

Pre-Budget Submission Proposals

August 2016

prepared by
Southside Partnership DLR
on behalf of:

**The Dun Laoghaire Rathdown Enterprise & Employment Network
(EEN)**



Enterprise & Employment Network

The Dún Laoghaire Rathdown Enterprise & Employment Network (EEN) is hosted and facilitated by Southside Partnership. The group meets on a quarterly basis to provide a forum for local service providers to gather, exchange information of interest to their client groups and progress the needs of the unemployed/self-employed in Dún Laoghaire Rathdown.

Membership of the EEN includes representatives from the following organisations:

- Southside Partnership DLR
- Southside Partnership Local Employment Service (SLES)
- Dún Laoghaire Rathdown Local Enterprise Office (LEO)
- Department of Social Protection
- Dún Laoghaire Institute of Art Design & Technology (IADT)
- Fingal LEADER Partnership
- Dublin and Dún Laoghaire Education and Training Board, Adult Guidance Service

The following are suggestions from the EEN outlining a number of issues, problems and possible solutions, which we feel should be taken into consideration in this year's upcoming Budget 2017:

- 1 Tús Community Work Placement Initiative:
Progression to CE/Extended Contracts/Jobpath/Access to PTJI Scheme
- 2 The Back To Work Enterprise Allowance (BTWEA) – duration of support
- 3 The Short Term Enterprise Allowance (STEA) – extension of support period
- 4 VTOS places for Dún Laoghaire Rathdown – additional places required
- 5 Amendments to Back to Education Programme – to facilitate new career options
- 6 A targeted initiative for unemployed over 45 years
- 7 Potential loss of Rent Supplement - for Jobpath employees
- 8 Back to Education Allowance – disincentive to participation
- 9 Reasonable time needed for Jobseekers to prove they are applying for work
- 10 Consistency of Family Income Supplement –being included as income for certain schemes/payments
- 11 Employer Incentive – for part-time work

Tús Community Work Placement Initiative

In relation to Tús we feel there are 4 pressing issues which need immediate attention. These relate to:

- (1) Progression to Community Employment while on Tús
- (2) Extension of employment contracts to over 12 months for Tús participants
- (3) Tús and Jobpath selection
- (4) Access to the Part Time Job Incentive (PTJI) Scheme for Tús and CE Participants

(1) Progression to CE during participation on Tús:

While it is welcomed that participants on Tús can avail of Community Employment placements, once they have completed their year on Tús, we feel it is very unfair that this cannot take place earlier.

Issue Outline:

As participants on Tús are randomly selected by DSP, it seems unfair that they cannot apply for CE positions while on Tús. While it is not their choice to be selected for Tús, by participating they have now reduced their access to Community Employment which has the potential to offer them a training budget and longer period of work experience as appropriate. Improved access to and engagement with CE for Tús participants should lead to the development of increased transferable skills and improved employment prospects. If a Team Leader working with a Tús participant identifies a potential positive progression opportunity for a Tús participant with a local Community Employment Scheme then this transfer should be possible once the person meets all the specifications and is successful at interview. Not only will this support the participant through additional training and experience, but it will also support the Community Employment Scheme to recruit an employee who has already broken the cycle of unemployment by engaging with Tús and is therefore maybe more productive than many coming directly from the live register. This transfer will also free up Tús places which will in turn allow more people to be randomly selected for activation by Dept. of Social Protection.

Proposed Solution:

Any time spent on Tús should be seen as eligible time for participation on Community Employment. This should not be restricted to those who have completed their year, as many would like to progress to CE during their Tús year. In fact, having to wait until their 12 months is finished on Tús before applying for CE could act as a disincentive and encourage some to remain on these 'employment support payments' for longer than is actually needed.

Once selected for a Community Employment position the same rules should apply to those coming from Tús as all others and they should be allowed to apply for additional years, etc. in line with current CE rules and regulations.

Tús Community Work Placement Initiative

(2) Extended employment contracts for Tús participants.

It has become increasingly evident that the 12 month Tús contract for those coming from long-term unemployment is simply not enough time to allow many of the Tús participants to break the cycle of unemployment and fully re-integrate with the open labour market.

Issue Outline:

For many new Tús participants it takes several months to 're-arrange' their personal circumstances and come to terms with working again after being unemployed for at least a year, or in many cases, substantially longer. They then have a 'learning curve' in their new position and just as they are settling in and providing value to the Placement Provider it is time for them to engage with progression services such as those provided through the Social Inclusion & Community Activation Programme (SICAP) or through the Local Employment Service, as they are nearing the end of their short time on Tús.

