

National Report for Ireland on Strategies for Social Protection And Social Inclusion

2008-2010



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Chapter 1 – Common Overview

1.1 Assessment of Social Situation

Economic Background

1.1.1 The short-term outlook for the economy has deteriorated reflecting a combination of domestic and external developments. Domestically, the sharp decline in the level of new house building to around half of last year's level is having a significant dampening effect on economic growth. Global economic developments are compounding this situation. A continuation of international financial market difficulties, rising food and commodity prices, adverse exchange rate movements and a general weakening of the economic outlook in several of our trading partners are also causing problems.

1.1.2 Reflecting the deteriorating international economic environment and lower levels of domestic construction activity, GDP is now forecast to expand by just ½% this year. A return to a more sustainable pace of expansion – estimated to be in the region of 4% – is expected in the medium term. This recovery is contingent upon an improvement in the global environment and on implementing suitable policies that position our economy to take advantage of such global improvement i.e. investment in productive elements of the National Development Plan, enhancing competitiveness, increasing productivity and raising export levels. Inflation in Ireland as measured by the Consumer Price Index (CPI) averaged 4.0% in 2006 and 4.9% in 2007. It is expected to ease during 2008 and going into 2009. The rate of CPI inflation was 4.3% in the twelve months to August 2008.

Population trends

1.1.3 The most up to date census data relates to 2006 which recorded the Irish population at 4.24 million persons, representing an increase of 8.1% over the 2002 census figure. Approximately 1.036m (24% of the population) were under 18, with some 2.736m (65%) in the working age bracket 18 to 64 and a further 0.468m (11%) aged 65 or over. It is estimated that the number of older people will comprise 29% of the population by 2050.

1.1.4 Overall there is an even split between males and females; however there are some variations when the different age groups are considered. For example, in those aged 65 and over males represent 44% of the total compared to 56% female. In all other age groups the number of males is slightly more than females. According to the 2006 census some 420,000 persons or 10% of the population classified themselves as non Irish nationals. This is a considerable increase over the figure of 220,000 or 5.8% recorded in the 2002 census.

Labour market trends

1.1.5 Since early 2008 the Irish labour market has begun to switch from an era of rapid employment growth to a slowdown. Employment growth was strong in 2007 with an additional 70,000 jobs created. However, labour demand, especially in the construction sector, has weakened and as a result a more moderate rate of growth can be expected in 2008. This slower jobs growth will lead to a sustained increase in the numbers of unemployed, the magnitude of which will be somewhat offset by a substantial reduction in the number of immigrants. It is estimated that total growth in employment will be around 24,000 additional jobs created in 2008.

1.1.6 Most of the employment growth in 2007 was made up of part time work or self employment and over two thirds was accounted for by females. On a sectoral basis the construction sector has seen employment falling for the first time in over a decade while growth has been strong in the financial and business services and the wholesale and retail sectors both growing employment by over 8% in 2007.

1.1.7 The first five months of 2008 reported a seasonally adjusted increase of 35,700 persons signing on the Live Register for unemployment payments. As a result the unemployment rate rose from 4.5% in quarter four of 2007 to 4.6% in quarter one of 2008¹ and it is forecast that the average rate of unemployment will be around 5.8% during 2008.² Between May 2007 and May 2008 over 77% of the increase in the Live Register was accounted for by males. Elsewhere in the EU, unemployment rates have generally been falling and this combined with the reduction in job opportunities in Ireland has led to a reduction in inward migration, with a 50% decrease in March 2008 compared to a year previously. It is estimated that total inward migration will fall by over 60% in 2008 compared to 2007. This decrease in immigration will partially offset some of the effects of slowing job creation.

1.1.8 Over the period 2006 – 2008 progress has continued to be made on the targets set out in the Integrated Guidelines for Growth and Jobs with an increase in the employment rate from 68.1% in the second quarter of 2006 to 69% in the last quarter of 2007. The rate for male workers fell slightly over that period from 77.3% to 77.1% while the female rate increased from 58.8% to 60.8%. There was continuing growth in the number of older workers (55-64 years) with the rate rising from 51.6% to 53.92% exceeding the EU target of 50%.

1.1.9 Additional investment in the social protection system has continued to be a priority. Between 2006 and 2008 the basic rate of social welfare payment increased by 19% and the non contributory old age pension increased by 16.5%, both considerably ahead of increases in the CPI. Overall increases in social welfare rates have led to a substantial increase in spending from €5.7 billion in 1997 to almost €14 billion in 2006 when the first National Strategy Report was launched. Over the two years covered by the strategy, total expenditure has risen further, to €17 billion³ in 2008.

¹ Source – Quarterly National Household Survey

² Department of Finance Technical Update of Current Year Economic Forecasts 2008

³ Expenditure on Social Welfare payments only. Does not include any health expenditure.

Pension Expenditure

1.1.10 Increasing life expectancy combined with net inward migration is leading to increasing expenditure on public pensions (Social Welfare and Public Service Occupational Pensions). Expenditure is currently approximately 5% of GDP (6% of GNP) but is estimated to rise to approximately 13% of GDP (15% of GNP) by 2050.

1.1.11 It is therefore necessary to ensure that adequate provision is made now to meet the future income needs of older people. In addition a greater focus needs to be placed on ensuring people make financial provision where possible to contribute to their income needs in retirement. The Green Paper on Pensions published in October 2007 and the extensive consultation undertaken after its publication will inform the framework for future pension policy which will be developed by the end of 2008.

Poverty trends

1.1.12 The Irish economy has enjoyed a period of substantial economic growth in recent years. This has significantly reduced unemployment levels, has allowed for substantial investment in the Irish social protection system with major investment in the health services, the social welfare system and services such as social housing, transport and education. While the living standards and opportunities have improved for the majority of the population there remains a group of people in ‘consistent poverty’ with the ‘at risk of poverty’⁴ indicator remaining high for certain vulnerable groups.

1.1.13 Tackling consistent poverty has been set as the overall poverty goal of Irelands National Action Plan for Social Inclusion 2007-2016 (NAPinclusion). The most recent figure from the EU Survey on Income and Living Conditions (EU-SILC) 2006 recorded the consistent poverty rate at 6.5%, down from 7.0% in 2005. The target set in NAPinclusion is to reduce the rate of consistent poverty to between 2% and 4% by 2012, with the aim of eliminating consistent poverty by 2016.

