

THE WHEEL SUMMARY OF BUDGET 2021 ALLOCATIONS RELEVANT TO CHARITIES, COMMUNITY AND VOLUNTARY ORGANISATIONS AND SOCIAL ENTERPRISES

15/10/20

Recovery Through Community

The Wheel's [Recovery Through Community Pre-Budget submission](#) laid out a series of recommendations about how Government could better support the community and voluntary sector and all those who rely on the sector, particularly in this uncertain time.

Our key asks included: long term sustainable funding for the sector, to include specific additional COVID-19 support — building on the Stability Fund for Charities — to deal with the projected €445m collapse of fundraised/earned income which will not be made good by the Wage Subsidy Scheme or its successors; streamlining of regulatory and funding-related compliance requirements and provision for the costs of compliance; bringing down the cost of insurance; comprehensively resourcing the new strategies for the community and voluntary sector and social enterprise; implementation of the recommendations of the IRG Report on the Role of Voluntary organisations in Health and Social Services; development of a framework for collaborative working and provision of resources and supports for mergers; and an increase in budget allocations for the Department of Rural and Community Development.

We welcome several of the measures introduced in Budget 2020 which positively address some of these recommendations. These include:

Department of Rural and Community Development: Stability Fund

Allocation of a further €10m to the Community and Voluntary Sector Covid-19 Stability Fund – This additional round of the Covid Stability Scheme will be to provide a “targeted, cash injection for organisations and groups currently delivering critical front-line services to the most at need in our society”.

Department of Rural and Community Development: Increase in Budget Allocations

The 2021 allocation of €341 million to the Department of Rural and Community Development in 2021 represents a 7 per cent increase (we called for an across the board 5% increase in the department's budget so we are pleased to see this increase).

Compared to the 2020 allocation, an additional €8 million in current expenditure and an extra €15 million in capital expenditure is being allocated to the Department of Rural and Community Development in 2021.

According to Government, the additional funding allocated by the Government in its 2021 Budget and Estimates decisions provides a response to the objective of ensuring a fair and balanced economic recovery and supporting resilient communities across the country.”

Programme A: Rural Development, Regional Affairs and Islands

The aim of this programme is to facilitate the economic development of Ireland’s regions and foster sustainable development of rural and island communities.

Under this programme the 2021 allocation will allow the Department to:

- Support continued and enhanced investment in Rural Regeneration and Development programmes (funding increased from €78 million in 2020 to €82 million in 2021). Projects funded under the Rural Regeneration and Development Fund (RRDF), Town and Village Renewal (TVR) and the Outdoor Infrastructure Investment Scheme (ORIS) will according to the department “rejuvenate communities, transform rural economies and create employment”.
- Fund increased activity under the LEADER programme and facilitate a transition from this programme cycle to the next.
- Increase capital investment in, and fund services for, our off-shore islands.
- Establish a €2 million funding stream to develop masterplans to revitalise town centres and encourage more people to live in town centres.

Programme B: Community Development:

The aim of this programme is to promote and support the development of vibrant inclusive communities, and of the community and voluntary sector.

Under this programme the 2021 allocation will allow the Department to:

- Increase funding for the Community Services Programme from €47 million to €49 million, supporting over 400 organisations and 2000 individuals in providing community services across Ireland.
- Continue funding of €44 million for the Social Inclusion and Community Activation Programme, assisting over 27,000 individuals, and provide €1 million to commence pilot community development projects at local level.
- Increase the support for volunteering from €3.5 million to €5.1 million, encouraging additional volunteering and matching volunteers to organisations.

- Continue funding supports for Public Participation Networks and Local Community Development Committees – strengthening local participation and community engagement.

Programme C: Charities Regulatory Authority:

The aim of this programme is to ensure the development and operation of effective regulation of the charities sector.

Funding of €4.6 million is provided to the Charities Regulatory Authority to enable it to meet its statutory obligations under the Charities Act 2009, including the establishment and maintenance of a public register of charities operating in Ireland. The objective of the CRA is to strengthen public trust and confidence in charities, provide proportionate risk-based regulation and protection, promote compliance, and enhance engagement, operational efficiency and service delivery.

Department of Health: Health, mental health, voluntary hospices and disability

In 2021, an extra €4 billion will be allocated for our health service.