Placement Providers are also finding the speed of turnover to be an issue. Having spent considerable time and effort engaging with and training a Tús participant, they often comment on the fact that just when they are starting to get a return on this investment it is time for the participant to move on or return to the live register as their 12 month contract on Tús is finished. While to date we have managed not to lose any Providers as a result of this, it is felt this will be a bigger issue as the providers see their trained Tús participants having to leave year after year.

From the Team Leaders perspective, and that of the Implementing Body, it is also felt that 12-months does not give enough time to really build the type of relationship needed to fully engage with someone who has been unemployed for a substantial period of time. The lack of a training budget, such as that available for Community Employment participants, can further add to the difficulty of building a trusting relationship and identifying positive progression options. Team Leaders work very hard to ensure Tús participants engage with whatever additional supports are available through SICAP, LES, ETB etc. Whilst the advice is given from the onset, with the impact of long-term unemployment, learners confidence and trust must develop to accept and realise the benefits of such progression opportunities.

Proposed Solution:

Tús participants need to be given more than 12 months to ensure they get the most out of the programme. The Gateway Programme, administered through the Local Authority, is directed at those over 24 months unemployed and these participants are issued with a 22 month contract of employment. We would ask for an equitable system in relation to Tús participants. If someone is 12 months unemployed then possibly a minimum 18 month contract is appropriate. However, for those longer unemployed, extended contracts are required if real change is to happen. Some years ago Southside Partnership managed a Job Initiative programme on behalf of FÁS and again this recognised the increased needs for the long-term unemployed offering up to 3 years employment for those over 35 years who had been unemployed for 5 years or more. 12 months on Tús is not enough time for most people. Those coming onto Tús after 24 months or more on the live register should at least expect to be offered a 22 month contract in line with the Gateway Programme.

Tús Community Work Placement Initiative

(3) Tús and Jobpath Selection.

While additional supports to Jobseekers are always welcomed, confusion exists for clients who are selected for multiple supports, in this case Tús and Jobpath. Being unemployed for any period of time is distressing, but even more so if it continues for a prolonged period. To then be selected for a number of possible options within short succession, for example Tús, Jobpath, and in some cases Gateway, can be confusing for the clients and counter-productive.

Issue Outline:

Cases have recently arisen whereby DSP have randomly selected the same candidates for both Jobpath and Tús within a very short timeframe. Selected individuals must engage or risk losses in their payment.

As Jobpath is the prioritised programme with DSP, candidates can find themselves offered Tús placements and then be unable to take these up as they are linked to Jobpath on the DSP system. Not only does this result in a serious amount of time wasted by Tús staff when it transpires that candidates are not actually eligible to participate on one programme if already selected for another, but it also wastes the time of Placement Providers' staff who have conducted the interviews, etc. This also limits the progression options available to the long-term unemployed candidate. There are documented instances of people who have been interviewed and successfully selected for a Tús placement only to have been refused permission by DSP to start as they are on the Jobpath caseload, although not placed.

Proposed Solution:

Clients from the live register should be selected for one intervention at a time. For example, if a client is selected for Tús then they should not be selected for Jobpath or other interventions until they have been 'returned' to DSP by the Programme Implementer. Timeframes in relation to actions could be introduced for example, if a client is randomly selected for Tús then the Implementing Body should have a realistic set period of time, say 12 to 16 weeks, to place or return the person to DSP who can then forward them for other supports such as Jobpath, as appropriate.

Tús Community Work Placement Initiative

(4) Access to Part-Time Job Incentive (PTJI) Scheme for Tús and CE participants

The Part-Time Job Incentive (PTJI) Scheme allows certain people getting Jobseeker's Allowance (JA) to take up part-time work and get a special weekly allowance instead of their Jobseeker's payment. It is intended to be a stepping stone to full-time work. You must be available for and seeking full-time work while you are on the Part-Time Job Incentive Scheme. Initially, you can stay on the PTJI scheme for one year. This may be extended for a further period.

