

## **Pre-Budget Submission**

2024

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**Rialtas na hÉireann** Government of Ireland

## Contents

Overview
Summary of Asks in Budget 20244
Section 1: Long-term investment in Public Services for balanced Rural and Regional Development
Section 2: Address Poverty and Income Inadequacy11
Section 3: Supports for Just Transition and Climate Change15
Section 4: Supports for Community Groups and Voluntary Sector17
Section 5: Agriculture
Conclusion
Irish Rural Link the Organisation23



## **Overview**

Irish Rural Link (IRL) is the national network of rural community groups, representing over 600 groups and thousands of individuals committed to socially, environmentally and economically sustainable rural communities.

The cost of living crisis continues to impact many households, but most especially, those on fixed or low-income households, who were already struggling with household bills are now having to make extremely tough financial decisions. The ESRI report *Energy Poverty and Deprivation in Ireland* highlighted that the level of inflation being experienced at present is *"higher for lower-income, older and rural households as a result of their patterns of expenditure"*. Through its membership, IRL are very aware of the hardship being experienced by rural households. With very little public transport available to people in rural areas, the increase is having a real impact on people on lower income who are dependent on their car to get to work, bringing children to school and activities, attending appointments, etc. and having to make chooses on what journeys they take. The continued high prices of food, energy and fuel are also impacting the delivery of essential community services, such as Meals on Wheels, where providers are struggling with rising costs with little increase in funding. IRL are aware that some of their Meals on Wheels members have now had to increase the price of their meals which they have put off doing for a very long time. Volunteers who use their own private car are no longer able to afford to continue to volunteer to deliver meals.

The energy crisis has highlighted the dependency Ireland has on fossil fuels and the need for a transition for cleaner, greener alternatives. Again, those on low and fixed income are the ones that are most impacted by this transition. However, we must begin supporting those who are furthest behind first.

While the one-off measures announced in Budget 2023 were welcome, they were just that; one off, short-term and insufficient for many on low incomes. Investment in long term measures to end consistent poverty and improve and extend public services is now needed and must be a priority for Budget 2024. Lifting people out of poverty requires adequate income but also access to public services such as; public and rural transport, broadband, childcare, healthcare, education and housing so as to reduce cost of living for households living in rural areas, especially people on low and fixed income. Measures need to be targeted to ensure those people and households furthest behind are supported the first.



## Summary of Asks in Budget 2024

Issue	Asks
Regional & Rural Development	<ul> <li>Budget 2024 must be rural proofed and contain a commitment to regional equity comprising of economic, social and environmental pillars of sustainability to utilise their potential and adapt to current and future challenges.</li> <li>Robust investment in public services in rural areas to help alleviate the increasing cost of living for many low-income households in rural areas. We also call for the establishment of a body to examine the parameters of service delivery in rural areas.</li> <li>Increase in both current and capital expenditure for rural development to ensure actions and measures outlined in <i>Our Rural Future</i> are adequately resourced.</li> <li>Address delays in the roll out of the National Broadband Plan and the roll-out be expedited. Better communications with the general public on updates on the status of the Plan as well as any future delays is also needed.</li> <li>Increase in the Budget for the Rural Transport Programme and delivery of public transport in rural areas is needed.</li> <li>Establishment of a comprehensive demand-led transport service in rural areas, using electric vehicles.</li> <li>Immediate removal of the 3.2km exemption to school transport provision</li> <li>Adequate funding for Community Education directly from Solas.</li> <li>Establishment of a comprehensive programme to assist older people and others in rural areas to access digital services.</li> </ul>
Address Poverty and Income Inadequacy	<ul> <li>Increase in core social welfare payments by a <i>minimum</i> of €25 per week so that people can start to be lifted out of poverty.</li> <li>Begin to invest in Social Protection and put measures in place to address consistent poverty, deprivation and 'at-risk' of poverty rates. Benchmark rates against MESL rather than CPI for Budgetary benchmarking.</li> <li>A 50% increase in the fuel allowance to help with the cost of fuel for low-income households who are unable to change to greener alternatives. Further widening of the eligibility for fuel allowance to other low-income households.</li> <li>Excise Duty was reinstated on petrol and diesel prices at end of May, we call for no further increase in excise duty in Budget 2024.</li> <li>A travel allowance be given to those who hold a travel card but are unable to use it or get full use of it so it can go some way towards the cost of private transport.</li> <li>CE and Tus schemes must ensure the best use is made of participant's skills, time and effort while on these schemes and that meaningful employment is available when the scheme ends, which affords them an affordable living is gained.</li> </ul>



