

# A DECADE LOST:

Family Carers Ireland Pre-Budget Submission



**Budget**  
**2020**

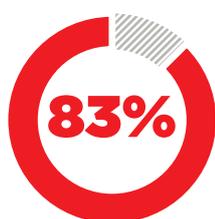


# A DECADE LOST:

## Family Carers Ireland Pre-Budget Submission Budget 2020

Ireland's health and social care system depends on family carers. Without the estimated €10 billion in unpaid care Ireland's 355,000 carers provide each year, the health service would collapse. Despite the enormity of their contribution, the scars of the economic crisis remain etched in carer's lives. Research published in May 2019 shows that the situation of family carers has gotten worse in the ten year period since 2009<sup>1</sup>.

Carer's health, both physical and mental, has deteriorated as has their access to vital supports and services, including respite. Carer's repeatedly reported in 2009 and in 2019 that they need more respite and homecare hours to support them to be healthy. Despite such calls for support, in the last decade there has been a 70% increase in the number of carers diagnosed with depression; a 24 percent increase in carers reporting poor health; a 30 percent increase in those experiencing anxiety and a 65 percent increase in the number of carers who have no access to respite.



**percent of carers do not have access to appropriate respite.**

These findings are a damning indictment of Government's attitude towards carers and are completely at odds with Sláintecare's core objective - to shift the delivery of care from an acute setting towards care in the community and home. Budget 2020 is an opportunity for Government to signal its commitment to carers and to deliver on the promises set out in a Programme for Partnership Government.

### PRIORITIES FOR BUDGET 2020

1. Reform the means test for Carer's Allowance.
2. Increase the hours a carer can work/study from 15 hours to 18.5 hours.
3. End the postcode lottery in homecare and carer supports.
4. Replace the Mobility Allowance and Motorised Transport Grant withdrawn in 2013.
5. Extend the GP Visit Card to include carers in receipt of the Carer's Support Grant.

#### 1. Reform the Carer's Allowance Means Test

Only one in five of Ireland's 355,000<sup>2</sup> carers receive Carer's Allowance due to the strict eligibility criteria attached to the payment - circa 81,000 carers. Given that 116,000 carers were eligible for the Carer's Support Grant in 2019, it is reasonable to assume that some 35,000<sup>3</sup> full-time carers do not qualify for Carer's Allowance due to the means test. These carers, who in many cases provide high level complex care, are not recognised by the State and receive no compensation for the full-time care they provide. Set out below are five proposals that are urgently needed to make Carer's Allowance more accessible to genuine, full-time family carers who are ineligible for Carer's Allowance or who receive a reduced Carer's Allowance despite living on relatively modest incomes.

'A family who have two children, both with a profound disability, have no entitlement to Carer's Allowance due to having a total household income of €65,000.'

<sup>1</sup> Family Carers Ireland, College of Psychiatrists of Ireland & University College Dublin (2019) Paying the Price: The Physical, Mental and Psychological Impact of Caring, Ireland: Family Carers Ireland.

<sup>2</sup> CSO's Irish Health Survey 2015 identified that 10% of the sample population stated they were carers. 355,000 is 10% of the Irish population aged over 15 years.

<sup>3</sup> 116,000 recipients of the Carer's Support Grant less the 81,000 carers in receipt of Carer's Allowance.

### Proposal 1: Increase the income disregard from €332.50 to €450 (single) and €665 to €900 (couple).

Despite increasing steadily during the period 2000 to 2008, the income disregard for Carer's Allowance has remained stagnant for the last 11 years, meaning Government has failed to achieve the commitment set out in Towards 2016 to expand the income disregard for Carer's Allowance so that those on average industrial incomes can qualify (p.55). Average industrial earnings in Quarter 3 2018 were €762<sup>4</sup> while the income disregard for Carer's Allowance remains at €332.50 (single)/€665 (couple).

Carer's Allowance Income Disregard 2000 - 2018 Budget										
Budget	2000	2001	2002	2003	2004	2005	2006	2007	2008	2008 - 2019
<b>Income Disregard</b>										
Single	€95	€158	€191	€210	€250	€270	€290	€320	€332.50	<b>NO CHANGE</b>
Couple	€190	€317	€382	€420	€500	€540	€580	€640	€665	
<b>Increase</b>	<b>+ 350%</b>									<b>0%</b>

The failure to ensure that the income disregard kept pace with average earnings is compounded by the fact that the current rate of Carer's Allowance of €219 is €1.50 less than it was in 2009, despite a 7.5 percent increase in the Consumer Price Index (CPI) during this period. This means that the equalised value of Carer's Allowance at the rate paid in 2009 of €220.50 is €237 in 2019.

