

# RehabGroup

Investing in People, Changing Perspectives



## **Rehab – Pre-Budget Submission for Budget 2022**

The following pages set out the priority areas that Rehab Group and, in particular, the people we support would like to see tackled by the Government in Budget 2022.

There are a myriad of challenges facing Government at present - from the pandemic to the housing crisis; from high rates of unemployment to the urgent need to address climate change. In that context, it would be easy to forget that hundreds of thousands of our fellow citizens continue to be left behind – simply because they have a disability, a mental health challenge or experience other forms of disadvantage.

But the need to tackle new crises should not be an excuse to ignore one of the longest running issues facing Ireland – the rights and welfare of people with disabilities and how far they are left behind in Irish society.

Ireland continues to have one of the worst rates of social exclusion for people with disability in the EU. Ireland has the very worst rate of employment. We simply can't ignore this any longer.

Below, we draw on the lived experience of the 10,000+ people supported by Rehab, and we use the organisation's wealth of knowledge on these issues. From that lived experience, we set out some of the priority areas that need to be addressed to tackle these issues in Budget 2022 and bring Ireland into line with the United Nations Convention on the Rights of Persons with Disabilities.

In Budget 2022, we are calling for the following headline measures:

- **Increase basic Social Welfare payments – and especially those that will support people with disabilities to live independently**
- **Focus on employment issues for people with disabilities, including improving supports under the Wage Subsidy Scheme**
- **Address significant accessibility issues in Transport and Housing**
- **Address Hidden healthcare costs for people with disabilities**
- **Implement the Catherine Day Report and resource the Disability Capacity Review**
- **Change the funding model for Specialist Training Providers to help more people with disabilities gain qualifications and progress into work.**

## **Part 1 – What Persons in Rehab Services tell us they need the Government to tackle in Budget 2022**

The first part of this submission is based on extensive feedback we received from people who use our services in relation to their lived experience and what they would like to see addressed in Budget 2022.

In May this year, our Advocacy Team held 33 focus groups across our services. Over 200 people from Rehab services across 21 counties participated. We have set out the main findings of this engagement in a [Research Report](#). We have also made specific recommendations in relation to the social protection in a separate [submission to the Department of Social Protection](#).

Participants in our focus groups in May focussed on five clear areas. These are summarised as follows:

- 1. The most prevalent issue raised was the struggle to live on current rates of social welfare. And this is especially so if the person was living independently or wanted to live independently.**
- 2. Challenges in finding employment**
- 3. The cost and availability of suitable Housing**
- 4. The lack of appropriate Transport and the high costs this imposes**
- 5. Hidden healthcare costs**

## 1.1 Income Adequacy

The most prevalent issue raised by people we support was the struggle to live on current rates of social welfare. And this is especially so if the person was living independently or wanted to live independently.

Basic Social Welfare rates have not increased since March 2019. In particular, costs associated with living alone are very hard to meet. A review of the Cost of Disability has been completed but not yet published.

Typical comments we received from people we support included:

*“My mum buys my clothes for me because I can’t afford to and I’m 25!”*

*“DA has to be increased, it is difficult to make ends meet, especially when living alone.”*

*“Everything is getting more expensive, so why is DA staying the same?...you have to watch every penny going out”.*

We expand on these issues in our [research document](#) and in our [submission to the Department of Social protection](#)

### Recommendations:

- **Basic Social Welfare Rates need to be increased.** The last increase in basic rates was announced in the Budget of October 2018 – the level of income support was already inadequate, and inflation has risen since then by 3.1% according to the most recent data (August 2021). People with disabilities cannot afford to go through a third Budget in a row without their basic needs being met.
- **A particular focus is required on supports for people who live independently.** For the second year running, this was the single biggest feedback we received from our engagement with people in our services. Income supports for independent living were increased in last year’s Budget and this was welcome. However, they still go nowhere near meeting the basic cost of living an independent life. Such income supports are also vital if the update of the strategy on Housing for People with Disabilities is to have any chance of succeeding. The Living Alone Allowance and Fuel Allowance should be increased further.
- **There is an urgent need to publish the Cost of Disability research and establish the principle of a cost of disability payment in this year’s Budget.** The Cost of Disability report is completed but is undergoing appraisal by various Government Departments. We cannot allow the delay in publishing the report hold back this key reform.
- **Complete the review of the Disability Allowance application process and ensure that any new system is disability-friendly.**

## 1.2 Employment for people with disabilities or mental health challenges

The second most prevalent issue raised by people in our services was the challenge in finding sustainable employment.

