

ILDN OPENING STATEMENT – JOINT OIREACHTAS COMMITTEE SOCIAL PROTECTION, RURAL & COMMUNITY DEVELOPMENT & THE ISLANDS – MAY 19TH, 2021.

Chairman, thank you and the Committee for the invitation to join you today to discuss your preparations for Budget 2022.

The Irish Local Development Network (ILDN) is the representative body of Ireland's 49 Local Development Companies (LDCs) who provide a comprehensive range of integrated person-centred services to citizens and communities in the areas of Social Inclusion, Personal Development and Well-Being, Early Years & Family Supports, Education & Training, Employment Services, Enterprise & Social Enterprise, Climate Change & Just Transition.

Our LDCs support more than 15,000 communities and community groups and 173,000 individuals annually through €330 million of state-funded programmes at national level including LEADER, Social Inclusion Community Activation Programme (SICAP), National Walks and Recreation Programme, social enterprise supports, Tús, Rural Social Scheme, Local Employment Service and the Back to Work Enterprise Allowance. Members provide a *national* footprint through *local*, community-based delivery.

This local connectively enabled Local Development Companies to be 'First Responders' to the COVID-crisis, contacting tens of thousands of the hardest-to-reach citizens and thousands of community groups in the infancy of the crisis, in a quiet but highly efficient manner. Thanks to the flexibilities

shown by the relevant funding Departments, the work of LDCs was tailor-made for supporting the Community Call. From deploying staff to FoodCloud and ALONE, to filling in PUP forms for those without computer access or know-how, to providing food and medicines via their SICAP, Tús and RSS programmes and supporting social enterprises whose income base had collapsed, the response was customised for each community.

Each day in the first four weeks of the crisis, LDCs received an average of 2200 pandemic-specific requests for assistance each day and they responded to each of these through the deployment of 1398 staff and 985 scheme workers to tasks associated with the Community Call.

A good example was in the area of food poverty. Following the onset of social restrictions, FoodCloud and ILDN came together to see if they could plug the gaps across the country where they existed. As a result of this rapid scaling up, the Local Development Companies collaboration with FoodCloud set up food banks in 22 counties, mostly where this provision was not previously available, but it also augmented the existing provision in other counties.

This collaboration has been presented by Ireland at an OECD seminar on best practice in Local Development response to COVID

LDCs also supplied staff through ILDN to FoodCloud distribution hubs in major cities as well as distributing food countrywide to social inclusion target groups through Tús, RSS and SICAP staff and using own vans and storage facilities.

Such responses have been based on a partnership between the State and the Local Development Sector that worked very effectively. There have been significant challenges – we would have liked to have done

more and for more people but LDCs were not overwhelmed. They went about their business and focussed on the operation. With highly skilled and experienced staff, they continue to be a sustainable, agile delivery mechanism as this crisis morphs and hopefully settles. LDCs will play a key role in ongoing well-being, mental health, and community-building and crucially in getting people back to work and assisting social life to re-emerge albeit under new conditions.

Given the range of services provided by our members, we will not speak to all of the Programmes delivered by them today. We wish to however highlight a number of priorities which the Committee might consider in its Budget proposals.

Local Employment Services:

DSP contracts ILDN members for the provision of Local Employment Services (LES) in 23 locations. Providers deliver a case managed employment service for all jobseekers.

Given the uncertainty in the labour market, the high numbers requiring activation over the next two years and the capacity available to the state through Local Development Companies, now is not the time to embark on a realignment of existing LES operational areas as is being proposed with the introduction of a dual strand procurement process that will fundamentally disrupt activation services when they are needed most.

What ILDN proposes is:

- All Local Development Companies that do not have an existing LES would *pilot* an LES-type service, reflective of the Covid-19 context and changing Socio Economic profile.

- In this period, existing LDCs with LES contracts will continue to deliver the current LES service but provide enhanced services.

This proposal offers an agile and affordable response to the inevitable high demand for employment services -

- There is integration with existing rural employment and inclusion services.
- There is no requirement to develop infrastructure *ab initio*.
- There is no disruption to existing services from realignment of operational areas or loss of skilled staff.

LEADER

The next EU LEADER programme will not commence until 2023. To bridge the gap to the start of the next programme a Transitional LEADER Programme has come into effect with a Budget of €70 million to the end of 2022.

The LEADER Programme offers the ideal vehicle for the delivery of development funding to Rural Areas in the most effective manner. Community-Led Local Development acts at European level as a multi - fund approach. That is that by joining different funding programmes and instruments you can achieve greater results. We believe that there is merit in the adaptation of a CLLD//Multi fund approach for LEADER to ensure rural communities' benefit from all available EU and State supports.

Furthermore it is important that Government allocates the maximum percentage possible of CAP Pillar II Funding and exchequer co-funding for the purposes of LEADER.

We regret that the ILDN and its members have been excluded from the Department of Agriculture's CAP Consultative Committee drawing up the new CAP. It is regrettable that those who deliver LEADER, an important element of the CAP budget, do not have a seat at the table. It is important that this Committee is aware of this point and Chairman it is important too that this Committee monitors how the CAP Strategic Planning Process unfolds.

Tús CE & RSS

We believe it will be critical to allow for maximum participation in important schemes such as Tús, Community Employment & the Rural Social Scheme (RSS) in the years ahead.

The Tús programme has seen reduced numbers prior to the pandemic and exacerbated by it. A number of reforms to eligibility criteria, length of time on scheme and crucially improved referral processes are needed to ensure that this programme stays at the heart of the state's activation options and continues to serve those most in need of valuable work experience prior to fuller re-entry to the labour market.

The RSS in particular faces a critical juncture and it faces inevitable decline if impending impacts of eligibility rules are not addressed. The 6-year rule introduced in 2017 is about to kick in and if left in place will remove 38% of the Scheme's 3000+ participants in a 3-year period.

Together with the 13% who will leave at retirement age, this means over half of the Scheme will be removed. This represents a cliff edge for rural communities in work undertaken, experience and leadership lost, a reduction in biodiversity in pushing landowners off the land and their replacement by monoculture practices. ILDN urges the Government to review this rule ahead of Budget 2022 and bring forward reforms to protect participation in this important scheme.

Eligibility reform is needed to ensure that this important scheme survives. In our submission to the Committee we have laid out a number of potential reforms to all three schemes which we believe would be of benefit.

SICAP

Chairman, the SICAP budget stands at 50% of what it was in 2008 - (€43m currently, €84.7m in 2008).

Those who are already disadvantaged are likely to be more so in onsets of crises in health, economy, education and employment such as with Covid19. This is exacerbated by poorer access to information technology, digital/ online services. As we move into the recovery phase, digitization and the remote delivery of services will become more normal across society, thus causing further disadvantage to groups with poor access to and experience of digital channels.

To protect vulnerable groups, typically SICAP target groups, ILDN proposes a Digital Inclusion Fund (DIF) to be administered by Local Development Companies in conjunction with SICAP.

Whilst specific funding is required, the DIF will benefit from existing integrated services and facilities with LDCs.

Further investment in SICAP is also important in the context of the implementation of the Government's White Paper on ending Direct Provision.

A Sustainable Local Development Sector

Finally, ILDN is seeking the introduction of a core cost funding model as a more sustainable and equitable approach to supporting the inclusion focused and anti-poverty work of Local Development Companies country-wide. This model is based on a full costs recovery system in line with Objective 4 of the Government's Sustainable, Inclusive and Empowered Communities strategy.