### Proposal 2: Extend the allowable deductions and assess income on its net rather than gross value

Because the assessment of means is applied to gross rather than net income and does not take into account mortgage repayments, dependent children, college fees, Fair Deal contributions, medical costs etc., the assessment does not reflect the reality faced by many caring families, who may appear financially comfortable based on their gross income, but are struggling to make ends meet when living expenses and the cost of care are deducted. The deductions currently allowed are limited to a €332.50/€665 weekly income disregard, PRSI, union dues, superannuation and travel expenses<sup>5</sup>, but do not reflect the actual income going into the household. Family Carers Ireland argues that the means test should be applied to net rather than gross income similar to the assessment applied to Carer's Benefit<sup>6</sup>. By comparison the financial assessment for an Under 70s Medical Card allows for a host of deductions including mortgage repayments, childcare costs, home insurance, nursing home costs, education expenses, travel and parking costs. The scheme also gives an allowance ranging from €38 to €78 for each dependent child living in the household and older children attending third level education.

### Comparison of Disregards for Carer's Allowance and the U70 Medical Card

Carer's Allowance Means Test		Medical Card
Disregarded	Not Disregarded	Disregards
<ul style="list-style-type: none"> <li>• €332.50 (single)/ €665 (couple)</li> <li>• Social protection payments</li> <li>• PRSI</li> <li>• Union Dues</li> <li>• Superannuation/Pension Contributions</li> <li>• €15 allowance for travel to work</li> </ul>	<ul style="list-style-type: none"> <li>• Universal Social Charge</li> <li>• Income Tax</li> <li>• Medical costs</li> <li>• Mortgage/loan repayments</li> <li>• Education costs</li> <li>• Savings/Investments/2nd property (excess €20k)</li> <li>• Fair Deal contributions</li> </ul>	<ul style="list-style-type: none"> <li>• Disregard of €38-€78pw per child</li> <li>• Childcare costs</li> <li>• Rent/mortgage payments</li> <li>• Mortgage-related insurance</li> <li>• Fire and contents insurance</li> <li>• Mortgage protection insurance</li> <li>• Life assurance</li> <li>• Maintenance payments</li> <li>• Nursing home costs</li> <li>• Travel costs - public transport or mileage at 18c per km. Where a couple need two cars a double allowance applies</li> <li>• Cost of parking</li> <li>• Specified HSE, DEASP payments and Education Grants</li> </ul>

<sup>4</sup> CSO data May 2019.

<sup>5</sup> Applied at a standard rate of €5 but can be increased depending on distance from work.

<sup>6</sup> With Carer's Benefit the €332.50 a carer is allowed to earn is based on net income after income tax, USC, PRSI, superannuation, pension levy, union dues, subscriptions to Friendly Societies and health insurance premiums are deducted..

### Proposal 3: Increase the €20,000 disregard to €50,000 in the Capital Formula.

The formula for assessing means from capital (savings, shares and property) for Carer's Allowance should be increased in line with the Disability Allowance, where the first €50,000 of capital is disregarded rather than €20,000, reflecting the desire of carers to provide for their loved ones after their death. Despite significant changes in Ireland's economy, the capital formula used for Carer's Allowance has not changed since 2005.

#### Capital Formula

Carer's Allowance		Disability Allowance	
Capital	Weekly means	Capital	Weekly means
First €20,000	Nil	First €50,000	Nil
Next €10,000	€1 per €1,000	Next €10,000	€1 per €1,000
Next €10,000	€2 per €1,000	Next €10,000	€2 per €1,000
Balance (over €40K)	€4 per €1,000	Balance (over €70K)	€4 per €1,000

### Proposal 4: Make Carer's Allowance exempt from tax.

Carer's Allowance is taxable and carers with another source of income or whose spouse/partner is working are likely to have to pay tax on the payment. The taxation of Carer's Allowance gives rise to a number of practical issues, not least of which is the failure of many carers to understand their responsibility to inform Revenue of their receipt of Carer's Allowance and the subsequent tax liability that may ensue. It is also makes little practical sense that some social welfare payments are exempt from tax, for example Jobseeker's Allowance or Disability Allowance, while Carer's Allowance, for which carers must provide full-time care, is subject to tax. Family Carers Ireland understands that the Department of Employment Affairs and Social Protection along with Revenue are currently reviewing the taxation of social welfare payments and urge that consideration be given to making Carer's Allowance exempt from tax in line with other welfare payments and in recognition of the significant contribution made by carers.

