

Society of St. Vincent de Paul

Submission on the National Reform Programme

To the Department of the Taoiseach

Social Justice and Policy Team, March 2017



Table of Contents

Introduction	2
Poverty	3
Income adequacy, low work intensity and labour market outcomes	4
Adequacy of Social Welfare	6
Impact of the reforms of the One Parent Family Payment	6
SVP Priorities	8
Housing.....	8
Social Housing	8
Homelessness.....	9
Rising property prices	10
Private Rental Sector.....	11
Adequacy and quality of accommodation	12
SVP Priorities	13
Energy	14
Minimum energy efficiency	15
Pay As You Go meters	16
SVP Priorities	17
Education.....	18
Educational disadvantage in Ireland	18
Early Childhood Education and Care.....	18
Primary and Secondary School	19
Further and Higher Education.....	20
SVP Priorities	21

Introduction

The Society of St Vincent de Paul (SVP) welcomes the opportunity to input into the 2017 National Reform Programme (NRP). A core objective of SVP is to work for real change in the areas of income adequacy, education, housing and energy. With over 11,000 members across the country, SVP sees first-hand the challenges that many people living and working on low incomes continue to face. We use the experiences of our members on the ground to identify the root causes of poverty and social exclusion and develop solutions. In this submission, we outline the key considerations for the NRP from the perspective of SVP members and the people we assist. The SVP Social Justice and Policy team actively engages in the annual European Semester process and the below submission to the NRP presents our response to the Irish Country Report, as well as serves as our input into the NRP.

SVP is concerned that despite signs of the continuation of a strengthening economy in 2016, and a fall in unemployment figures to the lowest levels since August 2008, the experience of our members that carry out home visitations highlights that many families and individuals, particularly on low incomes, continue to struggle. Many of the most vulnerable are not experiencing the benefit from the improvements Ireland has seen over the last couple of years. Indeed, last year, SVP received over 141,000 calls and requests for assistance. New issues such as the housing crisis and new charges for various services, as well as the long-standing problems of low income and the cost of education, energy and other services, have made life more challenging for an increasing number of households, both in and out of work. Indeed, the continuing rise of those on the housing waiting list and the historic high of families and children who are homeless, present a stark contrast and serve as an urgent call to action for policy makers. This reiterates our concern at the continued dominance of the economic goals within the Semester Framework, and the need to have a balanced prioritisation between the three pillars of reform – social, economic and environmental.

We very much support the emphasis and call at the beginning of the Country Report for Member States to focus on improving social fairness to deliver more inclusive growth. However, we note the observation in the 2017 Irish Country Report that the level of public investment in Ireland is limited by the narrow tax base. SVP is very clear that without social investment Ireland cannot meet its Europe 2020 targets. We understand that a coherent and deep commitment to tackle the long term structural inequalities, will need sustained investment over a series of budgets. SVP wants to see a balanced and integrated approach to long term social planning and investment to provide appropriate service provision to meet the emerging demographic trends (for example rising student numbers, growing cohort of over 65 year olds) which will create additional demand for services.

As raised by the Country Report, we are faced with an increasingly uncertain external environment as the economic and social implications of Brexit remain unclear. It brings to the fore the urgent tasks at hand in relation to the housing crisis and need for increased investment in vital services such as education. Sustained political will and prioritisation of these issues are paramount.

This submission is SVP's response to the policy issues raised in the Irish Country Report. We outline our priorities to the Irish Government which we hope will inform the content of the Irish National Reform Programme for the European Commission. SVP will continue to lobby Government to make appropriate choices to invest in quality public services which will result in better outcomes for its citizens.

Poverty

The latest results from the Survey on Income and Living Conditions (SILC) confirms the experience of SVP that hundreds of thousands of individuals and families continue to struggle because of poverty, low income and high housing costs. According to the survey, 16.9% of our population is at risk of poverty, and 8.7% are in consistent poverty with the highest rates among children, one parent families, those out of work and those with low levels of educational attainment, a pattern that has persisted over the past decade. Persistent high levels of child poverty are a central concern of SVP. While the child poverty rates fell between 2014 and 2015 (from 12.7% to 11.5%), approximately 138,000 children are still living in consistent poverty – some way off our target of 37,000 by 2020. Worryingly, one in four lone parent households are living in poverty, with rates increasing between 2014 and 2015 (+1.2 percentage points) (CSO, 2017).¹ SVP members know the stark reality behind these statistics; children and families who regularly go without necessities such as nutritious food, clothing and heating. In addition, poverty among tenants living in the private rented sector continues to increase from 10.5% in 2014 to 11.3% in 2015. Between 2008 and 2014 the housing cost burden amongst the population increased by almost 200%.² SVP members visiting individuals and families who are renting see the hardship imposed by increasing rents, where households, fearful of becoming homeless, often prioritise paying the rent over heating and eating and are more willing to accept poor housing standards.

The high level of market inequality in Ireland and the large impact of social transfers on poverty rates is noted in the Country Report. Without these supports almost half of our population would be at risk of poverty. The SILC findings further highlighted the growing importance of social welfare payments,

¹ <http://www.cso.ie/en/releasesandpublications/er/silc/surveyonincomeandlivingconditions2015/>

² Housing cost burden is defined as spending more than 40% of disposable income on housing costs (including rent and mortgage) Source: Eurostat, EU-SILC survey [ilc_lvho07a]

child benefit and pensions in preventing people from falling into poverty. We note with concern the observation in the Country Report of the very long-term unemployment rate, which amounted to more than 40% of all unemployment in 2015. It is clear much more investment is needed to deliver the requisite services and supports needed to provide a good standard of living for everyone and provide access to good quality employment.