Supports for Just Transition and Climate Change	• <b>Ring-fencing of carbon tax</b> to support households at risk of being further pushed into fuel and energy poverty and targeting retrofitting grants for low income households not eligible for warmer home grants.
	• Develop direct supports for households in low-income and fixed income
	households in rural areas, a comprehensive suite of financial tools must now be
	developed. This would take the form of sliding scale of grants and low cost
	guaranteed loans designed on ability to pay.
	Deploy Local Community Energy Advisors throughout every local authority as well
	as community organised support programmes to engage and inform hard to reach
	energy users who would most benefit from energy efficiency upgrades.
	• Explore further the proposed <b>Community Energy Outreach Programme</b> by IRL to
	ensure that vulnerable groups and households receive necessary assistance
	through the distribution of clear, concise, and accurate information and advice in
	relation to retrofitting, alternative fuel sources and fuel poverty.
	• Ensure that <b>employees impacted by the green transition are reskilled</b> to take up
	employment in other sectors once their job ends.
	• Earlier engagement with communities on renewable energy projects but also
	allowing communities to be part of the decision making of the correct source of
	renewable energy that works best for their needs.
	• Maintain grants for Electric Vehicles and home chargers at current level for a
	further 5 years.
Supports for	• Increase in funding to the Community &Voluntary sector to offset the increase in
Community &	costs of running the services they are currently experiencing. Also an allowance
Voluntary Sector	for volunteers to help cover the cost of using own car which is vital for many
	services such as community car schemes, meals on wheels etc. to continue.
	• Core funding of C&V organisations who deliver essential services in the
	community, such as Meals on Wheels and other health and social care services,
	community education, transport and childcare to safeguard the continuity and
	sustainability of these services.
	• Investment in community services is needed so that they can create paid
	employment in the local area. This not only supports CE and Tus participants to
	gain employment using the skills they have developed but also ensures the future
	sustainability of these valuable services.
	• <b>Review of insurance for the Community &amp; Voluntary sector</b> is needed so funding
	can go to the delivery of the service and not on high insurance costs. Also supports
	to wholly voluntary groups who receive no government funding but face high
	insurance costs when running events.
Agriculture	
Agriculture	<ul> <li>Increase in supports for farmers involved in the protection of biodiversity and diversifying their land to protect environment.</li> </ul>



Support schemes for farmers and communities to encourage the development and • deployment of on farm Anaerobic Digestion for production of bio methane. Funding for community projects in this area must be easily accessible and not be laborious and bureaucratic. Early engagement with farmers on changes needed in the sector to reach climate • targets and work with them at every stage of the process. • Continuation of Grants and supports for installation of solar panels, rainwater harvesters on roofs of farm buildings and ability to sell excess energy back to the national grid. Engagement programme to get more farmers involved in the installation of these. • Provision of carbon credits for the restoration of peatland and wetland that cannot be used efficiently for farming. • Increase in the weekly Farm Assist Payment. **Farm Safety** must become a greater priority for Government. The Farmers4Safety pilot project must be rolled out to the rest of the country and the learnings from the pilot built on to make it an ongoing part of farming to make it a safe occupation for farmers and their families.



# Section 1: Long-term investment in Public Services for balanced Rural and Regional Development

The provision of robust public services must coincide with an adequate income to ensure people, regardless of where they live, have a minimum standard of living and can fully participate in society. The continued cost of living crisis highlights the need for greater investment in public services, especially in transport so people can reduce their dependency on the private car.

*Our Rural Future: Rural Development 2021 -2025* sets out a framework to improving rural and regional development, supporting remote working and sustainable rural communities. Ensuring that essential services and infrastructure, such as public transport, high-speed broadband, shops, roads, employment opportunities and access to community services, healthcare, training and education are in place is paramount to development in rural areas and the success of the new rural development policy. It needs to be backed up with investment and the political will so rural areas can grow and people want to live in rural areas while at the same time have employment that affords them a decent standard of living. We welcome some of the developments such as the creation of more digital hubs to facilitate remote and hybrid working for people living in rural areas. However, rural towns and villages continue to see the closure of shops, bank branches and post offices with no increase in public transport services to access these services elsewhere.

Census 2022<sup>1</sup> on Ireland's population continued to see a higher concentration of people living in the east of the country. While all counties showed an increase in population in the 5 years to 2022, population grew faster in the eastern part of the country. This region also had the youngest population, with more rural counties of Mayo, Kerry, Roscommon and Leitrim having the oldest population. The Dublin and Greater Dublin Area continue to attract the majority of high-quality jobs, with almost half of MNC's locating in the region. The current cost of living crisis and the lack of housing is continuing to put more pressure on people trying to live and work in the east of the country. The long commuting times people do to get to work shows that placing all development in the Greater Dublin Area is no longer sustainable. While the number of people working from home increased in the 5 years since the last census, and many people moved to rural areas during Covid-19, it cannot be viewed as regional balance and should not replace companies having a physical presence in other regions of the country.