Issue Outline:

You can participate in the PTJI Scheme if you get part-time work for less than 24 hours per week and if immediately before that, you were:

- On long-term [Jobseeker's Allowance \(JA\)](#) for at least 390 days (15 months). Days of unemployment on Jobseeker's Benefit (JB) count towards the 390 days if you were getting JB immediately before you got Jobseeker's Allowance.
- Getting a weekly JA payment of at least €119.00 if you are single or €193.90 if you are getting an increase for a qualified adult.

People leaving Tús or CE are not eligible to participate in the PTJI Scheme.

Proposed Solution:

Time spent on Tús and Community Employment should count as eligible time towards the Part-Time Job Incentive (PTJI) Scheme. While employment opportunities seem to be increasing, many local employers still do not have the resources to create full-time employment. Access to supports such as the PTJI Scheme for those leaving Tús and CE should help to move more unemployed people closer towards full-time employment over time. Those who completed their contracts on Tús or Community Employment have already successfully broken the cycle of unemployment and every support possible should be made available to them to continue working even if initially in a part-time capacity.

Back To Work Enterprise Allowance (BTWEA)

While changes to this scheme have meant that unemployed people can now access this allowance sooner, reductions in the length of this payment have impacted heavily on the long-term viability of many of the businesses involved.

Between Jan and Dec 2015, 137 people went onto the BTWEA and 78 onto the Short Term Enterprise Allowance, 215 in total (Dún Laoghaire Rathdown area only, supported by Southside Partnership DLR). Note that from 2010 to 2015, 2,112 people were referred by DSP for support in considering self-employment as a progression option from the live register. Out of this 1,057 progressed to the Back to Work Enterprise Allowance and another 554 to the Short Term Enterprise Allowance. All 1,611 of these were offered follow-on supports and training while in receipt of payments.

Issue Outline:

Traditionally the BTWEA was a 4-year scheme with payments as follows:

Year 1 = 100% Year 2 = 75% Year 3 = 50% Year 4 = 25%

It is now a 2-year scheme with:

Year 1 = 100% Year 2 = 75%

Simply outlined, the drop from 75% to zero at the end of the second year of trading may be too much for many people and as such they are forced to return to the live register reluctantly abandoning their business venture which may have been viable with a little more time.

Proposed Solution:

Increase the BTWEA to at least a 3-year scheme and adjust the percentages over the years. The aim here should be to minimise any impact in the first year, to allow the client concentrate on getting the business up and running, and to extend the period of support available. It should then allow for a steady income in the second year and a fair reduction in the final year(s) to encourage people to continue in business and not return to the live register.

One example of possible allocation might be:

Year 1 = 100% Year 2 = 70% Year 3 = 30%

Note: This is actually a proposed reduction in the Year 2 allocation and the 30% in Year 3 is still more cost effective than having to means test people and possibly pay them 100%, if eligible, when they return to the live register.

Other permutations could aim towards a more ‘cost neutral’ type effect while still supporting the participants for a longer period of time.

Short Term Enterprise Allowance (STEA)

This scheme allows access to an enterprise support payment for those recently made redundant before they fall into some of the traps of long-term unemployment. It is however a ‘double edged sword’ encouraging people to set up in business but then not providing supports for long enough to allow many to succeed.

Issue Outline:

Since April 2013 the maximum time allowed on STEA is 9 months and it is felt that this is far too short a period for most people to:

- (a) come to terms with losing their job, and then
- (b) establish a viable business venture which will sustain long-term growth and provide a continued source of income.

Proposed Solution:

Allow STEA clients who qualify for Jobseekers Allowance at the end of their ‘Benefit/STEA’ period to be given an extended period on the scheme perhaps in line with people on the Back to Work Enterprise Allowance.

Note: Additional criteria could also be incorporated into this, for example, compulsory participation at relevant training, etc., to further help support long-term viability.

Additional VTOS places requested for Dún Laoghaire-Rathdown Area

In many cases unemployed people must identify a new career path to re-enter the workforce, which generally entails re-training and further education. Exorbitant course fees can act as a major deterrent. VTOS courses can effectively bridge this gap for many and it is commonly accepted at a local level that demand for VTOS places in Dún Laoghaire Rathdown always exceeds supply. With 8,629 people on the live register (CSO June 2016) in this area it is safe to assume that any additional VTOS places would be put to good use.

Issue Outline:

Participation on VTOS is a viable option for many people to help gain new skills or further develop existing ones. One practical example would be a local VTOS Start Your Own Business course which runs for a full academic year and offers certification at QQI Level 5. Not only does this course provide great support for local unemployed people to set up in business but it also enables access to follow-on supports, such as the Back to Work Enterprise Allowance, to help ensure the long-term viability of the business. Interest in this particular course is always extremely high, however places available are limited.