#### Taxable and Tax Exempt Social Welfare Payments

NOT Taxable	Taxable
<b>Jobseeker's Allowance /Benefit/ Transition</b> <b>Pre-Retirement Allowance</b> <b>Supplementary Welfare Allowance</b> <b>Back to Work Family Dividend</b> <b>Child Benefit</b> <b>Back to School Clothing and Footwear Allow</b> <b>Carer's Support Grant</b> <b>Constant Attendance Allowance</b> <b>Disability Allowance</b> <b>Disablement Gratuity</b> <b>Domiciliary Care Allowance</b> <b>Farm Assist</b> <b>Working Family Payment</b> <b>Fuel Allowance</b> <b>Guardian's Payment (Contributory)</b> <b>Guardian's Payment (Non-Contributory)</b> <b>Household Benefits Package</b> <b>Telephone Support Allowance</b> <b>Widowed or Surviving Civil Partner Grant.</b>	<b>Carer's Allowance / Carer's Benefit</b> <b>Adoptive Benefit</b> <b>Blind Pension</b> <b>Death Benefit Pension</b> <b>Deserted Wife's Benefit / Allowance</b> <b>Disablement Pension</b> <b>Health and Safety Benefit</b> <b>Illness Benefit</b> <b>Invalidity Pension</b> <b>Incapacity Supplement</b> <b>Injury Benefit</b> <b>Jobseeker's Benefit (first €13 excluded)</b> <b>Maternity Benefit</b> <b>One-Parent Family Payment</b> <b>Partial Capacity Benefit</b> <b>Paternity Benefit</b> <b>State Pension (Contributory/ Non Contributory)</b> <b>Widow(ers) Pension</b>

### Proposal 5: Exclude carer payments in the financial assessment of the Working Family Payment.

Since January 2012 Carer's Allowance and Carer's Benefit have been included in the assessment of means for the Working Family Payment (formerly Family Income Supplement)<sup>7</sup>. Prior to this all carer payments were excluded. This change has had a considerable impact on caring families where a significant amount of the Working Family Payment is lost due to the receipt of Carer's Allowance or Carer's Benefit. For example in a family with four children where a parent earns €400 per week, the Working Family Payment was halved from €260 per week to €129 when their spouse was awarded Carer's Allowance.

<sup>7</sup> The inclusion of carer payments was phased with 25% assessed in year 1, 50% year 2, 75% in year 3 and 100% in year 4.

## 2. Increase the hours a carer can work/study from 15 hours to 18.5 hours per week.

Continuing to work while caring for a loved one is a necessity for many carers who depend on income from employment to supplement their social welfare payment and to meet the additional costs associated with caring. It is also critical for carers to retain a foothold in the labour market while contributing to their social insurance record and protecting their future pension entitlement. Under current rules, carers cannot work (even on a voluntary basis) or study for more than 15 hours per week to be eligible for Carer's Allowance, Carer's Benefit or the Carer's Support Grant. This condition has not changed since Budget 2006 when the hours were increased from 10 to 15 hours per week.

There is growing anger amongst carers regarding the 15 hour restriction, particularly for carers who are free to work or study while the cared for person attends school or day care or carers who want to prepare for life after care by undertaking further education or training. It should also be noted that with regard to education the Department includes not only 'classroom contact hours' within the 15 hours, but also considers travel time to and from college, time spent on coursework etc., which means that few, if any, courses are short enough to satisfy the 15 hour limit.

The qualifying condition for both Carer's Allowance and Carer's Benefit that the carer provide full-time care, which is specified as a minimum 35 hours per week, could easily be satisfied while allowing a carer to work for 18.5 hours. The imposition of the 15 hour ceiling is regarded by many as regressive, overly restrictive and counter to the Department's own mission to promote active participation in employment and inclusion in society.