## <u>Transport</u>

The lack of a robust and reliable public transport system continues to be a challenge and obstacle for people living in rural areas in accessing employment, health services, hospital

https://www.cso.ie/en/statistics/population/censusofpopulation2022/censusofpopulation2022-summaryresults/

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7

<sup>&</sup>lt;sup>1</sup>CSO 2023 Census of Population 2022

appointments, education and training and day to day business and continues to be one of the greatest concerns among IRL members. The over reliance on cars for people living outside of Dublin is a result of the lack of a proper functional transport system. The extension of the Local Link services to include evening services is welcome, however, there still remains a number of locations, mainly in the most remote areas, that are not being served. Vulnerable groups and those who are unable to afford a car living in rural areas or indeed unable to drive are most affected by this and make it more difficult for them to gain employment or make medical appointments. They rely on the goodwill of family members and neighbours to meet appointments and to go to the nearest town to do their day-to-day business.

An immediate **removal of the 3.2km exemption to school transport provision** is required. This would help reduce the number of journeys that need to be taken by car for many lowincome households and also help meet Government's climate target and ambition to reduce the number of cars on the roads.

#### <u>Broadband</u>

The need for high-speed fibre broadband to every home has been well highlighted. The continued delay in the roll out of the National Broadband Plan as a result of Covid-19 is disappointing and now needs to be expedited to ensure that it is delivered within the timeframe. Better communications with the public is needed on updates and if any delays are anticipated.

#### Community Health and Social Care

The commitment by this Government to deliver a fair and affordable universal healthcare system must continue to be a priority and *Slaintecare* must be adequately funded.

IRL sees a key role for community and voluntary health and social care services to the delivery of this commitment and these organisations continue to be at the forefront of caring for older and vulnerable people in the community. Demand for services such as Meals on Wheels, which IRL work closely with, have continued to increase significantly. With an ageing population, a statutory Home Care Scheme expected to be put in place and shift to delivery of healthcare in communities, there is a greater role for Meals on Wheels services in a suite of community care services that should be better integrated into the overall healthcare system. The role Meals on Wheels organisations play in supporting individuals to remain living in their own homes for as long as possible cannot be underestimated. With sufficient resources these organisations can enable people to be discharged from hospitals earlier, and even prevent admission to hospital in the first instance, saving the state significant amounts every year. However, there are many challenges that are hindering Meals on Wheels on Wheels Network Pre-Budget Submission 2024 on www.mealsonwheelsnetwork.ie)



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#### **Community Education**

Community Education is a microcosm of the entire education system – it spans the whole process of the development of the person that enables learners to progress, either on a personal level or into employment or further education or a combination of all. It is about presenting equality of opportunity, a fact reflected in the *Programme for Government*, which outlines the latter as one of its key tasks and what this new Plan aims to do. It reaches those who are furthest away from the education system and the labour market. It is very often a second chance education for those who had a bad experience in school or have been gone from the education system a long time and want to return to the workplace. The community education model offered by providers delivers a meaningful route to personal development, giving participants the skills and confidence to continue progressing to the next level of education and on to economic independence.

Unfortunately, the current levels of investment in the Community Education sector is insufficient to deliver the quality services that are necessary to reach the most marginalised learners. Community Education providers are at a critical point in their existence due to the lack of core and consistent funding<sup>[2]</sup>. While the community education funding is channelled through SOLAS (via ETBs), IRL are aware that many providers do not receive any funding through these channels. As a result of this, they are also excluded from key data gathering exercises and initiatives such as the National FET Learner Forum thereby not providing an accurate reflection of what is happening in the sector.

## Lifelong Learning and Digital Divide

IRL have been delivering the 'Getting Citizens Online' and 'IT Skills for Farmers' for a number of years and have trained over 6,000 people and farmers in basic skills of using a computer; email, internet, banking online, paying bills online, skype and for farmers, register stock, make returns etc. The Covid-19 pandemic highlighted the importance of these courses. However, funding for these classes ended in July 2022. As we continue to move to a more digital society, funding must continue for these courses and better collaborate with other training and development skills.

## Budget 2024 Calls:

The following are IRL asks in relation to investment in Public Services to enhance regional and rural development

 Budget 2024 must be rural proofed and contain a commitment to regional equity and the prevention of urban bias, which compromises not just the social and environmental pillars of sustainability, but also the capacity of regional economies to utilise their potential and adapt to current and future challenges.



<sup>&</sup>lt;sup>[2]</sup> AONTAS research in 2017 identified 12 unique funding streams, representing 8 government departments, only one of which was Department of Education (FinALE, 2017).

