



Bridging the Gap: Managing high costs on low incomes

**Citizens Information Board
Pre-Budget Submission 2025**

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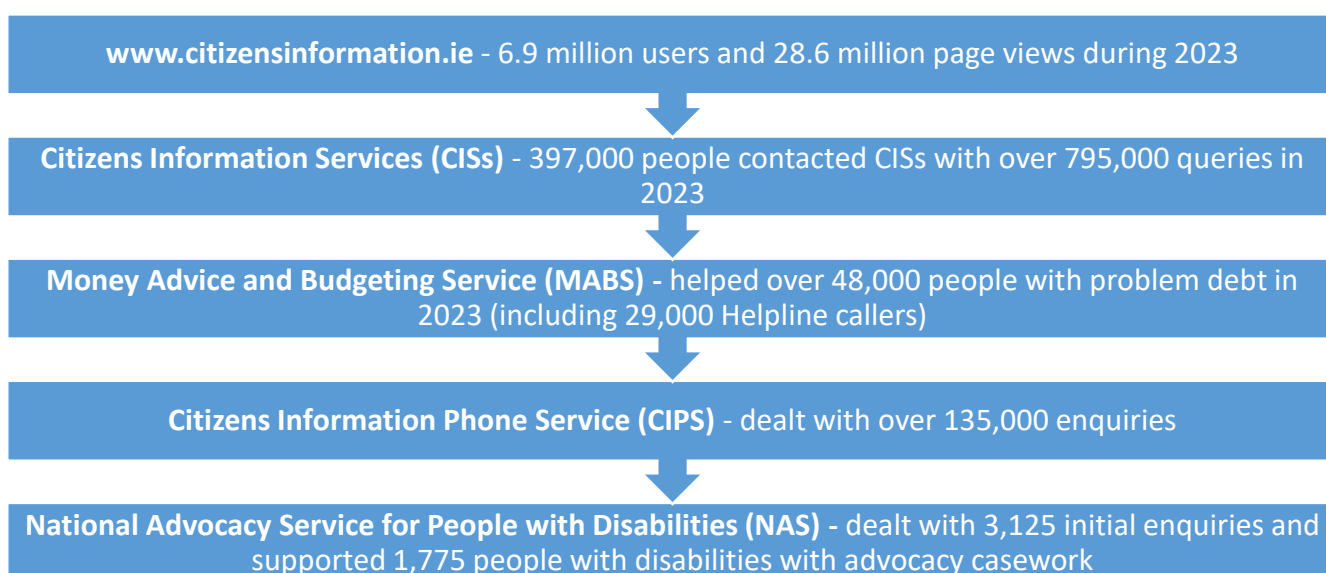
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Introduction

CIB funded services

During 2023, CIB-funded services helped thousands of people across Irish society access their rights and entitlements. Over 585,000 people sought assistance from Citizens Information Services (CISs), the Citizens Information Phone Service (CIPS), the Money Advice and Budgeting Services (MABS) and the National Advocacy Service (NAS) for people with disabilities. In addition, 6.9 million people visited www.citizensinformation.ie to access information on topics from consumer rights to housing, from health services to welfare benefits.

In fulfilling our legislative mandate to highlight issues for those seeking to access social and public services, the Citizens Information Board relies on evidence provided by our funded services. These services have a unique level of engagement with the public. The statistical and qualitative data and policy feedback they provide offers an invaluable insight into the concerns and needs of hundreds of thousands of people, and into the impact of government policies and funding priorities.



Callers and queries: our evidence base

Throughout this submission, CIB draws on the insights offered by our frontline services to illustrate the impact of government policy (and its implementation) on those who are trying to secure social and public services or to bridge the gap between low incomes and high costs.

During 2023, staff in CISs and CIPS assisted an average of 44,000 callers each month to understand, navigate or access a social or public service. These trends continued into 2024, indeed increasing slightly, with data from the first six months of this year indicating that CISs and CIPS have assisted over 275,000 callers (or nearly 46,000 callers on average per month).

Of the 795,000 queries dealt with by CISs in 2023, two-thirds were concerned with either social welfare (47%), housing (11%) or health-related matters (7%). Within these broad areas, the most-queried benefits were Medical Card, Fuel Allowance, Carers Allowance, State Pension, Disability Allowance, and accessing social housing.

The data from CISs and CIPS provides us with information about the cohorts of people seeking help. The client base typically includes:

- Many people who are dependent on a social welfare payment or combining this with low-income work.
- Non-Irish-nationals or migrants, who are over-represented amongst clients.
- People with disabilities and older people on a fixed income.
- People who are caring for and struggling to maintain their loved ones at home, while trying to manage on low incomes.

In some cases, people face a complicated or inconsistent welfare landscape, within which they are struggling to adapt and make ends meet. MABS services assist many people living with unsustainable debt (typically mortgage, rent and utility) who are making difficult daily spending choices on inadequate incomes.

Budgetary context

The Citizens Information Board acknowledges the positive impact of the measures provided by Government in recent budgets, in particular the short-term cost-of-living supports that were put in place in 2022 and 2023 to alleviate pressures on households acutely impacted by sustained levels of inflation. As of mid-2024, we can see a gradual easing of high inflation rates, with food and energy costs starting to reduce - albeit still well above pre-pandemic levels. Minimum Essential Standard of Living (MESL) research shows that despite a stabilisation in the past year, there has been an increase of 16.8% in core MESL costs from 2020 to 2024¹ - indicating the cumulative impact of inflation over the past four years.

The Irish economy is currently operating at full employment (with 2.7m people in work), with an attendant growth in income tax, VAT receipts and corporation tax, and an expected return to growth in real income during 2024. Despite these and other positive indicators (an increasing supply of new homes, for example, and the first ECB interest rate reduction in two years), the data provided by our frontline services shows that many people continue to face multi-faceted difficulties and significant financial hardship where income levels are too low to meet elevated housing, food, and energy costs.

The most recent annual Survey of Income and Living Conditions (SILC)² provides key data on national poverty indicators. Its various measures ('at-risk-of-poverty', 'deprivation' and 'consistent poverty') highlight the impact of cost of living pressures on households - and the role of social transfers in mitigating these increased costs. While the analysis shows that the at-risk-of-poverty rate has been moderated by the cost-of-living measures (the figure standing at 10.6%, rather than a projected 13% without the associated measures), the data also shows a year-on-year increase in the number of people experiencing deprivation: 913,000 people during 2023, an increase of 0.7% on 2022.

The impact of social transfers is also evident in 'consistent poverty' rates: that is, people who are both at-risk-of-poverty and experiencing enforced deprivation. There was a decrease in consistent

¹ [Minimum Essential Standard of Living \(MESL\) Annual Update 2024, Vincentian MESL Research Centre 2024](#)

² [Survey of Income and Living Conditions 2023, CSO](#)

poverty from 4.9% to 3.6% over the period 2022 to 2023.³ This is the lowest rate of consistent poverty recorded since the start of the SILC survey in 2003 - a welcome trend considering the Government's stated target of 2% for 2025, as set out in the Roadmap for Social Inclusion 2020 - 2025.⁴

The SILC data identifies groups that continue to experience high levels of consistent poverty relative to the general population, with the highest rates amongst people not working due to disability or illness (16.5%), unemployed people (9.4%), renters (8.5%) and one-parent families (7.1%). The data also shows an increase in the number of children experiencing enforced deprivation (260,773 in 2023 compared to the 2022 figure of 229,091). One-in-five children are now living in households unable to afford goods and services considered the norm for society.

The SILC findings are reflected in, and reflective of, the encounters that take place daily in CIB-funded services. Data from services shows that cost of living pressures continue to be widely and acutely felt. For many people, any financial resilience they may have built up has been eradicated over the past three years, and they must now turn to CISs and MABS for assistance in maximising limited household incomes and accessing essential services.

Budget 2025: Priorities for action

The Government will set its economic and social priorities for Budget 2025 in the context of broadly positive economic indicators. In this submission, we highlight why - despite a recent easing of cost-of-living pressures - the Government should maintain and enhance a targeted approach that assists the people most at risk of poverty: welfare-dependent households; people in low-income and precarious employment; people who experience difficulties in transitioning from welfare to work; over-indebted families; people with disabilities; and older people needing care and support.

The broadly positive economic outlook in the short- to medium-term provides the Government with an opportunity to move beyond the ad-hoc provision of supplementary budgetary measures towards an approach that embeds greater support into the system. This would enable progress from a situation in which welfare entitlements are subject to unpredictable annual budgetary decisions - in an inevitably unstable economic climate - to one in which these entitlements are linked to objective criteria such as MESL costs or inflation rates. This would have a more sustained impact on the lives of those at risk of poverty or who are experiencing deprivation or consistent poverty.

The first section of this submission focuses on **work and welfare, disability, illness and caring, and housing supports**. CIB's analysis of data received from services points to these four areas as warranting priority attention in Budget 2025.

The second section of this submission sets out MABS' recommendations relating to **energy poverty, housing, and financial inclusion**.

³ Without the cost-of-living measures this rate would have been 4.4%.

⁴ [Roadmap for Social Inclusion 2020 - 2025: Ambition, Goals and Commitments](#)

1 CIB Submission: an analysis of data from CISs and CIPS

Work and Welfare

Social welfare supports continue to be the focus of much of the work in CISs and CIPS: staff in these services dealt with over 400,000 social welfare related queries during 2023. This reflects both the size and reach of the welfare system in Ireland and the extent of the reliance on the system. It also highlights the vital complementary role that our frontline services have in assisting many hundreds of thousands of DSP applicants and claimants to access payments, services and benefits.