1.1.14 The 2006 figures show that children under the age of 14 are most at risk of consistent poverty with a rate of 9.8%, down from 10.2% in 2005. The rate in the 15-64 age group stood at 6.2%, again showing a reduction on the 2005 figure of 6.7%, while those in the 65 and over age group had the lowest rate of consistent poverty at 2.2%, reduced from 3.1% in 2005. It is important to note that within the overall figure certain groups are especially vulnerable including lone parents with a rate of 27.3%, and people with disabilities at 17.9%. The impact of employment is also reflected in the figures with only 1.5% of people at work experiencing consistent poverty compared to 22% of those who are unemployed. Of those in consistent poverty 49.2% are male compared to 50.8% female.

1.1.15 The most recent EU-SILC figures record a decrease in the ‘at risk of poverty’ rate from 18.5% in 2005 to 17% in 2006. There was a substantial decrease in the rate for the elderly from 20.1% in 2005 to 13.6% in 2006. The rate for children recorded a

⁴ While the ‘at risk of poverty’ measure is the main indicator at EU level, Ireland favours the ‘consistent poverty’ measurement. Despite the economic growth in recent years and the increases in incomes in real terms across the board the numbers below the ‘at risk of poverty’ threshold in Ireland is high. This reflects a significant shift from one to two income households in middle income households and a substantial increase in female participation in the labour market. This led to a dramatic increase in the at risk of poverty threshold.

decrease from 21.2% to 20.2% and the rate for persons of working age fell from 17.4% to 16.6% over the same period. These figures should be considered in the context of footnote 2 on page 4. The continuing downward move in the rate would, however, indicate that the distorting effect of these significant structural changes were on the ebb.

1.1.16 The ‘at risk of poverty’ rate for Irish nationals was 16.6% in 2006 compared to a rate of 22% for Non Irish Nationals. For unemployed persons the rate stood at 44% in 2006 compared to 40.6% in 2005, the only group to record a substantial rise. The rate for those in work fell from 7% to 6.5% over the same period. The overall rate for males was 16.6% compared to 17.4% for females but female headed households had a greater risk at 21.7% compared to 14.2% for male headed households.

1.1.17 Overall the rate for both consistent and at risk of poverty fell between 2005 and 2006 with the vast majority of sub groups experiencing a reduction. The figures do however show that certain categories of person remain most vulnerable including the unemployed, disabled, children and single parent families.

1.2 Overall Strategic Approach

1.2.1 Achieving the goals set out in the strategies for social protection and social inclusion within the timescales envisaged depends on attaining the necessary growth in the economy. However, if economic growth falls below the projected levels, it will be necessary to re-prioritise or make more gradual progress in order to adhere to these key principles and in particular to secure a sustainable fiscal performance, while emphasising the need to protect the most vulnerable people.

1.2.2 The Social Partnership process in Ireland remains one of the cornerstones of policy formulation. The agreements between Government and the social partners impact on policy in areas such as employment, social inclusion issues, health, social policy and wage agreements. The most recent agreement, *Towards 2016*, came into effect in 2006 and runs for a period of 10 years to 2016. Commitments made in the agreement include the development of a new comprehensive framework for pensions policy and for tangible improvements in health outcomes across the lifecycle groups.

1.2.3 In 2006 Ireland prepared its National Action Plan for Social Inclusion which was developed over a longer time period than the previous two year plans. The current plan has taken a longer term strategic approach and runs until 2016 to complement the social partnership agreement. The plan has established ten high level goals to be achieved over the period and has highlighted a large number of actions and targets to be implemented in order to achieve these high level goals.

1.2.4 The plan has adopted the lifecycle approach as developed in the partnership process to ensure a more streamlined and crosscutting approach to tackling poverty and social exclusion. The lifecycle stages are identified as children, people of working age, older people and people with disabilities. Each lifecycle has identified a number of high level goals and a range of targets necessary to achieve these goals.

1.2.5 Ireland's current National Development Plan covers the period 2007-2013. For the first time the plan includes a dedicated chapter on social inclusion. Total investment over the period is €184 billion. Some €49.6 billion has been allocated to social inclusion measures in addition to major investment in areas such as health infrastructure at €4.98 billion, over €21 billion on social, affordable and voluntary housing schemes, and over €25 billion on training, higher education and school modernisation. The plan also commits to allocating 1% of annual GNP to the National Pensions Reserve Fund to deal with the challenges an aging population will pose in due course. The evident economic downturn in 2008 may affect progress in meeting commitments set out in Ireland's National Development Plan. The allocations and commitments are subject to affordability and adjustment having regard to evolving priorities in a changing economic environment. Consequently, the pace of change envisaged may have to slow to take account of the economic and budgetary situation.

1.2.6 The streamlining of the above plans has allowed for greater coherence in the development of policy and has helped mainstream social inclusion and poverty issues across all policy areas. An annual streamlined social inclusion reporting process commenced in June 2007 and monitors progress on the implementation of the National Report on Strategies for Social Inclusion and Social Protection, the National Action Plan for Social Inclusion and the social inclusion elements of the National Development Plan.

Health Service Priorities

1.2.7 Investment in the Health services has continued to be a priority with funding rising from €3.67 billion in 1997 to over €16 billion in 2008. Health issues are an integral part of the NAP inclusion plan 2007-2016 as well as *Towards 2016* and the National Development Plan. A new legislative framework is currently being progressed on eligibility and entitlement which will help address equality and access issues. In recent years access issues have been improved by reviewing entitlement criteria for medical cards. Commitments have been made in *Towards 2016* and the NDP relating to funding in all areas including capital programmes, primary care and services for the most vulnerable sections in society as well as commitments to ensure greater equality in access and care between public and private patients in the healthcare system.

1.2.8 Premature mortality is a key measure of health status. The Health Service is currently tackling many of the associated factors linked to premature mortality. A men's health policy action plan was published in 2007. Other issues include actions to tackle obesity, mental health issues, measures to manage chronic diseases and inequalities in cancer risk. In addition programmes are in place to support older people to remain in the community and to address the needs of minority groups and immigrants.

