

Budget 2020 Summary and Analysis

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In the lead-up to a potentially disorderly Brexit, Budget 2020 was very conservative in relation to any changes in income support for family carers. This is in the context of real increases emerging in the cost of living.¹ This is disappointing. In our pre-budget submission, we called for an increase in: the Carer Support Grant to €2,000, Carer's Allowance to €226.23 and Carer's Benefit €227.26 (an increase in line with average wage rate growth).

The rate payable for Carer's Allowance, remaining at €219 per week for 2020, remains below the level it was at in 2009 (€220.50) This contrasts with a projected 11% increase in the average wage over that period.²

The most welcome and impactful change in Budget 2020 for many family carers is likely to be the increase in the hours that can be worked while potentially remaining eligible for Carer's Allowance/Carer's Benefit/Carer Support Grant. This is being increased from 15 hours per week to 18.5 hours per week, at an estimated annual cost of €11.6m. This is estimated to benefit 1,200 carers. This was a key ask of Care Alliance and others for many years. It will go some way toward enabling more people to remain in the paid workforce while simultaneously delivering high levels of care. Unfortunately, there was no change to the income disregard, and thus overall eligibility for Carer's Allowance is likely to remain restricted, as wage growth is projected to increase by 3% in 2020 assuming an orderly Brexit³. It is now 12 years since there was an increase in the income disregard.

We do welcome a significant increase in resources for home care support, which will allow for an additional one million home help hours. This should have some effect on the size of waiting lists and the duration of waiting

¹ Central Statistics Office (CSO) Consumer Price Index, September 2019.

<https://www.cso.ie/en/releasesandpublications/er/cpi/consumerpriceindexseptember2019/> Website accessed October 11th 2019.

² Average earnings were €36,785 in 2009. Using 2018 average earnings data (€38,871) and estimating annual increases of 2.5% in 2019 and 2020 respectively, equates to an estimated €40,838 in 2020. Source:

<https://www.cso.ie/en/releasesandpublications/er/cpi/consumerpriceindexseptember2019/> Website accessed October 11th 2019.

³ Department of Finance (2019) BUDGET 2019 Economic and Fiscal Outlook (Incorporating the Department of Finance's Autumn Forecasts) Website accessed October 14th 2019.

periods, and begin to address the 4m deficit in home care hours identified in our 2018 [report](#).

While we and the wider Homecare Coalition called for €110 million to address increasing waiting lists and growing demand for home care, an additional €52 million is being allocated in 2020 to home care supports and services. We estimate that approximately 50% of this extra funding will go toward the increasing cost of each hour of home care, reflecting welcome improvements in mileage allowances for care staff and overall improvements in terms and conditions, as well as continued competitive pressures in the labour market.

Some modest new initiatives in dementia services, mental health services and disability services are also welcome. Specifically, funding will be provided for 1,000 frontline health and social care staff in the community and 10 extra dementia advisers, while mental health services will receive €1.03 billion in funding in 2020, an increase of €39 million over 2019. Enhanced disability supports will include additional funding for respite, for the [autism plan](#) and for improved access to pre-school for children with disabilities. However, in the context of demographic pressures and the increasing annual costs of providing the same quantum of health and social care services, these extra resources are unlikely to result in a significant overall increase in accessibility and or overall services.

Having said this, these modest new announcements will collectively provide some additional benefit to a small number of Ireland's 391,000 family carers.⁴

We will continue to campaign, alongside our member organisations, for improved investment in supports, services and income supports for Ireland's 391,000 family carers.

Key Budget 2020 initiatives impacting family carers include:

- An additional allocation of €52 million in home help funding, which will allow for an additional one million home help hours. A Statutory Home Care Scheme will also be piloted in 2020 with dedicated funding of €7 million.
- An additional €60 million to recruit 1,000 frontline staff, nurses and other professionals in the community, and 10 new dementia advisers by end 2021.
- Payment of 100% Christmas bonus to all social welfare recipients in 2019.

⁴ Care Alliance Ireland, Briefing Paper 3: Updated Estimates for Numbers of Family Carers in Ireland (In Print).

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- The monthly threshold of €124 for the Drug Payment Scheme to be reduced by €10 to €114.
- Free GP care for children under eight from September, free dental care for children under six.
- The number of hours those in receipt of Carer's Benefit can work or study will rise from 15 to 18.5 hours per week.
- Prescription charges for over 70s will be reduced from €1.50 to €1.
- Home carer tax credit will increase by €100.
- Fuel allowance will increase by €2 per week and there will be investment in programmes to deal with causes of fuel poverty.
- €20 million for Sláintecare implementation fund and €12 million for Care Redesign Fund.
- No increase in Disability Allowance. No reversal of the recent €31 per week reduction in payments made to certain individuals with disabilities who had been in receipt of the Rehabilitative Training Allowance.
- €5 million in additional funds for respite services/supports.
- Medical card income limits for over 70s will be increased from €500/€900 to €550/€1,050 per week at a cost of €18 million.
- Fair Deal – €45 million additional funding for 2020.