Income adequacy, low work intensity and labour market outcomes

The Country Report primarily focuses on the issue of poverty in the context of low work intensity and seeing labour market activation as the primary response to tackling poverty rates. While SVP recognise that employment significantly reduces the risk of poverty, being at work does not always guarantee a good standard of living, particularly for households with children. In 2015, 13% of those at risk of poverty and 25% of those experiencing deprivation were at work. Rates of in-work poverty are roughly double for households with children and three time higher among one parent households.³ The Vincentian Partnership for Social Justice (VPSJ) show that for some families working on the minimum wage, their income falls short in covering a minimum essential standard of living, particularly when housing and childcare costs are included (VPSJ, 2016).⁴ The high cost of childcare and housing can contribute to poverty and unemployment traps and are significant barriers for many households. SVP believes that these issues cannot be separated. In order reach Ireland's poverty reduction targets, a more integrated, holistic and interdepartmentally approach, needs to be adopted to lever better outcomes. This approach should encompass measures that provide access to an adequate income, good quality services and a decent employment.

The Affordable Childcare Scheme (ACS) introduced under Budget 2017, is a welcome development in this regard. We welcome that the design incorporates universal and targeted measures and assesses net rather than gross income. However, an hourly subsidy model does not guarantee affordability. We support a core capitation model for private and community providers and that additional funding is available to improve quality. To ensure affordability and quality an ongoing review of funding provided under Budget 2017 must be conducted to guarantee all children can avail of the scheme. We are also hopeful that the wrap around model of funding up the age of 15 under the ACS and the full

³ Data from EU-SILC 2015 shows that the rate of in-work poverty (at risk poverty rate for those at work) was 6% in households with children, compared with 3% in households without children, the rate increases to 14% for one parent households. Source: Eurostat (ilc_iw02). Note the equivalence scales used in Eurostat differ from the scales used by the CSO. The weighting for a second adult in Eurostat is 0.5 compared to 0.6 for CSO calculations.

⁴ For example, a two-parent family employed on the national minimum wage with two children (primary school and a second level) could not afford a MESL. This was also the case for a one parent family employed on national minimum wage with two children (pre-school and primary school).
<http://www.budgeting.ie/download/pdf/vpsjbudget2017mebsimpactbriefing.pdf>

implementation of the Action Plan on School Age Childcare can also ensure that parents of older children can take up and increase working hours.

Housing costs, particularly for those on low incomes living in the private rented sector, continues to be a significant barrier to employment. A recent report by the Housing Agency shows that the number of households eligible for social housing with income from employment has increased by 25% compared to the 2013 assessment.⁵ Rent supplement has been identified again and again as a major barrier to those considering taking up employment or increasing their hours at work. The loss of rent supplement on taking up full time employment (over 30 hours) means that some in work on a low income will be unable to meet their housing costs. The roll-out of the Housing Assistance Payment, designed to tackle work disincentives associated with rent supplement is welcome (see concerns re the effectiveness and sustainability of HAP as solution to the housing crisis in the next section). As HAP does not have an hours-of-work eligibility cut-off this could result in significant improvements in financial work incentives for some unemployed jobseekers transferring from Rent Supplement to HAP (Savage et. al. 2015). At present, there is insufficient data to test the work incentives of HAP but it will be important to monitor and review as the scheme continues to be rolled out nationally.

SVP are concerned about the growing prevalence of irregular hour contracts and the impact insecure work has on poverty and well-being. The focus of the Country Report on decline in the unemployment rate masks the precarious work conditions that an increasing number of particularly low income people are often forced to accept. The OECD (2015) suggests that in-work poverty is often the result of low hours, rather than low pay.⁶ Indeed, in 2015 the poverty rate among those living in 'low work intensity' households was 23% compared to 1.8% in 'high work intensity' households.⁷ As well as the significant stress and strain uncertain work schedules and incomes can have on families, we also know from the experience of our members that precarious work complicates entitlements to in-work social welfare benefits.⁸ The difficulties in securing sufficient hours to qualify for FIS is regularly highlighted by members and the people we assist.

⁵ Housing Agency (2016) Summary of Social Housing Assessment Needs 2016
<https://www.housingagency.ie/Housing/media/Media/Publications/Summary-of-Social-Housing-Assessment-Needs-2016.pdf>

⁶ OECD (2015) Minimum wages after the crisis: making them pay <http://www.oecd.org/social/Focus-on-Minimum-Wages-after-the-crisis-2015.pdf>

⁷ Low work intensity is defined as working 20% to 45% of the total working hours available. High work intensity is defined as working 85% to 100% of total working hours available. Source: Eurostat (EU-SILC survey ilc_iw03)

⁸ VPSJ recently examined the relationship between low hours work and income adequacy. They found that the difference in weekly (minimum wage) income for a one parent family working 19 hours versus 18 hours per week is 88 euro due to the loss of FIS see Thornton, (2016) Low hour work & income adequacy
http://www.budgeting.ie/download/pdf/vpsj_2016_low_hour_work_income_adequacy.pdf

SVP recently made a submission on the proposed Working Family Payment (WFP). We advocate that well-designed tapered in-work income support when delivered in conjunction with measures to address childcare and housing costs, can make work pay for low income families and tackle poverty. Any proposed changes to in-work support, particularly if it is intended the WFP will replace existing supports, should not leave any family worse off than under the current system.