The main issues encountered by the people in our services was that employers were very hesitant about taking on people with disabilities. Also, there is a worry among people in receipt of disability allowance that they will not be able to get back on to a payment if they try a job and it doesn't work out.

Typical comments from people in our services included:

*"Employers don't want to know once they see you have a disability."*

*"It is really difficult to get work. Having a disability holds us back. Employers are nervous about taking us on."*

*"a lot of people have to go in and not say what their disabilities are, and I think that's unfair."*

We expand on these issues in our [research document](#) and in our [submission to the Department of Social protection](#)

### Recommendations:

- Raise the €350 threshold on the earnings disregard on Disability Allowance so that more people can take up work while also holding an entitlement to a small amount of DA – this is a very important safety net for people with disabilities that encourages people to try out work opportunities without the threat of permanently losing their DA if they are unable to sustain employment.
- Invest in extra job coaches for people with disabilities through EmployAbility or a similar programme. The ratio of participants to job coaches is currently 25:1 which is far too high and effectively excludes people with severe and enduring disabilities. Also, there is a need to recognise that the current cap of 18 months for the employability service in terms of supporting ongoing needs is too restrictive for some people.
- Improve Disability Awareness and diversity training for employers so more employers are supported in taking on people with disabilities.

\*\* Please see also our recommendations in relation to the Wage Subsidy Scheme in section 2.3 below

## 1.3 The Cost and Availability of Suitable Housing

There was very significant concern in our focus groups about barriers around Housing.

There is simply not enough social housing. There are not enough supports in terms of income for many to be able to afford independent living. And there are not enough personal assistant or other supports to allow people to move into independent living.

Typical comments from people in our services included:

*“People should have access to appropriate housing for their needs. People should not end up in nursing homes because there are no proper services or the HSE doesn’t want to pay for supports”.*

*“There should be more social housing, especially small apartments for people who want to live alone. The available houses are often not suitable, too far out of the city...”*

*“I live in shared accommodation and sometimes find it hard to pay my rent - sometimes my sister helps me out with food or stuff”*

Again more feedback on this issue is available in our [research document](#).

### Recommendations:

- Complete the review of the housing plan for people with disabilities and ensure there is adequate capital investment in social housing for disabled people.
- Ensure that at least 7.5% of social housing is earmarked for people with disabilities and that this figure is progressively raised as more local authorities update their social housing lists
- Ensure that Health and Housing Budgets are joined up so that there is support for people to move into housing
- Increase funding under the Capital Assistance Scheme to make it easier for approved housing bodies to deliver more housing for people with disabilities

## 1.4 The Lack of Appropriate Transport and the High Costs this Imposes

Transport was the next most prominent issue. People with disabilities tend to be more reliant on public transport than the general population. As in previous years, the clear feedback from people we support was that Public Transport is inadequate – especially in rural areas. This imposes substantial costs on people and places significant barriers to independent living.

**Typical comments included:**

*“I only attend one day per week as I can’t afford any more days due to having to take taxis.”*

*“Only for my Dad I would have no social life... he insists he’ll drive me anywhere I want to go. The only thing is he’s 82. It’s unreasonable for me to be getting my Dad to drop me everywhere in the car at 82 years of age.”*

*“Local link doesn’t service all areas and those it does service the timetable doesn’t suit for getting to and from day service.”*

As before, more feedback on this issue is available in our [research publication](#).

### **Recommendations:**

- Invest in Public Transport, but especially Local Link, to ensure that there is a public transport option in all Irish communities
- Increase support to public transport providers so that accessibility issues can be addressed
- Reintroduce the Mobility Allowance or equivalent for new applicants

## 1.5 Hidden Healthcare costs

A quarter of the focus groups raised issues around hidden healthcare costs. This included items such as the cost of visiting the dentist, the cost of medication/prescription charges, and costs charged by GPs for a blood test.

