Committee on Budgetary Oversight - November 3rd, 2026

Presentation by Coalition of Community and Voluntary Service Providers

The Coalition of Service Delivery Organisations represents Section 56, Section 39, Section 10 and Section 40 organisations within the following umbrella bodies:

- Coalition of Tusla Funded Grantees
- Disability Federation of Ireland
- Dublin Homeless Network (National Special Purpose Group)
- Family Resource Centres National Forum
- Mental Health Reform
- National Community Care Network
- National Federation of Voluntary Service Providers
- National Voluntary Drug and Alcohol Sector
- Network of Cuan Funded Organisations
- Simon Communities of Ireland
- The Wheel.

1. Review of Our Submission to Committee of April 28th last:

● Overview:

Our sector has a decades long history of partnering with the state to deliver essential services in disability, mental health, child and family services, housing and homelessness, health, home care and addiction.

We employ a combined total of over 40,000 staff, in approximately 1,000 bodies contracted by various government departments and agencies to deliver these services countrywide.

Government has a major stake in ensuring a vibrant voluntary sector to deliver safe and effective services. Many services could not be delivered to those that require them without our involvement.

This requires a coherent policy framework, a whole-of-government approach, and a funding model that reflects the real cost of service delivery.

● Sustainability of our Services is at crisis point

Many organisations are struggling to maintain both the quality and quantum of service delivery. Many organisations are struggling to maintain both the quality and quantum of service delivery.The ongoing WRC process to address pay deficiencies for certain grades of staff in our sector and a current data gathering exercise will help to quantify remaining pay anomalies, identify contracted services not covered by WRC agreements and begin the focus on other essentialnon-pay costs, such as pension-autoenrolment. Work on the report has been completed and we await its publication

- **A sustainable funding model is required based on the needs of service users and service delivery - it's not just about pay.**

We urged Government to adopt a strategic approach to sustain and strengthen community-based service provision. We cited the recent report by the Ombudsman for Children '*Let's Get it Right - a rights-based vision for children in care'* recommending a shift away from private providers for children in residential care to investment in high quality, publicly provided services (OCO, 2026).

- **Pension auto-enrolment costs must be paid.**

They were not funded in Budget 2026 and again not funded in Budget 2027, despite being an obligatory cost. Auto-enrolment should not be used to reduce existing pensions and funding as this fundamentally undermines the purpose of auto-enrolment helping to address our pensions time bomb.

- **Non-pay costs are becoming unsustainable:**

On average 20% of service delivery costs relate to non-pay costs and so were not addressed by the WRC process. They are excluded from some state funding agreements/SLAs and include:

- Insurance premiums
- Heating / lighting / energy
- Rent / maintenance
- Audit and corporate governance
- IT and Cyber security
- Training and development.

We cited examplars for progress, including

- the Wellbeing Framework in the Department of the Taoiseach, to promote cross-departmental collaboration.

- The 2024 Dept of Housing initiative that the **County and City Management Association (CCMA)** conducted a review of **Section 10 funding -** The fundamental shift in the

contractual arrangements between local authorities and NGO providers is an **exemplar** for other departments and government policy. It offers a roadmap to modernise relationships with the sector and acknowledge the vital role we play in the national continuum of service provision across all sectors.

- Recent sustainability discussions with the DCDE

- Improved wage stability within the sector is being facilitated by the **WRC** process.

- **We called for a comprehensive and co-ordinated Budgetary strategy,** including a cross-departmental /whole-of-government and community & voluntary sector collaborative approach, to properly co-ordinate the above and other necessary initiatives.

2. Our response on specific areas within Budget:

- Disability Services and Supports:

- Welcome the additional investment in specialist disability services. Budget is now over €4.1bn.
- Unmet proposal- no budget line to consolidate sustainable funding. Last year a small number of organisations received substantial sustainability funding, and will again this year. Those excluded last year still have no access to sustainable funding this year.
- There is a need to clarify how organisations excluded from sustainability funding can access funding to secure essential frontline services and are not left further in deficit this year

- Section 56 – Child and Family Services and Children's Residential Services.

- The additional funding to create more than 900 new placements for children's residential services and the commitment to reduce emergency placements, reduced childcare fees and increase in family resource centres is very welcome.
- However: we require clarity on how funding will be allocated and whether and how much of it will be used to resource the C and V organisations.

- Mental Heath:

- An additional €108m for mental health services in Budget 2027 brings the overall mental health budget to €1.657 b, a 7% increase on 2026.

- Welcome funding for community crisis supports including the expansion of solace cafés alongside additional Suicide Crisis Assessment Nurses and crisis resolution teams.

- Welcome the commitment to recruit an Assistant Director within the HSE to drive mental health capital investments particularly crucial given the urgent need for a dedicated Mother and Baby Mental Health unit for perinatal mental health difficulties.

- Welcome investment in youth mental health including, the expansion of community-based services and the recruitment of specialist clinicians in CAMHS. Additional funding for counselling for men, young people and the LGBTQ+ community is also very positive.

Regarding resourcing deficits, despite a 7% funding increase mental health still accounts for just 6.05% of the overall Health Budget, significantly below the Sláintecare commitment to reach 10% by 2030.