Adequacy of Social Welfare

The Country Report refers to the current disincentive effects of the tax and benefit system while at the same time referencing ESRI research which showed that 80% of those in receipt of unemployment benefits would see their incomes increase by 40% when taking up employment, just 3% would be financially worse off (Savage et. al. 2015).⁹ Insufficient social welfare should not be used as a measure to incentivise employment. We recommend that access to an adequate income for those both in and out of employment is required to ensure all people have a decent standard of living. Research from the VPSJ on the impact of Budget 2017 shows that for most families' dependent on social welfare, their income falls short of a minimum essential standard of living, for some families this shortfall can be over 100 euro per week.¹⁰ Households with older children are at greater risk of poverty and are less likely to afford a minimum essential standard of living. Any targeted measures should be directed to those at the greatest risk of poverty such as lone parents and households with children over 12.

Impact of the reforms of the One Parent Family Payment

The Country Report does not highlight the increase in poverty among one parent households between 2014 and 2015 and that the rate of severe deprivation amongst lone parents is 5 percentage points higher than the EU average of 17%.¹¹ Furthermore, approximately 65% of homeless families in Dublin are one parent families, demonstrating that these families have been disproportionately affected by the crisis.¹²

SVP have continually expressed concerns about the impact the reforms of the One Parent Family Payment (OFP) are having on these households. The current policy direction regarding one parent

⁹ This analysis does not include childcare or travel costs in their calculation as it was shown to have a limited impact on replacement rates, see Savage et al (2015) Making Work Pay More: Recent Initiatives <http://www.esri.ie/pubs/BP201602.pdf>

¹⁰ For a two parent family with two children (primary school and secondary school) dependent on social welfare the shortfall is 107.99 euro. Vincentian Partnership for Social Justice (2016) Budget 2017: Minimum Essential Budget Standards Impact Briefing <http://www.budgeting.ie/download/pdf/vpsjbudget2017mebsimpactbriefing.pdf>

¹¹ In 2015 the proportion of lone parents experiencing four or more forms of enforced deprivation was 22%. Source Eurostat [ilc_mddd13]

¹² Focus Ireland (2017) Lone Parents and Homelessness: Presentation to the Joint Oireachtas Committee on Social Protection <https://www.focusireland.ie/wp-content/uploads/2016/03/Submission-to-the-Oireachtas-Committee-on-Social-Protection-final.pdf>

families lacks coherence and has led to the development of a complex system of supports, where eligibility depends on the age of their youngest child. They run counter to the goals and objectives set out under Better Outcomes, Brighter Futures. The reforms aim to reduce poverty among one parent families by supporting lone parents to take up employment, education or training. However, many lone parents who are in employment have suffered a significant loss of income because of the reform. Others have found it difficult to take up education or training because they will no longer have the support of the One Parent Family Payment.¹³

The conditions for Jobseekers Transition Payment (JST) and One Parent Family Payment were improved in Budget 2017, with increases in the earnings disregard. This will prevent some losses of income that have occurred when lone parents in employment moved from OFP to JST and is a welcome development. However, the fact that Family Income Supplement is not payable with Jobseekers Transitional Allowance or Jobseekers Allowance remains, and causes the major loss of income for lone parents in employment of more than 19 hours per week once their eligibility for OFP ends. The Country Report refers to the potential of the Back to Work Family Dividend in mitigating some of this loss of income for eligible families, however this measure is only available for a maximum of two years, and is due to close to new entrants in March 2018.

Qualitative research carried out by SVP clearly shows the strong desire of most lone parents to combine paid employment with caring for their children.¹⁴ However, the kind of employment that parents were willing and able to take up had to fit with the needs of their children, the availability of childcare and after school care and access to in-work income supports such as Family Income Supplement and the Back to Work Family Dividend. Flexibility from employers is also required. It is expected that a report on the impact of the reforms of the One Parent Family Payment will be published in early Autumn 2017. We would hope this review will incorporate a holistic assessment of the impact including labour market outcomes, poverty reduction effectiveness, child and family outcomes and education and training outcomes.

¹³ Fahey (2016) Impact of the Reforms of the One Parent Family Payment
http://ispa.ie/images/seminars/conference_2016/conf2016_slides/Caroline_Fahey.pdf

¹⁴ Society of St. Vincent de Paul (2014) 'It's the hardest job in the world' An exploratory research study with one parent families being assisted by the Society of St. Vincent de Paul
<https://www.svp.ie/getattachment/0dfc3b0e-9165-4792-946e-43f84199eb57/It-s-The-Hardest-Job-in-The-World.aspx>

SVP Priorities

- A holistic and interdepartmental approach to addressing poverty and low work intensity, taking account of the rising costs of living and housing cost burden, is required. In order to meet the poverty target, set out in Europe 2020 strategy (lift a minimum of 200,000 people out of consistent poverty), measures should ensure everyone both in and out of work has access to an adequate income and good quality services.
- Targeted measures for children at the greatest risk of poverty, such as older children and those growing up in lone parent households, should be prioritised.
- Policy coherence is needed between the outcomes and goals set out in Better Outcomes, Brighter Futures and the consequences of the reforms to the One Parent Family Payment Policy. A significant review of the anomalies in the systems of supports for one parent families is urgently required before more families are pushed into poverty.

Housing

SVP members are increasingly receiving requests for assistance from families struggling with escalating rents. Already finding it a challenge to meet education and childcare costs, and often in low paying jobs, the increase in rent is pushing many families over the edge, placing them in an extremely precarious situation where they are unable to remain in their homes, or access affordable alternate accommodation.

In July 2016, Ireland launched Rebuilding Ireland: Action Plan for Housing and Homelessness, outlining five pillars through which the government aims to address the housing crisis. The commitments and actions within the strategy are ambitious, but of great concern is that even if the Strategy is fully implemented by 2021, it will fall short of addressing the current and future housing needs of thousands of households.

