



Society of St. Vincent de Paul

STATEMENT OF STRATEGY 2020-2023

Submission to the Department of Employment Affairs and Social Protection

OCTOBER 22, 2020
SOCIAL JUSTICE AND POLICY TEAM
Society of St Vincent de Paul

1. Introduction

The Society of St Vincent de Paul (SVP) welcomes the opportunity to respond to the Department for Employment Affairs and Social Protection's consultation on its Strategy for the period 2020-2023.

SVP is the largest voluntary charity of social concern in Ireland. We are a network of over 11,000 members who support people within their communities facing poverty and exclusion. This submission is informed by the experience of our members. This year has brought a hugely changed social and economic context for the Department to operate within. While it is unknown how long restrictions will need to be maintained for, the impact of Covid-19 will continue to be felt through the lifetime of the Department's next Strategy.

2. Key Challenges and Opportunities

The key challenge of the Department is to protect people from experiencing poverty and exclusion. Prior to Covid-19 deprivation indicators rose significantly for 2019: up from 15.1% to 17.8% with almost 900,000 people going without the basics they need to live. This includes 45.4% of one parent families, 43.4% of people unable to work due to permanent illness and disability and an increase for private renters to 34.4% who are unable to access a basic standard of living.¹ Despite, the social protection system reducing the proportion of the population "at risk" of poverty from 40% to 14% in 2018, it still leaves thousands of people living on an income that the below what is required to meet a Minimum Essential Standard of Living.

Covid-19 brings challenges across the whole of society, affecting the delivery of services such as healthcare and education, and significantly for the Department, leading to higher unemployment levels for the period of this Strategy. This will require high quality activation measures where appropriate, and the understanding that for some households a return to full-time work will not be immediately possible, either due to a lack of employment opportunities or a lack of supporting services such as childcare.

The prospect of a no-deal Brexit still looms and consideration needs to be given to the social as well as economic implications of Brexit. These include among others, threats to employment in Border counties, and potential increased pressure on public services and the housing market. A no deal or hard Brexit has the potential to increase the cost of living for all households in Ireland, with the greatest impact on low income households.² Low income households could face an increase in their annual costs of more than €600 due to Brexit alone, increasing the gap between social welfare supports and the cost of a Minimum Essential Standard of Living.³ During these challenging times, it will be vital that people have an income that meets the cost of living, so they are not pulled further into poverty. Adequate social welfare will help people reconnect to the world of work and allows them to live in dignity. The danger of inadequate social welfare is that it can trap people in poverty and lead to greater social, health and economic costs in the future.

¹ <https://www.svp.ie/news-media/news/urgent-action-needed-to-prevent-deepening-of-pover.aspx>

² M Lawless and E Morgenroth (2018) *ESRI Special Article: Brexit and Irish Consumers*. Dublin: ESRI

³ IBID

However, despite the scale of the challenges we face, addressing poverty is an opportunity to make an investment that will reap rewards for the public purse. Our research has found that €4.5 billion a year is spent on mitigating the impacts of poverty by public services.⁴ Bringing an end to poverty will pay dividends, leading to savings in social protection as well as in housing, education, healthcare and beyond.

The move to measure wellbeing as announced in the Programme for Government presents an opportunity for a whole of government approach to tackling poverty, allowing policies to be designed for a full range of outcomes beyond economic growth. A holistic measure of wellbeing incorporating poverty indicators, health, education, and housing will paint a fuller and more accurate picture for Government and its partners, and therefore lead to improved policy design, monitoring and accountability.

3. Priorities for the Strategy 2020-2023

The Department states its mission is:

To promote active participation and inclusion in society through the provision of income supports, employment services and other services.

This Mission is supported by SVP. Our experience shows that participation and inclusion in society requires as a starting point an adequate income, accompanied by strong and supportive public services – the Department plays a vital role in delivering both. This has been made clearer than ever during 2020 and the challenges of the Covid-19 pandemic, when state supports provided a lifeline to hundreds of thousands who suddenly lost their income. For others, agile state responses allowed them to continue to receive social welfare during lockdown restrictions.

In light of this context, and with the scale of the challenge clear, SVP recommends that the Department's Strategy 2020-2023 prioritises:

- Reducing **the consistent poverty rate** as a high-level goal for the Strategy, in line with Ireland's commitment to meeting the Sustainable Development Goal of No Poverty by 2030 and as outlined in the Roadmap for Social Inclusion, reducing consistent poverty to 2% or less by 2025. Ending poverty should be put on a statutory footing to ensure targets are legally binding. This should include an ambitious child poverty target by 2025.
- Placing **poverty proofing and equality budgeting** on a statutory footing to ensure all policies and programmes at design and implementation are assessed in relation to their likely impact on people living in poverty.
- Reaching **income adequacy** for recipients of social welfare and those in low paid work must be a priority for the Department: there must be a floor below which no one is expected to live. Without this the costs of poverty will continue to accrue to individuals and society. To achieve this the Department should move towards benchmarking social welfare rates against the Minimum Income Standard and continue to work with the Low Pay Commission and the Department of Enterprise, Trade and Employment on moving towards a Living Wage in the lifetime of this government, ensuring in-work income supports maximum the returns from work for low income households. .

⁴ <https://www.svp.ie/getdoc/4402a3ee-b65d-41a2-9e18-662c90b36046/the-hidden-cost-of-poverty.aspx>

- In addition to an adequate income, households in poverty require **high quality and well-resourced services**. This includes the fundamental importance of accessible and affordable childcare to allowing people to maintain work. This is especially true for lone parents who have sole responsibility for family income and care arrangements and are therefore more vulnerable to practical and financial challenges. Housing, Education, and Transport all impact on households' cost of living, and therefore have direct consequences for the Department.
- Government policy must be integrated across departments to ensure the success of the Strategy. Reaching poverty reduction targets requires a **cross-governmental approach** that recognises the interrelated nature of services that form the social safety net. The Strategy's success will pivot on working with other Departments, government agencies and external partners towards the shared goals of ending poverty and improving wellbeing.
- **Communication** with social protection clients should be made available across multiple channels, including text, online, paper, and in-person. Maintaining in-person support has been a challenge during 2020 but is a vital route to support for many people in need of services who are unable or uncomfortable to access other routes. For others, accessing digital or telephone support and services will be a useful option.
- In collaboration with the Department of Higher Education, the new Strategy should continue to prioritise an '**education first approach**', to tackle labour market disadvantage and address the barriers to decent work for long term unemployed and people who are parenting alone.
- The new Strategy should also encompass the need to support people in **reconciling paid work and family life** recognising the additional practical and financial challenges for those parenting alone.
- A **client-centred approach** should continue in the next Strategy. Providing accessible and responsive services is key to improving outcomes for people: while the large numbers of people now accessing social welfare is a huge challenge for the Department, tailoring supports, especially for the more vulnerable individuals and households, will lead to more sustainable results.