Further commentary

In our pre-budget statement, we identified three priority areas:

- 1) Funded Policy Development
- 2) Funding of Services and Supports
- 3) Addressing Poverty and Income Inequality.

Budget 2020 represented a modest acknowledgement of some of these issues and provides some new resourcing to address them. We examine in more detail below some of the key issues from Budget 2020 which will affect family carers.

Increase in allowed hours of work or study from 15 to 18.5 hours for family carers

Prior to Budget 2020, family carers in receipt of Carer's Allowance/Benefit were restricted to 15 hours per week work or study. One of the measures welcomed by Care Alliance Ireland, which was also one of the key asks in our pre-budget submission, was the increase in this to 18.5 hours. Previously, if a family carer engaged in work or study for more than 15 hours per week, they would lose their entitlement to this payment. The additional hours will encourage family carers to pursue a wider range of employment and education/training. This could also improve reactivation possibilities when caring ends, easing the transition back into the workplace where this is possible.

Minister Regina Doherty said "*this measure is in response to the carers [she] met who told [her] that they found the current number of 15 hours to be too restrictive*".

However, we are disappointed to see that there is no change in income disregards, which will likely make accessing Carer's Allowance/Carer's Benefit/Carer Support Grant more difficult as real wage growth is projected to increase by 3% in 2020.⁵ The likelihood of some family carers receiving some existing income supports in 2020 is now a strong possibility, where the additional 3.5 hours will push gross income over the income disregard limit. The possibility for family carers to work and study an extra 3.5 hours is welcomed and we are pleased to see that the state recognises the importance of family carers engaging in work or study, away from their caring duties, since such work or study can in itself act as a form of respite from caring. We will work with our members to ensure that family carers will not lose their income supports in the future.

One million home help hours, pilot statutory home care scheme

As highlighted in our pre-budget statement, the current waiting list for home care packages and services throughout the country has exceeded 7,000, and is likely to grow in 2020 as a result of demographic pressures. Along with other organisations, we sought a further investment of €110 million to take account of factors such as the increase in population, the method of calculation of need used by Sláintecare, and the average cost of home support hours for those currently on the waiting list.

With Budget 2020, we are pleased to see an additional one million hours allocated for home care supports and services, although this is less than half the amount we believe is required to clear the waiting list of over 7,000 people. An additional €52 million has been allocated to home care services, which also includes the launch of a pilot statutory home care scheme in 2020. However, given the failure to deliver in

⁵ Department of Finance, 'Budget 2020: Economic & Fiscal Outlook', October 2019, p. 16, http://budget.gov.ie/Budgets/2020/Documents/Budget/Budget%202020_Economic%20and%20Fiscal%20Outlook_

full or within budget the promised extra hours for 2019, it remains unclear as to how many of these additional hours will be used to catch up on this year's service-delivery deficit.

We note that Minister Harris stated that €100 million will be ringfenced for general health and social care waiting list reductions, but assume that much of this will be spent on expensive acute hospital-based services. We hope we are incorrect in this.

The additional investment in home care is welcomed, and we will continue to work with family carers and our partners to prioritise effective home care investment in the future including an appropriate statutory right to home care.

Investment in 1,000 health/social care workers

Care Alliance Ireland welcomes the €60 million investment to recruit 1,000 frontline community staff including therapists, nurses and other professionals. We are also pleased to see that 10 dementia advisers will be hired, which is a first step in dealing with a number of inadequacies in dementia services across the country and is in line with the National Dementia Strategy. We believe this to be a positive step for family carers, who provide the vast majority of care for people with dementia.

The funding of services and supports was one of the key priorities in our pre-budget submissions and we welcome the proposed recruitment of an additional 1,000 frontline staff. This will help to support family carers across Ireland. We look forward to learning more about this proposal in the HSE's 2020 Service Plan, which is traditionally published every December.

€5 million for respite services

Respite care is regarded as a key support for the health and wellbeing of family carers, and is often cited by them as vital to their ability to continue to provide care to their loved ones. We are pleased to see that Budget 2020 allocated an additional €5 million for respite care. Again questions remain as to the system's ability to deliver the targeted levels of services, as evidenced by the latest HSE performance report, which identifies a significant under-delivery of respite care in recent quarters.⁶

We will continue to push for an entitlement for one week each year for all family carers in receipt of Carer's Allowance, and who are therefore providing full-time care for their loved one. Also, we will continue to work to encourage the state to address

⁶ Health Service Executive (HSE) 2019 Performance Reports. April to June 2019. Source: <https://www.hse.ie/eng/services/publications/performance-reports/2019-performance-reports.html>
Website accessed October 11th 2019.

variations across local authority and county areas which appear to impact access to respite and other services.