Typical comments we heard were:

*“Medical Cards are helpful but everything should be covered, there should be no restrictions on it. I think it’s absolutely ridiculous that free health care isn’t actually free.”*

*“[I] Would like the dentist to be covered by the Medical Card...you could go to a dentist and they could hit you with a bill of €500. A person who’s on an allowance or a social welfare payment wouldn’t have the money for that.”*

*“GPs should not get away with charging Medical Card patients.”*

Again, more feedback on this issue is available in our [research document](#).

### Recommendations:

- **Reduce prescription charges for people on medical cards**
- **Introduce and enforce a ban on GPs charging medical card patients for blood tests**
- **Significantly improve public funding for dental cover for medical card patients so that more dental work is covered under the public schemes**



## Part 2

### 2.1 Social Care for People with Disabilities

The social care division of Rehab Group is called RehabCare. RehabCare is what is referred to as a “Section 39” organisation – meaning that our relationship with the HSE and our funding is determined with reference to Section 39 of the Health Act, 2004. Under Section 39 of the Health Act, the HSE contracts Rehab to provide a range of community based services, including specialist day services, respite services for children and adults, residential services for children and adults, supported accommodation, outreach services, and home based services.

In total, 35% of the entire disability budget is spent by Section 39 providers – so the State is heavily reliant on our sector to meet the needs of people with disabilities.

However, Section 39 service providers face particular challenges associated with this status. And we believe Budget 2022 should set about addressing these. The main challenges for the coming year are around unmet need and the increased waiting lists and times to access services, reform of the sector, pay for Section 39 workers, and capital budgets. We expand on these issues below.

#### Unmet Need / Waiting lists

In July, the Government finally published [a long awaited report](#) that looked at the exceptional level of unmet need in several aspects of disability services and the likely impact of demographic changes up to 2032. Tables 1a and 1b of that report (set out below) detail the additional funding required to address the demographic demand and unmet need across a range of disability services including residential, day services, personal assistance, home help etc. The report highlighted very significant shortfalls, in particular, in residential and day services. For 2022, the report estimates that an investment in the range of an additional €350m to €600m in funding is required. Furthermore, it estimates that a capital investment of €160-€380m is required to meet housing need, with a further €280m to fund decongregation. The report highlights just how underfunded the disability sector has been over a sustained period.

We acknowledge that a public consultation is under way and that a draft implementation plan is due to be prepared by the end of the year. However, implementation of this plan will not be possible unless funding is included in Budget 2022 for additional services. There are also particular challenges in relation to the escalation in need due to Covid - necessary service suspensions and temporary closures created significant challenges for many families and these families are now experiencing significant crisis. There are significant waiting lists for respite, residential services, outreach and home support. We are calling on the Government to ensure that sufficient provision is made in Budget 2022 to allow the roll out of the implementation plan to begin in 2022 and to address waiting lists in the sector.

**Table 1a: Estimate, additional annual funding required to meet demographic and unmet need – low**

Type of disability service	Demography only			Demography + unmet need		
	2022	2027	2032	2022	2027	2032
	€m	€m	€m	€m	€m	€m
Residential – Minimum scenario	60	120	160	220	280	320
Day services	8	30	60	40	60	90
PA & home help	4	10	15	34	40	45
Therapies	3	5	6	48	48	54
Respite	2	3	4	18	21	25
Community services	3	6	9	3	6	9
<b>Total (rounded)</b>	<b>80</b>	<b>170</b>	<b>250</b>	<b>350</b>	<b>450</b>	<b>550</b>

Estimates are indicative only. Totals may not add up due to rounding

**Table 1b: Estimate, additional annual funding required to meet demographic and unmet need – high**

Type of disability service	Demography only			Demography + unmet need		
	2022	2027	2032	2022	2027	2032
	€m	€m	€m	€m	€m	€m
Residential – Pre-recession scenario	60	120	160	400	500	550
Day services	40	140	250	70	170	280
PA & home help	4	10	15	34	40	45
Therapies	3	5	6	74	74	80
Respite	2	3	4	18	21	25
Community services	3	6	9	3	6	9
<b>Total (rounded)</b>	<b>110</b>	<b>280</b>	<b>450</b>	<b>600</b>	<b>800</b>	<b>1,000</b>