**'Carers will be empowered to participate as fully as possible in economic and social life.'**  
(National Carers Strategy, Goal 4)

## 3. End the Postcode Lottery in Homecare and Carer Supports.

### Proposal 1: Urgently address the homecare crisis.

The Department of Health's commitment to establish a Statutory Home Support Scheme by 2021 is welcome, however families cannot wait until then to see homecare services improve. Pending the introduction of the statutory scheme, interim measures are urgently needed to address the consistent underfunding of homecare which is leaving thousands of people stuck in hospitals or forced into nursing homes when they could return home or stay at home if appropriate care was provided. It also places enormous pressure on carers to care for their loved one(s) alone and unsupported. Recent reports of growing pressure on the homecare budget means that the 6,300 people currently on the homecare waiting list have little chance of securing home support and further attests the urgent need for additional funding. Family Carers Ireland is calling for an increase of €110 million in the home supports budget in Budget 2020 in an effort to begin to meet actual demand for the scheme.

### Proposal 2: Fund Family Carers Ireland to deliver our 'Carers Guarantee' proposal.

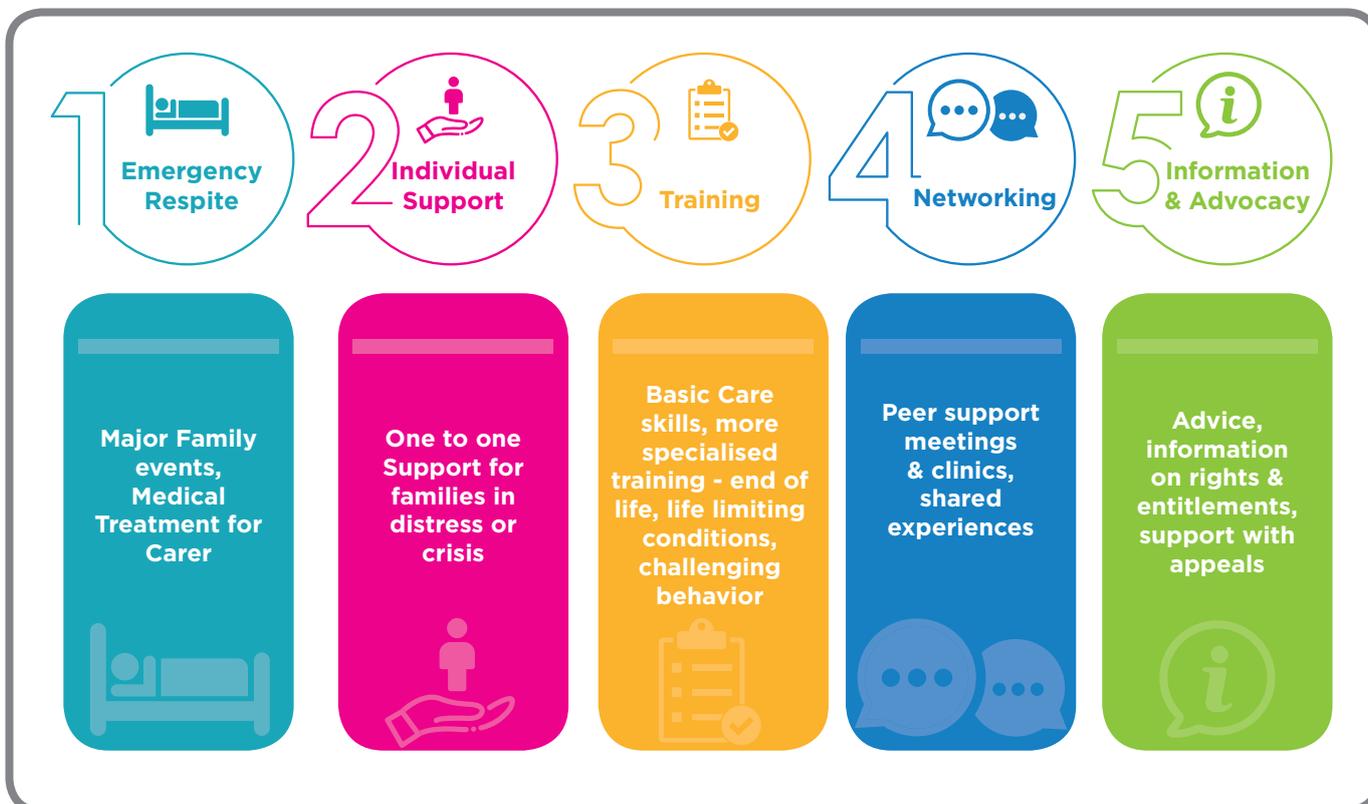
Despite being in line with Government policy and the clear advantages of caring for people in their own homes, funding for carers has not reflected this priority nor are essential supports offered consistently across the country. Health funding continues to be channelled disproportionately towards hospitals whilst access to community and homecare remain underfunded, inequitable and inconsistent due to their discretionary basis. Inconsistent funding, based on historical funding arrangements, means access to essential supports such as respite, home care and training is subject to a postcode lottery, whereby where a person lives, rather than what they need will determine if they can access a service or not. Family Carers Ireland's 'Carers Guarantee' proposal sets out how, for an additional €3.2m in annual funding, we will guarantee the delivery of a core basket of services to carers across the country regardless of where they live. These services will include: access to emergency respite; intensive one-to-one support for carers in crisis; a suite of training programmes ranging from basic care skills workshops to QQI accredited 'Caring with Confidence' training; targeted support groups and networks for carers and access to information and advocacy clinics in local community centres, primary care centres and hospitals. If Government fail to ensure the uniform delivery of supports across the country, even more carers will reach crisis point, bringing the sustainability of their caring role into question.