Social Housing

In 2016 the number of those on the housing waiting list and those who are homeless continued to rise. According to the Housing Agency (2016), the total number of qualified households for social housing at the end of 2016 stood at 91,600, an increase of 1,728 (+1.9%) from 2013.¹⁵ When this figure is broken down further, almost half (47%) of households have been qualified for social housing

¹⁵ Housing Agency (2016) Summary of Social Housing Assessment Needs
<https://www.housingagency.ie/Housing/media/Media/Publications/Summary-of-Social-Housing-Assessment-Needs-2016.pdf>

support for more than four years, with one-fifth (21%) qualified for more than seven years – in 2013 the equivalent figure was 9%.

Rebuilding Ireland commits to delivering 47,000 social housing units by 2021, supported by investment of €5.35 billion. It further commits to significantly limiting the use of commercial hotels and B&Bs to accommodate homeless families by mid-2017. The mention of the housing supply problem in the Country Report is welcome - one of the contributing factors is the lack of provision of social housing and the consequent over-reliance on the private rented sector to meet social housing need for low income groups. SVP is concerned that the continued lack of provision of social housing means that the housing crisis will continue to worsen, with increasing numbers of individuals and families in emergency accommodation. The prospect of children spending years living in hotels and non-commercial emergency accommodation with consequences for their education, development, mental health and well-being is unacceptable. The high cost of housing and lack of availability also has implications for low and middle income workers and SVP is in agreement with the Commission's assessment that this may be detrimental to securing foreign direct investment.

Homelessness

In the week before Christmas 2016, 7,148 people (including over 2,500 children) were in emergency accommodation, representing a 91% hike on the figures seen just two years previously. In January, the homeless figure saw yet a further increase to 7,167.¹⁶ Given these startling figures, we welcome the recognition of the challenge of recent price and rent increases in the Country Report, and the attention it brings to the housing supply bottleneck.

According to the Dublin Regional Homeless Executive, almost €39 million was spent accommodating homeless families in hotels and B&Bs in Dublin in 2016. When the number of families also living in managed emergency accommodation where “keyworkers” or support staff are on site to assist families in moving on to more permanent accommodation (which is rented from the private sector), the total cost of housing families in emergency accommodation stood at almost €50 million.¹⁷ As the Country Report points out, most homeless families are hosted in temporary accommodation at a cost to the public finances that exceeds the provision of social housing solutions. This clearly does not present a sustainable solution to the housing and homelessness crisis that Ireland finds itself in.

¹⁶ Department of Housing, Planning, Community and Local Government (2016) Homeless Report 2017 http://www.housing.gov.ie/sites/default/files/publications/files/homeless_report_-_january_2017.pdf

¹⁷ <http://www.irishtimes.com/news/social-affairs/state-paid-39m-to-house-dublin-homeless-in-hotels-in-2016-1.2961272>

SVP members currently visiting families living in hotels and B&Bs see first-hand the range of difficulties they face. Families do not have control over where they are located, and children can find themselves in hotels at a significant distance from their school, with long journeys required. Teachers are reporting that homeless children are arriving too tired to adequately participate in school activities due to long travel times and disrupted sleep patterns due to sharing crowded hotel rooms. In addition, families typically do not have access to cooking facilities, and are forced to rely often on take outs and convenience foods, with the resultant nutritional and health implications. Furthermore, child protection and safety is of great concern. As families are placed in commercial settings, other guests and visitors are not vetted, leaving children extremely vulnerable and exposed.

Specific targets have been set for addressing homelessness as well as the other four pillars set out in Rebuilding Ireland. While this comprehensive, whole of government approach is welcomed, the continuing escalation of the crisis demonstrates the need for significant structural changes to sustainably reverse and begin to prevent the trends of recent years. We very much support and welcome the clear reference to insufficient housing supply in the Country Report, which it rightly highlights as a concern for not only economic, but social reasons also. As recognised in the Country Report, rents have increased rapidly, now straining affordability. The supply shortage is also likely to have contributed to the growing number of homeless people. Prime among the structural changes necessary, is the urgent need to increase supply of social and affordable housing. During the recession, there was a large number of unused dwellings at varying stages of completion and readiness for use lying idle across the country. Actual new dwellings built in recent years could potentially be below the numbers of 'house completions' as measured by electricity connections. Dwellings which were left unoccupied for at least two years and were reconnected by ESB are counted as new dwellings, or completions. However, as the Nevin Economic Research Institute and other experts have highlighted, completions and new builds are not the same. Between the 2011 and 2016 censuses (2016 figure is provisional at time of writing), the total stock increased by 18,981 between April 2011 and April 2016. As such, the net increase in stock appears to be just below 4,000 per annum on average over the entire five-year period from 2011 to 2016, far below the estimated 25,000 units required per annum as referenced in the Country Report.¹⁸

Rising property prices

An important point highlighted by the Country Report is the continuing increase in property prices. We would disagree however with the statement that property prices are not overvalued. Overvaluation is measured using the ratio of income to property prices. According to the latest SILC

¹⁸ <http://www.nerinstitute.net/blog/2017/02/18/housing-statistics-some-challenges/>

figures released in February 2017, median nominal household disposable income in 2015 was €37,752. With the general limit of 3.5 times gross annual income for all new mortgage lending for principal dwelling homes, a person on this salary, especially if they have a family, can find it difficult to find a suitable house, and if a first-time buyer, to meet the 10% deposit required. Second or subsequent buyers need to secure a 20% deposit, rising to 30% deposit for buy to let properties. In January 2017, the government launched a new help-to-buy scheme which will give first-time buyers of new homes 5% back on the cost of their property. This combined with looser mortgage lending rules and constrained supply continue to drive price growth across the country. As referenced in the Country Report these measures have exacerbated the problem. Estimates from Moody and Myhome.ie predict property prices to rise between 5% to 8% in 2017. Predictions of rising house-price growth coincide with a drop in the number of properties for sale across the country, estimated to have fallen to a 10-year low according to daft.ie and myhome.ie.¹⁹ Additionally, Myhome.ie estimate that the average asking prices for a newly listed property in Dublin remained at €328,000, but this is still up 4.9% year on year, and remains above the ability of most low-income families.²⁰ SVP are concerned that a lack of supply of affordable housing continues to put significant pressure on the private rented sector. As such we very much support the finding of the Country Report that investing in housing supply is the best policy to sustainably contain rents and prices.