Across a range of payment areas, our data indicates that issues relating to **adequacy, complexity and awareness** dominate. A substantial number of queries involve people who survive on an often-complex blend of social welfare payments and income from part-time or low-paid employment. Many are trying to navigate eligibility requirements - both within and across payments - for a range of state supports involving different means tests, social insurance payments, income thresholds, and disregards.

Regarding means testing, feedback from our services indicates that applicants are dealing with overly **complex administrative processes**. In light of this, we welcome the recent move by the Oireachtas Joint Committee on Social Protection to examine the application and consequences of means-testing across the various social welfare payment schemes. We look forward to the outcome of their wide-ranging deliberations.

Data from our frontline services supports the view that, at a minimum, income thresholds should reflect increases in social welfare rates. If allowable working hours increase, there should be a corresponding increase in income disregards. In addition, allowable working hours may need to be reduced for certain groups such as lone parents to facilitate access to, and retention of, part-time work. We also agree with the need to develop a single, streamlined means test for DSP social-assistance-based schemes and payments. This would provide a clearer pathway into a complex system of benefits and reduce confusion and duplication.

Related to this, we would highlight the role that CIB-funded services (face-to-face, online and telephone) play in terms of bringing appropriate, timely and comprehensive information to applicants. This assists people's decision-making and capacity to access much-needed payments and services at critical times in their lives.

Beyond the specifics of this entry-point into the social welfare system, feedback from services regarding working-age supports points to the need for a system that is more responsive to the circumstances of claimants, thus providing both income adequacy and financial security for those who must combine work with welfare for periods of time.

In line with the Government's stated commitment to the introduction of a living wage by 2026, it would be important to **benchmark core weekly social welfare rates** against the Minimum Essential Standard of Living (MESL) costs. As noted above, these costs have increased by 16.8% from 2020 to 2024, while the core working-age personal rate has increased by 14.3% during this time. Despite the economy operating at full-employment, work has not provided a route out of poverty for many low-

income workers due to the rapidly rising cost of living: the 2023 SILC data indicates that 26% of those at risk of poverty are at work (an increase from 16.2% in 2021).⁵

Feedback from services points to other difficulties many low-income households experience in trying to combine work with welfare:

- The **38-hour per fortnight threshold** for the Working Family Payment (WFP) disproportionately affects lone parents: couples can combine their working hours and therefore more easily access the payment. Feedback from services also highlights the **financial loss for lone parents** when they move from the One Parent Family payment (OFP) to the Jobseeker's Transitional Payment (JST), as they are no longer eligible for WFP. The prevalence of lone parents in low-paid insecure work (which could be seasonal or involve working variable hours with more than one employer) also means that many who are claiming OFP cannot be accommodated by WFP.
- The **exclusion of participants on activation programmes** (and those who are self-employed) from eligibility was also highlighted as problematic and - from an administrative perspective - the annual-only review process was said to present difficulties for recipients who may experience a cut in pay or working hours within the 52-week timeframe.
- The impact of the **four-in-seven rule** for people on jobseeker payments (where an applicant must be unemployed for four in any consecutive seven days) continues to act as a disincentive for some to take up work (or additional hours of work).
- The situation for jobseekers under the age of 25 receiving the **reduced rate of Jobseeker's Allowance** presents particular difficulties for those not living in the family home.
- The extent to which the 'hidden unemployed' are enabled **to access activation measures** remains problematic. This includes claimants who have exhausted Jobseeker's Benefit but who do not qualify for Jobseeker's Allowance, people with disabilities, or those who have taken time out of the workforce to care in the home. The recent extension of CE scheme eligibility to adult dependents of those in receipt of Jobseeker's Allowance is, however, welcome, as is the stated intention to extend such eligibility to people who are signing on the live register for credits only.⁶
- **Low-income self-employed workers** continue to experience difficulties in accessing specific benefits, despite improvements in recent years in relation to eligibility for some supports (Invalidity Pension, Jobseeker's Benefit and Treatment Benefit). Services consistently point to difficulties for self-employed workers who are not eligible for activation schemes, the Working Family Payment or short-term illness income supports. A commensurate increase in Class S PRSI contributions would enable access to a broader range of entitlements for these workers.⁷ Services also report on the relatively low levels of awareness amongst self-employed clients about the benefits available to them and the importance of maintaining their social insurance record.

⁵ [Survey on Income and Living Conditions \(SILC\) 2023, CSO](#)

⁶ [Extension of CE Scheme eligibility, Parliamentary Question, 20/02/2024](#)

⁷ We also note the planned increases in PRSI contributions over the next five years for all workers (including the self-employed) as laid out in the PRSI Roadmap, to address the projected shortfall in the Social Insurance Fund.

- The disparity between the **tax and welfare treatment of cohabiting couples**, who are jointly assessed for social welfare purposes but as separate, unconnected individuals in the context of income tax assessment continues to lead to unequal treatment. For instance, a married or civil partner caring for dependents (who are not the spouse or partner) can claim the Home Carer Tax Credit, but this is not available to non-marital couples. Services also continue to report on the limitations of the Single Person Child Carer Credit: in some instances where there is shared parenting, the secondary carer is unable to receive the credit when the main carer is cohabiting or chooses not to relinquish the credit to them (even though they may be making a significant financial contribution to the upkeep of the child).

On a broader level, CIB notes the planned introduction of pay-related Jobseeker's Benefit in the latter part of this year.⁸ This is a significant reform that will start to bring the Irish social protection system in line with other EU countries by linking benefit payments (in this specific case, unemployment) to previous levels of earnings. This changed approach not only incorporates the social insurance contributory principle more fundamentally within the Irish social protection system, but also provides a cushion against the 'income shock' that can arise with job loss. However, a possible unintended consequence may be the development of a tiered benefits system, with the potential existing for less favourable benefits (or exclusion) for those who are typically more removed from the labour market (such as one-parent families, people with disabilities, casual or part-time workers and carers). This points to the need to monitor the impact of such a policy change from an equality and poverty-proofing perspective, particularly if there is to be any further development of pay-related income support measures such as Illness Benefit, Maternity Benefit, Paternity and Parent's Benefit.

Child Poverty

The SILC 2023 data shows us that one-in-five children (260,773) are experiencing 'enforced deprivation': that is, are deprived of goods and services considered the norm for society. The survey data indicates that children in single-parent households, households with no-one in employment, and children in rented accommodation are most at risk of experiencing deprivation.

CIB welcomes the establishment of the Child Poverty and Wellbeing Unit in the Department of the Taoiseach in 2023 (and the associated programme plan, *From Poverty to Potential: A Programme Plan for Child Well-being 2023-2025*). We look forward to the prioritisation, at national level, of a range of actions across Government that will have a meaningful impact on children and families experiencing poverty.

Measures announced in Budget 2024 - such as the ongoing roll-out of the free schoolbooks' schemes (at primary and Junior Cycle level), the expansion of the Hot School Meals programme within primary schools and incremental increases in National Childcare Scheme subsidies - should alleviate some of the impact of family deprivation.

Our data suggests, however, that meeting the income support needs of families experiencing poverty is fundamental in tackling child poverty. This requires the provision of sufficient rates of

⁸ [Pay-related benefit passed by Oireachtas](#)

social welfare (targeted at specific household-types), adequate rates of pay for working parents, and well-resourced and accessible public services, including social housing and affordable childcare.

Data from our frontline services illustrates the experiences of many families with children who are living in poverty, as they struggle with housing, energy and education costs. Despite the reform of some benefits in recent years, the social welfare system does not fully reflect the **complexity of contemporary Irish families** and the **continuously changing nature of work**.

For many people, the operation of the social welfare system is experienced as one where it can be difficult to combine income from part-time, casual, or low-income work and social welfare payments. Yet such a combination is the only realistic option for some people because of childcare responsibilities and a reliance on low-paid part-time work.

Our data therefore points to the need for **sufficient adult welfare rates** (benchmarked to MESL costs) and **adequate rates of pay for working parents**, with a swift move to the Living Wage in the short-term, in line with the commitment made in the Programme for Government.

There is also merit in the proposal made by NESC (2007⁹ and 2021¹⁰) and the ESRI (2023¹¹) regarding the introduction of a **second tier means-tested child benefit**. The 2022 report of the Commission on Taxation and Welfare¹² noted that such a payment would be more in line with EU models of provision and would deliver supplementary child income support based exclusively on levels of income and family status, rather than employment status or the receipt of a particular social welfare payment. The cost of such a payment is estimated at €700 million per year, but ESRI research suggests that its introduction could benefit more than 100,000 households and reduce the number of children below the poverty line by a quarter, representing excellent value for money.¹³

We also note the importance of an integrated and cross-departmental approach to child poverty. In this context, we welcome the 2023 publication of the *National Policy Framework for Children and Young People 2023-2028*,¹⁴ with its focus on those who may be more vulnerable to poor outcomes. The framework proposes actions across a range of Government departments: beyond income supports, it points to other priority areas for action including **childcare and early learning, education costs, and family homelessness**.

Despite the introduction in recent years of measures to improve the quality, availability and affordability of early childhood care and education, childcare continues to be a central concern for many working parents. Feedback from services highlights people's difficulties in finding and affording suitable childcare, and the extent to which this is limiting their employment, education and activation choices.

