



**Social Support Agency of the
Catholic Archdiocese of Dublin**

Budget 2020

Crosscare Pre-Budget Submission to the Department of Employment
Affairs and Social Protection on the protection of young unemployed
adults under 26 affected by homelessness

Crosscare's mission

Crosscare is the social support agency of the Dublin Archdiocese for over 75 years, working with people in the most vulnerable and marginalised situations. Crosscare provides specialised services in youth work, homelessness, community supports and food poverty. Crosscare's vision is of a society where all people have the opportunity to fulfil their potential and our mission is to provide innovative and relevant services to those most in need regardless of their ethnicity, nationality, religion, beliefs or sexual identity. Crosscare's values are love, respect & excellence.

Young adults at risk of or experiencing homelessness

Crosscare's work with young adults experiencing homelessness or at risk of homelessness since the introduction of reduced age-related Jobseeker's Allowance in 2014 has driven a campaign to raise awareness of the unfair and adverse impact it is having on their lives. Adults under 26 years old who are unemployed and surviving independently without recourse to family or financial supports to supplement their living expenses are particularly at risk of falling into a poverty trap.

The lower rate payments, currently €112.70 weekly for 18-24 years olds and €157.80 weekly for 25 year olds are much too low and unsustainable for young adults who are homeless or living independently and are struggling to access work, training or education. They are forced to manage paying the same bills and living costs as jobseekers over 26 and are becoming trapped in a cycle of poverty.

For some, it can be detrimental to their wellbeing, and their capacity to sustain an independent living is being sabotaged by an age-discriminatory and debilitating policy. This policy is essentially working against the government's social inclusion commitments.

As with all our previous pre-budget submissions, Crosscare supports the full restoration of the full adult rate Jobseeker's Allowance to all adults under 26 on the basis of equal rights, particularly for young people who are most impacted by this policy.

Crosscare's pre-budget submissions to the Department of Employment Affairs and Social Protection for the 2017, 2018, and 2019 Budgets provided evidence-based analysis on young adults adversely affected by age-related payments. We have suggested achievable recommendations to restore the full adult rate of Jobseeker's Allowance to all adults under 26 and in particular young people most

impacted by this policy. However, the government has failed to recognise the significant adverse impact this age-discriminatory policy is having on these young people.

Crosscare therefore, seeks to reiterate and repeat the call to the government to review the policy and age-related payments specifically for two key groups identified as particularly disadvantaged:

1. Young people with International Protection who have moved out of Direct Provision and are living independently

These young people have been granted International Protection as an independent adult in Ireland and often have come through devastating experiences and family separation. Their first introduction to life in Ireland is in a Direct Provision hostel where they are dependent on the hostel to provide food and facilities. Many are learning English and will go to secondary school or community college. When they receive their permission to remain in Ireland, they are sent on their way to fend for themselves. They do not receive any guidance or support to secure a tenancy or an income. Organisations and services can provide some support to access services and entitlements, however these young people do not have support networks or family to support them emotionally or financially through this transition. For those who have a language barrier and are learning English, the experience is all the more isolating, intimidating and frustrating. Their first step is to find accommodation from a private landlord, facing various prejudices and disadvantages when competing with other renters. They can experience delays in accessing the Housing Assistance Payment (HAP) or rent supplement and rent in advance. They will not have previous landlord references and in Dublin in particular, they will struggle to find any good quality accommodation that will accept HAP or for a reasonable rent within the HAP rates. Many, are left in limbo in Direct Provision hostels, delaying their overall integration and opportunities to participate in courses, training or work. More recently, Direct Provision accommodation is being closed down in Dublin and people are being accommodated outside Dublin, further isolating them from Dublin-based support services such as Crosscare Refugee Service – which has noticed a reduction in the number of young adults accessing the service in the past year.

