



Stronger Charities.
Stronger Communities.

NATIONAL REFORM PROGRAMME AND EUROPEAN SEMESTER

Submission to the Department of An Taoiseach

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The Wheel

The Wheel is Ireland's national association of community and voluntary organisations (CV), charities and social enterprises. As a representative voice, The Wheel provides leadership to the sector and advocates on behalf of our growing community of members. Together with our members, we help to shape and promote conditions in which people and their communities can thrive.

We passionately believe that community and voluntary action improves and enriches communities and society. Our simple but ambitious vision is a thriving charity and community sector at the heart of a fair, just, and inclusive Ireland. We champion the role of Irish charities, community and voluntary organisations, and social enterprises, in building a flourishing society and support them to do work that has a positive impact.

We do this by:

- Representing these organisations and promoting the interests of our members and the sector;
- Supporting these organisations to do their work through tailored trainings and programmes; and,
- Promoting the importance of voluntarism and community values that power these organisations.

The Wheel has over 2,300 members and provides support services and representation on behalf of its members relating to matters that reflect their collective interests and the sector itself. Our members represent 28.9% of the sector's turnover and 35.2% of all sector employees.

The impact of the sector is immense, and the value is far reaching. Our sector is made up of 34,331 non-profit organisations, 7,801 of which are registered charities, with over 100 in every single county in the country. Over 281,250 employees, approximately 1 in 8 people working in Ireland, are employed by the sector (11.2% of the Irish workforce). There are over 700,000 regular volunteers, between 12 and 18% of the population of every county, and over 1 million volunteers when irregular activity is included.

The breadth of the sector is far reaching, addressing challenges in with work focused on issues from community development, social enterprise, children's welfare, and environment to migration, disability services, and health. The sector plays an integral role in meeting the challenges facing Ireland today. However, this contribution is often not recognised at national or European policy level. We therefore welcome the opportunity to make this submission to highlight the invaluable role of the sector.

Economic, Employment and Social Developments and Challenges

A lack of recognition and sustainable funding for this work results in recruitment and retention challenges for organisations and groups within the sector. Contracts to deliver public services have not allowed for comparable increases in pay and benefits, creating growing problems in recruitment and retention and ultimately, capacity to deliver public services and meet demand.¹ In a 2022 Pobal report, 29% of Pobal funded-organisations said that staff left because of salary levels, lack of

¹ House of the Oireachtas. Community and Voluntary Sector Workers: Motion. 12 October 2022, <https://www.oireachtas.ie/en/debates/debate/dail/2022-10-12/8/>.

development opportunities (21%), or preferred private or public sector employment (17%).² This is indicative of the sector's experience of recruitment and retention as a whole.

The inability to maintain pay parity, and thus attract and retain staff, has led organisations to cut and/or reduce services. At the same time, service use, measured in the number of service users, contact hours, and caseloads, has generally increased across organisations.

The landmark report 'Commissioning for Communities',³ published by Clann Credo, The Community Foundation for Ireland and The Wheel states that:

Good public services involve a range of dimensions. Measuring public services in solely financial or economic terms is inadequate. Societal Value is created not just in the output of public services but also in the processes and ethos involved in service provision. Societal Value creation involves both financial and non-financial dimensions, and thus encompasses the full value of the work of organisations delivering public services, whether they are community and voluntary organisations or public bodies (2016:17).

The CV sector must be invested in to fill the gaps that economic, employment, and social challenges create in communities.

Poverty and Deprivation

More than 560,000 people are at risk of poverty, and 900,000 people are living in enforced deprivation, according to the latest figures released by the Central Statistics Office.⁴ The number experiencing deprivation represents a worrying rise of over 200,000 people going without basic necessities since 2021.

Lone parents with children younger than 25, and people unable to work due to long-standing health problems are most likely to be living in enforced deprivation (45.6% and 44.7% respectively), and tenants are more than four times as likely to be going without than people in households where the home is owned.

The establishment of the Child Poverty Unit⁵ in the Department of An Taoiseach was a key step in providing a secure, stable future for all children in Ireland. Taking a holistic approach, the unit recognises that child poverty exists within the context of a household and requires a multi-faceted response including secure accommodation, adequate healthcare and recreation facilities, education, income adequacy and so on. This approach, engaging organisations from across the community and voluntary sector, must be retained to adequately address poverty and deprivation in Ireland.

The charity sector, in particular, has an important role to play. One in twelve charities has the specific charitable purpose of the relief of poverty or economic hardship, while charities and community organisations in the health, housing and homelessness, child and family services, and community development sectors continue to provide supports to those who are most at risk.