- Robust investment in public services in rural areas to help alleviate the increasing cost of living for many low-income households in rural areas. We also call for the establishment of a body to examine the parameters of service delivery in rural areas.
- Increase in both current and capital expenditure for rural development to ensure actions and measures outlined in *Our Rural Future* are adequately resourced.
- Address delays in the roll out of the National Broadband Plan and the roll-out be expedited. Better communications with the general public on updates on the status of the Plan as well as any future delays is also needed.
- Increase in the Budget for the Rural Transport Programme and delivery of public transport in rural areas is needed. Also, greater transparency is needed on how RTP and PSO budgets are divided and a breakdown of each made available.
- Establishment of a comprehensive demand-led transport service in rural areas, using electric vehicles.
- Immediate removal of the 3.2km exemption to school transport provision
- Adequate funding for the full implementation of *Sláintecare*. Commitment to implement actions set out for 2023 must now be prioritised to ensure we move a step closer to a more equitable healthcare system.
- Multi-Annual Funding for Community Education is needed so providers are able to budget the delivery of courses in advance to ensure the best outcome for students. This needs to be an independent budget line where independent community providers can engage directly with Solas (and not distributed via ETBs).
- A comprehensive programme to assist older people and others in rural areas to access digital services. With continued bank branch closures, those who have no digital skills will be impacted the most and are at risk of being unable to access services online.

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## Section 2: Address Poverty and Income Inadequacy

Prior to the current cost of living crisis, it was well documented that income inadequacy continues to be higher in rural areas, especially for those in receipt of social welfare payments and those in low-paid or minimum wage employment when compared to urban counterparts. Consumer prices have continued to increase in the past 12 months, rising by 7.2% in the 12 months to April 2023. (CSO, 2023). Prices continued to increase in energy and staple foods, with electricity increasing by 51% in the year. While there was a fall in the price of home heating oil by 18%, solid fuels, which continues to be a main source of heat for many rural households, rose by 27%. Prices of staple foods such as bread and milk rose by 14% and 24% respectively<sup>2</sup>.

The *Roadmap to Social Inclusion 2020-2025* commits to reducing the level of consistent poverty to 2% and this has been reiterated in the Midterm review. However, progress made in reducing the level of consistent poverty has been eroded by the current cost of living crisis. The CSO SILC<sup>3</sup> figures for 2022 showed that 5.3% of the population was living in consistent poverty, up from 4% in 2021. There was also an increase to 13.1% of people 'at-risk of poverty' from 11.6% in 2021. The biggest increase in the 'at risk of poverty' were among persons aged 65 or over which increased from 11.9% in 2021 to 19% in 2022<sup>4</sup>. There was also an increase in enforced deprivation up from 13.8% in 2021 to 17.7% in 2022. 18.3% of people living in one-adult households with children under 18 were unable to adequately heat their home in 2022, while 23.8% of this cohort went without heat at some stage over the year. 22.5% of people who are unemployed have gone without heating at some stage in the last year, up from 17.6% in 2021<sup>5</sup>. As these figures are based on 2021 data, we expect these figures to increase further for 2023.

While one-off measures in social welfare and energy credits announced in Budget 2023 were welcome, for many households living in poverty or on low income, these payments were gone straight away. We also welcomed the increase in fuel allowance and the extension of this to over 70's. However, Budget 2024 must work towards improving income adequacy for those low-income households, not just to cover current rise in cost of living but address persistent poverty and put measures in place that will give such people an affordable and socially acceptable standard of living.



<sup>&</sup>lt;sup>2</sup> CSO (2023) Consumer Price Index April 2023 <u>https://www.cso.ie/en/releasesandpublications/ep/p-cpi/consumerpriceindexapril2023/</u>

<sup>&</sup>lt;sup>3</sup> Survey on Income and Living Conditions

<sup>&</sup>lt;sup>4</sup> CSO (2023) SILC report 2022 <u>https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2022/poverty/</u>

<sup>&</sup>lt;sup>5</sup> CSO (2023) SILC Deprivation Report 2022 <u>https://www.cso.ie/en/releasesandpublications/ep/p-silced/surveyonincomeandlivingconditionssilcenforceddeprivation2022/</u>

#### <u>Rural Poverty</u>

The Vincentian MESL Research Centre annual Minimum Essential Standard of Living (MESL) looks at the change in the cost of the minimum basket of goods and services needed to enable people to live with dignity. Such goods and services include; food, clothing, heating, healthcare, transport, education, etc. IRL are aware that having a minimum standard of living in rural areas is more than just income, it is also about access to services, such as transport, childcare, healthcare.

MESL 2023 has shown that the cost of a MESL food basket increased by an average of 20.8%, in the year to March 2023. While there was a decrease in price of home heating oil over the 12 months, rural energy costs rose by 6.2% in the year to March 2023. However, cumulatively energy costs rose by 75.8% for rural households from March 2020 to March 2023. While income inadequacy has always been highlighted in the annual MESL report, the 2023 analysis shows a stark widening of inadequacy to a broader range of household types and compositions. It also finds the incidence of deep income inadequacy<sup>6</sup> has almost doubled and has spread to a wider range of household types<sup>7</sup>.

Rural households continue to experience greater income inadequacy when compared to their urban peers. Urban households have benefitted some way by reduction in public transport costs and those with the travel card have more opportunity to use it that those in rural areas. Meeting the transport needs of rural households requires a car and in households where two adults are working, two cars are needed. Car related costs add an additional €83 per week to the MESL budget for older people living in rural areas.