Proposed Solution:

It is proposed that additional VTOS places be made available to the Dún Laoghaire Rathdown area.

These could be either:

- 1 Core places on specific courses, for example. Start Your Own Business where entire courses are populated by up to 20 VTOS participants. This system could be used very effectively to target particular groups such as unemployed over 45 years or perhaps to train groups of local people to apply for local jobs such as a QQI qualification in care work with the elderly - to fill local home help positions etc.

AND/OR

- 2 Dispersed VTOS places whereby additional places are available to VTOS eligible candidates on courses running in other educational institutions such as local Colleges of Further Education etc.

Amendments to Back to Education Programme Regulations

With the constantly changing workplace environment very often unemployed people must identify a new career path to re-enter the workforce which generally entails re-training and further education. The Back to Education (BTE) Programme is a second-chance education scheme for jobseekers, lone parents and people with disabilities, who are in receipt of certain social protection payments. Under the programme, income support is provided to allow participants undertake a second-level or third-level course to improve their education and skills.

While some welcome changes to the Back to Education Programme (BTE) were made in June 2014. It is felt that additional changes could further improve the programme for some unemployed individuals.

Issue Outline:

The changes in 2014 allowed applicants who already hold level 5 or 6 qualifications under the National Framework of Qualifications to undertake further courses of study at either of these levels to enhance their professional / career development and their overall job prospects. This however did not address the issue for those with higher qualifications who find that they are unable to obtain work in spite of holding a degree or higher qualification.

Proposed Solution:

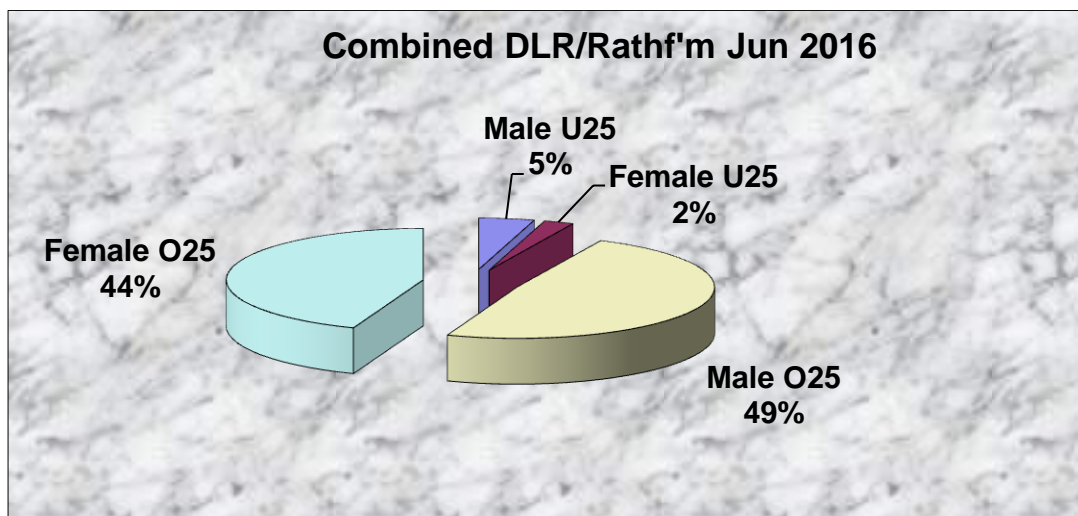
Unemployed people who have a degree, especially if achieved some time ago or if it is in a discipline that does not lend itself easily to employment opportunities, should be allowed to do another degree under the BTE Programme to further support them to redirect their skillset and gain employment in a new career path offering better prospects. This should also be extended to those who have degrees from other countries that are not recognised under the Irish education system's framework of qualifications.

Targeted Initiative for Unemployed over 45 years of age

As can be seen from the information below, in June 2016 CSO figures for the combined Dún Laoghaire and Rathfarnham Social Protection offices show that Males and Females over 25 years account for approximately 93% of the total numbers of unemployed, encompassing 4,206 men and 3,819 women. Consultation with our Local Employment Services, Tús and CE schemes, indicate that, locally, a large proportion of these are over the age of 45.