Persistent underfunding of the community and voluntary sector has led to frontline services being asked to do more with less. Many are experiencing a recruitment and retention crisis as salaries fail

² Pobal. Early Years. 2022, <https://www.pobal.ie/research-analysis/early-years/>.

³ Commissioning for Communities Report : https://www.wheel.ie/sites/default/files/media/file-uploads/2018-07/Commissioning%20for%20Communities%20Report%202016%20Web2_0.pdf

⁴ CSO Survey on Income and Living Conditions (2023): <https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2023/>

⁵ Child Poverty Unit: <https://www.gov.ie/en/campaigns/7c189-child-poverty-and-well-being-programme-office/>

to keep pace with public sector operators. These services provide a lifeline to those on the margins and must be adequately resourced to do this vital work in the face of increasing demand.

Research by TASC, commissioned by The Wheel and published in 2023, found that the negative disparity in pay for most of the charities average very close to or above 10%, risking the collapse of vital public services.⁶ The report also called for funding and other supports to the sector which correspond with the complexity and expansion of needs around housing and homelessness, addiction, disabilities, older people, and the challenges facing young people and low-income families.

Demographic Change

According to Census 2022, the Irish population exceeded 5 million people for the first time in 171 years⁷. It took 110 of those years to reach the lowest population level, in 1961, and just 60 years to increase again. Much of this increase is due to increases in living standards and healthcare, meaning that our population is not only expanding, but ageing also. It is projected that, by 2051, more than 1.5 million people in Ireland will be aged 65+.⁸

Healthy and Positive Ageing is a Government objective, largely dependent on the health and social care sector. This sector consists of a range of organisations from statutory agencies to small community and voluntary groups. The 2023 TASC report, referenced earlier, investigated the scale of recruitment and retention issues in this sector, among others funded by the state to deliver essential public services. As the report notes:

“The research shows divergent trends in demand and staffing numbers across not-for-profit organisations working in distinctive areas of frontline services and support, for example, disabilities, homelessness, and home care. Turnover and vacancies are increasingly forcing organisations to reduce hours and cancel services because they lack the staff to deliver them.” (2023:3)

Funding models for these organisations must ensure they can sufficiently recruit and retain staff to deliver sustainable services.

In recent years, demographic change has also been influenced by increased migration. Global events, such as the Russian invasion of Ukraine, have resulted in a significant increase in migrant populations coming to Ireland seeking refuge. Inward migration in 2022, at 141,600 was the highest level since 2007⁹.

Under the Temporary Protection Directive, Ireland was initially providing accommodation, social welfare supports, healthcare (including psychological care), education and employment supports to migrants fleeing the war in Ukraine. The community and voluntary sector was a key partner in coordinating these supports, in addition to leading integration within communities. These organisations continue to come under pressure to provide services and supports while the supports committed to under the Temporary Protection Directive receded.

A human-rights-based approach to address the various components of demographic change and in addressing the planning and distribution of infrastructure and services, including housing, healthcare,

⁶ The Future of Public Service Delivery by the Community & Voluntary Sector (TASC & The Wheel):

https://www.tasc.ie/assets/files/pdf/the_wheel_tasc_report_f_v_080623.pdf

⁷ [Census of Population 2022 - Summary Results - CSO - Central Statistics Office](https://www.cso.ie/en/releasesandpublications/ep/p-censusofpopulation2022summaryresults/)

⁸ <https://www.cso.ie/en/releasesandpublications/hubs/p-opi/olderpersonsinformationhub/ageingpopulation/projectedpopulationaged65/>

⁹ <https://www.cso.ie/en/releasesandpublications/ep/p-pme/populationandmigrationestimatesapril2023/keyfindings/>

childcare is required, with policies co-designed with those most impacted and the organisations who support them.

Housing

Housing in Ireland has reached a crisis point. This was exacerbated during and immediately post-Covid due to supply constraints in both materials and labour. While 32,695 units were constructed in 2023,¹⁰ this remains below the target set out in Housing for All of 33,000 per annum. In January 2024, 13,531 people accessed emergency homeless accommodation, of which more than 4,000 were children.¹¹ This represents an increase of 60% in total, 72% in child homelessness, and 19% in family homelessness since the introduction of the strategy in September 2021.

Organisations working in the housing and homelessness sector have been under pressure for over a decade as demand for their services increased. These services include the provision of accommodation, homelessness supports, tenancy sustainment and tenants' rights, and wraparound services provided under Housing First. It is imperative that this contribution, experience and expertise is fully recognised and utilised in future infrastructure planning.