We acknowledge the Budget 2024 commitment to increase National Childcare Scheme (NCS) subsidies (from September 2024) and especially welcome the intention to extend the Scheme to

⁹ [Ireland's Child Income Supports: The case for a new form of targeting, NESC, 2007](#)

¹⁰ [Towards a more integrated income support system, NESC, 2021](#)

¹¹ [Poverty, income inequality and living standards in Ireland: Third annual report, ESRI, 2023](#)

¹² [Foundations for the Future, Report of the Commission on Taxation and Welfare, 2022](#)

¹³ [Poverty, income inequality and living standards in Ireland: Third annual report, ESRI, 2023](#)

¹⁴ [Young Ireland: the National Policy Framework for Children and Young People 2023-2028, DCEDIY, 2023](#)

paid, non-relative childminders (as laid out in the National Action Plan for Childminding 2021-2028). The ESRI¹⁵ has highlighted the wider impacts of this move in alleviating the pressures on formal centre-based childcare and reducing barriers to work for parents wishing to enter or return to the workplace. However, there remain significant challenges for providers of early childhood care and education, including: staff recruitment, retention and progression problems; insufficient overall investment in a coherent manner across the sector; and a diversity of providers (both commercial and community).¹⁶ There appears to be a need for Government to move towards a **substantive public provision of early childhood care and education**, rather than focusing on the funding and management of a mainly commercial system.

Recommendations - work, welfare and child poverty

- Develop a single, streamlined means test for all DSP-administered schemes and payments.
- Progressively establish the Minimum Essential Standard of Living as the benchmark for social welfare payments.
- Ensure that income thresholds, means test criteria and earnings disregards are changed to reflect increases in the National Minimum Wage and adjustments in core social welfare rates.
- Extend eligibility for the Working Family Payment to lone parents in receipt of the JST payment.
- Extend eligibility for the JST payment to lone parents whose children are under 18 and in full-time education, with an accompanying provision of employment supports and access to training.
- Increase income disregards for the One Parent Family payment and Jobseekers Transitional payment.
- Change eligibility for jobseeker's payments to criteria based on hours worked, rather than the number of days worked, to better support part-time and casual working patterns.
- Reduce the time requirement of 15 months on a Jobseeker's Allowance payment for eligibility to the Part-Time Job Incentive Scheme.
- Remove the age-differentiated reduced-rate payment of Jobseeker's Allowance and Supplementary Welfare Allowance for young people aged between 18 and 24 years.
- Extend eligibility for the Working Family Payment to low-income self-employed people who fulfil all other qualifying criteria.
- Introduce an option for self-employed people to increase PRSI contributions to enable them to access a broader range of entitlements.
- Allow the secondary claimant of the Single Person Child Carer Tax Credit to claim the credit in cases of shared parenting, even when the primary claimant is in a cohabiting relationship.
- Progress the introduction of a means-tested, second-tier child benefit payment.
- Increase subsidies under the National Childcare Scheme to make childcare more affordable for low-income families.

¹⁵ [Extending the National Childcare Scheme to childminders: Cost and distributional effect, ESRI 2023](#)

¹⁶ [Report on challenges facing the Early Childhood Care and Education Sector, Joint Committee on Children, Equality, Disability, Integration and Youth, 2024](#)

- Progress the move to extend the National Childcare Scheme to paid, non-relative childminders (as laid out in the National Action Plan for Childminding 2021 -2028).

Sample cases from CISs and CIPS - work, welfare and child poverty

“This client is working part-time (three days per week) and is receiving Jobseeker’s Allowance (casual). Her contract is changing, and she must now work the same hours but over five days. She will no longer qualify for the payment because of the 3-day rule. She is getting the same salary but will lose her social welfare payment.”

“This client is in receipt of Jobseeker’s Transitional payment, but it is ending due to the youngest child turning fourteen. She works seven hours a week over 5 days and is not entitled to another social welfare payment, so her only option is to leave her job that she has had for 20 years.”

“This caller is self-employed and recently suffered several heart attacks. He is likely to make a full recovery within six months. He is not eligible for Illness Benefit, as he is self-employed. Also, he is ineligible for Invalidity Pension as he is unlikely to be out of work for more than 12 months and will be ineligible for Disability Allowance due to savings. He is likely to suffer financial hardship despite having a full PRSI record.”

“A couple have three children and one of them is a full-time carer for one of their children. The other is working full-time. They cannot avail of the benefit of joint assessment on the gross income of €36,000 from employment because they are not married. This is causing financial hardship and puts them in a less favourable position to families where couples are married.”

“This caller is in receipt of One Parent Family payment and the Working Family Payment. Her child is turning seven years old, and she will be moving on to the Jobseeker’s Transitional payment. She will receive less on JST than OFP and will also lose her WFP. She will lose €50 per week and is terribly distressed.”

“This caller is a single parent with three children and lives in an isolated rural area. There are no creche services nearby and long waiting lists for any creches in the area. She is unable to take up work as a result.”

“This client and her husband both work full-time. She is due to return to work after maternity leave. She says she will have no choice but to give up work as the cost of childcare is so high and would cost more than her net income (even with the universal childcare subsidy).”

Disability, illness and caring

Queries about income support for people with disabilities and carers are a regular feature of the day-to-day work in CIB-funded services. During 2023, 26% of the social welfare-related queries concerned disability, illness and carer issues: over 100,000 queries. Disability Allowance, Carer’s Allowance, Illness Benefit and Invalidity Pension were the most queried payments, with services submitting hundreds of case studies regarding difficulties accessing these payments.

The 2019 Cost of Disability Report identified and quantified the extra costs of living with a disability (at between €9,482 and €11,734 per annum).¹⁷ In this context, while we note that the proposals for reform put forward in the Green Paper in 2023 have recently been withdrawn, we urge Government to maintain the policy momentum and to use the learning from this long-running Green Paper consultation to inform the work of the recently established Cabinet Committee on Children, Education and Disability.

Reforms in this area should take account of the need for a **multi-faceted and integrated approach** to enable more people with disabilities to participate in the labour force and to mitigate the costs of living with a disability. Many of the clients assisted by CISs and CIPS are dependent on a combination of a disability payment, secondary benefits, income from low-pay and precarious employment, and housing benefits and supports. Feedback from frontline services provides useful detail on how a range of variables can impact on the lives of applicants and recipients with disabilities: this includes small reductions or temporary disruptions in payments, administrative delays, reassessments of eligibility, real and perceived threats to welfare receipts, changes in household composition, and the status of dependent adults and/or children.

The **administration of payments** was a key concern reported by services throughout 2023 and continues to be an issue for claimants into 2024. In particular, the reports highlighted the difficulties for recipients of Disability Allowance (DA) who experience delays in processing applications, or in adjusting or reinstating payments when there have been changes in working hours or interaction with other temporary benefits. There were also reports of delays in processing the Increase for a Qualified Adult (IQA) and the Increase for a Qualified Child (IQC) payments for those on DA. The feedback details the financial pressures on applicants waiting for their claim to be processed or reassessed. The impact on claimants cannot be overstated, with SILC data indicating that the consistent poverty rate is highest (16.5%) amongst people who are unable to work due to long-standing health problems.¹⁸

In the context of welfare-to-work measures, Disability Allowance and the earnings disregard represent an important in-work support, and one that appears to be considered more reliable and accessible than the Partial Capacity Benefit (PCB): case studies and query data submitted by services suggest that PCB operates as a residual scheme in terms of both take-up and impact.

In addition to basic income supports for people without disabilities, there is a need to ensure that provision is made for **additional costs that typically attach to being disabled**. While Government continues to consider options for a more comprehensive reform of disability payments and supports, Budget 2025 might begin to formally take account of these extra costs by factoring in a recurrent cost-of-disability payment (in addition to the benchmarking of core weekly social welfare payments with MESL costs).

Such a payment would also go some way to filling the gap created by the closure of the Mobility Allowance scheme (and the Motorised Transport Grant) to new applicants in 2013. Some 11 years on, services continue to report that the absence of these key schemes is limiting people's choices

¹⁷ [The Cost of Disability in Ireland, DSP, 2021](#)

¹⁸ [Survey of Income and Living Conditions 2023, CSO](#)

and independence. Currently, the only recourse to **mobility or transport support** is via the Disabled Drivers and Disabled Passengers Scheme, but feedback from services highlights concerns and limitations with this vehicle adaptation scheme, which is currently under review by the National Disability Inclusion Strategy (NDIS) Transport Working Group. We look forward to proposals for a needs-based replacement scheme and stress the need to move away from the existing criteria for a primary medical certificate.

Care in the home

CIB receives consistent feedback regarding the challenges facing older people and people with disabilities or ill-health in getting the supports that they need to **live independently and with dignity** in their own homes and communities. In terms of service provision, the concerns highlighted include inadequate home-help hours and home-support packages, inadequate provision of personal assistant hours, difficulties in accessing respite services, insufficient funding for housing adaptation grants, and inconsistent access to community-based therapies, with a lack of practical linkages between hospitals and community health services that would enable an easier transition from hospital to home care.

CISs and NAS disability advocates continue to report that many of their clients are falling through gaps in service provision – including older people, people with disabilities, and family members trying to offer care in stressful and difficult circumstances. These pressures can also push older people (and some younger people with disabilities) to access long-term nursing home care via the Nursing Home Support Scheme (NHSS) with the associated higher costs of care. Disability advocates have frequently encountered cases where lack of funding for personal assistance hours for people with disabilities has led to individuals having to move into residential settings.