Estimates are indicative only. Totals may not add up due to rounding

## Reform of the sector

The various challenges facing Section 39 organisations were acknowledged in [a key report](#) examining the relationship between the voluntary sector and the state by Dr. Catherine Day, published in February 2019. That report set out a number of key recommendations on funding and relationships that we believe should be fully implemented. Some of the key recommendations cover areas such as the financial sustainability of the sector, multi-annual budgets, paying full cost delivery of services, better governance, establishing a forum, and establishing a dispute resolution mechanism. We acknowledge and welcome progress on some of these issues, notably the ongoing Health

Dialogue Forum, and the commitment made in the HSE Corporate plan to move to multi-annual budgeting. We are anxious however, that the Catherine Day report is implemented in full and that the HSE service plan for 2022 would set out not just a plan for 2022 but also multi-annual commitments. This would allow disability service providers to plan ahead and give much greater certainty to all who depend on Section 39 services.

## **Pay for Section 39 workers**

Another key issue is that many organisations are struggling to retain staff because of the differences in pay between Section 39 organisations and Section 38/HSE. One of the key reasons for this variance arises from the fact that Section 38 organisations and the HSE have gone through a process of full pay restoration. The same process has only partially been completed for Section 39 organisations.

While 300 Section 39 organisations have received some funding for pay restoration, there is a significant shortfall as this funding does not include associated pension costs or the wages of some part-time staff. This means that Section 39 workers in identical roles are paid substantially less – a situation that will become worse as further public sector pay rounds are worked through. It is patently unfair and is impacting on the ability of S39 providers to provide consistency to those they support.

The differences in pay also add to training, recruitment and agency staff costs as staff migrate to better paid positions elsewhere.

Most importantly, the higher attrition rates lead to interruptions in key relationships people with disabilities enjoy with key-workers and undermines their rights under the UNCRPD.

There must also be a clear recognition by Government of the commitment and dedication shown by all front-line workers during the pandemic. This was very well documented in a recent [National Economic and Social Council report](#) on the response of the voluntary sector to Covid-19. Any bonus or recognition awarded to front-line staff in the public sector (which would be well deserved) should be matched for those working in the voluntary sector, and service providers should be fully funded to provide this to their staff.

## **Capital funding**

Finally, there is an issue with capital funding. At the moment, there is virtually no capital budget for the purchase and development of facilities to run day services and children's disability services. This means the state is heavily reliant on private providers to fund capital investment. This will cost the exchequer more in the long term due to significantly higher costs charged by the private sector than if the state were to provide the capital investment itself. We understand that a revised Capital Plan is nearing completion. The new plan needs to deal with this significant gap in provision.

## **Recommendations:**

- **Implement in full all the recommendations of the Catherine Day Report.**
- **Provide sufficient resources in Budget 2022 to deal with waiting lists and the extensive level of unmet need identified in the Disability Capacity Review**
- **Provide for full pay parity for workers in Section 39 organisations - to include cost of pensions and all part-time staff**
- **Provide an adequate capital budget for day services and for children's disability services.**

## 2.2 Training and Education for People with Disabilities

National Learning Network (NLN) is the training, education and employment access arm of Rehab Group. Each year National Learning Network provides personalised inclusive education programmes and supports to about 6,500 people across Rehabilitative Training, Specialist Training in the Further Education and Training (FET) sector and Inclusive Education Supports in a number of Higher Education organisations. We have 53 centres around the country, funded by the Education and Training Boards (ETB) and the HSE.

We support students with disability and those experiencing significant health challenges to access, stay engaged and progress in their lives and in their chosen fields of learning. We work to remove barriers and to provide accommodations to ensure equity of opportunity for all students to participate in education and work.

Following are some of the issues we would like to see prioritised in Budget 2022:

### Funding Model

For Budget 2022, we would like to see the Government make a commitment to improve funding to Specialist Training Providers and to review how the model of funding works.

At the moment, the funding model for these services is not fit for purpose.

The funding mechanism for these courses is based on an historic per capita fee for service basis: Funding is only paid when students attend. There is no funding guaranteed to cover on-going core costs. No other education setting has this model of public funding in Ireland.