With these resources, the Department of Health and the HSE will deliver the following changes next year:

- An additional 1,146 acute beds;
- An increase in permanent adult critical care beds from 255 pre-Covid to 321 by end 2021;
- 1,250 community beds in 2021 which includes over 600 new rehabilitation beds;
- 5 million additional homecare hours following on from the 19 million provided in 2020. This will help alleviate community waiting lists for home care and support hospital avoidance and delayed discharges;
- 2021 funding will support the implementation of the Sláintecare Public Only Consultant Contract and for the accelerated implementation of a number of national strategies, including the National Cancer Strategy, the National Maternity Strategy, the National Trauma Strategy; as well as the roll-out of other social care strategies;
- €5 million will be dedicated to the development of community-based dementia services and supports;
- Funding is also provided to cancer screening to create greater resilience in the cancer services pathway;
- €50 million is being made available for new drugs; and €25 million for Healthy Ireland and the National Drugs Strategy.

€38 million will be available to implement new measures under Sharing the Vision, our national mental health strategy.

Voluntary Hospices

€10 million will be allocated in the current year funding to voluntary hospices.

Disability

€100m will be allocated in new measures for disability, including resumption of day services, respite and provision for an increase in therapeutic staff for 2021; an additional €20 million in current year funding for voluntary disability service providers to support the Transforming Lives Programme for 2020.

Department of Children, Equality, Disability, Integration and Youth: Youth work and Tusla

€120 million for the Department of Children, Equality, Disability, Integration and Youth, a 6 per cent increase on 2020.

This allocation provides:

- €25 million for International Protection Seekers Accommodation;
- €5 million for Youth Services and Organisations; and
- a further €30 million for the delivery of other services within the department and agencies under its aegis

Tusla

The allocation to Tusla, the Child and Family Agency, will be increased by €61m or 7.5%, to a total of €878m in 2021,

The additional resources will allow Tusla to:

- Continue work to reduce the number of children awaiting the allocation of a social worker (reduce number of unallocated cases).
- Address significant demand led cost pressures in residential care.
- Provide care and protection through quality services for victims of domestic, sexual and gender based violence.
- Continue to improve organisational and service performance to achieve better outcomes for vulnerable children, young people and their families.
- Support Tusla to meet our commitments to transfer additional unaccompanied children in Greece to Ireland as quickly as possible.

The provision to the department maintains a €638 million investment in early years and gives continued support for both universal and targeted subsidies under the National Childcare Scheme in 2021.

Department of Housing, Local Government and Heritage: Housing and Homeless supports

The Department of Housing, Local Government and Heritage will see an increase in core current expenditure for 2021 of €223 million or 10.5%. This increase brings the overall core current expenditure allocation for the Department to €2.4 billion.

Funding of €22m is also provided for homelessness services, including additional beds and the introduction of a cold weather initiative.

Department of Foreign Affairs: Overseas Development

The total cross government ODA package will be €867 million, an increase of €30 million on 2020. This will enable a particular focus to be placed during 2021 on responding to the global impacts of the COVID-19 pandemic, including support for vaccine response, and to start delivery of the Programme for Government commitment to double the Irish Aid programme's investment in climate action by 2030.

Department of Social Protection

Core spending within the Department of Social Protection will increase by 3½%, bringing the core expenditure allocation to almost €22 billion. The allocations included:

- Increase in the Living Alone Allowance by €5 to €19 per week,
- Increase in the earnings disregard for the Disability Allowance by €20 to €140 weekly,
- Increase in the Carers' Support Grant by €150 to €1,850 annually,
- A total of investment of €225m in the International Protection system, with a commitment to improving living conditions within the Direct Provision system.

Department of Enterprise, Trade and Employment: Recovery Fund, SME Supports and Insurance

The establishment of a Recovery Fund worth €3.4 billion will focus on three main areas: infrastructure development, reskilling and retraining, supporting investment and jobs.

The Employment Wage Subsidy Scheme is currently set to continue until 31st March 2021, however, a similar type scheme will be put in place by Government until the end of 2021 and more details will be provided on this next year.