Services have also reported on the difficulties that older clients and their carers have with the **local-authority-provided grant schemes** (Housing Adaptation Grant for People with a Disability, the Mobility Aids Grant and the Housing Aid for Older People Grant) that are intended to enable older people and people with disabilities to remain in their homes, or to smooth the transition from hospital to home after an illness. In particular, services have referenced the **limited funding** available under the various grant schemes (an issue which has become particularly acute given the increase in building costs in recent years), the **income thresholds**, the **slow administration** of grant applications, and the **lack of information** for those seeking access to such supports. Client experiences point to the need for Government to prioritise implementation of the recommendations of the recent review of the grant schemes by the Department of Housing¹⁹ and to develop a set of actions for implementation within local authorities to ensure adequacy and consistency for applicants.

We continue to await the introduction of a **Statutory Home Care Scheme** (as committed to in the *Programme for Government, Our Shared Future, 2020*) but welcome some incremental progress in terms of the scoping of regulatory requirements and the development of quality standards and potential funding models. We note, however, that the proposals currently focus on the licensing and regulation of private home care providers which, while essential, does not deal with the ongoing lack of any statutory right to home care. We acknowledge the substantial work involved in bringing such

¹⁹ [Government Review of Local Authority Grant Schemes, Parliamentary Question, 23 July 2023](#)

significant reform to the delivery of home care but stress the need for clear timelines for the scheme's full implementation, some four years on from the initial commitment.

Within the context of **income support for carers**, we note that Carer's Allowance (CA) consistently features in the top three benefit issues presenting to frontline services. During 2023, eligibility issues and problems relating to the cost of living were reported as the main concerns, with the means test and income adequacy being central. Services reported on difficulties for some CA recipients caused by the limited hours that they can work or study (currently 18.5) while receiving the payment, a measure which restricts people's ability to supplement their income or to upskill or retrain while providing care to a family member. In addition, services have highlighted difficulties for some recipients of Carer's Benefit (CB) due to the ceiling of €450 per week on earnings (despite it not being a means-tested payment). The non-eligibility for Fuel Allowance continues to be raised as problematic for many Carer's Allowance recipients.

We welcome the recent establishment of an interdepartmental working group to examine and **review the means test for carers' payments**, with a specific focus on proposals to develop a non-means tested 'participation income' for carers. Notwithstanding the Budget 2022 and 2024 increases in income and capital disregards for CA, we believe that such a development would be welcome in light of the significant financial pressures on family carers (with the DSP's *Cost of Disability in Ireland* report²⁰ estimating the additional weekly costs of caring to be between €175 and €300), the gender bias that is implicit in this care and the savings to the state in the provision of such care.

Health care and health service access

During 2023, medical cards were the most prevalent queries recorded by information staff in CISs and CIPS, who responded to 35,927 such queries (accounting for 61% of all health service queries). During the first six months of 2024, medical card queries increased by 12% year-on-year.

The main difficulty highlighted regarding medical cards is **access to GP and dental services**. Most cases reported by services concern people approaching multiple medical (and dental) practices in their local town (and county in some cases) to be met with rejections on the basis that practices were at full capacity. This leaves many people with scant options for primary medical care. Frontline services reported instances of people seeking medical treatment via Emergency Departments in the absence of GP care. In addition, some people were unable to access payments or benefits that require medical certification (such as Disability Allowance or Illness Benefit) and so were additionally disadvantaged.

As Government continues to extend access to GP Visit Cards, it appears that the measures that have been put in place to increase GP supply in the longer term will have a limited impact on the many medical card patients currently seeking to access GP services. Typically, these people are reliant on the public healthcare system, and will include migrants, older people, people with disabilities, and low-income groups.

Other concerns reported include the **application and awareness of the medical card retention scheme**, wherein some medical card recipients who take up work are entitled to retain their card for

²⁰ [The Cost of Disability in Ireland, DSP, 2021](#)

up to three years. Beyond issues of general awareness about this scheme, frontline services indicate that a disincentive can still exist for some people to take up work due to the anticipated loss of the medical card after three years, especially for people with disabilities and those with chronic illness.

Recommendations - disability, illness and caring

- Introduce a Cost of Disability Payment that recognises the extra costs associated with a disability, pending a broader review of disability support services by the Cabinet Committee on Children, Education and Disability.
- Increase the earnings disregard for Disability Allowance to allow more people with disabilities keep their payment and secondary benefits for longer periods while in work.
- Introduce and fund a comprehensive transport support scheme for people with disabilities, to replace the Mobility Allowance and Motorised Transport Grant.
- Provide for a replacement of the Disabled Drivers and Disabled Passengers Scheme, to deliver a fit-for-purpose vehicle adaptation scheme in line with international best practice, as recommended by the National Disability Inclusion Strategy Transport Working Group.
- Extend the Free Travel Scheme to children for whom Domiciliary Care Allowance is paid.
- Change the eligibility criteria which restrict applications for Partial Capacity Benefit to those who have been on Invalidity Pension or Illness Benefit for a minimum of six months.
- Provide sufficient resources to expedite the processing of applications, reviews and appeals of disability, illness and carers' payments.
- Progress the recent review of local authority housing adaptation grants, with a view to revising the maximum grant allowable (to reflect increased building costs), raising income thresholds and reducing the administrative burden and waiting time for applicants.
- Proceed with plans to establish a statutory homecare scheme. In the interim, provide increased funding for the provision of personal assistance hours, home help and home care packages for people with disabilities and older people living in the community.
- Extend eligibility for Fuel Allowance to Carer's Allowance recipients.
- Progress proposals to develop a non-means tested 'participation income' for carers, in the context of a broader review of the Carer's Allowance means test.

Sample cases from CISs and CIPS - disability, illness and caring

"This caller was working and in receipt of Disability Allowance but had to give up work six months ago. He wrote to the DA section confirming this and requested a review of his payment back to the full rate. But some six months later, the payment has not been reviewed and he is only receiving €107 per week since then. We supported the client to apply for SWA, and highlighted as urgent as he has been living well below SWA rate for past six months."

"This caller is a pensioner and is claiming Carers Allowance for her husband who has dementia. She has a heart condition and mobility issues. She wants to apply for a mobility aid grant for a level-access shower which both she and her husband (aged 85) need. She has been told that their income is too much. Their adult children live with them and have mental health

difficulties and no other housing options. Their Disability Allowance is included in the household income and precludes her from getting the grant as the thresholds are so low.”

“The caller is disabled and in receipt of Disability Allowance following a brain haemorrhage. She lives in the countryside with no nearby public transport. She is not eligible for the Disabled Drivers and Disabled Passengers Scheme, and the Motorised Transport Grant has yet to be replaced with an alternative scheme.”

“A gentleman who recently suffered a stroke cannot find a medical practice within the local area to accept a medical card. He is restricted as regards mobility and is not a car owner so needs a GP who is located nearby. We have referred him to HSE for support, but he needs medication and is very vulnerable.”

“The client's son requires a lot of assistance due to health issues. The client cannot apply for Carer's Allowance as she works more than 18.5 hours. But if she is to quit her job and receive CA the income would be insufficient to cover everyday costs.”

“This client is applying for Carer's Allowance to look after her terminally ill parent. She is currently on Jobseeker's Allowance and qualifies for Fuel Allowance. However, I had to advise her that Carer's Allowance, while a means tested payment, is not classed as a qualifying payment for Fuel Allowance. So, if she transfers to CA, she will lose her FA for the next fuel season.”

Housing: availability, affordability and energy costs

The difficulties caused by the State's dependence on the private rented market to deal with long-term housing need has come into sharp focus in recent years. The SILC data from 2023 points to rental costs as a key driver of financial hardship: the consistent poverty rate for people living in rented accommodation was 8.5% compared with 1.4% of those living in owner-occupied dwellings.

CISs and CIPS dealt with over 90,000 housing queries during 2023 (an increase of 13% on 2022). There was an associated increase of 19% in the level of policy feedback from services on housing issues. The key areas of concern highlighted in the feedback include the Local Authority/Social Housing application process, the Housing Assistance Payment (HAP) and homelessness. The core issue that services are evidencing remains the **chronic undersupply of rental properties**. Where properties *are* available, frontline services continue to point to the difficulties people have affording universally high rent payments. In addition, the lack of rental accommodation for HAP recipients and the need to pay top-up payments perpetuate a two-tier social-housing model, comprising mainstream social housing for some, while others are experiencing a heavy burden as tenants on HAP. The SILC 2023 data shows us that 44% of those renting from Local Authorities were at risk of poverty, compared with 58.6% for those accessing rental supports (HAP, Rental Accommodation Scheme (RAS) or Rent Supplement (RS)).

Services report a stark lack of choice for tenants. Case examples provide a snapshot of the pressures, stresses and despair, including:

- Tenants forced to overhold properties: that is, stay in rented accommodation after the termination date on a valid notice of termination due to a fear (or lack) of emergency accommodation, particularly for families with children.
- People in overcrowded accommodation, in many cases with three generations of family members.
- Tenants whose relationship has broken down but who must continue living with their former partner, often in acrimonious situations.
- People forced into couch-surfing, or living with friends, sometimes in rotation, in unsustainable situations.
- Tenants in full-time employment whose disposable income, even with housing support payments, is significantly eroded by high rent.
- People who have been seeking suitable alternative housing for 12 months or more.