2. Young people who are unable to live with family and are experiencing homelessness

These young people have often experienced family difficulties and can no longer live with their family. They often do not have alternative support networks but are 'housing ready' and want to sustain an independent living. They may be dealing with personal, family or social problems, as

recognised in the National Action Plan for Social Inclusion 2007-2017 and the Youth Homelessness Strategy.^{1,2} Some young adults may have mental health, confidence or social support needs which impede their capacity to take up work, training or education. These adults are forced to manage their independent living expenses on a much lower rate Jobseeker's Allowance, putting them at a further disadvantage and at risk of consistent poverty. Job-seeking supports and training opportunities through Intreo services are designed as 'activation' measures to engage adults under 25, with the aim of ensuring that they are made an offer within four months of becoming unemployed. This policy does not allow for the circumstances that some young people are experiencing and where they are at, personally, in terms of engagement. Activation measures are also restricted by age, availability, educational attainment and length of time on social welfare.

For those who are staying in emergency accommodation, their weekly rents can be anywhere between €30 and €50 per week; much higher than the weekly HAP or rent supplement payment of €10 to €20 per week. Some of these adults also pay weekly child maintenance for their children – a cost that is not being deducted from their Jobseeker's Allowance means assessment. For some, this combined cost to their income of €112.70 per week is leaving them with less than €50 per week for basic living costs. Transition to private rented accommodation in Dublin is further hampered by the ongoing housing crisis and high rents. Additionally, like the first group, they are also competing with people on the higher full adult rate Jobseeker's Allowance in securing a HAP tenancy and will be at a disadvantage on the lower age-related allowance. Young adult residents in Crosscare homeless services have expressed the complete unaffordability of private rented accommodation with HAP on this income and therefore will remain extensively longer in emergency accommodation until they can transition to an alternative primary payment.

Current residents in Crosscare under 26

In May 2019, there were nine individuals residing in Crosscare hostels in Dublin who are under 26 and receiving the lower rate Jobseeker's Allowance. They include three females and six males, all of whom must pay a weekly fee to stay in the hostel and are experiencing an extreme disadvantage in securing rented accommodation that is realistic for their budget on the Housing Assistance Payment, and will not push them into debt and homelessness once again.

¹ <http://www.socialinclusion.ie/documents/NAPinclusionReportPDF.pdf>

² https://www.dcy.gov.ie/documents/publications/youth_homelessness_strategy.pdf

The length of time they are staying in emergency accommodation varies and access to education, training and work is challenging for them. In some cases, capacity to engage is restricted due to mental health, addiction, self-confidence and personal issues. In other cases, they have had to defer their educational courses due to their income deprivation, or may not be able to access certain training programmes. Support staff have identified these individuals as at higher risk of long-term homelessness and unemployment whilst trapped in an unsustainable lower rate JSA.

Policy responses

Nominal changes to allowances over the past three Budgets have made little difference to these young people identified to be at risk. Warnings from stakeholders and representatives of young people at risk that the continued implementation of this policy is counterproductive to these young people, have not been heeded by the government. Such extreme policies to reduce long-term unemployment among young people in a 'one-fits-all' approach can have a long-term negative impact on young people at risk. Research and international approaches have not yet examined the impact on vulnerable groups of young adults impacted by welfare cuts and a complete overview of the impact of these policies cannot be assessed in the absence of such data.

An economic report produced by Maynooth University alluded to positive results for the 18-19 age category in the reduction of long term unemployment but did not identify any improvement for the 20-21 age group.³ The same research does not account for the 22-25 age group, nor does it identify people experiencing homelessness, those who are at risk, or those with International Protection who have moved out of Direct Provision accommodation.

Research on similar policies in Denmark and Germany has noted *"from a preventative perspective, the harsher policies aimed at the young equate to a high-risk strategy, which for the most marginal groups may actually increase the risk of social exclusion"*.⁴ From this perspective, if the policy is truly an activation measure, the Government should evaluate its efficacy, particularly for at-risk groups.