Private Rental Sector

As outlined in the Strategy for the Rental Sector, the rental sector has doubled in size over the last two decades. It recognises that supply of new residential accommodation continues to lag behind recovery in demand. This is leading to property rents rising at a record rate – rising by 13.5% annually according to figures from Daft for 2016. This is the largest annual increase since they began monitoring rents in 2002 (Lyons, 2016).²¹ SVP is seeing the stress and challenges that this is placing individuals and families under, and how it is exacerbating the homelessness problem as families are unable to keep up with the rising rents being asked. SVP has been seeking improvements and greater security, affordability and quality in the private rented sector for some time. While the introduction of Rent Pressure Zones are welcome, low income tenants with few alternative options are still exposed to high rents and substandard housing in many cases. For many, even the 4% increase is beyond their ability to afford, and remains out of reach for many on housing support. Despite measures, rents are continuing to rise

¹⁹ <http://www.irishtimes.com/business/economy/irish-property-prices-to-increase-by-at-least-8-in-2017-1.2923496>

²⁰ <https://www.myhome.ie/reports/2016-q4>

²¹ Lyons (2016) The Daft.ie Rental Price Report: An analysis of recent trends in the Irish rental market 2016 in review <http://www.daft.ie/report/2016-q4-rental-daft-report.pdf>

with the average monthly rent in December 2016 at a new high, the third successive quarter with a record high.²² An estimated 83% of rental properties remain beyond the reach of Rent Supplement or HAP payments. In addition, private rented supply is down by 44% since May 2015 exacerbating the situation.²³ There is a need to monitor the effect of the rent pressure zones to see if the measures are effective.

One of the initiatives for those in need of longer term housing support is the Housing Assistance Payment (HAP). The Housing Assistance Payment is now available across the country. While there are several positives to HAP, such as the already mentioned benefit of tenants being entitled to work full time while retaining their support (though dependant on their level of pay), and enhanced rules around regularity of inspection, there is typically a significant gap between the rents that landlords are seeking and the maximum payable under HAP. A significant concern for SVP is that tenants who take the Housing Assistance Payment are no longer able to remain on local authority housing waiting list, as their housing need is considered to have been met. Their housing need however is only being met in the short term via supports in the private rented sector, where security of tenure and affordability remain serious issues particularly for those on low incomes and housing supports. While tenants can opt to go on the transfer list when in receipt of HAP, so that they could transfer to social housing at some point in the future, it is unclear how this is working in practice. If a person is in one of the four Dublin local authorities and becomes homeless, they may be eligible to Homeless HAP which allows a rate of HAP of up to 50% more than the general limits to be paid. This has resulted in a number of families moving out of homelessness, but still relies on the private sector. Families could still have to spend months in hotels/temporary accommodation while looking for a landlord willing to accept HAP.

Adequacy and quality of accommodation

SVP is providing assistance to an increasing number of people living in cold, damp, poor quality rentals, afraid to raise their concerns and ask for improvements by their landlords in case they may be evicted. The provision of adequate, quality housing requires critical attention. According to the National Oversight and Audit Commission (NOAC), inspection is at a low level in a number of local authorities and at less than 2% of registered tenancies in 2014 in the case of Dún Laoghaire-Rathdown, Galway City and Galway County, Limerick, Louth, Meath and Offaly. In 2014, about 55% of inspected dwellings were not compliant with the standards requirements, with 19 of the 31 authorities indicating that they do not routinely check for compliance with the Rent Books Regulations when carrying out an

²² Lyons (2016) The Daft.ie Rental Price Report: An analysis of recent trends in the Irish rental market 2016 in review <http://www.daft.ie/report/2016-q4-rental-daft-report.pdf>

²³ <https://www.galwaysimon.ie/wp-content/uploads/2017/01/Locked-Out-of-the-Market-VI.pdf?x59054>

inspection. Furthermore, the Rental Accommodation and Housing Assistance Payment Schemes, while only constituting 6.6% of tenancies, accounted for 29% of the units inspected in 2014. NOAC has concluded that the increasing use of these schemes is likely to constrain further the resources available for inspecting privately contracted tenancies.²⁴ This low level of housing inspections by local authorities, and constraint on resources, means that many households will continue to endure extremely poor substandard accommodation with consequences for their health, well-being and safety.

Another concern is that Budget 2017 did not impose conditionality linked to the extension of the Mortgage Interest Relief Scheme given to landlords – with landlords now able to deduct 80% of the interest paid on borrowings on a rental property.

In an effort to raise awareness and SVP members concern at the housing and homeless crisis as well as the lack of social housing in Ireland, SVP launched a ‘Hidden Homeless’ campaign in Autumn 2016.²⁵ The campaign focused on drawing attention to those people and families living in hotels and B&Bs, made homeless by hikes in private rented sector rents and also people making do with poor quality rental units or ‘sofa surfing’ in the homes of friends or extended family. The conditions are often poor quality, overcrowded or expensive. SVP members have reported people going without piped drinking water supply, with heating broken for months on end, problems with vermin and fire safety breaches in the homes that they are visiting. The situation for many of these families is critical and is a key concern for SVP. In addition, for those ‘hidden homeless’ that are staying with friends or relatives, and sofa surfing, these may not appear on the official statistics.