1.2.9 Overarching Objectives

The following set out how national policies in the three strands of social inclusion, pensions and health and long-term care contribute to achieving the three overarching objectives of the Open Method of Co-ordination for social protection and social inclusion.

Objective (a) : to promote social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies.

1.2.10 The social protection system is a fundamental instrument in the Governments strategy to combat social exclusion. The system offers protection to all persons who qualify for assistance, while at the same time is progressive and adaptable to ensure that people have access to various supports, including training, assistance with job searching and various other activation measures to enable persons to avail of quality job opportunities, which is recognised as the best long term solution to poverty and social exclusion.

1.2.11 The Government will continue to encourage and support people to participate in the labour market through a combination of financial and non financial supports. A new active case management service for the long-term unemployed has been implemented and additional investment in ensuring better access to training and education supports continues. Equality of access to services and opportunities for all regardless of background or gender is a key principle of the partnership process in Ireland. The National Women's Strategy 2007-2016 addresses the key areas of concern for women in Ireland today. It aims to support them at work, be it in the economy or at home as carers; to ensure their well-being and to encourage them to make a contribution as active citizens and decision-makers.

1.2.12 *Towards 2016* aims to provide an additional 100,000 childcare places over the period 2006 to 2015, some 9,000 new places were created in 2007. In addition other priorities include improving educational and health outcomes for all children. Further details are set out in the chapter on social inclusion.

1.2.13 The publication of the Green Paper on Pensions in October 2007 was followed by an extensive consultation process which concluded in May 2008. The Government is committed to initiating and responding to the consultation by the end of 2008 by developing a framework that comprehensively addresses the pensions agenda over the longer-term.

1.2.14 The previous NSSPI highlighted the Governments commitment to increase the basic state pension to €200 per week by 2007. This target has been achieved and the National Action Plan on Social Inclusion has set as one of its high level goals the maintenance of this €200 rate in 2007 terms and if possible, having regard to resources, to enhance the provision. In 2008 the increases were considerably above the level of inflation. The current programme for Government envisages social welfare pensions increasing to €300 per week by 2012.

1.2.15 A key factor in the financial sustainability of the pension system is the old age dependency ratio. The numbers of persons of working age for each person aged 65 and over will fall from 6 in 2006 to 2 in 2050. Current employment policies to improve the participation rates of older workers and other groups with low participation rates can contribute to the sustainability of the system. This general issue of sustainability is considered in detail in the Green Paper on Pensions.

Objective (b) : to promote effective and mutual interaction between the Lisbon objectives of greater economic growth, more and better jobs and greater social cohesion, and with the EU's Sustainable Development Strategy.

1.2.16 Access to quality employment opportunities is regarded as the best route out of poverty and social exclusion. In that regard the Government will continue over the period 2008 to 2010 to implement policies aimed at increasing employment levels and improving the quality of employment. The national employment service (FÁS) actively engages with unemployed persons after a period of three months on the live register, this has been reduced from 6 months. This early engagement is critical in ensuring people do not remain on the live register for longer than necessary. This engagement assists people in finding suitable employment, training and education opportunities or labour market programmes.

1.2.17 The period 2006-2008 saw further progress being made on the employment targets as set out in the Integrated Guidelines for Growth and Jobs as detailed in paragraph 1.1.8.

1.2.18 Increasing employment participation among the most marginalised groups remains a priority with a particular focus on lone parents and persons with a disability. This includes the removal of barriers to employment or training opportunities as well as active engagement to ensure the person receives the required assistance. Measures in this regard are informed by the National Reform Programme and the National Skills Strategy. Equal opportunities, lifelong learning and access to quality jobs and training are at the centre of these measures which are further discussed in the social inclusion section. The NDP has allocated some €4.9 billion to provide targeted supports to groups outside the labour market.

1.2.19 The sustainability of the pension system will be a major challenge due to the aging population. Ireland is however relatively well placed to meet this challenge. The low level of national debt and the low tax ratio are benefits. In addition the National Pensions Reserve Fund will play a major role in meeting future need. The recent Green Paper on Pensions and the resulting consultation process will see a new framework established by the end of 2008.

1.2.20 The National Strategy Report effectively supports the implementation of the EU's sustainable development strategy impacting directly on the following thematic areas, social and economic development; poverty, gender equality, cultural diversity and citizenship, democracy and human rights.

1.2.21 *Towards 2016*, the National Development Plan 2007-2013 and NAPInclusion are among the major implementation frameworks for keeping Ireland on track towards environmental, social and economic sustainability. As such, attainment of the goals set out in these frameworks also means progress by Ireland of the objectives set out in the EU Sustainable Development Strategy (SDS). The EU SDS identified “Social inclusion, demography and migration” as one of the key challenges to be addressed. Among the objectives to be met under this key challenge are reduction of the number at risk of poverty and social inclusion by 2010 with a special focus on the need to reduce child poverty; significantly increasing the labour market participation of women and older workers; supporting the Member States in their efforts to modernize social protection in view of demographic changes; and policies to strengthen the integration of migrants and their families.

1.2.22 The aims on poverty set out in NAPInclusion, for example the reduction of those experiencing consistent poverty to below 4% of the Irish population by 2012, in conjunction with targeted actions and interventions to ensure that each child reaches his full potential and that people with disabilities are supported in attaining employment, remain the basis for Ireland’s response to the poverty targets of the EU SDS.

1.2.23 A renewed National Sustainable Development Strategy is currently being prepared in line with a commitment given in *Towards 2016*, and as a further means of advancing the goals of the EU SDS in Ireland. This will seek to consolidate and advance progress inter alia, on the above-cited social inclusion issues, as well as Public Health issues including environmental health issues and initiatives in combating obesity and alcohol, tobacco and other substance abuse.

<p>Objective (c) : to promote good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy.</p>

1.2.24 The social partnership process in Ireland includes integrated structures and processes for coordinating the development of national action plans for social inclusion and pensions. Monitoring and evaluation of these plans also take place under the social partnership process. This ensures a streamlined approach and that the various strategies are complementary.