Allocating €1.1 billion to the Department of Enterprise, Trade and Employment to deliver:

- *Supports through our Local Enterprise Offices and Enterprise Ireland including the Regional Enterprise Development Fund and the Sustaining Enterprise Fund Sustaining Enterprise Fund to assist SMEs and companies with the negative impact of COVID;*
- *Further funding for R&D through the COVID products scheme and additional expenditure on the IDA's Regional Property Programme to support investment in Ireland; and*
- *The Credit Guarantee Scheme and the Future Growth Loan Scheme Future Growth Loan Scheme to ensure that liquidity supports are in place to assist firms.*

Insurance

A Cabinet sub-committee, chaired by the Tánaiste, has been established to deliver the insurance reforms outlined in the Programme for Government.

Department of Further and Higher Education, Research, Innovation and Science: Community Education, Skills and Training

Almost €3.3 billion is being provided to the newly established Department of Further and Higher Education, Research, Innovation and Science.

This funding, which includes the National Training Fund, will support the educational success of learners and drive improvements in the overall performance of our higher education and FET sectors. The additional funding provided for 2021 will meet the demographic and other pressures across the sectors, including Covid-19 impacts, and will provide for additional upskilling and reskilling opportunities, as well as increased capacity and places in the higher education sector.

In the Further Education area there will be over 10,000 upskilling and reskilling opportunities through SOLAS and Skillnet Ireland, including:

- An additional 2,000 Skills to Compete places for those who have lost jobs as a result of Covid-19 and targeted at emerging growth areas and occupations;
- 1,600 Skills to Advance places for upskilling and reskilling in vulnerable sectors;
- a further 5,000 upskilling and reskilling opportunities through Skillnet Ireland, including climate upskilling;
- 1,500 places on new and existing training course specialising in Retrofitting.

This allocation will also fund the completion of courses for 19,000 learners in 2021 that were provided for in the July stimulus package. It will also fund the final payment to employers for the 6,000 apprentices taken on under the July Stimulus Apprenticeship Incentivisation Scheme, incentivise employers to take on a further c. 4,000 new apprentices

under the scheme in 2021 and ensure 2,000 apprentices impacted by Covid complete their programmes.

A dedicated Mitigating Educational Disadvantage Fund of €8 million, was announced by Minister Harris. This fund will be used to support community education provision and will directly impact on disadvantaged learners most in need.

Department of Taoiseach: Shared Island and Wellbeing Budget Framework

Shared Island

Building a Shared Island is a key commitment in the Programme for Government. In support of this, new multiannual capital funding for the Shared Island Initiative of €500 million is to be provided over five years to foster new investment and development opportunities on a North/South basis and support delivery of key cross border initiatives as set out in the Programme for Government. An initial amount of €50 million is to be made available in 2021.

Wellbeing Budget Framework

In the Programme for Government, the Government has set out its commitment to developing a set of well-being indices to create a well-rounded, holistic view of how Irish society is faring. It is intended that these well-being indicators will be used to highlight inequalities and ensure that policies are driven by a desire to do better by people. Furthermore, it is intended that the well-being framework will be utilised in a systematic way across government policymaking in setting budgetary priorities, evaluating programmes and reporting progress (as an important complement to existing economic measurement tools).

With a view to improving the quality of public expenditure and to prioritising resources at Budget time, a Wellbeing Budget Framework with clearly identified metrics could support targeting and reporting of expenditure in this way. Preparatory work is already underway in this regard, based upon the examples of New Zealand and other international models.

The development of a well-being framework for Ireland is an important cross-government initiative. It will be developed by the Department of the Taoiseach, Department of Finance and Department of Public Expenditure & Reform working closely with other government departments as well as key stakeholders and experts.

Department of Environment, Climate and Communications: Carbon Tax

In line with the Programme for Government commitment, carbon tax will be increased by €7.50 from €26 to €33.50 per tonne/CO₂. It is estimated that the combined proceeds of the

increase in carbon tax introduced in Budget 2020 and the further increase being introduced in Budget 2021 will amount to approximately €238 million in additional revenues. €48 million of this is being allocated to the Department of Social Protection to fund targeted Social Welfare Interventions.

Department of Education: Special Needs Assistants

The 2021 allocation for the Department of Education is €8.9 billion. The funding will allow Government to invest €2 billion, a record allocation, to support children with special education needs. This will allow for the hiring of 990 additional SNAs and 403 additional teaching posts.

Questions?

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