SVP Priorities

- Continued prioritisation of government capital expenditure in housing is paramount. Given the persistent scale of the housing crisis we call for a dedicated Country Specific Recommendation on housing for 2017. This should include a focus on increasing the build and acquisition of dedicated social housing by local authorities and approved housing bodies and examining options such as cost rental for middle income households.
- SVP remains concerned that homeless families will continue to be placed in long term emergency accommodation in other, non-commercial facilities, rather than being housed appropriately, ideally in social housing. SVP strongly calls on the government to avoid a situation where families are living in non-commercial congregated emergency

²⁴ <http://noac.ie/wp-content/uploads/2016/10/NOAC-Press-Release-October-2016.pdf>

²⁵ <https://www.svp.ie/campaigns/hidden-homeless.aspx>.

accommodation for extended periods of time as this is detrimental to families and children in the longer term.

- SVP reiterates the call for an increase in supply of dedicated social housing units and we remain concerned over the government continuing strategy to meet the majority of social housing need through the private rental sector. With the extension of the Housing Assistance Programme (HAP) now country wide, it remains the main mechanism by which social housing is met. This needs to be reversed, and a long-term vision and plan actively pursued to increase the supply of housing across all tenure types, going beyond 2021 and Rebuilding Ireland.
- Broader and increased incentives are needed for landlords that would address the adequacy of housing provided, and provide increased tenure security. With rapidly diminishing stock in the private rented sector, it is key to ensure the retention of existing private rented stock in the sector. It is at the same time, critical that any tax incentives are linked to conditionality such as greater security of tenure, longer tenancy agreements and higher quality of accommodation.
- Adequacy of accommodation must be addressed, and the requisite resources provided for local authorities to be able to conduct the levels of inspections required. Assurance should also be provided to tenants that their housing needs and security of tenure will be protected following the results of any inspection.

Energy

Energy poverty is generally regarded as the outcome of the interaction of three key factors – household income, energy prices and the energy efficiency of a dwelling. A household is defined as being unable to afford its energy needs if it spends more than twice the national average share of disposable income on energy services (currently 10%). Using data from the Household Budget Survey, the Strategy to Combat Energy Poverty estimates that 28% of households are in energy poverty based on this measure. According to the latest SILC figures, between 2008 and 2015 the proportion of individuals who reported that they were unable to afford to keep their house adequately warm increased by 150% (from 7.9% to 19.6%). SVP members visit many of the families and individuals behind these statistics, for whom paying utility costs causes stress and fear as they struggle to afford to pay them. Fuel support remains among one of the highest requests for assistance received.

Minimum energy efficiency

As outlined in the Country Report, more effort is required in reducing greenhouse gas emissions and improving energy efficiency. Research by the Vincentian Partnership for Social Justice (VPSJ), commissioned by the Society of St Vincent de Paul in 2014 demonstrates the importance of energy efficiency improvements in homes.²⁶ The research finds that the cost of the minimum energy needs in an efficient dwelling can be half that of an inefficient dwelling. Measures to improve efficiency can result in a lowering of the occurrence and depth of energy poverty. However, the research also points to the essential role of, and need for, income supports. This is supported by recent research by the Economic and Social Research Institute (ESRI) which suggests that energy poverty is caused mostly by low incomes rather than energy costs or the thermal efficiency of a dwelling.²⁷

Many households that SVP supports reside in rented accommodation. As noted by the Minister for Communications, Climate Action and Environment in early March 2017 at the Energy Action Fuel Poverty and Climate Action Conference, tenants in the private rented sector are more than twice as likely to live in a home with a poor energy efficiency rating than a homeowner. We agree with the Ministers' assessment that in the absence of Government intervention this will increase. As such we eagerly await the consultation paper examining the minimum efficiency standards in the private rented sector.

In an effort to improve energy efficiency, several schemes have been introduced, such as the Better Energy Warmer Homes scheme, making energy efficiency upgrades available free of charge to those on low incomes and in receipt of welfare benefits such as Fuel Allowance, Job Seekers Allowance, Family Income Supplement or One Parent Family Payment. The Warmer Homes Scheme remains the Government's primary energy efficiency support for those in energy poverty. Again at the Fuel Poverty Conference in March, the Minister announced that those people who meet the eligibility criteria for the Warmer Homes Scheme and are living in a home that is in particularly poor condition will be entitled to receive a new deep retrofit which will significantly upgrade their home free of charge. An expansion of the Warmth and Wellbeing Scheme was also announced. This scheme aims to make homes warmer and healthier to live in by providing extensive energy efficiency upgrades to those in energy poverty who are living with Chronic Obstructive Pulmonary Disease (COPD) and Asthma, with the ultimate goal to deliver better health outcomes. Initially launched in Dublin 12 and Dublin 24 and

²⁶ <https://www.svp.ie/getattachment/716d46e2-e390-4fce-8e4e-cc3fb2297f62/Minimum-Household-Energy-Need-VPSJ-Research-report.aspx>

²⁷ Maître, B, Watson, D, 2015. "Fuel Poverty: a Matter of Household Resources or a Matter of Dwelling Efficiency?", ESRI Research Bulletin, summarising findings available at <http://www.tara.tcd.ie/handle/2262/71985>

targeted at over-55s, the scheme has been extended to new areas in Dublin 8, Dublin 10 and Dublin 22. Eligibility has been opened up to families with young children.