The MESL analysis for 2023 also showed the positive impact the free book scheme for primary schools had on family income. This and the reduced cost of public transport in urban areas shows that with investment in public services, it can go some way to helping low income households and their living standards.

The following tables highlights the income inadequacies for household types in receipt of a social welfare payment and 2 adults employed full-time in minimum wage jobs and living in social housing. It highlights the higher income inadequacies for rural households compared to their urban peers.



<sup>&</sup>lt;sup>6</sup> Deep Income Inadequacy occurs where social welfare meets less than 90% of MESL costs.

<sup>&</sup>lt;sup>7</sup> Vincentian MESL Research Centre MESL 2023 <u>https://www.budgeting.ie/publications/mesl-2023/</u>

Household Type	Rural	Urban
2 Parents with 1 infant	-€152.31	-€60.31
2 Parents with 2 Children	-€137.58	-€43.12
(1 pre-school,1 primary)		
2 Parents with 2 Children	-€215.88	-€124.13
(1 primary, 1 secondary)		
2 Parents with 3 Children	-€159.46	-€64.64
(1 infant, 1 pre-school, 1primary)		
2 Parents with 4 Children	-€308.03	-€210.27
(2 primary, 2 Secondary)		
One Parent with 1 child	-€153.77	-€51.48
(Primary school)		
One Parent with 2 Children	-€138.26	-€33.58
(1 pre-school, 1 primary)		
One Parent with 2 Children	-€216.51	-€114.44
(1 primary, 1 secondary (Jobseeker		
transition)		
Pensioner Living Alone (non-contributory)	-€93.07	-€32.45
Pensioner Living Alone (Contributory)	-€82.45	-€22.63

#### Income Inadequacies by Household Type in Receipt of SW Payment

Source: Vincentian MESL Research Centre MESL 2023

The 2023 MESL showed deepening income inadequacies among households who are working on minimum wage with these inadequacies larger for households in rural areas for most of the household types looked at. There was also an increase in the number of households experiencing income inadequacy.

## Income Inadequacies by Household Type with 2 Parents in Full Time Employment earning minimum wage (living in social housing)

Household Type	Rural	Urban	
2 Parents with 1 infant	+€5.05	+€160.64	
2 Parents with 2 Children	-€73.09	+€54.43	
(1 pre-school,1 primary)			
2 Parents with 2 Children	-€132.01	+€26.72	
(1 primary, 1 secondary)			
2 Parents with 3 Children	-€127.48	-€25.79	
(1 infant, 1 pre-school, 1primary)			
2 Parents with 4 Children	-€273.71	-€135.90	
(2 primary, 2 Secondary)			

Source: Vincentian MESL Research Centre MESL 2023



The MESL study findings clearly show that rural households will continue to be impacted by the current cost of living crisis and the need to increase core welfare payments as well as targeted measures such as increase in fuel allowance, living alone allowance, working family income supports etc. Employment Activation programmes must equip participants with the necessary skills to take up paid employment and that they are matched with the scheme that best works for them.

#### Budget 2024 Calls to address income inadequacy:

The following are IRL asks to improve income adequacy:

- An increase in core social welfare payments is needed and call for a *minimum* of €25 per week increase in these payments so that people can start to be lifted out of poverty.
- Begin to invest in Social Protection and put measures in place to address consistent poverty, deprivation and 'at-risk' of poverty rates. Benchmark rates against MESL rather than CPI for Budgetary benchmarking.
- A **50% increase in the fuel allowance** to help with the cost of fuel for low-income households who are unable to change to greener alternatives. Further widening of the eligibility for fuel allowance to other low-income households.
- Excise Duty was reinstated on petrol and diesel prices at end of May, we call for no further increase in excise duty in Budget 2024.
- An allowance be given to those who hold a travel card but are unable to use it or get full use of it so it can go some way towards the cost of private transport.
- CE and Tus schemes must ensure the best use is made of participant's skills, time and effort while on these schemes and that meaningful employment is available when the scheme ends, which affords them an affordable living is gained.



## Section 3: Supports for Just Transition and Climate Change

The current high energy and fossil fuel prices highlights the need to move away from these type of energy sources to heating our homes and powering our electricity. Low income households in rural areas are more vulnerable to these price rises. There are still a significant number of households in rural areas who continue to rely on turf, briquettes and coal to heat their homes and for some turf is the only form of heat source and these prices will continue to rise into the future or become obsolete. As outlined in the previous section, the number of people unable to adequately heat their home or had to go without heat at some stage over the last 12 months has increased significantly.