1.2.25 The consultation process for the various strategies on social inclusion being prepared in the period 2005 – 2007, commenced in September 2005. Written submissions were sought and a series of seminars were organised to facilitate the participation within the strategic social inclusion process of people with direct experience of poverty and social exclusion and those who work with them. Many health issues impacting on social inclusion were also covered by this process. The outcome of the consultation process was available for the Social Partnership talks that informed the development of the social inclusion provision of *Towards 2016*, published in June 2006, the NAPInclusion 2007-2016, published in February 2007,

and the social inclusion chapter of the National Development Plan, published in January 2007.

1.2.26 In line with the commitment in *Towards 2016*, the First Annual Report on Social Inclusion was published in November 2007. This new approach required that monitoring and reporting on progress within the social partnership be coordinated and streamlined across key national strategies, including *Towards 2016*, the NAPinclusion, and the social inclusion commitments of the NDP. The report covers the period from June 2006 (when *Towards 2016* was agreed) up to June 2007. The report was prepared by the Office for Social Inclusion in consultation with relevant Government Departments and representatives of the social partners. Future annual reports will continue to monitor progress on the social inclusion aspects of the key national strategies.

1.2.27 The report formed the basis for discussions at the 4th Social Inclusion Forum held in November 2007. This forum is convened annually by the National Economic and Social Forum in collaboration with the Office for Social Inclusion and provides an opportunity for individuals and organisations not directly involved in the social partnership process to input their views on key policy and implementation issues.

1.2.28 Following the publication of the Green Paper on Pensions a major consultation process on the issues and challenges raised in the Green Paper was undertaken. A national awareness campaign was launched where all citizens were invited to make submissions on the Green Paper either in writing or via the Green Paper website. In addition a series of seminars were held. In excess of 330 submissions were received and these will inform the framework for future pension policy which will be developed by the end of 2008. The Pensions Board which is the regulatory authority for the supervision of second-tier occupational pensions also has an advisory role in making recommendations to Government on future pensions policy. The board has a wide composition including representatives of the social partners, consumer and pensioner interests, the pension industry and government departments.

1.2.29 Policies and actions to combat health inequalities are implemented in cooperation with a wide range of stakeholders including government departments, the Health Services Executive, the Institute of Public Health and the Office for Social Inclusion.

CHAPTER 2 - NATIONAL ACTION PLAN ON SOCIAL INCLUSION

2.1 Progress in relation to 2006-08 National Strategy Report and challenges identified in 2007 Joint Report

2.1.1 The four priority policy objectives identified in Ireland's NSSPI 2006-2008 were child poverty; access to quality work and learning opportunities; integration of immigrants and access to quality services. In June 2006 a social partnership agreement was concluded. Entitled *Towards 2016*, it applies for a 10 year period up to 2016. This Agreement and the NSSPI formed the basis for the National Action Plan for Social Inclusion 2007-2016 (NAPinclusion) published in February 2007. They also formed the basis for a Chapter on social inclusion in the National Development Plan (NDP), published in January 2007. Both the NAPinclusion and the NDP chapter provide the strategic framework for tackling the priorities identified in the NSSPI. These address the following common objectives:

- (d) access for all to the resources, rights and services needed for participation in society, preventing and addressing exclusion, and fighting all forms of discrimination leading to exclusion; and,
- (e) the active social inclusion of all, both by promoting participation in the labour market and by fighting poverty and social exclusion.

NAPinclusion - goals

2.1.2 The overall poverty goal in the NAPinclusion is to reduce the number of those experiencing consistent poverty to between 2 per cent and 4 per cent by 2012, with the aim of eliminating consistent poverty by 2016. The Plan also identifies 12 high level strategic goals in certain key priority areas in order to mobilise resources to address long-standing and serious social deficits to achieve the overall objective of reducing consistent poverty. The high level goals, which also form part of the NDP, are accompanied by over 150 detailed targets and actions.

2.1.3 A significant new element has been the adoption of a lifecycle framework to underpin the strategic approach, in line with *Towards 2016*, the social partnership agreement, with specific, measurable goals set for each group: children; people of working age; older people; and people with disabilities, and their communities. It sets out a demanding and detailed programme of action across all government departments and their agencies to meet these goals and targets.

2.1.4 The process has greatly benefited from the EU guidelines, the peer review and evaluation of the plans at EU level, and the exchanges of knowledge, experience and good practice with other Member States.

Progress made 1997-2007

2.1.5 The NAPinclusion builds on the ten-year National Anti-Poverty Strategy that applied for the period 1997-2007. Much has been achieved over that period, including a substantial reduction in unemployment and in particular, long term unemployment, major increases in employment participation, especially on the part of women, the effective ending of involuntary emigration and a major increase in return migration and immigration. The impact of these changes has resulted, for example, on the basis of the most recent information available, in the consistent poverty⁵ rate being reduced from 8.2 per cent in 2003, when the EU-SILC⁶ survey was first introduced, to 6.5 per cent in 2006 (published in November 2007). These improvements have been assisted by significant increases in social welfare payments, public services and infrastructure such as health, housing, education and training, transport and on support for disadvantaged communities. *Towards 2016*, the NDP and the NAPinclusion 2007-2016 are designed to build on this progress.

2.1.6 The strategic approach to reducing and eventually eliminating poverty and social exclusion gives priority to the needs of the most vulnerable. The following outlines the progress made on these priorities as identified in NSSPI (2006-2008).

Child Poverty

2.1.7 The group being given top priority are children in or ‘at risk of poverty’. Significant improvements were made in income support, education, childcare, health, and culture/sport. A major development was the provision of 9,000 new childcare places in 2007 and additional grant assistance to 2,570 primary and 280 post-primary schools to address educational disadvantage. Table 1 below shows that the percentage of children (aged 0 – 14) ‘at risk of poverty’ fell by one per cent, from 21.2% in 2005 to 20.2% in 2006. There was a similar downward trend for consistent poverty which reduced from 10.2% in 2005 to 9.8% in 2006.

Table 1.