³ Doris A, O'Neill D, & Sweetman A, 2017. 'Does Reducing Unemployment Benefits during a Recession Reduce Youth Unemployment? Evidence from a 50% cut in Unemployment Assistance', Economics, Finance and Accounting Department Working Paper Series n279-17.pdf, Department of Economics, Finance and Accounting, National University of Ireland - Maynooth.

⁴ Benjaminsen & Busch-Geertsema, 2009. 'Labour Market Reforms and Homelessness in Denmark and Germany: Dilemmas and Consequences', European Journal of Homelessness: 144.

The DEASP's Social Inclusion Monitor has identified risk of consistent poverty among the 15-24 age group to be almost twice as high as that for the overall 18-64 working age group.⁵ It also shows a gradual increase on this consistent poverty rate for the 15-24 age group from 2010 to 2015. This data confirms that young adults are disproportionately affected by consistent poverty, whilst the gradual increase indicates a causal correlation with the cuts to Jobseekers Allowance for young adults.

The data, however, is not disaggregated on the specific age cohort of 18-25 group to offer reliable indications for poverty impact assessment. The Minimum Essential Standard of Living assessment model provides further support in indicating risk of poverty and consistent poverty for people in receipt of the age-related Jobseeker's Allowance.⁶

The latest figures for homelessness among the 18-24 age group stood at 903 people in April 2019⁷. The figures for the 25-year-old age group are grouped with the 25 – 44 age category and therefore cannot be disaggregated separately. The records also do not account for those in the 18-25 age category who are experiencing homelessness and are not accessing emergency accommodation through local councils. Averaging at 884 people per month accessing homeless services, the figures are likely to be much higher when taking into account people who are 'sofa surfing', rough sleeping or other forms of unaccounted homelessness.

For example, the Dublin region Spring Count for rough sleepers on one night in April 2019 identified 129 people sleeping rough in Dublin, up from 110 last year, 14% of whom were aged between 18-30.⁸ Not all of this age group who are homeless are claiming Jobseeker's Allowance and may be claiming other payments or are working. However, as mentioned, those who are staying in homeless services and are on the age-related Jobseekers Allowance, are paying a weekly hostel rent from their Jobseeker's Allowance, and, in some cases, are also paying child maintenance from their allowance.

The new National Action Plan for Social Inclusion is currently being developed by the Department of Employment Affairs and Social Protection. It will update and replace the 2007 – 2016 plan which outlined in its vision for people of working age that:

⁵ Social Inclusion Monitor 2015, Department of Social Protection pp42
<https://www.welfare.ie/en/downloads/SocialInclusionMonitor2015.pdf>

⁶ MESL 2018, Vincentian Partnership for Social Justice
https://www.budgeting.ie/download/pdf/mesl_2018_update_report.pdf

⁷ Department of Housing, Planning & Local Government, Homelessness Report April 2019

⁸ Dublin Region Homeless Executive, Rough Sleeper Count publications

“Every person of working age should be encouraged and supported to participate fully in social, civic and economic life;”

“Every person of working age should have an income level to sustain an acceptable standard of living and to enable them to provide for an adequate income in retirement;”

“Every person of working age on welfare should have access to supports towards progression and inclusion, access to quality work and learning opportunities, encouraging a greater degree of self-reliance and self-sufficiency;” and;

“Every person, irrespective of background or gender, should enjoy equality of opportunity and freedom from discrimination.”

Each of these statements outline the objective that all adults of working age must be supported to participate fully in social, civic and economic life through a sustainable standard of living that supports progression and inclusion, free from discrimination. All of these objectives clearly indicate the support of the age-group that are the subject of this submission, yet in practice, they are being let down and excluded from these commitments. Young adults who are, for various reasons, experiencing homelessness, or living independently and are at risk of homelessness, will continue to be pushed to the fringes of society and fall through the safety-net that Ireland aims to provide. The impact of the policy on young adults at risk must be reviewed and adequate provisions must be made for them whilst they are at risk. Training and work-experience opportunities to help them move out of risk and beyond the safety-net must be first founded on the security that these young people will not be subjected to experiencing homelessness and isolation. The new National Action Plan for Social Inclusion must also include a commitment for young people who are unemployed and living in consistent poverty without family supports.