IRL welcome the SEAI grants to help make energy improvements to people's homes. We also welcome that the extension of the fuel allowance to people over 70 years makes these households eligible for the 100% Warmer Home grant. However, IRL believe the eligibility of the grant is still very narrow and excludes many households on low income and some social welfare payments. Many who are in receipt of the eligible payments do not own the home they are living in so therefore automatically do not qualify. They are dependent on the owner of the property to make the changes, whether this is a local authority, AHB or a private landlord. To carry out works with the other grants available is still beyond the financial capacity of many households in rural areas and especially those on low income or in receipt of state pension.

In 2022, IRL proposed a Community Energy Outreach Programme to the Department of Environment, Climate and Communications to ensure that vulnerable groups and households receive necessary assistance through the distribution of clear, concise, and accurate information and advice in relation to retrofitting, alternative fuel sources and fuel poverty. The programme would also incorporate the Government's National Retrofit Plan. We believe now is the time to begin lifting people out of fuel and energy poverty and ensure no more households are put at risk of energy poverty in the future.

The implementation of the Just Transition fund and other measures to alleviate the impact of the transition to a greener society are welcome but are not enough and are not happening quick enough for many people and communities most impacted by this.

Budget 2024 must now set out measures on a just transition that are targeted to ensure those who are the furthest behind are supported the first.

## Community Energy Projects

Communities must be at the centre of just transition and engagement from the beginning for any renewable energy projects is essential. Community owned energy projects allow communities to appreciate the benefits of greener energy sources and help them decide what sources of renewable energy works best for their needs. It also helps to eliminate mistrust



between communities and the energy companies as well as creating new employment opportunities for people in the community.

#### Electric Vehicles

While the take up of electric vehicles has increased, it remains low in rural areas, mainly due to the cost of the cars but also the lack of public charging infrastructure in the country. With the reduction of grants for electric vehicles and phasing out of grants for home chargers, there will be less incentive for rural households to switch to electric cars. These grants should remain in place to allow more households avail of the grants.

#### Budget 2024 Calls for Just Transition and Climate Change:

- Ring-fencing of carbon tax to support households at risk of being further pushed into fuel and energy poverty and targeting retrofitting grants for low income households not eligible for warmer home grants.
- Develop direct supports for households in low-income and fixed income households in rural areas, a comprehensive suite of financial tools must now be developed. This would take the form of sliding scale of grants and low cost guaranteed loans designed on ability to pay.
- Deploy Local Community Energy Advisors throughout every local authority as well as community organised support programmes to engage and inform hard to reach energy users who would most benefit from energy efficiency upgrades.
- Explore further the proposed Community Energy Outreach Programme by IRL to ensure that vulnerable groups and households receive necessary assistance through the distribution of clear, concise, and accurate information and advice in relation to retrofitting, alternative fuel sources and fuel poverty.
- Ensure that employees impacted by the green transition are reskilled to take up employment in other sectors once their job ends.
- Earlier engagement with communities on renewable energy projects but also allowing communities to be part of the decision making of the correct source of renewable energy that works best for their needs.
- Maintain grants for Electric Vehicles and home chargers at current level for a further 5 years.

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## Section 4: Supports for Community Groups and Voluntary Sector

The Community and Voluntary sector have not escaped the impact of the current rise in energy and food prices. Indeed, many were struggling prior to the current crisis and coming out of Covid-19, had seen a fall in their funding due to their inability to fundraise during the pandemic.

The Government rely heavily on the C&V sector to deliver the many services in health and social care, education, childcare and transport, to name but a few, at community level. Many have been doing this on a shoestring for years with funding, cut following the financial crash, never restored. We know HSE section 39 organisations are experiencing difficulty recruiting and retaining staff due to low salaries, with workers unable to afford to work in the sector any longer. This is putting the delivery and sustainability of these services at risk.

IRL have a network of Meals on Wheels providers from across the country. These have been particularly impacted by the current rise in prices due to increasing costs of keeping vans on the road and increasing food costs, all essential in the making of a nutritious meal for their clients. We welcome the recent announcement by Minister for Mental Health and Older People, Mary Butler, TD on the increase of  $\pounds 1.75m$  for Meals on Wheels services across the country. This must be the start of increasing the budget for Meals on Wheels providers and we continue to call for multi-annual funding so they can plan their budgets for the year ahead and avoid passing costs onto older people receiving the service.

The cost of insurance continues to be an issue for community and voluntary groups across the country and hinders the development of some community groups and indeed communities. For smaller, wholly voluntary groups, it is a greater concern.

## Employment Schemes and Programmes

The C&V sector rely heavily on Employment Schemes and Programmes, such as *Rural Social Scheme, Community Employment (CE) and Tús*, to help in the delivery of their services. They are considered essential to the development of community infrastructure in rural areas as well as providing unemployed people with the necessary skills to remain motivated to seek out employment or establish their own business. Many of the services in rural areas, such as the Rural Transport Programme, Meals on Wheels, tourism and other sectors rely on these schemes to provide employment.

