

NOVEMBER 2020



# PRELIMINARY BUDGET 2021 Outcomes

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## NO INCREASE IN STATE PENSION

The fact that no increase in the State Pension was paid is a key failure for Older People in Budget 2021. An increase was required to offer protection to Older People to enable them to absorb the impact of increases in areas such as carbon tax, fuel and the potential impacts of Brexit.

The Budget process is the only avenue available to address income adequacy for those reliant on the State Pension. This is the second year where no increase was paid in the State Pension. It did little to support the 523,375 people in receipt of a State Pension, which many of you have told us, is a major disappointment.

Up to 70% of pensioners will not receive the increase in the Fuel Allowance they will have to meet the increased fuel costs from their State Pension, this coupled with the projected costs attached to a hard Brexit, estimated by the ERSI to be in the region between €892 & €1,360 a year will create severe hardship for many older people.

## MEASURES ANNOUNCED BUDGET DAY

### ADDITIONAL PAYMENT AT CHRISTMAS (BONUS)

We welcome the fact that this Universal payment will be paid at Christmas 2020 to pensioners and others.

### LIVING ALONE ALLOWANCE

The Allowance increase of €5 per week from **€14.00 to €19.00** effective January 2021 is welcomed.

### BEREAVEMENT GRANT

This grant was not restored. A research project on funeral poverty and the economic impact of death & bereavement has been completed and a report is due.

### FUEL ALLOWANCE

This payment increases by **€3.50 to €28.00** per week. The payment applies to 30% of older people on State Pensions. Because of Covid restrictions Older People are incurring extra heating costs as they are confined to home more. In the event of a harsh winter we will be asking Government to re-examine this matter. At the very least it should be restored to 32 weeks.

### TELEPHONE SUPPORT ALLOWANCE

There was no change to this payment of **€2.50** per month which is linked to the Fuel Allowance.

## PENSION AGE

State Pension Qualifying Age is to remain at age 66 from January 2021. Legislation will be passed by end of 2020 to reflect this decision. Government will establish a Pensions Committee to examine sustainability and eligibility for future State Pensions.

## UNEMPLOYED OLDER PEOPLE

We are disappointed that no increase was paid to Older Unemployed People. The increases we sought were to bridge the gap for older people between this payment and the State Pension.

## OVER 80 AGE ALLOWANCE

Again there was no increase in this payment for those over 80, who are among the most vulnerable. **Our Ask** that this allowance be paid to all aged over 80, was not addressed.

## REPRESENTATION OF OLDER PEOPLE

There was no progress to allow Pensioners to use the State Machinery to vindicate their rights in disputes with their Pension Schemes.

## PENSION LEVY

Some austerity measures have been reversed. We regret that no restitution has yet been made to Schemes to reimburse members who had money taken from their schemes under the Pensions Levy.

## HEALTH

**This is the largest Health Budget in the history of the State with an additional €4 Billion.**

We welcome the acknowledgment of the need to address the additional burden created by Covid 19, on an already distressed health system. In particular, we trust that the **€425 million to deliver enhanced community and social care services** will support older people to remain in their own homes.

Mental health services will benefit from an additional **€38 million** which we trust can support emergency in-patient services across the country for urgent mental health cases.

The commitment to the creation of an additional 16,000 posts in the health workforce is welcome, the delivery must be a key priority.