The feedback highlights the extent to which the **income threshold for social housing assessments** is not reflective of current market rents, with the same being reported in the case of the HAP rental limits (even with the discretionary elements provided by Local Authorities). It also seems that the increase of €5,000 in baseline income thresholds in January 2023 is providing little relief, given the extent to which demand for rental properties is exceeding supply. Services evidence situations of people approved for social housing but unable to find suitable properties.

Regarding **social housing provision**, we note the commitment by the Minister for Housing, Local Government and Heritage to develop a new social housing income eligibility model (expected by year end), in line with the Housing for All Action Plan update. We look forward to a more realistic income assessment for people seeking access to secure, affordable accommodation.

Homelessness is a real issue for clients of our frontline services. An analysis of the feedback shows that this goes beyond the threat of homelessness and into people's lived experience. Services cite the distress and anxiety experienced by people - both working and dependent on social welfare - unable to secure housing over a long period of time. This includes parents of babies and young children, older and retired people, people with mental health difficulties, lone parents, and people with disabilities.

There has also been an increase in feedback regarding the **challenges faced by those living in direct provision**: asylum seekers and those granted refugee status. It is estimated that over 6,000 people living in Direct Provision have legal permission to live in Ireland but are unable to leave Direct Provision due to the lack of available housing.²¹ Homeless services are the only option for many.

Services continue to note concerns around the **social housing application process** and **difficulties accessing homeless supports** from local authorities. Issues highlighted include:

- Lengthy delays in processing social housing applications (with HAP not being backdated).
- Unacceptably lengthy social housing waiting lists (10-15 years being reported in many cases).

²¹ [Access to autonomous housing for beneficiaries of International Protection in Ireland, ESRI, 2024](#)

- Inconsistencies between local authorities in what is treated as assessable income (especially with respect to the inclusion of the Working Family Payment).
- Difficulties for some applicants in accessing information, forms and support from local authorities, particularly those with language or literacy difficulties.

In the context of **Traveller accommodation**, National Traveller MABS' 2025 Pre-Budget Submission has welcomed the work done since the introduction (in 2020) of the pilot trailer loan scheme. They highlight, however, that many families they work with are on exceptionally low incomes and that a rental scheme would therefore be a more suitable mechanism for the provision of culturally appropriate and affordable accommodation to those who cannot access credit.

Recommendations - housing

- Increase investment by the State in the direct build of social and affordable housing (via local authorities and housing associations), with the long-term aim of moving away from the over-reliance on the private rental market to meet social housing need.²²
- Develop a coherent Cost Rental Strategy with a view to providing long-term, affordable, and secure rental options for tenants, with the aim of meeting 20% of social and affordable housing delivery in this manner.²³
- Increase resources to local authorities and the Residential Tenancies Board to enable more effective enforcement of short-term lets and non-compliance with rent regulations.
- Progress plans to devise a new social housing income eligibility model, as proposed in the Housing for All Action Plan update.²⁴
- Ensure consistency across local authorities in the definitions of assessable income and remove short-term activation incentives from income assessed.
- Revise HAP limits in line with market rents, pending the roll-out of a new social housing income eligibility model.
- Consider the provision of interim payments (similar to Supplementary Welfare Allowance) for HAP applicants in receipt of social welfare payments who are waiting for their housing needs assessment to be processed.
- Provide adequate resources to local authorities for the administration of the HAP scheme and for the monitoring and enforcement of minimum standards for HAP properties.
- Abolish 'no-fault' evictions.
- Provide enhanced funding to homeless services, including the provision of wrap-around services to help children and parents deal with the trauma of homelessness.
- Consider the development of a suitable rental scheme for Traveller accommodation as recommended by National Traveller MABS.

²² The [Report of the Housing Commission \(2024\)](#) forecast that between 42,000 and 65,000 new houses will be needed annually up to 2050.

²³ [Report of the Housing Commission \(2024\)](#)

²⁴ [Housing for All Action Plan Update 2023](#)

Sample cases from CISs and CIPS - housing

“This caller is in receipt of the Working Family Payment, and they need to apply for social housing. The WFP is taken into consideration as income. Some people who receive WFP are excluded from the social housing list as the amount they receive puts them over the threshold applicable to their family size. The payment is designed for low-income families and for those who are renting privately and struggling to pay high rents, but they cannot avail of social housing/HAP because their income is over the limit.”

“This client has moved back home with three children and is living with her three siblings and parents in a four-bedroom house. She is currently sleeping on the couch with her three-year-old child. She was initially in receipt of OPFP and applied for placement on the housing list and this was granted. She opted to return to work but with the OFP her income went over the threshold and she was removed from the housing list. She has closed the OFP claim to get back on the housing list but remains €1,400 over the threshold. She is considering giving up her job to get on the housing list but does not want to do this.”

“This caller received a valid notice of termination from his landlord. He could not find another place to rent due to chronic lack of supply and has now received a determination of overholding from the RTB. He is afraid to go into emergency hostel accommodation (if there is any) due to the issues of drugs and violence.”

“The client and her husband are both working. They are renting for the last nine years but their landlord is selling the apartment, and their termination notice is due in two months. Their income is just above the limit for social housing, but too low to get a mortgage and they do not have any savings for a deposit as they have been paying €1,650 per month on rent. They have been looking for another place to rent for months but cannot find anywhere. They are a family of five, one child with a disability, living in a two-bed apartment. They feel that they have no choice but to overhold.”

“This caller has received a termination notice. She and her husband are in receipt of Disability Allowance, and we assisted their application for social housing. On following up with the local authority, we were told that there is a backlog in applications, and it will be 12-16 weeks to even look at the application. This long delay will put them at risk of homelessness.”

Energy costs and fuel poverty

CISs and CIPS continue to assist many people with queries about fuel, energy costs and related support schemes. In 2023, there were 27,465 queries to CISs about the Fuel Allowance and 17,584 queries concerning the Household Benefits Package (which assists with fuel bills).

Groups at an increased risk of energy poverty include older people on a fixed income, single adult households, Travellers, lone parents and people with disabilities. SILC 2023 data shows that while, overall, 5.4% of households had arrears on utility bills twice or more in the year, the proportion was much higher for some cohorts: 14.1% for lone-parent households, 11% for other households with

children, and 9.6% for households with at least one person over 65. The significant increase in fuel prices and heating costs in recent years has affected everyone, but low-income households are disproportionately impacted because fuel bills represent a higher percentage of their income.

While the once-off cost of living measures in recent Budgets (particularly extra Fuel Allowance payments and electricity credits) have been helpful, frontline services nonetheless continue to see the impact of high energy costs, extreme weather conditions and poor housing standards: feedback indicates that many clients, particularly those who live alone, struggle to heat and run their homes. Some people (including older people) are choosing not to turn their heat on.

Services highlight particular difficulties regarding the **Fuel Allowance**, stemming mainly from complex eligibility requirements that take account of household circumstances, qualifying payments, means test criteria and income thresholds. Issues reported include Carer's Allowance recipients not being entitled to the payment and eligibility difficulties for those in receipt of long-term Illness Benefit.

Concerns were also raised about CE Scheme participants who transfer to another benefit (such as Illness Benefit, Maternity Benefit or the benefit payment for people aged 65) and whose time spent on the CE Scheme does not count as a qualifying payment vis-à-vis the minimum number of days required to receive Fuel Allowance. Given that access and eligibility issues feature so regularly in the feedback, we would suggest that Fuel Allowance qualification should be based on means rather than the current complex mix of requirements.

Fuel Allowance has remained at €33 per week for three years, during which time there has been an increase of 64.5% in the costs of household energy.²⁵ Considering this effective erosion of its value, it would seem appropriate to increase Fuel Allowance in Budget 2025, restoring its real value, and to extend the payment season, returning it to the 32 weeks that it had been prior to 2012.

Broader issues identified by services in relation to energy poverty in low-income households focus on the **grants and schemes** administered by the Sustainable Energy Authority of Ireland (SEAI), with the Better Energy Warmer Homes Scheme (or the Fully Funded Energy Upgrade Scheme) dominating the feedback. This scheme delivers a range of energy efficiency measures, free of charge, to low-income households (applicants must be in receipt of one of seven social welfare payments). We note the increase in applications and approvals for the scheme during 2023 and see that this is reflected in an increase in queries (127%) to CISs from 2022 to 2023. Feedback from services points to long waiting times (up to two years) for grant approval and completion of upgrades. People also face a complex administrative process, during which some low-income applicants find they are ineligible for assistance due to the restricted eligibility criteria.

The recent publication of the Irish Government's Climate Action Plan 2024 restates key actions around the retrofitting of homes - with a target of 500,000 homes to be retrofitted by 2030²⁶. This target suggests the need for an expansion of eligibility and funding for this scheme. Evidence from our frontline services supports this view.

²⁵ [Vincentian MESL Research Centre, Pre-Budget Submission 2025](#)

²⁶ [Climate Action Plan 2024](#)

National Traveller MABS have highlighted the extent of **energy poverty experienced by Travellers** living in Traveller-specific accommodation and have suggested that the retrofitting of day units on halting sites and Traveller-specific group housing schemes should be prioritised under the State's retrofitting programmes.