Combined Live register figures for D'Laoghaire/Rathf'm June 2016

Male U25	Female U25	Male O25	Female O25	Total
393	211	4206	3819	8629



Clarification Note: The information re monthly live register figures is accurate in relation to those signing on in the Dún Laoghaire and Nutgrove offices. However, it should be noted that some people who sign on in Nutgrove may reside outside the county while others who reside in the county, such as Shankill, may sign on in Bray. There is therefore a potential over-count in Nutgrove and a potential under-count in Dún Laoghaire.

Issue Outline:

A large number of this target group, who are over 45 years old, have been made redundant in recent years as a result of the recent economic downturn. While many younger people, with fewer family commitments, have chosen/been forced to emigrate those over 45 years feel 'stuck' and this comes across very strongly when interacting with them. Lower education levels, literacy issues, together with financial difficulties and other commitments, all factor prominently here.

Internships have been an excellent route to progress unemployed people back into employment, however in the main, it is younger qualified unemployed persons who are securing internships. While huge emphases has been placed on tackling youth unemployment for those between 18 and 25 years there is a critical need to have a targeted "internship" or

“incentive” for employers to recruit mature unemployed people who can bring key skills and experience to the workplace. Furthermore, this will give the unemployed person an opportunity to re-establish their confidence/self-esteem and sharpen their skills through positive and real participation in the workforce.

Proposed Solution:

Targeted programmes need to be established that first engage with this cohort at a level they are interested in and then, over a period of time, that supports them to explore and develop transferable skills to transition into new and growing areas of potential employment. While the Tús Community Workplace Initiative has been successful in engaging with many clients in this age bracket, particularly unemployed construction workers through Care & Repair type schemes, it is limited to one year and offers very little support by way of training opportunities.

This type of approach needs to be developed further to engage unemployed men and women over 45 years of age so their unemployment does not become an engrained long-term situation for them. Additional ‘High Support’ funding to enable training, up-skilling on computers, career path planning and so on, should also be made available to this cohort as part of this support package.

Targeted VTOS courses, possibly incorporating a self-employment element, could also be an effective vehicle to support this particular target group.

Potential Loss of Rent Supplement Scheme for JobsPlus Employees

JobsPlus is an employer incentive, which encourages and rewards employers who employ jobseekers from the Live Register. The employer must offer full-time employment of over 30 hours per week, spanning at least 4 days per week. The eligible employee must be on the organisation's payroll and subject to PAYE and PRSI. This incentive is designed to encourage employers and businesses to employ people who have been out of work for long periods. Eligible employers who recruit full-time employees who have been on the live register, may apply for the incentive.

The Department of Social Protection pays the incentive to the employer monthly in arrears over a 2-year period. It provides 2 levels of regular cash payments:

- A payment of €7,500 for each person recruited who has been unemployed for more than 12 but less than 24 months
- A payment of €10,000 for each person recruited who has been unemployed for more than 24 months

Since 1st January 2015, under the JobsPlus Youth element of the scheme, the qualifying period for JobsPlus for jobseekers aged under 25 years has been reduced to 4 months.

Issue Outline:

A Rent Supplement is not payable where a jobseeker or their spouse is engaged in full-time employment (defined as working for 30 hours or more per week). Note: existing Rent Supplement customers may retain entitlement, subject to a means test, while engaged in full-time employment as long as they are eligible for housing support under the Rental Accommodation Scheme (RAS).

Proposed Solution:

This potential disincentive to a jobseeker to take up full time employment needs to be addressed. There is no point in the employer meeting the requirements of JobsPlus if the potential employee is then in jeopardy of losing their Rent Supplement having taken up the position.

Faster rollout of the Housing Assistance Payment (HAP) scheme will help tackle this issue as one of its aims is to allow people getting HAP to take up full-time employment. Loss of eligibility for the Rent Supplement payment, for those taking up employment positions of 30 hours per week or more, could be ameliorated by the HAP payment system once it is fully rolled out nationwide. This needs to be prioritised.

Disincentive to Participation on the Back to Education Allowance Scheme

If you are unemployed, parenting alone or have a disability, and you are getting certain payments from the Department of Social Protection, you may take part in a second or third, level education course and get a Back to Education Allowance (BTEA). Since 2014 there has been a notable drop in applications for this progression option at a local level.

Issue Outline:

CSO figures show that in April 2015 there were 29,094 Back to Education Allowance participants. However by April 2016 this had dropped to 21,641. With education widely accepted as one of the most effective routes to tackling social exclusion, this 25.6% drop in numbers is of concern.