Restore The Youth Safety-net campaign

Crosscare, along with partner organisations; the National Youth Council of Ireland, the Coalition to End Youth Homelessness, the Union of Students of Ireland, Spinout, Treoir Teen Parents Support Programme and Uplift started a campaign to raise awareness of young adults experiencing homelessness and poverty traps. The **#Restoretheyouthsafetynet** campaign started a petition with two animated videos produced by Crosscare to gain support from the public for our recommendations for Budget 2019.⁹

⁹ <https://my.uplift.ie/petitions/restoretheyouthsafetynet>

We asked the government to restore the full adult rate Jobseeker's Allowance for adults under 26 years' old who are experiencing homelessness or have recently exited homelessness or Direct Provision and are living independently without social supports. The petition raised 1,915 signatures and presented at a photo-call outside Leinster housing on 4th October. However, the Budget did not bring about any changes to support this group of adults and the Minister has failed to respond to the campaign.

The campaign continued following the Budget announcements in October 2018 which failed to address the issues raised by the campaign. A submission was sent to the Joint Oireachtas Committee on Employment Affairs and Social Protection in January 2019. The Committee have confirmed to pick up on the submission soon.

The campaign group advocate that the age-related Jobseeker's Allowance policy is based on an unfair assumption that young jobseekers have fewer needs and costs than older jobseekers, but it is disguised as an 'incentive' for young adults to find employment or enrol in training or education. The 'one-fits-all' policy approach is not cognisant of the nuances of young people's needs. It is, in fact, discriminatory and this is resulting in groups of young adults being put at risk, left behind in the economic recovery, and left behind in a society that does not hear their voice.

There is an option open to the government to review this policy and protect these groups of young adults fairly. The current assessment for Jobseeker's Allowance already allows exceptions to the age-related rates for a number of groups of young adults:

1. People with dependent children living with them
2. People who have left State care and do not qualify for the Aftercare Allowance (as amended by Budget 2019), and:
3. People transferring from Disability Allowance to Jobseekers Allowance.

These three groups of people have needs that have been recognised and therefore provided with a more appropriate full adult rate payment. The two groups concerned in this submission are missing from these exceptional categories in the assessment for age-related Jobseeker's Allowance.

We are advocating the extension of recognised exceptions to the age-related payments for adults under 25 who are experiencing homelessness, people at risk of becoming homeless and people living independently with International Protection. We are asking the Government to issue the full adult rate (€203 per week) for these groups of adults. This would support young adults to move out of

homelessness and sustain an independent living. It will prevent risk of isolation and consistent poverty and enable them to start a path towards achieving their full potential.

Furthermore, in the absence of reliable research and data on the adults affected, we recommend a government investment for accurate data collection and research to ensure accurate poverty impact assessment for this group. Ireland has a duty to leave no one behind in our economic recovery, especially those at risk, and in compliance with the National Action Plan for Social Inclusion to protect those who are experiencing disadvantage.

Recommendations for Budget 2020

- 1. Restore the youth safety-net and alleviate the impact of consistent poverty for young adults aged 18-25 by reversing the 2010 cuts to Jobseeker's Allowance – with specific protection for people with International Protection who have moved out of Direct Provision and are living independently without family or support networks**
- 2. Invest in adequate poverty impact assessment for 18-25 year olds experiencing homelessness or at risk of becoming homeless**
- 3. Expand investment in addressing pathways to education, training for people who are currently excluded from current activation programmes and provide wrap-around care supports to enable their pathways to work**
- 4. Inclusion of a commitment within the new National Action Plan for Social Inclusion to adequately support young people who are unemployed and living in consistent poverty without family supports, and the required costed investment to implement this.**