The *Rural Social Scheme* is a valuable scheme to farmers and fishermen and fisherwomen who are in receipt of Farm Assist as it allows them to use their skills and experience in the community while the community also benefits from this. People on this scheme are either farmers or fishermen or a spouse and take part in this scheme on a seasonal basis when there is a reduction in farming or fishery work.

The *CE* and *TUS* schemes are viable schemes for unemployed people in rural areas in helping them get back into the work force. Many of the people who work with Meals on Wheels, community childcare, community transport and other community services are on CE and TUS Schemes and is the only source of income for the participant and only source of employees



for the services. However, in many rural areas, once a person has completed a scheme, they often return to a jobseeker's payment as there is no further employment opportunities for them in the local area. Also the service loses staff that have gained valuable skills on the job and built a rapport with service users.

## Budget 2024 calls for the Community and Voluntary Sector:

- Increase in funding to the Community &Voluntary sector to offset the increase in costs of running the services they are currently experiencing. Also an allowance for volunteers to help cover the cost of using own car which is vital for many services such as community car schemes, meals on wheels etc. to continue.
- Core funding of C&V organisations who deliver essential services in the community, such as Meals on Wheels and other health and social care services, community education, transport and childcare to safeguard the continuity and sustainability of these services.
- Investment in community services is needed so that they can create paid employment in the local area. This not only supports CE and Tus participants to gain employment using the skills they have developed but also ensures the future sustainability of these valuable services.
- Review of insurance for the Community & Voluntary sector is needed so funding can go to the delivery of the service and not on high insurance costs. Also supports to wholly voluntary groups who receive no government funding but face high insurance costs when running events.



## Section 5: Agriculture

Agriculture still remains one of the biggest sectors in rural areas and needs to be supported to grow and diversify to incorporate changes around Climate Action and Environment, with as little as possible impact on people's livelihoods.

The Bio and circular economy are emerging sectors which the farming community will play a key role. They also have a key role in protecting local biodiversity. With the right supports and incentives, smaller farmers and land that is not viable could be used for these purposes. Value must be put on the non-productive areas of the farm. Peatlands or wetland store carbon emissions. There is ample peatland in this country to store carbon emissions, and landowners should be given carbon credits that they can offset against costs they may face due to changes in regulations as a result of climate change. However, farmers and landowners must be engaged with and part of the planning process on changes in the agriculture sector. IRL know that farmers respond well to environmental changes needed in agriculture when they are engaged with at every stage of the process. Below is an example of where farmers have made changes and work alongside ecologists to protect the environment and local biodiversity.

## Farm Income

The 2021 Teagasc National Farm Survey reported the average family farm income was  $\notin$  34,719. The West had the lowest level of farm income at  $\notin$  16,557, this compares to an average farm income of  $\notin$  52,223 in the South-East<sup>8</sup>.

Twenty-seven percent of farms still remain economically vulnerable in 2021; meaning they have no alternative or off-farm income. The North and West regions had the highest percentage of vulnerable farms at 34% compared to 22% in the South and 29% in the East and Midlands. A quarter of farms in North and West regions were viable compared to 51% in the south of the country<sup>9</sup>.

Farm Assist remains an important payment for many farming households across the country, helping in some part to reduce poverty and also to participate in the Rural Social Scheme. The current rate of €220 must be increased in line with other core social welfare payments to restore real purchasing power of their income. The means testing process is still off-putting for many farmers to apply for the payment even though they may be eligible. This means they lose out in being eligible to participate on RSS.

## <u>FarmPEAT</u>

Irish Rural Link are partners on a project FarmPEAT - **Farm P**ayments for **E**cological and **A**gricultural **T**ransitions. This project has developed a locally-led, innovative, results-based farm scheme for farmers who manage lands that surround some of Ireland's finest remaining raised bogs. The project identified study sites across the counties of Roscommon, Offaly,

<sup>&</sup>lt;sup>8</sup> Dillon, E. et al (2022) 'Teagasc National Farm Survey 2021

<sup>&</sup>lt;u>https://www.teagasc.ie/media/website/publications/2022/Teagasc-National-Farm-Survey-2021.pdf</u> <sup>9</sup> Ibid

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Kildare and Westmeath and work with local farmers, rewarding them for improved management of habitats on peat soils as well as other important landscape features such as eskers, field boundaries and watercourses. The programme is results-based in that farmers will get paid depending on the scores they achieved.

## <u>Farm Safety</u>

The number of farm accidents and farm fatalities continue to be of great concern and more needs to be done to work with farmers and farm families to prevent accidents happening.

IRL completed an EIP-Agri pilot project "Farmers4Safety – Managing Risk Together" in March 2023. This project in partnership with the BRIDE (Biodiversity Regeneration in a Dairying Environment) project, the Duncannon Blue Flag Farming & Communities Scheme, the New Futures Farming Group, and the Health and Safety Authority are carrying out this pilot in the catchment areas of Cork, Tipperary and Wexford.

