Home & Community Care Ireland. Pre-Budget Submission to the Oireachtas Joint Committee on Social Protection.
30th May 2024.

Context: The Home Care Social Welfare Trap

Social welfare rules around means testing, income and working hour limits are inextricably linked to recruitment challenges in home care, to workplace stress, to staff leaving the sector and to the persistently high waiting lists that we see for a HSE home care package.

Home care is by design, a part time occupation, where visits peak between 8:30 – 9:30am in the morning, plummet in the afternoon and then peak again in the evening between 6:30pm and 7:30pm. This lends itself to home care workers also claiming a social welfare payment. A HCCI survey found that 67% of home care workers claim a state benefit (including non-DSP payments such as medical cards, HAP and SUSI grants). Indeed, national[1] and international[2] evidence show that people on state benefits and people returning to work are an important pool of potential recruits.

Nevertheless, the social welfare system has numerous barriers to entering employment and taking on additional work. Current means testing deters people from ever entering employment as even a modest income may disqualify them from essential social welfare supports. Home care workers in employment face a precarious balance trying to work just enough hours to maximise their income but avoid disqualification from their payment. This stressful situation leads to staff leaving the sector. Even home care workers who do not claim social welfare are impacted when they feel pressure to work additional hours when a colleague claiming social welfare cannot.

The impact of social welfare rules is also felt by home care clients. The waiting list for HSE home support is 5,557 and has remained above 5,000 for the last 18 months. As well as waiting lists, social welfare rules affect continuity of care, with providers

[1] Department of Health (2022) *Report of the Strategic Workforce Advisory Group on Home Carers and Nursing Home Health Care Assistants*
[2] OECD (2020) *Who Cares? Attracting and Retaining Care Workers for the Elderly.*

reporting that home care workers sometimes cannot visit regular clients because they would exceed means testing thresholds or working hour limit. We cannot seriously tackle these issues until we confront the problems in our social welfare system. To address these issues, our submission outlines our three priority recommendations to remove barriers to employment caused by social welfare rules in the home care sector.

Recommendations

Summary Recommendations

1. HCCI recommend that the working hour limit for Carers Allowance is increased from 18.5 to 21.5 hours to give family carers the choice to earn additional income.
2. HCCI recommend that a Working Age Payment to address anomalies with the "days worked" model of Jobseeker's payments.
3. HCCI recommend that Recommendation 8 of the Cross Department Strategic Workforce Advisory Group (CDSWAG) is addressed to review eligibility criteria for state benefits to ensure they do not disincentivise employment.

Recommendation 1: Increase the Carer's Allowance working hour limit from 18.5 to 21.5 hours.

There is a significant cohort of home care workers who are in receipt of Carer's Allowance[3] and are limited to working 18.5 hours per week. These workers face a precarious balance trying to work just enough hours to maximise their income but avoid disqualification from their payment. Home care workers are hypervigilant about not exceeding their limit as working even half an hour more may disqualify them from their payment. This impacts their earning potential and career progression. Home care providers report that this situation is extremely stressful for home care workers causing burnout and leading to home care workers leaving the sector.

[3] DEASP do not collect data on the number of people in employment who are in receipt of Carers Allowance.

In addition to impacting home care worker retention, the 18.5 working limit for Carer's Allowance is adding to waiting lists and impacting continuity of care for home care clients. The waiting list for HSE Home Support is 5,557 and has remained persistently high for several years and allowing those in receipt of Carer's Allowance to work more hours can help tackle this. The working hour limit affects continuity of care when a client's normal home care worker has reached their working limit. This gap in continuity of care most impacts clients with dementia, where familiarity between home care worker and client is paramount and clients with complex need where their home care worker has specialised skills.