Children (0-14)				
	2003	2004	2005	2006
‘At risk of poverty’	21.0%	21.2%	21.2%	20.2%
Consistent Poverty	11.7%	9.3%	10.2%	9.8%

Source: EU-SILC

Access to Quality Work and Learning Opportunities

2.1.8 Despite Ireland’s success since the early 1990s in increasing employment participation and reducing unemployment a significant proportion among those of working age, who are not available for work, are jobless or in low income part-time employment. These groups in total outnumber those classified as unemployed (those

⁵ Persons are now regarded as being in consistent poverty if (i) their income is below 60% of median income and (ii) they experience deprivation in relation to two or more items from the list of deprivation items.

⁶ EU Survey on Income and Living Conditions carried out by the Central Statistics Office. See Annex 2.2 for further details.

in receipt of Jobseekers Benefit and Jobseekers Allowance)⁷. Furthermore, 6.5% of those at work are also ‘at risk of poverty’ and can be classified as ‘working poor’. Jobless and low income households mainly include those headed by lone parents, the unemployed, people with disabilities and larger families.

2.1.9 The opportunity costs of child caring responsibilities have a significant bearing on people’s availability for work and of good quality employment. An integrated approach to removing barriers to employment for households with children and creating appropriate incentives to employment has been developed over the past 2 years and is in the process of being implemented. More details are given below under the heading “access to services”.

Integration

2.1.10 The rapid growth in employment opportunities in Ireland has led to a major growth in immigration mainly from the new EU Member States. Between 1996 and 2006 the net inflow of immigrants increased from 8,000 to 70,000 a year. According to Census 2006 nearly 420,000 (10%) persons who were usual residents of the State indicated that they had a nationality other than Irish. The corresponding figure in 2002 was 224,000 (5.8%). In 2007 the total number of immigrants into the State was 109,500. Nearly half (48 per cent) of immigrants were nationals of the twelve new EU accession states.

2.1.11 The main measures taken to achieve integration over the last three years include the introduction of:

- The Irish Naturalisation and Immigration Services (INIS)
- Office of the Minister for Integration
- Statement on Integration and Diversity Management
- National Action Plan Against Racism (NPAR) (See section 2.5 for further details on NPAR).

The document on integration and diversity management is available on www.diversityireland.ie.

Access to Services

2.1.12 Provision of the main State services are not just essential for quality of life and well being, but are also key to obtaining and maintaining good quality employment and financial independence. Over the past two years priority has been given to improving access to the following key services:

- active engagement with the unemployed, and
- access to learning opportunities

The strategic approach involves:

- specific policies and programmes across all relevant policy areas,
- co-ordinated implementation by Government Departments and Agencies,

⁷ In 2007, there were 242,891 recipients of One Parent Family Payment, Family Income Supplement, Disability Allowance, Disability Benefit, Invalidity Pension and Pre-retirement Allowance, against a total of 139,435 recipients of Jobseekers Benefit and Assistance.

- consultation on progress with the social partners and other stakeholders, especially people experiencing poverty, and exchanges with EU and other international organisations

Measures taken in this regard include:

- the introduction of a new active case management service for the long-term unemployed with a particular focus on lone parents and the unemployed and
- the removal of barriers to employment, to education and training and to key services

2.1.13 The First Annual Social Inclusion Report underlining a new streamlined monitoring and reporting mechanism for the three social inclusion strategies was published in November 2007. It showed that progress is being made and that the social inclusion targets were on track for 2007. Examples of this progress during 2007 included:

- The provision of 3,000 extra adult literacy places;
- The provision of 1,000 additional places under the Back to Education Initiative;
- The provision of 400 additional places under the Youthreach Scheme;
- 4,411 new applicants on the Back to Work Allowance scheme;
- 3,261 new applicants commencing education courses under the Back to Education Allowance scheme; and
- The Family & Community Services Resource Centre Programme was further expanded by 6 new Family Resource Centres bringing the total countrywide to 106 centres.

Looking forward

2.1.14 A major challenge for Ireland going forward will be to maintain, in real terms and to improve on the progress that has been achieved to date, given the related challenge of sustaining a competitive economy during the periods of economic difficulty that lie ahead. Other major challenges that will greatly impact on tackling poverty in the immediate term include rapidly changing family structures, employment patterns, immigration levels and economic conditions generally in a globalizing world. For these reasons, key priorities for the NSSPI for 2008-2010 remain broadly the same.

2.2- Key Challenges – Priority Policy Objectives and Targets

2.2.1 In line with the new streamlined EU processes, this section outlines the current priorities for combating poverty and social exclusion. These remain largely the same as under the first NSSPI, 2006-2008 as the circumstances which led to the selection of these priorities remain similar to those of two years ago. In selecting the priorities, full account has also been taken of the risk and incidence of poverty in Ireland, the commitments made in *Towards 2016*, the high level goals and targets contained in the NAPinclusion, and the evaluation of the previous plan at national and EU levels.

2.2.2 Accordingly four priority policy objectives for 2008-2010 are:

- Child poverty;
- Access to quality work and learning opportunities (activation measures), with a focus on lone parents and people with disabilities;
- Integration of immigrants;
- Access to quality services, with a focus on the homeless.

2.2.3 Four of the 12 high level goals, and 42 targets covering early childhood development and care, nutrition, homelessness, youth justice and children's participation in decision making, access to quality work and learning opportunities, sufficient income and opportunity to participate as fully as possible in economic and social life, are central to the vision for children as set out in the social inclusion strategies. Two high level goals prioritise employment, participation and income support. A further 28 targets and actions relate to literacy, second chance education and equality. Special targeted supports are provided for in the case of lone parents to enable them to take up job opportunities including, access to childcare, and flexible training and education.

2.2.4 The Plan commits, as a high level goal, to the development of a new strategy aimed at the integration of newcomers in Irish society. It also includes resources for the provision of teachers for language supports and education and supports for access to public services.

Policy Objective 1 - Child Poverty

2.2.5 Children are among the most vulnerable groups in society. A relatively high percentage of children in Ireland are in households that are at risk of poverty. A significant proportion of these are actually in poverty and experiencing deprivation. Child poverty is a key priority and challenge. The latest statistics on poverty from the EU-SILC for 2006 show continuing progress being made in reducing child poverty and material deprivation.