An Energy Efficiency/Retrofitting Programme aimed more broadly at social housing units was launched in 2013, in particular to improve the energy efficiency of older apartments and houses by reducing heat loss through the fabric of the building. An additional scheme, the Better Energy Communities Scheme, provides funds to upgrade the energy efficiency of the homes of those in energy poverty, regardless of ownership status, on the basis that addressing clusters of energy poverty delivers cost savings. Ongoing investment and support of these initiatives to carry out energy upgrades on existing stock to alleviate fuel poverty will be crucial.

SVP welcomes such initiatives and their expansion, but notes with concern the statement in the Country Report that while 25,000 homes are expected to be upgraded for improved energy efficiency in 2017, around 75,000 homes (and businesses) may need to be upgraded every year to reach the EU 2020 target (Sustainability Energy Agency Ireland). There is also the need for schemes to be expanded in relation to social housing tenants. In relation to retrofitting for those most in need, as argued previously by SVP in its Policy Links publication on Energy Poverty, existing administrative data gathered for the Housing Assistance Payment, Rent Supplement, and Rental Accommodation Scheme has the potential to be used to target retrofitting in the private rented sector.²⁸

Pay As You Go meters

SVP have been a consistent and successful advocate of PAYG meters. For many households we support, opening a utility bill remains a stress. In 2015, SVP spent just over €5 million on assistance to family's fuel and energy costs. The overall amount of SVP's energy related assistance has decreased from a high in 2012 and this is due in part to greater use of PAYG pre-payment meters among people we visit and assist. PAYG meters provide greater control over energy use and have proved a valuable budgeting tool. There are an estimated 80,000 electricity hardship PAYG meters and 78,000 gas PAYG hardship meters in use in the Republic of Ireland.

There are situations, however, where pre-payment meters are not a viable option, for example in apartment blocks that have storage heaters or where meters are external and not easily accessible. In such cases, where customers find themselves in arrears, fair and realistic repayment plans and options

²⁸ <https://www.svp.ie/getattachment/b4943724-b62c-41b8-be64-cd19c76a1cf0/Policy-Links-Energy-Poverty.aspx>

should be provided. There is often a high level of default, or broken instalment plans, highlighting the need for these to be more manageable.

SVP Priorities

- In the wider context of low and inadequate household income, improvements in energy efficiency alone will not enable vulnerable households afford their minimum energy needs. Even at the highest efficiency level examined by SVP commissioned research, social welfare dependent households tended to remain in energy poverty and all faced inadequate income. Consequently, policy must address both overall income adequacy and dwelling efficiency.
- There are currently no specific provisions made in legislation for the rating of energy efficiency of private rental properties. Many households in energy poverty do not own their dwelling and are therefore less likely to benefit from current measures designed to enhance the energy performance of dwellings. As such, SVP welcomes the upcoming consultation and would support the introduction of minimum efficiency standards in the private rental sector, with the relevant legislation around this to be in place by the end of 2017.
- The Better Energy Warmer Homes Scheme should be extended to landlords who agree to make their properties available to HAP participants for at least three years, in line with the recent changes for mortgage interest relief that apply to landlords participating in HAP.
- The need for landlords to facilitate tenants in budgeting for their energy needs should be reflected in legislation on improving the physical standards of housing. Landlords should be incentivised to allow for the installation of hardship Pay As You Go electricity and gas meters, and should not be permitted to prevent tenants from switching energy provider during a tenancy.
- While all local authorities allow electricity PAYG meters to be installed, there remains a charge for the installation and removal of gas PAYG meters. Some County Council tenant handbooks explicitly prohibit the installation of as PAYG meters, primarily on cost grounds. This should be reviewed by the Commission for Energy Regulation and clarification around the free installation and removal of hardship gas meters provided.
- Extend eligibility of existing energy efficiency schemes to housing associations tenants and promote their awareness among tenants and AHBs.

Education

Educational disadvantage in Ireland

Educational disadvantage is a central concern of SVP and we question the assertion in the Country Report that socio-economic status has limited impact on performance in reading, mathematics and science among 15 year olds (page 41). The latest report on PISA (Programme for International Student Assessment) shows disadvantaged students are almost 5 times more likely to perform poorly in science when compared to the most advantaged students.²⁹ The National Longitudinal Survey of Children also shows that inequalities in children's outcomes emerge early and persist throughout childhood and into adolescences (Williams et. al. 2016).³⁰ Underinvestment in schools and rising school costs mean that children from disadvantaged backgrounds are unable to participate fully in school.

While SVP welcomes Ireland's progress on tackling early school leaving, there is a real concern however at the low rates of progression to higher and further education and training among disadvantaged and non-traditional students. Due to a range of cuts to supports and increases in fees implemented during the recession, further and higher education is now further out of reach for many of the people SVP members assist.

Early Childhood Education and Care

It is widely recognised that access to good quality early years education can mitigate early disadvantage and place children on a level playing field by the time they reach school going age. The introduction of the Affordable Childcare Scheme will be a significant development in this regard. We welcome the Country Reports focus on quality in the early years but significant investment is required to ensure that services can provide affordability to parents and quality environments to children. In particular, further consolidation of the early years sector, including workforce development, pay and conditions, as well as implementing standards and quality assurance measures are required. Regarding the latter, the education-focused inspections in pre-schools is a welcome development. These education-focused inspections should be extended to ECEC outside of the free pre-school scheme. Another challenge which must also be addressed is the inclusion of childminders as well as childcare facilities in support programmes. At present, it is estimated that approximately 138

²⁹ (dis)advantage is measured using a four point economic, social, cultural status scale. These Odd Ratios refer to the likelihood of poor performance for students categorised on point 1 of the scale (most disadvantaged) compared to point 4 (most advantaged). Source: OECD PISA 2015 Database, Table 1.6.5

³⁰ Williams et. al. (2016) Cherishing All Children Equally? Children in Ireland 100 Years on from the Easter Rising. Dublin: Economic and Social Research Institute.

childminders out of 19,000 are TULSA registered,³¹ as the Affordable Childcare Scheme only includes TULSA registered providers, these childminders are not included in the scheme, highlighting future challenges regarding supply and quality.