Healthcare

According to the National Treatment Purchase Fund, 86,288 people were awaiting in-patient treatment, with 15% waiting a year or more.¹² Some 568,691 people were awaiting outpatient appointments, with 18% waiting a year or more. Ireland ranks lowest on the Health Powerhouse Euro Health Consumer Index 2018 in terms of accessibility.¹³

The OECD *Health at a Glance* report notes the impact of socio-economic disparities on healthcare, with 43% of people in the bottom 20% of the income distribution reporting a long-term illness or health problem, compared to 27% in the top 20%.¹⁴ According to the report, Ireland is among the countries with the largest income gap, where people in the bottom 20% of the income distribution are twice as likely to have a long-term illness or health problem as those in the top 20%.

Addressing healthcare inequalities is a core objective of the community and voluntary organisations engaged in this work. The people they serve are among the most vulnerable in our society who need and deserve some security that their health needs will be met. However, health and social care professionals employed in our sector through section 39, 56 and 10 organisations, funded by the State, are paid significantly less than their public-sector counterparts.

These systemic differentials in pay and resources for people doing the same work result from government cuts made after the economic crash of 2008. These cuts have been reversed in other sectors making them more attractive to staff. Consequently, staff retention and recruitment in our sector is increasingly under pressure. This must be addressed if we are to avoid future sustainability issues in essential health and social care services.

Public Participation

A 2023 study by the ESRI found that civic engagement such as volunteering can benefit both young people and their communities.¹⁵ It further found that young people in rural areas were more likely to

¹⁰ [New Dwelling Completions Q4 2023 - Central Statistics Office](#)

¹¹ <https://www.gov.ie/pdf/?file=https://assets.gov.ie/285029/f685d507-bc28-4879-915b-6a51be1deadf.pdf#page=null>

¹² www.ntpf.ie

¹³ <https://healthpowerhouse.com/media/EHCI-2018/EHCI-2018-report.pdf>

¹⁴ <https://www.oecd.org/health/health-at-a-glance/>

¹⁵ <https://www.esri.ie/system/files/publications/RS171.pdf>

participate in civic activities than those in urban areas, and that socio-economic background was a determinant of participation, with young people from more affluent areas more likely to engage than those from disadvantaged communities.

A study commissioned by the European Commission found that Ireland is the loneliest country in Europe, with 20 per cent of respondents reporting feeling lonely “most or all of the time”.¹⁶ The study found that young people had a higher incidence of loneliness than older generations, and that the risk of loneliness is greater in areas of higher disadvantage.

As political engagement is correlated with greater levels of social trust,¹⁷ programmes aimed at youth participation are key to tackling both loneliness and social unrest. There must be commitment to the development and funding of a programme for youth participation and civic engagement, modelled on the Blue Star³¹ and EPAS³² programmes, targeting areas of disadvantage and co-designed by community and voluntary organisations working within these areas. Opportunities to collaborate with Léargas and invest in increasing visibility of programmes like the European Solidarity Corps and Discover EU should also be resourced to provide volunteering opportunities in other EU countries and fund local youth led projects.

Supporting Social Enterprise

According to the census of social enterprises in Ireland carried out by the Department of Rural and Community Development¹⁸

“the great majority of social enterprises in Ireland hold charitable status...Considering that 13,878 charities are currently operating across Ireland (Charities Regulator, 2022), we estimate that 25% of organisations that hold charitable status are social enterprises.” (2023:17)

It is important that the importance of the social enterprise structures within the community and charity sector is recognised to ensure a cohesive approach that balances the opportunities and strengths inherent in all and supports a sustainable indigenous enterprise sector.

In our submission on the National Social Enterprise Policy, we recommended increasing the level of investment in skills-building of paid and unpaid workers in social enterprises, and across the community and voluntary sector, so that the entire labour market in the country has access to appropriate levels of skills-building resources. This investment and training must be sector-sensitive and be put on as secure a footing as mainstream academic and business training.

We further recommend that the level of investment in skills-building of paid and unpaid workers in social enterprises, and across the community and voluntary sector, be increased so that the entire labour market in the country has access to appropriate levels of skills-building resources. We further call for the application of additional resources through the National Training Fund to support the crucial training and development needs of the sector. This investment and training must be sector-sensitive and be put on as secure a footing as mainstream academic and business training.

¹⁶ https://joint-research-centre.ec.europa.eu/jrc-news-and-updates/monitoring-and-tackling-loneliness-europe-released-data-first-eu-wide-survey-2023-06-06_en

¹⁷ <https://www.esri.ie/system/files/publications/RS171.pdf>

¹⁸ Department of Rural and Community Development (2023): Social Enterprise in Ireland A Baseline Data Collection Exercise. Dublin: Stationery Press.