2.2.6 Results also show that there was a slight increase in the percentage of lone parent households in consistent poverty (revised measure) from 26.9% in 2005 to 27.3% in 2006. On the other hand, the 'at risk of poverty' rate for lone parent households was 39.6% in 2006, a reduction from 40.7% in 2005 and 49.3% in 2003.

2.2.7 The reduction and eventual elimination of child poverty is a continuing national priority. One of the twelve high level goals set out in the NAPinclusion focuses on achieving significant real increases in income supports for children; three others address education initiatives.

2.2.8 Detailed action targets in the Plan cover services such as health, education, income support, early childhood development and care, sport and leisure and participation programmes to ensure that children reach their true potential and parents are supported in providing care for them.

Targets

2.2.9 The key consistent poverty target is to reduce the number of those experiencing consistent poverty, including children to between 2% and 4% by 2012, with the aim of eliminating consistent poverty by 2016.

Specific targets in relation to this policy objective are detailed in Annex 2.3.

Policy Objective 2 - Access to Quality Work and Learning Opportunities:

2.2.10 Increasing employment participation among marginalised groups remains a key priority. This involves ensuring all people of working age have sufficient incomes and opportunity to participate fully in economic and social life and to improving access to quality learning opportunities for those in low-skilled employment. A number of strategic responses, detailed in section 2.4, have been developed focusing on lone parents, people with disabilities, the unemployed, workers on low incomes, Travellers, the homeless and migrants and ethnic minority groups and include the:

- Removal, as far as practicable, of barriers to employment, to education and training, and to key services; and the
- Introduction of a new active case management approach that will support those on long-term social welfare into education, training and employment.

Targets

2.2.11 The target for employment and participation is to support 50,000 such people, including lone parents and the long-term unemployed, with an overall aim of reducing by 20% the number of those whose total income is derived from long-term social welfare payments by 2016. The general aim in the case of lone parents and other parents excluded from the workforce is to significantly increase participation, training and quality of employment.

Specific targets in relation to this policy objective are detailed in Annex 2.4.

Policy Objective 3 - Integration of Immigrants:

2.2.12 Immigrants now comprise a significant proportion of Ireland's workforce and population and their integration into society is one of the main factors determining the overall success or failure of migration policy. The strategic focus is not only on channels of entry and access to services but on measures generally required to achieve integration. Some €36 million⁸ will be made available over the period 2007-2013 to facilitate co-ordination initiatives and to generally promote integration. These include supports to achieve integration through facilitating participation in employment, ensuring protection of employment rights, facilitating access to services at national and local level, particularly education and training, income support, health, care services, housing and accommodation, administration of justice, and, where necessary, language training.

⁸ Source: Social Inclusion Chapter of the NDP 2007-2013

2.2.13 The Office of the Minister for Integration was set up in June 2007 with responsibility for the development of Integration policy. This involves coordinating relevant policies and their implementation which come under the remit of the Departments of Community, Rural and Gaeltacht Affairs, Justice, Equality and Law Reform, and Education and Science.

See Annex 2.5 for specific targets under this objective.

Policy Objective 4 - Access to Quality Services:

2.2.14 Improving access to and the quality of essential services is crucial for the achievement of adequate standards of living, individual well being and social cohesion. There has been much investment in essential services over the past 10 years but vulnerable groups continue to experience difficulties. Further investment in these services over the coming years to improve access and quality is, therefore, a major priority.

2.2.15 The services on which there will be a special focus include income support, health, long term care services, transport, accessible ICT, housing and accommodation, improving local environments, sport and culture and investing in local infrastructure. Particular attention will be given to services for the homeless and in urban and rural areas of disadvantage.

Targets

2.2.16 Outcomes will be monitored with a view to ensuring that substantial improvements are being achieved. Targets for specific services are in Annex 2.6.

Priority Policy Objectives 1 to 4

This section sets out the key policy measures in response to the challenge documented above. In the interests of brevity the measures described are not exhaustive and further details are provided in Annexes. Specific reference to the gender perspective and wider equal opportunities is also made for each priority.

2.3 Policy Objective 1 – Child Poverty

2.3.1 Addressing the challenge of reducing child poverty involves a two fold approach, which will take account of the practical implications of the diversity of children:

- (i) Further development of coordinated, integrated and targeted policies and services designed to lift households with children out of poverty (to be addressed mainly under the other three priorities), and;
- (ii) A range of services and supports specifically targeted at vulnerable children, to bridge gaps in their development compared to children generally.

The main policy measures being prioritised to achieve the goal of reducing child poverty are:

Early Childhood Development and Care

2.3.2 A National Childcare Strategy has been designed to provide for early childhood development and care. It contains policy measures that will apply over the period 2006 to 2010.

2.3.3 The early childhood education needs of children from areas of acute economic and social disadvantage are being targeted under Delivering Equality of Opportunity in Schools (DEIS), the action plan for educational inclusion. Within DEIS the commitment given to Early Years education is that ‘The Department will work in partnership with other departments and agencies to complement and add value to existing childcare programmes in disadvantaged communities, with a view to ensuring that the overall care and education needs of the children concerned are met in an integrated manner.’ The model of intervention proposed is being finalised. Part of this plan concentrates on early education for children who will subsequently attend urban primary schools serving the most disadvantaged communities.

2.3.4 The National Childcare Investment Programme 2006-2010 (NCIP) has been incorporated into the Social Inclusion Programme of the (NDP). It will be rolled-out over the course of the Plan. A review of the NCIP 2006-2010 will be undertaken prior to its conclusion in consultation with the social partners. This will assess the progress made to date to address childcare needs with a view to developing new policy responses and successor programme(s) appropriate to emerging needs in childcare.

Improving Education Outcomes for Children

2.3.5 Under the DEIS action plan, supports to both primary and second-level schools include:

- additional capitation allocation based on level of disadvantage;
- access to School Meals Programme and funding for School Books Grant Scheme commensurate to level of disadvantage;
- access to Home/School/Community Liaison services;
- access to a range of supports under the School Completion Programme.