Selection of Care Alliance Ireland member responses/comments

The Alzheimer Society of Ireland

The Government's decision to provide funding for 10 more Dementia Advisers in Budget 2020 has been welcomed by The Alzheimer Society of Ireland (ASI) as a first step in dealing with the inadequacies and glaring gaps in services and supports that have been identified across the country. This follows years of neglect of people with dementia in recent Budget Day announcements.

The ASI also welcomes the one million additional home care hours which will be provided in 2020, as home care was another key ask of our pre-budget campaign. This will help support people with dementia to live at home in an environment that is familiar to them and where the majority of people with dementia want to be. (<https://alzheimer.ie/creating-change/political-campaigns/pre-budget-submission-2020/>)

"Funding for Dementia Advisers is good news and something we've been calling for years! Looking forward to hearing more. Much more needed to support those living with dementia and their carers."

(<https://twitter.com/alheimersocirl/status/1181561932484141057>)

Disability Federation of Ireland

"Budget 2020 continues a shameful neglect of disability which will see further increases in the 26% who live in consistent poverty" said the Disability Federation of Ireland, DFI.

<https://www.disability-federation.ie/news/press-releases/2019/10/08/people-with-disabilities-now-the-forgotten-vulnera/>

"DFI welcomes the announcement of up to 1,000 therapists, nurses and other professionals in the community, and recruitment of dementia advisers"

"DFI welcomes news that weekly Medical Card Income limits for over 70s will be increased"

We do welcome:

- Investment of €1.9 million in special needs education
- Improvements to the drug payment scheme
- Improved access to pre-school for children with disabilities

- Increases in home carers credit
- Support for 1,600 school leavers with disabilities
- Funding for the Autism Plan
- Increase in respite allowance.

Inclusion Ireland

CEO Enda Egan stated "The Government had an opportunity to take action in Budget 2020 to promote rights and equality for people with disabilities and to advance Ireland's compliance with the UN Convention on the Rights of Persons with Disabilities. Unfortunately, there is little in this Budget that will create any real change for people with disabilities".

<http://www.inclusionireland.ie/content/media/1783/budget-2020-continues-status-quo-people-intellectual-disabilities>

Irish Heart Foundation

The measures announced in today's Budget do not do enough to drive down smoking rates and tackle childhood obesity, the Irish Heart Foundation has said. (<https://irishheart.ie/news/budget-2020-does-not-do-enough-to-drive-down-smoking-rates/>)

Irish Cancer Society

The Irish Cancer Society has today cautiously welcomed news from Minister Simon Harris that some funding will be made available to progress the implementation of the National Cancer Strategy. This comes on the back of pressure from the Cancer Society to fund the 10-year plan, which received no additional budget in 2019. However, it has warned that the devil is in the detail and it will seek clarification on the exact amount of funding allocated for 2020 (<https://www.cancer.ie/about-us/news/irish-cancer-society-reaction-budget-2020#sthash.Ed5RNAKY.dpbs>). The Society:

- cautiously welcomes funding for the National Cancer Strategy
- welcomes reduced costs for those on Drugs Payment Scheme and medical card holders
- is disappointed that inpatient charges for cancer patients are retained
- welcomes 50c increase in price of cigarettes.

Other Organisational Responses

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"Family Carers Ireland notes the announcement of one million additional home care hours in Budget 2020. While a step in the right direction, this will not be enough to clear the current waiting list or keep up with demand and demographic changes. Given the failure to deliver on the promised hours for 2019, it is unclear as to how many of these 'additional' hours will be required to catch up on this year's shortfall.

The announced increase of one million hours represents a 6% increase for 2020, which will not clear the current waiting list of 7,300.

We have since received clarification that the income disregard for Carer's Allowance has not increased which means that carers hoping to work additional hours (up to 18.5) may be negatively impacted by having their Carer's Allowance reduced if they increase their hours. We will lobby strongly for this issue to be addressed as it could create a poverty trap for some family carers."

Catherine Cox stated: *"Family Carers Ireland saw Budget 2020 as an opportunity for the Government to prove their commitment to carers. We welcome the 3.5-hour increase that carers can work each week. However, we are disappointed to see our other urgent priorities neglected once again this year, especially for those suffering from carer burnout."* (Full comment in link)

(<https://familycarers.ie/budget-2020-wont-end-homecare-crisis/>)

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