- Addiction (Drugs and Alcohol) Services:

The €36m allocation under Social Inclusion, National Drugs Strategy, Community Health and Wellbeing is significant. The Budget 2027 Factsheet provides greater clarity on the drugs and inclusion health elements, identifying €12m in additional funding, €7m to commence implementation of the National Drugs Strategy 2026–2030 and expansion of existing drugs initiatives.

The allocation will help to expand equitable access to drug and alcohol services, respond to emerging drug trends in conjunction with Drug and Alcohol Task Forces, improve drug and alcohol prevention, provide tailored services for people with dual diagnosis and other complex needs and support mainstream gender-specific treatment services and expand supports for individuals and families affected by drug-related violence and intimidation.

The Action Plan also provides for three-year service plans in each HSE Health Region, informed by service mapping and identified gaps.

Further clarification remains necessary. In particular, a transparent account is needed on how the €12m drugs package relates to the wider €36m allocation, what proportion of the €8.5m will reach community and voluntary organisations and how funding will be administered through HSE Health Regions and how Strategy implementation and expanding existing initiatives map onto mainstream services previously supported through other funds;

The Factsheet states that further details will be set out in the HSE National Service Plan for 2027. This should provide clear allocations, delivery responsibilities and implementation timelines, including multi-annual funding arrangements for the proposed three years service plans in each HSE region.

- Homelessness:

Overall Verdict: We welcome incremental increases and general cost-of-living reliefs, but criticizes Budget 2027 for lacking a radical plan to address the record 17,885 people experiencing homelessness.

- **Funding vs. Demand:** Homelessness funding rose to **€543m** (up from €513.5m in Budget 2026), but it is unclear how much will reach NGOs facing rising operational costs, inflation, and high demand.
- **Housing Delivery Limits:** While **€3.2bn** is allocated for social housing (including 11,250 new homes), relying solely on long-term supply fails to resolve the immediate short- and medium-term shortage of move-on accommodation.
- **Welcomed Specific Measures:**

€1.2m allocated to launch the **Child and Family Homelessness Action Plan**.

Wider welfare and cost-of-living supports that aid prevention, including a **€10/week core welfare increase**, **€5/week Fuel Allowance increase**, higher **Rent Tax Credit**, raised **Rent-a-Room threshold (€16,000)**, and reduced childcare costs.

- **Key Missed Opportunities:**

No stated budget improvements for **Housing Assistance Programme (HAP)** payments.

No specific funding allocated for the upcoming **Homeless Prevention Framework**.

Mental health budgets fails to target individuals experiencing homelessness.

- Cuan:

- We welcome the increased funding for free counselling for men, and LGBTQI, while some agencies which have had difficulties in accessing funding for counselling for men are in dire need. It is unclear how the fund will be allocated.
- There is no detail regarding the uplift in funding for Cuan.
- There has been no uplift in funds to cover core running costs for the last two years.
- Section 40 staff salary provision appears to be substantially underfunded in comparison to other organisations in the sector.
- Many organisatons within Cuan have pension provision from previous funders. New staff being funded by Cuan are only being offered auto-enrolment levels which is creating new pay and conditions disparities instead of resolving them.

3. Key areas for Committee consideration:

1/. Cross departmental co-ordination is required for effectiveness and efficiency.

A multiplicity of state funding sources, requirements and timelines currently operate on resourcing organisations in our sector. This results in unnecessary duplication and, particularly relevant to this Committee, a significant waste of resources and time, both for our organisations and within individual departments and funding agencies. This in turn mitigates against effective and efficient service delivery.

A new government led Working Group, comprising relevant stakeholders, should tackle this, including addressing the 12 references in the Programme for Government to ending silos and promoting cross-departmental co-operation in our sector.

2/.Apply the next public sector pay deal in full to our sector.

All provisions of any new public sector pay deal should be automatically applied to the in-excess of 40,000 staff in our sector who provide equivalent services and supports - as per WRC CAM 101494-24 of 10/03/2025. Allocations to relevant Departments should be clarified to ensure this occurs.

In addition, a comprehensive though as yet unpublished government sponsored survey, undertaken by Kosi, responded to by over 70% of in excess of 1,000 funded organisations, will for the first time identify remaining pay anomalies and discrepancies. Budgetary planning for Budget 2028 should include proposals to respond to its Findings.

3/. Auto-enrolment costs should be funded in contracts.

All organisations that do not already have a pension scheme in place are required to pay the employers' 1.5% for pension auto-enrolment since January 2026. Contracts and service level agreements have failed to include the required monies meaning employers face a choice of cutting services to pay a government mandated but unfunded cost. To date only Cuan (Sect 40) appears to be the only funding agency to commit to paying. Clarity on this money in allocations to funding agencies - for 2027 and 2026 arrears - should be provided by government. Payment of auto-enrolment should not occur at the expense of existing pension arrangements where they exist in the sector. The goal of auto-enrolment is to bring people without a pension into a scheme not to diminish existing pensions.

4/. Sustainable, multi-annual funding required for service delivery stability

Budget 2027 did not deliver sustainable, multi-annual funding for state contracted services in voluntary and community sector. Clear progress towards this goal is needed to protect these vital services, recruit and retain skilled staff and respond to growing demand.