Improving Health Outcomes for Children

2.3.6 Areas targeted for tangible improvement include prevention, early intervention and treatment services within the health sector, food, the environment and lifestyle related risk factors. The NAPinclusion 2007-2016 contains a number of targets aimed at providing access to a healthy and affordable diet. Commitments in relation to food and nutrition include a National Nutrition Policy to address children’s food poverty and obesity. This will be launched shortly by the Department of Health and Children. The Department of Health and Children has also been working closely with the Department of Education and Science to develop appropriate guidelines on nutrition for post-primary schools. These guidelines will be launched in the near future and will build on work to date in this area in the pre-school and primary school settings.

2.3.7 It is a criterion of the school meals schemes for children in disadvantaged areas funded by the Department of Social and Family Affairs that funding is used for healthy, nutritious food only and schools are encouraged to include fruit with each

meal. In addition, the Department is involved with a Healthy Food for All initiative to develop a code of best practice for school meals.

Income Support for Children

2.3.8 The policy focus is to substantially increase income support payments targeted at children and to structure the payments to remove employment disincentives for parents and the key specific measures are outlined in Annex 2.3.

2.3.9 Child income supports which avoid employment disincentives are being reviewed as a priority and the report is due to be completed by end 2008. The review will be informed by a National Economic and Social Council (NESC) study on a second tier child income support. It will include a study of the operation of the Family Income Supplement (FIS) and the still relatively low, but increasing take-up of benefits under the scheme. The feasibility of the introduction of a 2nd tier child income supplement in place of the FIS and the Child Dependent Allowances is also a key feature of the review.

Children and their Families

2.3.10 Child well-being is crucially dependent on the family. A key priority is to strengthen the system of supports available to families with children through the following:

- The development and delivery of family support initiatives to strengthen child welfare and protection services;
- Strengthening services under the Teen Parent Support Initiative, which supports teen parents during pregnancy until their child reaches two years of age; and
- Implementing the Youth Homelessness Strategy with the objective of reducing and, if possible, eliminating youth homelessness through preventative strategies.

2.3.11 The Children Act 2001 was commenced in full in 2007. The Act is a major piece of legislation which provides a new framework for the development of the juvenile justice system and makes provision for addressing the needs of out-of-control non-offending children, who have been appearing in the High Court in recent times.

2.3.12 *Growing Up in Ireland: The National Longitudinal Study of Children in Ireland (NLSCI)* is the most significant study of its kind to be undertaken in the Republic of Ireland. 10,000 infants aged 9 months and 8,000 children aged nine are being recruited to participate in this study and the initial contract, spanning almost seven years, will facilitate two major data collection sweeps for both cohorts.

Coordination Arrangements

2.3.13 Special arrangements are now in place to facilitate new and more integrated ways of designing and delivering services for children. These are

- Office of the Minister for Children and Youth Affairs (OMCYA)
- Irish Youth Justice Service
- Integrated Services and Interventions for Children at Local Level

Gender Perspective and Wider Equal Opportunities

2.3.14 The gender perspective highlights the following. A much higher proportion of boys (15.6%) leave school earlier than girls (9%) (2006). This is reflected later in relation to low educational attainment, where the rates for males are higher across all age groups than for females. The development of policies for early childhood education and for improving educational outcomes are more generally for children under 15 outlined below and reflects the reality and the diversity that goes beyond gender.

Indicators and Monitoring Arrangements

2.3.15 Children up to age 15 are identified as a group in relation to the main poverty indicators and progress in reducing child poverty will be regularly monitored by the Office for Social Inclusion. Other indicators used will include those on early school leavers, literacy and educational attainment which will be monitored by the Department of Education and Science.

Resources Allocation

2.3.16 The NCIP was allocated a provisional budget of €575 million. This forms part of the overall National Childcare Strategy which is expected to involve the spending of €2.65 billion between 2006 and 2010. Spending on child income support in 2008 is estimated at over €3.1 billion.

2.4 Policy Objective 2 - Access to Quality Work and Learning Opportunities, with a focus on lone parents and people with disabilities.

2.4.1 The working age group account for most of the population and overall are economically better off. As a result of the high levels of economic growth in Ireland since the early 1990s there has been a major reduction in unemployment both short term and long term. A considerably higher proportion are in well paid jobs and a major increase in female participation in the workforce has led to more two income households. The substantial improvement in incomes and standards of living among those of working age, however, has been uneven. The standard of living of certain groups, although benefiting from significantly improved social provision, have not kept pace with that of the population generally. Those most vulnerable include those who are jobless or in low income employment, mainly due to family responsibilities or disabilities, and the long term unemployed. Many of these households have children. Social protection alone, including income support, is not sufficient to enable them keep pace with the scale of improving living standards. For that reason facilitating access to quality work and learning opportunities with appropriate incentives is a major priority. This involves:

- (i) active engagement with the unemployed/inactive to achieve increased employment participation, and
- (ii) improving access to learning opportunities.

2.4.2 These measures are informed by Ireland's National Reform Programme. Action under this policy objective is informed by the National Skills Strategy, which was published by the Expert Group on Future Skills Needs in 2007.

2.4.3 Priority is being given in Ireland's labour market schemes to the long term unemployed, those unemployed aged 15 - 24, 'non-progression ready' unemployed, and other groups including lone parents, Travellers, people with disabilities and others that are marginalised from the labour market⁹.

2.4.4 Persons with Disabilities – The main objective is to promote equal opportunities for people with disabilities in the open labour market supported by enhanced vocational training, employment programmes and further development of supports.

Lifelong Learning and access to quality work and learning opportunities

2.4.5 Policy measures will focus on:

- Low-skilled workers through enhancing opportunities to access education and training,
- Adults from disadvantaged communities, including those in rural areas with particular emphasis on basic literacy, numeracy and IT skills.
- Providing guidance/counselling services to those on literacy programmes, language learning, the Back to Education Initiative and the Vocational Training Opportunities Scheme.
- Expanding the Back to Education Initiative to build on the adult literacy services, community education, Youthreach, Senior Traveller Training Programmes, Vocational Training Opportunities Scheme and Post Leaving Certificate courses.

2.4.6 A National Skills Strategy was published in 2007 to increase the skills level of those at work, based on the Forfás Expert Group on Future Skills Needs Study. An Interdepartmental Committee has now been established consisting of senior officials from the Departments of Enterprise, Trade and Employment, Education and Science and Finance and will be responsible for drafting the implementation plan and overseeing its activation.

