Budgets.<sup>3</sup>
- Increase the Qualified Child Increase for older children by €10 and for younger children by €3 per week.
- Increase the daily expenses allowance for children living in Direct Provision to the rates of the Qualified Child Increase (QCI).
- Increase the Fuel Allowance to €25.30 and restore the payment season to 32 weeks so that the value of the payment is restored to 2010 levels and is in line with current energy costs. Expand eligibility to the Fuel Allowance to households in receipt of the Working Family Payment and remove the waiting period for those in receipt of Jobseekers Allowance.
- Equalise the income thresholds for the Back to School Clothing and Footwear Allowance for one and two-parent households and introduce 'tapering' for the BSCFA to provide greater access to support with school costs for working poor households and to reduce poverty traps.
- To ensure equality between different household types and increase the income of one parent families in work, reduce the Working Family Payment weekly work threshold from 19 hours to 15 hours for one parent families.

### **Key Budget 2021 Measures:**

- Overall budget allocation of €25.126 billion. No across the board increase to social welfare payments.
- Qualified Child Increase raised by €5 per child over 12 years of age and €2 per child under 12 years.
- Increase of €3.50 in fuel allowance to €28.
- Working Family Payment threshold for families with up to three children increased by €10.
- €425 earning threshold for One Parent Family Payment removed.
- Pandemic Unemployment Payment (PUP) and Employment Wage Subsidy Scheme (EWSS) extended until April 1<sup>st</sup> 2021.
- Paid parental leave extended by 3 weeks.

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<sup>3</sup> Ibid

- Christmas bonus to be paid to anyone in receipt of PUP or other social protection payments for more than four months.
- Dependent relative tax credit increased from €70 to €245 per week.
- Carers support grant increased by €150.
- 35,000 children availing of the Hot School Meals Programme from January 2021.

### **Barnardos' Reaction:**

The Department of Employment Affairs and Social Protection is one of the Departments at the frontline in the pandemic response and it is no surprise to see a significant increase in its budget (over 3 billion) as a result. There was no across the board increase in social protection rates. Understandable why the Government would make this decision given the many competing priorities this year and the additional supports they are providing through the PUP and EWSS; however, this is the second successive Budget without any increase. Barnardos advocated for social protection payments to be benchmarked against an MESL and we are disappointed not to see this much needed and useful tool utilised. Failing to keep social protection rates a pace with cost of living increases results in families falling into poverty and prevents the Government meeting its child poverty targets.

There have been some welcome key changes to social protection rates affecting children. Most notably an increase in the Qualified Child Increase (QCI) paid per child to parents in receipt of social protection payments. Barnardos had called for a greater increase than what was announced yesterday; but we very much welcome this as a step in the right direction. Changes to the Working Family Payment and One Parent Family Payment thresholds are also welcome. There was a significant increase in the Fuel Allowance, a vitally important measure given the increased time many families are staying at home this year.

The announcement of €5.5 million for an additional 35,000 school children to avail of the Hot School Meals programme in 2021 seems positive; however, this is not a new announcement. Minister Humphreys stated in the Dáil that the decision had been made to delay the provision of the Hot School Meals Programme to 35,000 children due to commence in September until January 2021. She cited school closures earlier in the year as the cause.<sup>4</sup> It is welcome these children will commence the programme in January after experiencing a delay but Barnardos would have liked to see the Department extend the scheme beyond what had been promised in September 2020. It is unclear where the additional €1.5 million above the €4 million announced last year will be allocated, given the same number of students will avail of the scheme.

## Department of Education and Skills

### **Barnardos recommendations:**

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<sup>4</sup> Minister for Employment Affairs and Social Protection (Heather Humphries), Ceisteanna- Questions-Dáil Éireann, vol.784, 9<sup>th</sup> September 2020.

- Formally link schools with services providing family support services and provide principals and teachers access to trauma informed CPD, wellbeing training and other resources to enable them to cope with children returning to school after restrictions, the on-going impact of the pandemic on children's mental health and wellbeing and to manage an increase in child protection and welfare issues arising.
- The Department of Education should build on the pilot free school book scheme by investing a further €5m in this initiative. The second tranche of funding must target those experiencing disadvantage in non-DEIS schools.
- Budget 2021 should also commit to a roadmap of funding that will ensure that all children will receive free books by September 2023.
- Increase capitation fees by 10 per cent in order to begin to offset the need for voluntary contributions. Commit to restoring capitation to 2010 levels, allowing for inflation, by 2023.
- Develop a grant scheme to offer support to parents to pay for the digital hardware and software required by their child's school.
- Allocate funding to establish a Small Grants Scheme to improve school infrastructure to ensure appropriate facilities for school food provision.
- Invest in training and support for school staff to facilitate them establishing a successful school food programme.
- Ensure plans for all new school builds include provision for dining and catering facilities.