On May 29th 2024, Paula Maher (Managing Director, Care at Home) told the Oireachtas Joint Committee on Social Protection about one of her home care workers who receives Carer's Allowance and One-Parent Family Payment. This carer aids a profoundly disabled, paraplegic young man and is allowed to work up to 18.5 hours a week. On a few occasions, to ensure continuity of care for her client who requires a special skill set, she has worked slightly over the limit by 1 or 2 hours to cover. During her review, she was deducted the full Carer's Allowance for any week she worked slightly over the allowed hours. She desperately wants to take her children on holiday this year, but she can't even consider it now.

Increasing the working limit by three hours would cost between €50m - €54m and would give home care workers the choice to work more if, and when, they are able.

> HCCI recommend that the working hour limit for Carers Allowance is increased from 18.5 to 21.5 hours to give family carers the choice to earn additional income.

Recommendation 2: Develop a Working Age Payment to address the 'days worked' model of Jobseeker's

Under current rules, people can work up to three days a week and claim Jobseeker's Benefit and Allowance for the days they do not work. Jobseeker's sees 'days worked' schemes under which a flat rate is paid for each day of unemployment. An anomaly exists wherein a person is disqualified from payment even if they work for just one hour a day. A person may lose income from working additional hours if they lose their payment for that day. This disincentivises people from engaging in part time work or taking on additional work and is not reflective of changing work and care patterns.

This disadvantages part time home care workers who, due to demand for home care primarily being in the morning and evening, are scheduled to work short shifts across five days. A home care worker working three hours a day five days a week is ineligible for any Jobseeker's but someone in a traditionally full-time sector could work eight hours a day three days a week, earning more in wages and still claim Jobseekers for the two days they have not worked.

An alternative to the "days worked" model is to develop a Working Age Payment that takes the approach of the Working Family Payment. This approach pays a fixed percentage of the difference between the threshold earning level and actual earnings. For example, under a Working Age Payment, if the threshold earning level is set at €350 and a person earns €250, they would get 60% of the difference between the threshold and actual earnings, in this case €60. This is a more flexible approach that will modernise the social welfare system by using technology to capture real time earnings and will ensure that work will always guarantee an increased income.

HCCI recommends that a Working Age Payment to address anomalies with the "days worked" model of Jobseeker's payments.

Recommendation 3: Address Recommendation 8 of the Cross Department Strategic Workforce Advisory Group (CDSWAG); to review eligibility criteria for state benefits to ensure they do not disincentivise employment.

In October 2022, the Department of Health published the Cross Departmental Strategic Workforce Advisory Group (CDSWAG)[4] report to address recruitment and retention in

[4] Department of Health (2022) *Report of the Strategic Workforce Advisory Group on Home Carers and Nursing Home Health Care Assistants*

the home care sector. Recommendation 8 in the report recognises that those in receipt of state benefits are an important recruitment pool for the care sector and, as such, state benefits (particularly Carer's Allowance and Jobseeker's Allowance) should be reviewed to ensure they do not disincentivise employment. However, 18 months later, the Department has made little progress in addressing this recommendation[5] and have not engaged sufficiently with the home care sector to tackle the issue of social welfare as a barrier to employment.

While we appreciate that a review of means testing is underway, the issue of social welfare as a barrier to home care recruitment and retention is broader than means testing. It encompasses rules on working hours, the "days worked" approach to payments and the requirement to be seeking full time work, all within the context of home cares unique position as a part time sector, tied to HSE commissioning.

CDSWAG has made a promising impact on pay and conditions in the home care sector. Home care workers were guaranteed to be paid the minimum of the living wage and be paid for travel time in 2023. A 2024 Home & Community Care Ireland survey found that the average pay for a home care worker is €14.50 an hour. Yet structural issues including social welfare eligibility within the sector remain a barrier to recruitment and retention and obstacle to tackling high home care waiting lists. A full review of social welfare eligibility criteria that hears the perspective of Jobseekers, home care workers and providers is needed to end this barrier.

HCCI recommend that Recommendation 8 of the Cross Department Strategic Workforce Advisory Group (CDSWAG) is addressed to review eligibility criteria for state benefits to ensure they do not disincentivise employment.

[5] Department of Health (2024) Progress Report on CDSWAG – Feb 2024