Recommendations - energy costs and fuel poverty

- Simplify eligibility requirements for Fuel Allowance, basing eligibility on household means rather than a combination of qualifying payments and household composition
- Pending a more comprehensive change to eligibility requirements, expand eligibility to include Working Family Payment and Carer's Allowance recipients.
- Restore the Fuel Allowance payment season to 32 weeks and increase the basic rate of payment to enable those on low incomes to climb out of fuel poverty and adequately heat their homes.
- Provide increased resources to the SEAI to deal with the extensive waiting periods currently experienced by applicants for the Warmer Homes Scheme.
- Expand eligibility for the Warmer Homes Scheme to enable access to more low-income households whose homes have a low BER rating.
- Develop a programme to effectively retrofit Traveller-specific accommodation to ease the energy poverty experienced by many members of the Travelling community.

The following section (Section 2) of this pre budget submission (PBS) offers a MABS-specific perspective on energy poverty, housing and financial inclusion. It complements and underlines many of the insights offered by our analysis, in Section 1, of the quantitative and qualitative data submitted to us by the CISs and CIPS.

2 MABS Submission: energy poverty, housing and financial inclusion

MABS Support, based on feedback from MABS services nationwide, calls for Budget 2025 to allocate resources to people who are low-income, reliant on social transfers and living in and at risk of poverty, with all budgetary decisions to be poverty, gender and equality proofed.

MABS Support endorses the findings and recommendations of the July 2022 Committee on Budgetary Oversight Report on Indexation of the Taxation and Social Protection System.²⁷ We note the call for an indexation system to ‘improve transparency around the process of identifying and setting the annual increases to welfare rates and other parameters’.²⁸

MABS recommendations are structured into three thematic areas, informed by trends in MABS casework:

- Energy poverty
- Housing
- Financial inclusion

Some recommendations require little to no direct funding from the exchequer.

Energy Poverty - key concerns and recommendations

MABS Advisers categorise utilities as a priority household expenditure/debt, due largely to the negative consequences of non-payment. The threat or penalty of disconnection compounds the detrimental impact of poverty and debt on people’s wellbeing. MABS works with people with large arrears balances who are facing or have experienced disconnection.

MABS works with utility providers to put in place sustainable and affordable arrears repayment plans and to support alternative payment arrangements as necessary to avoid recurring arrears. However, while energy costs have gone down this year, prices remain much higher (gas 100% higher and electricity 70% higher) than 2021 levels.²⁹ This creates difficulties for MABS Advisers trying to facilitate sustainable payment plans. Since 2022, many MABS clients, especially those whose primary income is social welfare or who are on low fixed incomes, and those living in energy-inefficient homes, cannot afford to cover their monthly usage, still less contribute to an arrears balance. At the same time, MABS Advisers have witnessed the ways that government interventions, particularly the Energy Costs Emergency Benefits Schemes introduced in previous budgets, have had a direct and positive impact on many clients. The schemes were rolled out relatively quickly and provided targeted incremental support, credits being deposited directly into all domestic electricity accounts via MPRNs. However, these credits provided a short-term solution.

²⁷ [Oireachtas Select Committee for Budgetary Oversight - Report on Indexation of the Taxation and Social Protection System - July 2022](#)

²⁸ [Committee on Budgetary Oversight has published the Report on Indexation of the Taxation and Social Protection System – 14 Jul 2022, 13:34 – Houses of the Oireachtas](#)

²⁹ CRU (2024) Irish and EU Household Electricity and Gas Price Information Note (published 14 May 2024) <https://www.cru.ie/publications/28018/>

Since 2021, MABS Advisers have also been able to assist clients in accessing hardship funds: independent financial support provided by some utility providers who apply credits directly to the accounts of customers with arrears and high bills. Over €7 million has been credited directly to MABS clients' utility bills under this arrangement. In 2023, 7,925 MABS Clients benefited from the funds, with €4.3 million allocated (an average of €540 credit for each applicant). Client feedback illustrates the life-changing impacts of these credits.

We note, however, that these hardship credits are not government-backed nor subscribed to by all utility providers (including several bottled gas suppliers). The funds also provide a short-term solution to a broader, systemic problem, and it is not known how long they will be available.

The following recommendations echo those in the MABS submission to the Department of Environment, Climate and Communication's (DECC) Revised Energy Poverty Action Plan in May 2024.

Recommendation 1: Continued support for Additional Needs Payments

MABS supports many clients with applications to the Department of Social Protection for Additional Needs Payments (ANPs) to cover increases in heating and electricity costs.³⁰ At times, allocations from the hardship funds are not sufficient to cover a client's energy bill, and continued access to supplementary welfare payments is crucial for supporting clients facing hardship.

Example of MABS client in utilities arrears accessing multiple supports

"A person on a Blind Pension allowance presented at a MABS office with an unaffordable €900 electricity bill. MABS assisted the person to apply for a Hardship Fund of €500 towards the bill, which they received. An additional application has been made to the local Community Welfare Officer for an additional needs payment to cover the remaining balance."

Income inadequacy coupled with high costs and high arrears prevent many people from paying their utility bills. In addition, different providers have different procedures and practices for supporting persons facing arrears, with some requesting lump sums to address the arrears balance: an unfeasible option for many.

Recommendation 2: Continued government measures to insulate households from the cost of utility bills

Measures that could be enacted in Budget 2025 to help further protect households from rising costs while working to alleviate energy poverty include:

- the allocation of universal supports (similar to the universal electricity credits)
- the expansion of targeted supports (such as the Fuel Allowance) for those who are on low incomes
- further regulation of energy prices
- further actions by national bodies (including the Commission for the Regulation of Utilities) to support consumers in financial difficulty

³⁰ [Additional Needs Payment \(citizensinformation.ie\)](https://citizensinformation.ie)

- an in-depth evaluation of the effectiveness of current interventions: for instance, consideration of the impact of inflation and whether the fixed nature of Fuel Allowance and the Household Benefits Package remain fit for purpose. Research³¹ (and the lived experiences of MABS clients) demonstrates that the static nature of the flat-rate payments does not sufficiently address the fluctuations in energy prices and price variations between fuel types

Recommendation 3: Implementation of ‘energy guarantee’ for at-risk households

MABS endorses the recent proposal from Age Action for an Energy Guarantee³² for older persons as a long-term solution to increasing energy prices. The proposed guarantee would ensure that older people can afford a minimum quantity of energy. The policy brief states that the system would grant a higher level of support to those households on lower incomes and with lower BER (Building Energy Rating) grades.

MABS recommends expanded consumer support measures for groups at high risk of energy poverty, including the medically vulnerable. Some MABS clients use specialised medical equipment, particularly oxygen machines, for 16–24 hours per day. While all suppliers have a policy in relation to ‘vulnerable customers,’ this protects only against disconnection, not against unsustainable costs.

Additionally, those customers on the Suppliers’ Priority and Special Services Registers should be eligible for a government subsidy on their utility bill and should be prioritised for home retrofits.

Recommendation 4: Recognition of financial vulnerability

In the 2022 Energy Poverty Action Plan, currently under revision, the DECC made provisions for ‘the extension of the protections for vulnerable customers to include *financially* vulnerable customers. MABS supports the implementation of this provision, arguing that all energy suppliers should extend their lowest tariff to all households in financial difficulty.

Recommendation 5: Expansion of the SEAI’s Warmer Homes Scheme and home energy upgrade programmes

In 2021, MABS released a policy briefing³³ based on research conducted by University College Cork (UCC) and North Dublin MABS that identified obstacles to accessing retrofitting schemes and grants.

For those who qualify for free upgrades, many may not be aware that they do so – and often do not engage with the process due to the lack of knowledge of how and where to access information and a lack of overall understanding of the benefits.

For those who do not qualify for free energy upgrades, many do not have the disposable income necessary to provide the up-front funding to access the schemes. And for those who qualify for ‘green loans,’ this option is not suitable for those who are already over-indebted or unwilling to take on additional debt.

³¹ [The cost of adequately heating the home \(budgeting.ie\)](#)

³² [Age Action calls on the Government to Reintroduce an Energy Guarantee to Help Older People Cope with Devastating Price Hikes | Age Action](#)

³³ For more on this research, see the following: [ENERGISEpolicybriefingpdf \(ucc.ie\)](#)

MABS proposes that, pending any enhancements to the schemes and grants as they stand, residential energy upgrades for people facing energy poverty might be administered through direct engagement between the SEAI and utility suppliers (subject to GDPR requirements with the Department of Social Protection), with priority given to low-income households with high bills or at risk of disconnection.

In addition, given lengthy waiting lists and completion times under the Warmer Homes Scheme, the SEAI might consider supporting the national, widespread rollout of ‘first step’ retrofit measures (such as Solar Panels and wall insulation) to, for example, qualifying private rental accommodation in addition to residential properties for those who qualify for Warmer Homes. This could be considered as an introductory measure to support lower bills until a more complete home retrofit is possible.

Suppliers might be requested (and resourced if necessary) to identify properties with high levels of usage, in order that these properties might be given priority (as appropriate) for retrofit projects.

Recommendation 6: Community-based educational initiatives

It is important to support community-based education initiatives to address energy poverty, especially given a lack of trust in both government bodies and utility providers³⁴ and the information gap MABS advisors come across concerning SEAI offerings.³⁵ Support for community-led educational initiatives and energy advisers (such as a designated ‘community energy advice service’) is advocated by St Vincent de Paul³⁶ and other charity and local development groups, allowing for the capacity and ‘soft power’ of community organisations to be harnessed and enabled.