One of the factors contributing to this drop relates to its stringent administration which has resulted in difficulties for participants maintaining eligibility for the payment. Each person is means tested each year, resulting in a number not being eligible for the full payment when progressing from one year of their chosen course to the next.

Proposed Solution:

A system needs to be established whereby course participants are not penalised by a reduction of their payment when moving from one year to another if their household income circumstances should change for the better. This only acts as a disincentive to continuing in education and as a contributing factor to creating more 'jobless households'.

Reasonable time needed for Jobseekers to prove they are applying for work

If a person loses their job, are made redundant, or are laid off, or if their working hours are reduced, they may qualify for a social welfare payment, either Jobseeker's Allowance or Jobseeker's Benefit. When applying for a jobseeker's payment they declare that they are available for work, fit for work and genuinely seeking work, but are unable to find work. This is also known as *signing on*.

Issue Outline:

While it is understood and accepted that it is necessary for applicants to provide certain information at the point of *signing on*, details of previous employment, evidence of address, P45, etc., it is now becoming commonplace to be asked to provide evidence of having applied for work at this initial point of contact.

Having just lost a job or having experienced a serious change in their working conditions which requires a person to seek financial assistance from Social Protection can be traumatic enough for the individual involved, but to then have their eligibility for assistance questioned or delayed while proof of seeking employment is sought seems premature and unfair. Local experience has shown that applicants can be asked for 3, or in some cases even 5 proofs of applying for work, at this initial application stage or within a very short period of time thereafter.

Proposed Solution:

Applicants should be asked to provide documentary evidence showing their efforts to gain employment at a point after their application is made and processed, perhaps after one month. This is then a reasonable request and those in receipt of a payment should not have any issues with this.

Inconsistency of FIS being considered as weekly income for certain schemes

Family Income Supplement (FIS) is a weekly tax-free payment available to employees with children. You must have at least one child who normally lives with you or is financially supported by you. Your child must be under 18 years of age or between 18 and 22 years of age and in full-time education. FIS provides extra financial support to people on low pay. You cannot qualify for FIS if you are only self-employed - you must be an employee to qualify.

To qualify for FIS, your average weekly family income (gross income minus tax, employee PRSI, Universal Social Charge and superannuation) must be below a certain amount for your family size. The FIS you receive is 60% of the difference between your average weekly family income and the income limit which applies to your family.

Issue Outline:

When applying for Rent Supplement and Local Authority differential rent FIS is considered as assessable weekly income. However FIS is disregarded for income calculation purposes when applying for a medical-card.

Proposed Solution:

Consistency is needed in relation to the calculation of weekly income for all Social Protection payments. FIS should not be included as income for those applying for Rent Supplement and other payments where it is currently included.

Increased Incentives for Employers to Create Part-Time Positions

While supports such as the Part-Time Job Incentive (PTJI) Scheme are of benefit to the individual seeking employment, our discussions with local employers clearly show that from their perspective, there is no real incentive to create a new position unless it is a full-time role.

Issue Outline:

Having met with many long-term unemployed people, it is obvious that, in a significant number of cases, part-time employment would be their preferred stepping stone to full-time employment, allowing many to gain skills and improve self-confidence along this journey. Having experienced the challenges of unemployment, both financially and mentally, part-time work offers the opportunity to re-engage in the labour market and, over time, perhaps to progress on to a more full-time scenario.

Unfortunately, there are no supports to encourage employers, particularly small local employers, to create part-time work. JobsPlus is an incentive from the Department of Social Protection to encourage and reward employers who offer full-time employment opportunities of over 30 hours per week, spanning at least 4 days per week to the long-term unemployed. Grants of €7,500 and €10,000 are available to employers in such cases. While this is effective for a number of employers many are simply not yet in the position to consider full-time employees, having themselves just come through the recent difficult trading period. Many have expressed, however, that they would be interested in taking on good part-time employees with the ultimate intention of growing these positions to full-time as business improves.

Proposed Solution:

The introduction of a 'part-time' version of the JobsPlus incentive, or similar type of scheme, could greatly increase the number of local employers creating, new employment positions thus helping move people from the live register. If structured in such a way as to further incentivise the creation of full-time positions from these initial part-time roles, perhaps over a 6 to 9 month period, then, ultimately, more permanent full-time positions could be created.