### **Key Budget 2021 Measures**

- Total Budget allocation of €8.862 billion
- €2 billion investment in special education including 990 additional SNAs and Special Education Teachers.
- An additional 80 occupational, speech and language and behavioural therapists and 30 NEPS to support the phased roll out of the School Inclusion Model, which will ensure students with additional needs get the right supports at the right time.
- Capital funding for 145 new schools.
- €80 million funding in 2020 for building, ICT and minor works.

### **Barnardos' Reaction:**

The core announcement for education in Budget 2021 is a €2 billion investment in special education. The increase in SNA and Special Education Teacher allocation is and the expansion of NEPS and the School Inclusion Model are welcome and could be transformative for children with additional needs. It is important, however, in school supports are not seen as the sole response to developmental delay, behavioural or mental health issues in children. Many children need assessment and therapy, for example for speech and language issues, long before they attend school. Indeed, delaying such supports until school means children are starting off behind their peers and needing to play catch up.

Barnardos acknowledges funding for some capital projects – school building and school repair- but believe the Government have missed the opportunity to bridge the gap in school funding which sees parents burdened with high costs of a supposedly free education system. In particular, we are disappointed the Government did not

14 October 2020

extend the free school book pilot which was rolled out in 102 DEIS schools in September 2020.

## Department of Health

### **Barnardos recommendations:**

- Implement the Sláintecare Report recommendation for universal primary care, giving children access to multidisciplinary primary care services in the community comprising GPs, nurses, physiotherapists, speech and language, social workers, occupational therapists and family support workers.
- Reduce unsustainable waiting lists by triaging children with lower levels of need to receive the appropriate support services within the community. Develop a referral pathway for children with additional needs due to developmental delay, behavioural, social and emotional needs or disability facilitating them being triaged in the community the Government could free up much needed health resources in areas such as speech and language and mental health.

### **Key Budget 2021 Measures:**

- Overall Budget allocation of €22.117 billion
- €425 million additional funding to deliver enhanced community and social care services under Sláintecare.
- €4 billion towards the Covid-19 response.
- €38 million for mental health under the 'A Shared Vision' strategy.
- €100 million for additional disability services.
- €25 million for Healthy Ireland and the National Drugs Strategy.

### **Barnardos' Reaction:**

The Department of Health budget for 2021 is significantly bolstered to respond to the pandemic health crisis. Given the immense challenges facing the health system it is welcome to see funding allocated to rolling out Sláintecare. Providing enhanced community and social care services is crucially important for children, particularly vulnerable children. Also welcome to see funding for disability services, Healthy Ireland and the National Drugs Strategy.

An increase of €38 million in mental health services is similar to the increase allocated in Budget 2020 (€39 million) and welcome. The context of this funding is the Sharing the Vision strategy for mental health. Successive responses to child and adolescent mental health have fallen short with patchy service provision and reliance on adult in-patient services failing children. Barnardos would like to see provision of holistic, community based services which can carry out triage included in the Government's response. Such services can resolve issues where possible and support children and young people awaiting more intensive responses where they are required.

## Department of Housing, Local Government and Heritage

### **Barnardos Recommendations:**

- Ring fence funding to provide additional Child and Family Support workers so that every child experiencing homelessness can access support. These Child and Family Support workers can be based in existing organisations to avoid the need for additional infrastructure.

### **Key Budget 2021 Measures:**

- Total Budget allocation €5.169 billion (up 864 million on 2020)
- €500m additional capital spending part of which has been targeted to programmes to support specific categories of need, including €15.5 million for the delivery of Traveller accommodation and €60 million to deliver over 10,700 grants to adapt the homes of older people and people with a disability.
- 9,500 new social housing units in 2021.
- €65m to fund retrofitting.
- €22m for homeless services for rough sleepers and the cold weather initiative.
- €13m for bringing social housing stock back into circulation.
- €110 for an affordable homes scheme.

### **Barnardos' Reaction:**

Housing has been a core issue for the last decade and one which successive Governments have failed to tackle successfully. The increase in the Department of Housing, Local Government and Heritage's budget is welcome but unclear if it will be sufficient to make a dent in the housing crisis impacting many families. The scale of the investment is large and the measures announced are positive but the Government is still very far behind where it needs to be in terms of social housing provision.

Barnardos is disappointed there is no specific mention of services to children and families experiencing homelessness were included in Budget 2021. While there has been a fall in the number of children living in emergency accommodation since the outbreak of the pandemic, there were still 2,620 children without a home in August 2020.<sup>5</sup> Furthermore, there was no mention of supports for renters and with rolling restrictions in response to the pandemic evictions could increase in 2021.

### **Further Information on Budget 2021:**

The Department of Social Protection factsheet is available at [www.gov.ie/en/organisation/department-of-employment-affairs-and-social-protection/](http://www.gov.ie/en/organisation/department-of-employment-affairs-and-social-protection/)

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Full details of the Budget are available on [www.budget.gov.ie](http://www.budget.gov.ie)

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<sup>5</sup> Department of Housing, Local Government and Heritage. (2020) *Homeless Report August 2020*

14 October 2020