Recommendation 7: Establishment of cross-governmental group to drive actions across the energy sector

Given the extent of energy poverty in Ireland, swift, targeted action, and joined-up thinking across the energy sector, from suppliers to national stakeholders to government agencies, is critical. To better understand and respond to the causes and effects of energy poverty, MABS would support the establishment of a multi-stakeholder group to drive a robust data-gathering initiative that would inform policy in this area. It is suggested that this group should include permanent members drawn from advocacy and frontline service organisations, as well as inviting civil society members, NGOs, academics, and other experts to contribute and engage regularly.

Housing - key concerns and recommendations

MABS supports many people impacted by the national housing crisis, as outlined in the Report of the Housing Commission, May 2024.³⁷ It is MABS view that a number of targeted, national policy changes are required to tackle the structural issues that underpin this crisis, including the limited supply of housing and lack of affordable housing options, inflated rental prices in the private market, and inadequate provision of social and public housing options.

³⁴ [ENERGISEpolicybriefingpdf.pdf \(ucc.ie\)](#)

³⁵ MABS attempts to combat this gap by including discussion of energy usage and food waste into its money management education initiatives and budgeting work with clients.

³⁶ For more, see (page 17) [SVP-Social-Justice-PBS-2025.pdf](#)

³⁷ [gov - Report of The Housing Commission \(www.gov.ie\)](#)

MABS services experience the lived impact of the housing crisis on individuals and families, many of whom have unmanageable housing costs, are struggling with private and social rental payments or are at risk of homelessness. We support the State's efforts to develop and deliver on multifaceted solutions (including grant programmes and tax penalties to promote the refurbishment and public ownership of vacant and derelict homes) to address this crisis in the short-term.³⁸ We also support long-term systemic plans and Government efforts to buffer against future crises.³⁹

Across the MABS national network, frontline staff deal daily with the consequences of contemporary and past mortgage lending practices, including those arising from the 2008 financial crisis. In this section, we outline our housing-related recommendations for Budget 2025.

Recommendation 8: Overhaul of Housing Assistance Payment (HAP)

MABS recommends a comprehensive review and overhaul of the HAP Scheme and enhanced interventions that adequately address Ireland's social housing needs (and ensure that undue financial burdens do not accrue to tenants). The fundamental challenge with HAP, from a MABS perspective, is that as a quasi-private-public system, HAP tenants do not have the same rights and protections as those in social housing (including when arrears accrue).

HAP tenants are considered 'socially housed', yet the vast majority do not have security of tenure. If they fall into arrears, they are not provided with the same flexibility, or sustainable repayment options, as 'actual' social housing tenants. The local authority stops paying the private property owner HAP allowances, and the tenants are at risk of eviction.

As highlighted in previous CIB pre-budget submissions, MABS and CIS have been addressing issues around HAP and their clients for some years.⁴⁰ MABS advocates the movement of those in receipt of housing support payments into local authority or approved-housing-body housing. This would of course necessitate a significant increase in supply. MABS also supports strengthening the rights of private tenants - including those on HAP and rental supplements, particularly those who are most marginalised - ensuring parity with social housing tenants.⁴¹

Recommendation 9: Assessment of social housing arrears and national solutions

MABS is concerned by reports that inflationary pressures are having a direct impact on rising rent arrears for social housing tenants, with debt levels reaching nearly €105 million in September 2022.⁴² MABS recommends a systemic national investigation into social housing arrears, and a coordinated approach to targeted solutions for individuals (including insolvency options) and local authorities.

³⁸ For more on this, see tax and housing recommendations made by SJI: [Budget Choices 2024 - Final.pdf \(socialjustice.ie\)](#)

³⁹ This includes the future strain on housing infrastructure and demand as presented by Ireland's rising population growth, which is high relative to other EU countries, for more see: [Population projections, the flow of new households and structural housing demand | ESRI](#)

⁴⁰ [Pre-budget submissions - Citizens Information Board](#)

⁴¹ [Focus Ireland calls for more rights for vulnerable tenants at Oireachtas Committee on Housing -- Focus Ireland](#)

⁴² [Local authorities owed €105m in unpaid rent – The Irish Times](#)

Recommendation 10: Equity scheme for long-term mortgage arrears

In the view of MABS, mortgage arrears cannot be addressed at policy level without an understanding of the current housing situation in Ireland. We are concerned that in the current climate of rising property costs,⁴³ lenders will become more active in the pursuit of repossessions of family homes. Given the current housing supply challenge,⁴⁴ people whose homes have been repossessed could struggle to find alternative accommodation post-sale. In addition, borrowers in these circumstances would have an impaired credit rating and, in all likelihood, the net amount realised from the sale would be insufficient to buy another home.

In February 2024, Social Justice Ireland called for a publicly backed Equity Scheme for households in long-term mortgage arrears.⁴⁵ MABS endorses the establishment of a scheme to allocate a fund enabling the Government to take an equity stake in homes with mortgage arrears of more than 10 years' standing.

MABS wholly endorsed the Mortgage Interest Relief measures introduced in Budget 2024 that provide for 20% relief for borrowers with mortgages between €80,000 and €500,000 who experienced an increase in mortgage interest in 2023. It is estimated that this relief will be available to an estimated 165,000 mortgages in Ireland. However, for Budget 2025, MABS would support additional targeted reliefs for people in mortgage difficulty, particularly those in long-term arrears who have not recovered since the 2008 crash but who are maintaining regular and verified affordable payments.

Recommendation 11: Inflation-proofing policies related to mortgage debt and consumer protection

MABS advocates that existing resolution mechanisms as they relate to mortgage debt and consumer protections (including social welfare supports) should be inflation-proofed and indexed.⁴⁶ One way to implement such a mechanism would be to add an additional buffer into mortgage restructures and payment plans to account for inflation: an inflation stress test similar to the interest-rate stress test. For example, where a client with a mortgage is assessed as having the capacity to repay €1,000 per month, the repayment could be set at €917 (or in line with inflation levels) to allow for the rising cost of living.⁴⁷

In addition, we argue that financial institutions need to take a more progressive, longer-term view of mortgage arrears, rather than resorting to legal proceedings for repossession. This would involve working cooperatively with people who fall into difficulty due to circumstances outside their control. Such a mechanism would address situations where the shock to a household situation is short to medium term.

⁴³ [Property prices continue to grow, and the rate of increase is getting faster \(thejournal.ie\)](#)

⁴⁴ [Ireland's housing crisis: Tens of thousands of new builds needed | Euronews](#)

⁴⁵ [Equity Scheme for Long Term Mortgage Arrears needed | Social Justice Ireland](#)

⁴⁶ We provide additional information on indexation of taxation and social welfare supports, including reference to the Budgetary Oversight Committee's July 2022 report, in the Introduction to this submission.

⁴⁷ Lenders are not in the practice of allowing a buffer when it comes to restructuring loans, although they do so at drawdown.

We recognise that such actions require a strengthening of the provisions set forth in the Code of Conduct of Mortgage Arrears (CCMA) and the Consumer Protection Code (CPC).⁴⁸

Recommendation 12: Targeted supports for persons with mortgage loans sold to NBEs (non-banking entities)

According to July 2024 figures published by the Central Bank,⁴⁹ 60% of all mortgage accounts in arrears were held by non-banks entities or NBEs (and the remaining 40% with pillar banks). This is an increase of 6% since March 2023. The trend is steadily upward: NBEs held only 37% of mortgages in arrears in March 2019.⁵⁰ Non-banking entities also hold higher proportions of those mortgages with the highest level of arrears. In total, NBEs held a significant 84% of all domestic mortgage accounts in arrears for more than one year in March 2024, up from 74% in September 2022 and 54% in March 2021.

NBEs continue to purchase mortgages and other non-performing loans (including SME loans) from banks at discounted rates. A concern for MABS is that, while these NBEs bought non-performing loans from pillar banks (without the consent of the borrower)⁵¹ at significantly reduced rates, they often charge much higher interest rates than the pillar banks for customers in arrears. MABS Dedicated Mortgage Advisers (DMAs) are funded to support distressed mortgage holders. MABS Advisers see first-hand how challenging it can be for a client to obtain an affordable and sustainable ARA (Alternative Repayment Arrangement) or statutory insolvency arrangement in light of high interest rates. In addition, those borrowers who have entered a repayment arrangement with mortgage loans sold to NBEs are at risk of no longer being able to afford their arrangement should their new mortgage servicer impose an interest rate increase.

MABS therefore calls for the implementation of a more targeted intervention for this cohort, to potentially include a reintroduction of the Mortgage Interest Supplement⁵² or expanded tax relief (beyond that provided by the Mortgage Interest Relief as set out in the 2024 Budget). This would help to address the challenges faced by those trying to deal with high NBE interest rates, particularly those actively taking part in the mortgage arrears resolution process.

Recommendation 13: Addressing the limited insolvency options for persons with defective concrete blocks in their homes

MABS Advisers, in particular in North Connacht and Ulster, face a considerable challenge supporting clients with defective concrete blocks in their homes.⁵³ The presence of defective blocks affects the

⁴⁸ MABS contributed to the Central Bank's recent consultation process regarding the Code (June 2024).