Digitalisation

According to the European Commission's 2022 Digital Economy and Society Index (DESI) Report – Ireland Profile¹⁹, notwithstanding that Ireland now ranks 5th out of the 27 EU Member States, just 40% of Irish people have above-basic digital skills, while 30% have below basic skills. The Full DESI European Analysis²⁰ further indicates that, at a European level, socio-economic factors impact digital skills levels, with age, access to the labour force, rural location, and educational attainment all correlating with lower digital skills attainment.

This is supported in an Irish context by the Central Statistics Office (CSO) Internet Coverage and Usage in Ireland 2023 Report²¹ which indicates that people on 'home duties' and those 'retired from employment' were least likely to use the internet, internet use declines with age (with a significant decrease from age 60), and with deprivation status, with people recorded as 'very disadvantaged' least likely to regularly use the internet. These socio-economic factors would be prevalent among users of many of our members' services.

The issue of digitalisation as a structural challenge crosscuts most issues in relation to future competitiveness challenges, and managing the transition in a just way that ensures inclusion for all groups in society, particularly the marginalised must be a priority.

The charity, community and social enterprise sector tends to lag behind its public and private counterparts in terms of digitalisation. Utilising programmes like Digital Europe to ensure that no sector is left behind in the digital transition; supporting the sector to tackle societal challenges including the green and digital transitions and changing demographics.

We would therefore welcome the utilisation of more funding under the European Regional Development Fund (ERDF), which has a specific priority of digitisation and digital connectivity, to address the digital divide.

Climate Change and Sustainability

There is a huge willingness and desire across all sectors to contribute to the decarbonisation agenda which affects all aspects of society and the economy.

Social enterprises will increasingly play a role in tackling climate change in areas such as renewable energy and the circular economy, as highlighted in the EU Transition Pathway for the Proximity and Social Economy. Facing the climate crisis head on will continue to be a ground-up movement led by communities who understand the necessity of drastically changing the way our economy and societal structures work.

The Wheel is a member of Coalition 2030, a multi-sectoral partnership of member organisations from across Ireland that, alongside Ireland's voluntary national reviews, critically assesses Ireland's progress on the SDGs, encourages the government to adopt open and participatory SDG monitoring and implementation, and supports fellow members in their efforts to advance sustainable development. We must apply the "furthest-behind first" principle in line with the SDGs' aims. This is the only way to prevent further loss of local resilience, erosion of long-term sustainability and equality in communities, and catastrophic climate chaos for the most vulnerable now and in future generations.

¹⁹ <https://digital-strategy.ec.europa.eu/en/policies/desi-ireland>

²⁰ <https://digital-strategy.ec.europa.eu/en/library/digital-economy-and-society-index-desi-2022>

²¹ <https://www.cso.ie/en/releasesandpublications/ep/p-isshict/internetcoverageandusageinireland2023/keyfindings/#:~:text=Frequency%20of%20Use&text=Of%20daily%20internet%20users%2C%20almost,it%20nearly%20all%20the%20time.>

Increasing support for robust participatory approaches is the only way to ensure the scale of the societal response will meet the scale of the challenge. This necessitates that community-led climate action is given a corresponding increase in the level of innovative and flexible funding, along with significant capacity-building resources.

We must further maximise the potential of the EU's LIFE programme and Horizon Europe to support decarbonisation projects. This can be supported by incentivising or mandating Local Authorities or other public bodies to partner with universities and social economy actors (charities, social enterprises, cooperatives, etc.) to work together to set up energy agencies and other interventions. Currently, progress made is by a committed few with the drive to overcome barriers and is largely community led. By increasing public buy in and support, more successful and cohesive projects can be delivered.

Conclusion

The community and voluntary sector is vital to providing the supports and services to address the challenges outlined in this submission. With 7,801 registered charities (over 100 in every single county), 34,331 nonprofit organisations, and 281,250 employees, the third sector in Ireland is providing the necessary supports and services to address local and national needs.

There must be recognition and sustainable funding for the sector to continue its valuable work in meeting the furthest behind. Our recommendations echo our members' calls for cohesion, clear definitions, and awareness of the impact they have on Irish communities and internationally.

Funding, training, and resourcing is necessary for organisations to carry out this vision. Ireland relies heavily on charity and community organisations to deliver vital public services in communities. We believe this is a positive decision because sector organisations have demonstrated excellence, responsiveness and a human-centred approach in meeting local needs. Ring-fenced funding for the sector would allow for more flexibility and innovation in the sector to continue to respond to future challenges.

Contact

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The Wheel is Ireland's national association of charities, community groups and social enterprises. Our membership includes thousands of nonprofit organisations of all types and sizes, including most of Ireland's leading charities.

As a representative voice, we provide leadership to the charity and community sector and we advocate on behalf of our growing community of members.

As a supportive resource, we offer advice, training and other opportunities to people working or volunteering in the charity and community sector.

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