In practice, the use of this per-capita-fee-for-service funding mechanism means that the provider is only paid when a student attends their programme/course. This funding system does not fully allow for the student profile we cater for where there is arguably a far greater likelihood of a break in participation. If a student has to discontinue attending for any reason, e.g.: due to disability complications, due to family circumstances, due to participation costs, due to an offer of employment, then the service provider does not get paid until the student returns or a new student starts. This causes fluctuations in demand which impacts negatively on the funding to the provider.

This funding mechanism fails to recognise that providers have large fixed costs in terms of staffing, infrastructure and transport which remain constant regardless of numbers attending or in-year fluctuations in demand.

This system of funding makes it exceptionally difficult to adequately plan services and to ensure sustainable provision to people who most need it.

In addition, the per capita fee for services system provided through the ETBs has not been increased since 2011. Further, no funding for pay restoration has ever been provided by Solas/ETBs.

And still further, the fee for Rehabilitative Training has also decreased as it has been subject to a number of cuts over the same period. It is insufficient to cover the full core costs of service provision.

## Transition for Students exiting Second Level

We acknowledge and welcome that Government is looking closely at how best to improve the transition from second level education to further and higher education for young people with additional support needs - with [a welcome recent announcement by Minister Anne Rabbitte](#) in relation to the deferral of day service placements. This is an area that NLN has a particular specialism in and we believe it is vital that Budget 2022 supports this initiative by dealing with some of the current challenges in the following ways:

- investing in career guidance supports for students in special classes,
- establishing a formal referral process that encompasses all options for students exiting second level, including information on vocational & specialist vocational training – so that students are not simply left with a social care option,
- dealing with the funding model issues outlined above so that a wider range of options can be offered to and sustained for students.

## Capital Funding

There is currently no capital fund available to Specialist Training Providers such as National Learning Network through Solas/ETBs. (The HSE does provide some capital investment for school leaver services).

This leaves providers reliant on fundraising in order to invest in their infrastructure. This means that students who attend NLN, some of the most disadvantaged people in our Further and Higher Education system, are further disadvantaged.

## Recommendations:

- **The model of funding for “Specialist Training Providers” is not fit for purpose. We are requesting extra funding to be set aside for both vocational and rehabilitative training and for the funding mechanism for both to be reviewed to include core costs on a multi annual basis.**
- **Budget 2022 should set aside capital funding for better investment in the Specialist Training Provider sector.**
- **Introduce a formal system of referral for students exiting second level so that they can better access appropriate further education services**
- **Pay Restoration should commence for Solas/ETB funded services in line with other organisations providing services on behalf of the state.**

## **2.3 Employment opportunities for Persons with Disabilities**

One of the main divisions of the Rehab Group is a social enterprise called Rehab Enterprises (RE Ltd). Our mission is to provide sustainable employment for people with disabilities in commercial business units.

Rehab Enterprises is one of the largest employers of people with disabilities in Ireland. We employ over 150 people in Ireland, over 90 of whom are people with disabilities. We specialise in secure WEEE IT & paper recycling, J.I.T manufacturing and logistics.

Based on this experience, there are two key measures we believe that the Government should look at as part of Budget 2022 that we believe could make a significant contribution to addressing Ireland's very low rate of employment for people with disabilities.

### **Wage Subsidy Scheme for Persons with Disabilities**

One of the key programmes that could help support more people with disabilities into sustainable employment is the Wage Subsidy Scheme for people with disabilities.

The Wage Subsidy Scheme for people with disabilities (WSS) is an employment support to businesses, designed to supplement wages of people with disabilities to help sustain employment opportunities for them.

Rehab Enterprises Ltd has accessed the Department's Wage Subsidy Scheme for people with disabilities for many years. Along with other employers, we have found this to be a vital support. It resolves two of the main concerns that employers have with employing people with disabilities by recognising that a person may experience decreased work productivity and that they may require additional support to carry out their role.

The problem is, however, that the level of subsidy available to employers under the scheme has not increased since the last recession. This has very significantly undermined the sustainability of employing people under the scheme.

When it was first established, the Wage Subsidy Scheme's link to the National Minimum Wage (NMW) was considered crucial to ensuring that people with disabilities were supported to get meaningful and gainful employment in the open labour market. Before its introduction, employment opportunities for people with disabilities focused very much on sheltered workshops, community employment, and other sheltered occupational services. Any loss or diminution of the linkage between the WSS and the NMW reduces this recognition by the state of the contribution that people with disabilities can make to the open labour market with appropriate support. In practical terms, it means that as the NMW rises and therefore labour costs rise, the level of support under the WSS stays the same. This means that there is an ever-increasing gap to be filled by the employer.