⁴⁹ [2024q1 ie mortgage arrears statistics.pdf \(centralbank.ie\)](https://www.centralbank.ie/2024q1-mortgage-arrears-statistics.pdf)

⁵⁰ 'From Pillar to Post' FLAC (2022): 'Conclusions from a decade of attempting to resolve family home mortgage arrears in Ireland': see: https://www.flac.ie/assets/files/pdf/flac_pillar_to_post_paper_2_final_v.pdf

⁵¹ MABS staff have observed that the overall behaviour of non-banking entities towards clients (such as the decision to enter into ARAs or insolvency arrangements) depends on the entity and their own internal protocols, and the amount of documentation received from the original mortgagee bank. Where loan books are sold, clients receive the details of these sales via post, and have no legal basis to appeal. This is true of all borrowers, regardless of whether they are in arrears. For more on this, see: https://mabs.ie/wp-content/uploads/2022/03/Final_MABS-Support-CLG-Submission-to-CBI-Mortgage-Measures.pdf

⁵² [gov - Operational Guidelines: SWA - Mortgage Interest Supplement \(www.gov.ie\)](https://www.gov.ie/gov-Operational-Guidelines-SWA-Mortgage-Interest-Supplement)

⁵³ The term 'defective concrete blocks' includes all deleterious materials found in affected building materials, including MICA, Pyrite, pyrrhotite, sulphates and so on.

value of the home, and in most cases leaves the property worth only site value, or even less, as the site may have to be cleared before building works can commence. This reduction in the value of the secured asset may make both borrowers and lenders reluctant to engage in long-term mortgage solutions. While we welcome the recent launching and expansion of the provisions under the MICA and Pyrite Redress Schemes,⁵⁴ there are still challenges to address.

For instance, clients with defective concrete blocks cannot avail of the MTR (Mortgage to Rent) process until the remediation works are completed. This is because the new purchaser (i.e., the lender to whom the property is surrendered and/or the purchasing Approved Housing Body) cannot avail of the Redress Scheme. It is MABS experience that Approved Housing Bodies are unwilling to undertake the necessary works from their own funds, even if the property is purchased at site value. In addition, an accurate valuation of the property can be difficult to ascertain. A Personal Insolvency Arrangement (PIA) may be fraught with difficulties until the remedial works are carried out and an accurate valuation achieved. We propose that it is therefore vital to open a dialogue between state officials, financial institutions, MABS and other consumer protection organisations to look at possible long-term insolvency solutions for clients in mortgage arrears and with defective concrete blocks in their homes.

Financial Inclusion - key concerns and recommendations

The groups most likely to experience financial exclusion, such as members of the Irish Traveller community,⁵⁵ persons with disabilities,⁵⁶ and single parents,⁵⁷ also experience disproportionate levels of poverty and material deprivation and are less likely to have savings and to hold a bank account. These factors can result in:

- Social exclusion due to financial exclusion
- Dependence on moneylender and high-interest rates for credit access
- Debt traps or borrowing from high-cost lenders to cover existing debts
- Fuel poverty - which can lead to self-disconnection of energy sources - as income is diverted elsewhere
- Non-availability of credit due to risk-averse lender practices
- The reliance on Buy Now Pay Later (BNPL) credit provisions
- Increased costs of using (lightly regulated) credit intermediaries, particularly in the areas of car, IT hardware/software, and white goods and furniture finance

At its core, financial exclusion is a welfare issue, as it relates to a person's inability to access financial services and products to meet their basic needs. Marginalisation deepens as a result.

MABS recommendations under this theme echo those we have made in recent contributions to the National Payments Strategy and National Financial Literacy Strategy dialogue led by the Department of Finance.

⁵⁴ [Schemes for houses affected by pyrite or mica \(citizensinformation.ie\)](https://citizensinformation.ie)

⁵⁵ [Building the Box: A review of policy, services, facilities and schemes with potential to improve financial inclusion from a Traveller perspective - National Traveller MABS \(ntmabs.org\)](https://ntmabs.org)

⁵⁶ [gov.ie - The Cost of Disability in Ireland – Research Report \(www.gov.ie\)](https://www.gov.ie)

⁵⁷ [Lone Parents at Increased Risk of Poverty – One Family Ireland](https://www.onefamilyireland.org)

Recommendation 14: Review and Expansion of the Household Budget Scheme

The Household Budget Scheme, administered by An Post, helps people on lower incomes manage their money and pay bills. It is a key tool for financial inclusion for many Irish households, including the MABS client group, enabling direct deduction from social welfare payments to meet bills. However, as highlighted in previous pre-budget submissions, MABS would welcome a prompt review of the Scheme with a view to broadening access and facilitating payments to a greater number of creditors (including additional utilities providers).

In addition, the Scheme is only available to those who receive social welfare payments in cash from their local post office, not those who receive payments directly into their bank accounts. This is a significant administrative barrier that compounds financial exclusion. We recommend that the Department of Social Protection explore the possibility of expanding the Household Budget Scheme (or perhaps introduce a new scheme) to allow for payments at source to utilities companies, local authorities, and other relevant creditors. Some people in financial difficulty are effectively debarred from the scheme by having their social welfare directly mandated to bank accounts.

We further recommend that An Post complement the Household Budget Scheme by offering Basic Bank accounts.⁵⁸ Free and low-fee banking services act as a targeted financial inclusion measure, protected by legislation from the European Union.⁵⁹ Introducing them would enable access to banking and digital services to a cohort of consumers still dependent on cash and cash transfers. It also has the potential to help modernise and diversify the Household Budget Scheme.

Recommendation 15: Development of socially backed low-cost credit

Due to cost of living pressures, MABS is seeing a rise in people with debts to illegal, unregistered moneylenders. These are extremely expensive forms of credit, and MABS has limited capacity to support clients with this type of debt. The prevalence of such lenders is symptomatic, in our view, of the lack of alternative, low-cost lending options for at-risk and low-income groups.

One current option, the 'It Makes Sense' Personal Micro-Credit Loans (PMC),⁶⁰ has been a lifeline for some, but its effectiveness is impacted by its being available only through credit unions.⁶¹ Moreover, PMC loans are not offered by all credit unions, and even those who do may not publicly advertise them. Also, the APR rate of 12.5% can be much higher than other small personal loan offerings by the same institution.⁶² MABS therefore calls for the rollout of a widespread, state-sponsored affordable credit scheme, with repayment options linked to affordable deductions from tax credits or social welfare.

⁵⁸ For more on basic bank accounts, or no/low fee banking options, see: [BCB Basic Bank Account Guide - Irish Banking Culture Board](#)

⁵⁹ [Opening a basic bank account within the EU - Your Europe \(europa.eu\)](#)

⁶⁰ [The 'It Makes Sense' Loan Scheme - The Irish League of Credit Unions](#)

⁶¹ [gov - Minister Humphreys announces permanent support to Credit Union Small Loan Scheme 'It Makes Sense' \(www.gov.ie\)](#)

⁶² For example, some Credit Unions offer small personal loans, such as 'a Christmas Loan' at 10.4% or less.

Recommendation 16: Development of ‘Help to Save’ initiative

Surveys have consistently shown that a substantial section of the population have low levels of savings and low financial resilience to withstand negative financial shocks.⁶³ At MABS, we see the impact that having little savings has on all households. We would therefore support the introduction of a savings incentive scheme, similar to the ‘Help to Save’ initiative in the UK,⁶⁴ targeted at those who are low-income and reliant on social welfare.⁶⁵ The Government could be the lead partner in this with the banks, credit unions and An Post.

Finally, the Competition and Consumer Protection Commission ‘nudge and boost’ strategy⁶⁶ should be encouraged by the Government as part of this initiative. This strategy reflects an understanding that certain savings application forms with ‘pledge tools’, infographics and interactive calculators can support consumers in developing positive short-term savings habits.

⁶³ For example, see CCPC 2018 Research: [CCPC publishes financial well-being research - CCPC Business](#)

⁶⁴ [Get help with savings if you’re on a low income \(Help to Save\): How it works - GOV.UK \(www.gov.uk\)](#)

⁶⁵ This reflects recommendations we made in our submission to the Department of Finance’s Retail Banking Review in July 2022, please see here: <https://mabs.ie/wp-content/uploads/2022/09/MABS-Submission-to-Retail-Banking-Review.pdf>

⁶⁶ For more on this, see: [CCPC recommends shock tactics to boost savings \(businessplus.ie\)](#)

Conclusion

Budget 2025 will be delivered in the context of a broadly positive economic outlook and against a backdrop of reductions in the cost of living. This presents Government with an opportunity to embed and integrate enhanced social and public service provision, effectively targeting those experiencing (or at risk of) poverty.

If combined with an increased investment in public services, this approach should deliver a broad range of supports to those struggling the most: people on low incomes who lack the economic means to engage with private sector provision for services such as healthcare, housing, or childcare and who therefore rely strongly on adequate and accessible public services.

Key concerns raised by services: a summary

Work and welfare	Disability, illness & caring	Housing supports	Indebtedness & financial inclusion
<ul style="list-style-type: none">•The administrative burden of means testing•Adequacy of income supports•Combining welfare with work•Complexity of interaction of tax and social welfare system•Child poverty•Childcare provision	<ul style="list-style-type: none">•The cost of disability•Combining work and disability•Transport costs•Care in the home•Access to health care	<ul style="list-style-type: none">•Lack of social housing•Social housing income thresholds•Homeless services•Social housing application process•Energy costs and supports	<ul style="list-style-type: none">•Energy costs and energy poverty•Housing & implications of the housing crisis•Financial inclusion