Primary and Secondary School

A recent review of the Delivering Equality of Opportunity in Schools (DEIS) programme found that although it improves the educational outcomes of students in these schools (early school leaving and low achievement), it has done very little to close the gap between DEIS and non-DEIS students (Smyth et. al. 2014). SVP welcomed the addition of the 79 schools under the recently published Action Plan in February 2017 but argue that tackling educational inequality solely through DEIS is limited; many disadvantaged children do not attend DEIS schools. We still need a system where all disadvantaged children, regardless of the status of their school, have access to key supports, such as School Completion, Home School Liaison, psychologists and school meals. SVP recommends further investment in targeted measures to address educational disadvantage among children and young people attending schools outside of the DEIS scheme. This could be achieved by implementing tapered capitation grant based on levels of disadvantage for schools and/or the extension of programmes such as School Completion to schools outside of DEIS. SVP notes that the expansion of the School Meals programme (breakfast clubs) under Budget 2017 to non-DEIS schools set a precedent in this regard. We see great potential for these programme, if leveraged and configured correctly and driven by a clear interdepartmental approach, to secure more and better outcomes for disadvantaged students located in non-DEIS schools.

An ongoing concern for SVP members on the ground is that school costs prohibit children from participating in school fully. SVP has continually advocated the need to reduce the financial burden of school related costs, such as books, uniforms, school tours and 'voluntary' contribution, on low income families. A contributing factor to this issue is that the School Capitation grant has been cut by 15% since 2010 and schools are struggling to cover day to day expenses. An implication of this is that parents will be asked by schools to make up the difference through contributions. This is not sustainable and significant investment in school infrastructure, teaching resources, school meals and school books schemes is urgently required. Restoring the Back to School Clothing and Footwear Allowance to from €200 to €305 for children over 12 and from €100 to €200 for children under 12 would assist many low-income families who struggle with back to school costs.

³¹ Children's Right Alliance (2017) Report card 2017
http://childrensrights.ie/sites/default/files/submissions_reports/files/Report%20Card%202017%20FULL.pdf

The withdrawal of the Traveller education support service has impacted this community who have a high risk of educational disadvantage. Mainstream schools need more support in working with Traveller and other marginalised children, such as those with disabilities. We would strongly advocate that the forthcoming National Traveller and Roma Inclusion Strategy is backed up with significant resources to achieve its outcomes. We welcome the announcement of the new funding model for special education needs which should mean no child will have to wait for a diagnosis to receive additional resources. However, at present there is a lack of clarity surrounding the application and appeals process underpinning the models, which could potentially undermine the benefits of this new approach.

Further and Higher Education

Although early school leaving is in decline, transition to further and higher education for disadvantaged groups remains low. While post-primary measures to support transitions to third level are relevant, costs associated with further education are a significant barrier. Increases in fees, changes to the adjacent rate grant, limited supports for part time students and the rising cost of living means that for many young people, college is not an option.

Funding resource per student at third level has fallen by 22 per cent between 2007 and 2014 and the staff to student ratio has increased from 1:15.5 to 1:19.52, which is high by international standards.³² The sector is viewed by many stakeholders as unfit for purpose due to rising student numbers, lowering of quality outcomes and a serious deficit in funding. This is coupled with cuts to Maintenance Grants and rises in income thresholds for grant aid means that many students are unable to take up a place at college. The gap in educational attainment and qualifications between socio economic groups has not been bridged despite two National Action Plans on Equity in Third Level. It is expected that a new funding model for third level education will be introduced in 2018. Whichever funding model for third level is proposed and implemented, SVP recommends that it must include both an adequate maintenance grants system and a more equitable and transparent means test which takes assets into account when calculating eligibility for financial support. Supports must also target part time and non-traditional students who have limited supports under the current system. Specifically, expansion of eligibility to the Fund for Student with Disabilities, the Student Assistance Fund (SAF) and the Maintenance Grant to part time students. Introducing an income disregard for the Back to Education Allowance will facilitate those engaged in further education to take up part time work and ensure a better standard of living.

³² <http://www.education.ie/en/The-Education-System/Higher-Education/Higher-Education-Optimising-Resources-in-Irish-Higher-Education-Discussion-Paper-2-.pdf>

We welcome the developments in training and skills referenced in the Country Report. The measures to increase the number of apprenticeships by 50,000 in the next 5 years and the expansion of the Springboard programme is welcome. Adequate funding to achieve these targets is required in order to expand options for further training and education.

SVP Priorities

- Continue to invest in quality measures and consolidate the Early Years services by improving qualifications, pay and conditions for staff in the sector.
- Address rising school costs by restoring the School Capitation Grant and Back to School Clothing and Footwear Allowance to 2010 levels and implementing the recommendation from the Joint Committee on Education and Social Protection (2013) to introduce a five-year template for the delivery of an entirely free school book scheme.
- Priorities measures to address educational disadvantage of students located in non-DEIS schools.
- Roll out and adequately fund supports for marginalised students such as Travellers, Roma and children with disabilities.
- Increase the maintenance grants for third level students in line with rising costs of living.
- Prioritise measures to improve access and participation rates of non-traditional and part time students.
- Provide adequate funding to meet training and apprenticeship targets outlined under the Action Plan for Education.