In the past few years, the level of the WSS has fallen out of alignment with the NMW, due to it not being increased in line with NMW increases. In 2008, the subsidy was 61% of NMW and this has fallen to 52% today (2021 minimum wage is now at €10.20 per hour, WSS still at €5.30 per hour). This drop may seem relatively small but it represents a huge challenge to social enterprises such as ourselves and other employers of people with disabilities.

The Programme for Government commits to “fine-tune and expand targeted employment schemes such as the Wage Subsidy Scheme and the Ability Programme to help more people with disabilities stay in the workforce”. We also understand that the WSS for people with disabilities is under review by the Department of Social Protection.

We believe there should be changes to the WSS to allow greater flexibility and to help it sustain more employment opportunities. These are also needed to ensure that the spectrum of disability is supported, including those with severe and enduring disabilities. ([more details provided here](#))

## Public Procurement

Article 20 of the EU Public Procurement Directive allows public procurers to reserve contracts to encourage the employment of people with disabilities and disadvantages. Article 20 was meant to herald a new dawn for employment opportunities for people with disabilities. However, Article 20 is simply not being used in Ireland. A survey of local authorities conducted by Rehab last year found no evidence of use of the Directive since 2017.

From our operations in Scotland, we can see a very successful model of public procurement that has been an enormous success for people with disabilities. Under this model, the Scottish Government worked with the social enterprise sector to carve out areas of operation that could be served by enterprises that employed large numbers of people with disabilities. We would urge the Government to adopt a similar model in Ireland.

Unlike in Ireland, activity under Article 20 is legally required to be reported by public procurers in Scotland so that it can be tracked and targets set. Also unlike in Ireland, there is an explicit policy that every public body should have at least one contract with “a supported business” (a business where the workforce is made up of at least 30% people with disabilities/disadvantages), and private sector companies are encouraged to buy goods and services from them too.

There is no reason why the model in Scotland, with a similar population and economic profile to Ireland, cannot be adopted here. It would make a huge difference to the sustainability of disability-focussed social enterprises in Ireland and could provide thousands of additional job opportunities to people with disabilities.

## Recommendations

- **Follow through on the commitments made in the Programme for Government in relation to the Wage Subsidy Scheme. Increase the rate per hour for the Wage Subsidy Scheme for people with disabilities in Budget 2021 to a level greater than 60% of the Minimum Wage. Raising the level to, say, 65% would cost €5.7m.**
- **Change Public Procurement policies so that Ireland adopts the Scottish model of Public Procurement.**



## **Rehab – who we are and what we do**

The Rehab Group is the largest not-for-profit organisation in Ireland providing specialist services to persons with a disability and people who are at a disadvantage. We provide direct services to over 10,000 people including children and adults. We champion the values of diversity and inclusion for persons with a disability or disadvantage in their communities throughout Ireland.

Our mission is to help change the lives of the people we serve by helping them to become more independent and more included in their communities, by empowering them with the skills and confidence to be active in the workforce, and supporting them to be in charge of their health and wellness. The Rehab Group is comprised of RehabCare, National Learning Network and Rehab Enterprises. We specialise in residential, supported accommodation, respite and day services; home support services, further education and training; and employment for individuals with a disability and people who are disadvantaged.

Funded by the HSE, RehabCare is the care division of the Rehab Group providing 52 residential/supported accommodation services, 70-day services including resource and outreach centres, 10 respite services for adults and children, and home support services to both children and adults across Ireland.

National Learning Network (NLN) is the education and training division of the Rehab Group specialising in individualised, person-centred training and education with a specific focus on persons with a disability. We support over 6,500 students each year, between the ages of 16 and 65 who have experienced a setback, an accident, a mental health issue, an illness, an injury or have a disability to progress to further education and training or employment. NLN is funded through the Education and Training Boards (ETBs) and the HSE and has 50 centres around the country.

Rehab Enterprises provides sustainable employment for persons with a disability. It operates a unique integrated model of employment, where employees with disabilities work alongside employees without disabilities across a number of sectors.