**'The services you receive are dependent on where you live rather than what you need.'**



## Eliminate postcode lottery of support for carers

For additional €3.2m pa family carers can access core supports locally, including:



#### 4. Replace the Mobility Allowance and Motorised Transport Grant withdrawn in 2013

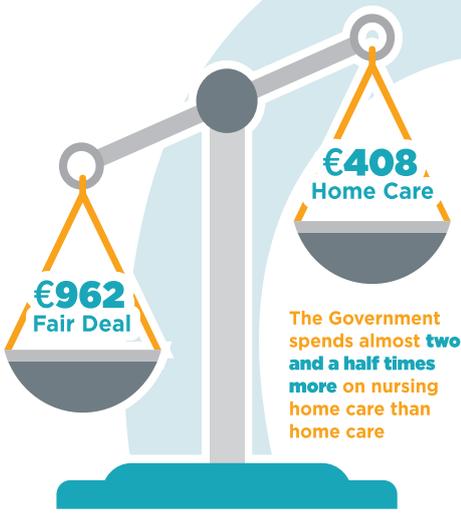
The failure to replace the Mobility Allowance and Motorised Transport Schemes, withdrawn in 2013 on the grounds of age discrimination, has led to the illogical situation whereby those who received a Mobility Allowance prior to 2013 have been allowed to keep it while others now equally in need are locked out. It also means that the only transport support available to families is the Disable Drivers and Disabled Passengers Scheme, which is targeted only at those with severe physical disabilities, with absolutely no support available to those with a hidden disability, intellectual disability or cognitive impairment. This prioritises the transport needs of people with physical disabilities over those with an intellectual/cognitive disability, which we believe could be subject to legal challenge.

#### 5. Extend the GP Visit Card to carers in receipt of the Carer's Support Grant.

The introduction of GP Visit Cards for carers in receipt of Carer's Allowance and Carer's Benefit in 2018 was a welcome first step in recognising the health and wellbeing needs of carers. However, its method of delivery means it only reaches a proportion of carers. It also imposes a means test on carers' access to the GP Visit Card by virtue of the means test applied to Carer's Allowance. This is entirely at odds with Government's plan for the universal roll-out of free GP care and counter to the universal access afforded to the over 70's and children under 5 years who are rightly not means tested. In order to reach a greater number of full-time carers and in keeping with Government's own policy of universal access, the GP Visit Card should be made available to the all carers in receipt of the non-means tested Carer's Support Grant.



Save the State  
**€10 BILLION**  
each year



**355,000**  
unpaid carers in Ireland  
(that's **1 in every 10** adults)



**36%** increase in older population & **63%** increase in people with a disability since 2006.

**2,789**  
receive Carers Benefit

**By 2030 1 in 5 people** will be a carer

**81,071 carers** receive Carers Allowance  
Only **one in five** carers

**57%** of carers balance work & employment

**39%** of carers are male

**13,147**  
young carers

under 25 years.

**954 Young Carers** provide more than **43 hours** of care each week

**2.2 million**

the number of hours care provided per year by children under 15.





Family  
Carers  
Ireland

Family Carers Ireland  
Head Office, Market Square,  
Tullamore, Co. Offaly

[www.familycarers.ie](http://www.familycarers.ie)

NATIONAL FREEPHONE CARELINE

**1800 24 07 24**