

# BUDGET 2012 – INCLUSION IRELAND FACTSHEET

Ministers Brendan Howlin TD and Michael Noonan TD delivered Budget 2012 on 5<sup>th</sup> & 6<sup>th</sup> December 2011. The following factsheet explains the implications of Budget 2012 for people with an intellectual disability and their families.

## Disability Allowance

Minister Howlin's announcements regarding Disability Allowance (DA) provoked outrage, as they included cuts to DA for young adults aged 18-24, and raising the qualifying age for DA from 16 to 18. While both proposals are now paused and will be reviewed, these proposals have not been rolled back, only paused. The proposals were:

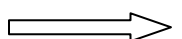
1. New claimants of Disability Allowance aged under 25 will have their payment reduced from €188 per week to €100 for people aged 18 to 21 and to €144 per week for people aged 22 to 24. This would have resulted in a crude cut of €4,576 a year for people aged 18 to 21, and €2,288 a year for people aged 22 to 24. The current number of people under 25 receiving Disability Allowance is 11,869 persons, almost 12% of all recipients of Disability Allowance. Government said this change would bring Disability Allowance in line with Jobseekers Allowance;
2. The Government also proposed raising the qualifying age for DA from 16 to 18, while also raising the qualifying age for Domiciliary Care Allowance (DCA) from 16 to 18. This would mean that instead of DA, people with a disability aged 16-18 would get DCA. This would mean a financial difference of €523.07 a month for those affected;

These proposals will now be referred to the Committee on Taxation and Reform. While it is welcome that the proposal has been paused, this cut could still go ahead. Also, the Government have not said if they will consult with people with disabilities and their families on these proposals. While Inclusion Ireland believes there is need for reform of Disability Allowance, this must include a cost of disability analysis. Any review must be done in consultation with people with disabilities and their families, to ensure those with the greatest need have those needs met.

## Carers Allowance

While, the weekly Carer's Allowance and Carer's Benefit rates were not changed in Budget 2012, there were two changes which will have very negative repercussions for those affected, namely:

1. New applicants for Carer's Allowance, who are not living with the person for whom they are providing care, will not be entitled to the Household Benefits package, which comprises the Electricity/Gas Allowance, Telephone Allowance and free television licence. The person receiving care may be entitled to the Household Benefits package in their own right. Carers who reside with the person they are caring for will continue to have an entitlement to the Household Benefits. Similarly, non-resident carers in receipt of the package prior to 1<sup>st</sup> April 2012 will continue to retain the benefit;
2. Another major change in Budget 2012 is that the weekly Carer's Benefit and Carer's Allowances will be counted as means when calculating the rate of Family Income Supplement from January 2012 for new applicants, and on renewal for all others. Family Income Supplement is a weekly tax-free payment available to employees with children. It gives extra financial support to people on low pay;



The half rate Carer's Allowance will continue to be paid to people who are full-time carers and who are receiving another welfare payment. The increased payment for those caring for more than one person will also be retained. Also, the annual Respite Care Grant will continue to be paid at €1,700.

### **Disability Services**

Minister of State with responsibility for disability, Kathleen Lynch TD, announced a 2% cut to disability services in 2012 but said "the precise level of savings required will vary...and will be determined within the context of HSE's service planning process". Inclusion Ireland has heard from service providers that there are potential cuts of 4.5 to 5%. If this is true, it will have serious implications for people using services. However, at the time of writing the Office of the Minister for Disability said cuts would not exceed 3.5%, and this figure should be lower in many areas. Inclusion Ireland will continue to monitor this situation.

### **Education**

It was announced in Budget 2012 that the overall number of Special Needs Assistants (SNAs) and resource teachers will be maintained at current levels. There will be no increase in the general average of 28:1 for the allocation of classroom teachers at primary level. However, there will be phased increases in the pupil threshold for the allocation of classroom teachers in small primary schools.

## **NEW RATES FOR ALLOWANCES**

### **Disability Allowance**

- Disability Allowance (personal rate) will not change and stays at €188

### **Carers Allowance**

- Carers Allowance (under 66) will not change and stays at €204
- Carers Allowance (over 66) will not change and stays at €239

### **Carer's Benefit and Constant Attendance Allowance**

- Carers Benefit will not change and stays at €205

### **Respite Care Grant**

- No change in the Respite Care Grant, so it will remain at €1,700 annually.

### **Domiciliary Care Allowance**

- No change, remains at €309.50, payable monthly.

**Inclusion Ireland**, National Association for People with an Intellectual Disability

Post: Unit C 2, The Steelworks, Foley Street, Dublin 1

Tel: 01-8559891

Fax: 01-8559904

Email: [info@inclusionireland.ie](mailto:info@inclusionireland.ie)

Web: [www.inclusionireland.ie](http://www.inclusionireland.ie)