The project adopted a 'peer-to-peer' mentoring and champion approach to engage farmers in an attitudinal and behavioral change towards farm safety by tackling and improving the social norms around farm safety and emotional wellbeing. It looked at farmers, and farm families behaviours and attitudes towards farm safety, health and wellbeing and change the norm around farm safety and emotional wellbeing so it becomes a normal and sustained part of farming culture in Ireland while making the sector safer for those who live, work and visit farms. By utilising a peer-to-peer mentoring approach it effectively engaged farmers on the ground and be the catalyst to change the social norms surrounding farm safety, health, and wellbeing. To date 182 farmers have been directly engaged with.

Farm Safety must be a key component of the agriculture budget for 2024 and measures put in place to reduce the number of accidents and fatalities that happen on the farm. A survey undertaken as part of the Farmers4Safety project showed that 31% of respondents said they work over 60 hours per week on the farm. 46% of respondents had said that they had been injured or experienced near hits while working on the farm in the last three years.

Farms need to be a safe environment for farmers and their families to work and live on and supports, such as the peer-to-peer mentoring must be put in place to ensure that farmers are safe in their workplace and look after their mental health and wellbeing.

## Budget 2024 Calls for the agriculture sector:

- Increase in supports for farmers involved in the protection of biodiversity and diversifying their land to protect environment.
- Support schemes for farmers and communities to encourage the development and deployment of on farm Anaerobic Digestion for production of bio methane. Funding for community projects in this area must be easily accessible and not be laborious and bureaucratic.



- Early engagement with farmers on changes needed in the sector to reach climate targets and work with them at every stage of the process.
- Continuation of Grants and supports for installation of solar panels, rainwater harvesters on roofs of farm buildings and ability to sell excess energy back to the national grid. Engagement programme to get more farmers involved in the installation of these.
- Increase in Farm Assist payment and make means testing process easier.
- Provision of carbon credits for the restoration of peatland and wetland that cannot be used efficiently for farming.
- Farm Safety must become a greater priority for Government. The Farmers4Safety pilot project must be rolled out to the rest of the country and the learnings from the pilot built on to make it an ongoing part of farming to make it a safe occupation for farmers and their families.



## Conclusion

Budget 2024 must now start to seriously address poverty and income inadequacy among low income households and those in receipt of social welfare payments. While one-off payments were welcome in last year's budget, they are not sustainable and don't go far enough to address the underlying causes of poverty.

Addressing poverty is more than just about financial support, it is about having access to public services; such as public transport, childcare, healthcare and broadband. The reduction in cost of public transport, while welcome, has very little or no benefit for many low-income rural households who have no access to regular public transport services. Investment in services is as important as increasing income adequacy to lift rural households out of poverty and prevent pushing more households into poverty.

As we continue to address climate change and transition to a more digital society measures must be targeted to ensure those who are the furthest behind are supported the first. Retrofitted grants must be on a sliding scale and low cost guaranteed loans designed on ability to pay. The introduction of a Community Outreach Programme must be explored to ensure that those households who depend most on fossil fuels to heat their homes are engaged with and supported to make the necessary changes.

Budget 2024 must put in place financial support for low income households and those dependent on social welfare payments that not just supports them to stand still in the current cost of living crisis but affords them not to have to make the hard choices of either eating a meal or heating their home. It must also now start to look at long term measures to lift people out of poverty and not push more people into it. This will involve not only financial supports but real investment in public services, especially in rural areas where, if a proper public transport system was in place, would reduce dependency on the private car and reduce the cost of living for many low-income rural households.



## **Irish Rural Link the Organisation**

Irish Rural Link (IRL), formed in 1991, is a national network of organisations and individuals campaigning for sustainable rural development in Ireland and Europe. IRL, a non-profit organisation, has grown significantly since its inception and now directly represents over 600 community groups with a combined membership of 25,000.

The network provides a structure through which rural groups and individuals, representing disadvantaged rural communities, can articulate their common needs and priorities, share their experiences and present their case to policy-makers at local, national and European Level.

Irish Rural Link is the only group represented at the national social partnership talks solely representing rural communities' interests.

'Our vision is of vibrant, inclusive and sustainable rural communities that contribute to an equitable and just society'

Irish Rural Link's aims are:

- To articulate and facilitate the voices of rural communities in local, regional, national and European policy arenas, especially those experiencing poverty, social exclusion and the challenge of change in the 21<sup>st</sup> century.
- To promote local and community development in rural communities in order to strengthen and build the capacity of rural community groups to act as primary movers through practical assistance and advice.
- To research, critique and disseminate policies relating to rural communities including issues such as sustainability, social exclusion, equality and poverty
- To facilitate cross-border networking between rural communities

'Our mission is to influence and inform local, regional, national and European development policies and programmes in favour of rural communities especially those who are marginalised as a result of poverty and social exclusion in rural areas."



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