Gender Perspective and Wider Equal Opportunities

2.4.7 Women disproportionately face barriers to labour market participation, especially lone mothers and mothers of larger families. The labour market participation of lone mothers is similar to those who are married, but their quality of employment is on average poorer, a higher proportion are unemployed, and have low education and skill levels. The employment participation rates among older women

⁹ The main such labour market schemes are:

- the National Employment Service and the Local Employment Services
- the National Employment Action Plan (including the Prevention and Activation and Expanding the Workforce Programmes), High Supports, Bridging/Foundation and Pathways to Employment processes, and
- other training and employment programmes.

are also lower than for men, largely as a result of lower female participation in the past due to family responsibilities.

2.4.8 The employment participation rate for people with disabilities is low. According to the most recent Census, 9.3% of the total population had a disability in 2006, but they represented just 4 per cent of all persons at work. Of the 114,749 males age 15 to 64 years with a disability, 53,244 reported being in the labour force, a participation rate of 46.4 per cent. In comparison, of the 107,523 females aged 15 to 64 with a disability, 37,300 reported being in the labour force, a participation rate of 34.7%. These figures compare with overall participation rates of 81% for males and 62% for females respectively. Other groups that experience discrimination are travellers, gay and lesbian people and older people.

2.4.9 The main focus of the new policies is to create more equal opportunities by removing disincentives to employment currently in social protection and other systems, and facilitating employment take up through provision for childcare, care of older family members and those with disabilities, education and training, job search and job placement.

2.4.10 Overall equality mainstreaming within labour market services is intended to play an important role in ensuring that labour market policy and provision take account of diversity and promote equality.

2.4.11 Under the Social and Economic Participation Programme the Department of Social and Family Affairs is in the process of developing a wider activation agenda. This approach involves treating all people of working age in a similar way, whether they are unemployed, lone parents, people with a disability or in some other category. The aim is to facilitate progression regardless of the circumstances that led the person to require income maintenance. It also builds on the Departments existing experience and income maintenance relationship with the people concerned, in co-operation with other relevant service providers such as FÁS (the national training agency), Vocational Education Committees (VECs), Health Service Executive (HSE) and other local agencies.

2.4.12 A High Level Group jointly chaired by these Departments and including representatives of the National Training Authority (FAS) has been convened to drive the activation process forward.

Indicators and Monitoring Arrangements

2.4.13 A range of indicators will be used to monitor progress. These include consistent and 'at risk of poverty' rates broken down by, gender, age, and household type. Other indicators include activity status, work intensity, long term unemployment, jobless households, early school leavers, low literacy levels and low educational attainment.

2.4.14 The Departments of Enterprise, Trade and Employment and Social and Family Affairs monitor the plans, in liaison with the Office for Social Inclusion.

Resources Allocation

2.4.15 A total of €1 billion will be invested in the post-leaving certificate sector over the period 2007-2013 to provide participants with specific vocational skills to enhance their prospects of securing employment and support progression to other studies.

2.4.16 Almost €4.9 billion is being allocated by the Department of Enterprise, Trade and Employment over the period 2007-2013 to provide targeted training and supports to groups outside the labour market including the unemployed, people with disabilities, lone parents, Travellers and prisoners. This funding will also support the increased participation of women, older workers, part-time workers and migrants.

2.4.17 The Department of Enterprise, Trade and Employment will invest some €2.9 billion between 2007-2013 to improve training for people in employment, to help up skill those who may be affected by industrial restructuring, to improve and enlarge the apprenticeship system and to provide progression opportunities for school leavers.

2.5 Policy Objective 3 - Integration of Migrants

2.5.1 Integration is one of the most important challenges being faced by Irish society over the coming years. It is recognised that a strategic approach is required across relevant policy areas and services which focuses not only on channels of entry and access to services but on measures generally required to achieve integration. These include supports to achieve integration through facilitating participation in employment, facilitating access to services at national and local level including education and training, income support, health and language training.

2.5.2 Policy Measures to achieve the integration of Migrants are focused on three interlinked policy priorities:

- Integration
- Education Supports
- Follow up action arising from the National Action Plan against Racism, completed over the period 2005-2008

Integration

2.5.3 The Office of the Minister for Integration (OMI) was established in 2007. The Minister has responsibility for the development of Integration policy, under the remit of the Departments of Community, Rural and Gaeltacht Affairs, Justice, Equality and Law Reform, and Education and Science.

National Action Plan against Racism

2.5.4 The National Action Plan against Racism (NPAR), implemented over the period 2005-2008, included:

- The development of an intercultural dimension to mainstream public policy;
- Specific research or consultancy projects in particular sectors; and
- Public awareness information initiatives.

The NPAR is under the remit of the Office of the Minister for Integration.

Indicators and Monitoring Arrangements

2.5.5 The cross-Departmental group chaired by the Minister for Integration will have the main responsibility for monitoring progress, and promoting effective coordination of service delivery by a range of Government Departments. This will include working to ensure that the necessary data becomes available to measure progress across the key indicators that apply to the other categories of vulnerable groups.

Resources Allocation

2.5.6 Some €36 million will be made available over the period 2007-2013 to facilitate co-ordination initiatives and to generally promote integration.

2.6 Policy Objective 4 - Access to Quality Services

2.6.1 The actions to increase access to services for those vulnerable to poverty and social exclusion and to improve their quality are set out below.

Children and People of Working Age.

2.6.2 The provision of services in respect of child care and education are dealt with above under Priority 1 and employment services under Priority 2. The following are the priorities for other key services.

Health and Care

2.6.3 Access to quality health services is a prerequisite for participation in the social and economic life of society. Working to improve the health status of all, and particularly vulnerable groups such as people with disabilities including those with mental illness, drug users, the homeless and Travellers, is an essential element of social inclusion. Achieving positive outcomes will contribute to their greater participation in education, training and employment, thus helping to break the cycle of disadvantage and poor health over the long-term. The measures to help achieve this include:

- Making health and health inequalities central to public policy;
- Ensuring that people who are not able to meet the cost of GP services for themselves and their families are supported appropriately, either by means of a medical card or a GP visit card, depending on their means. As of January 2008, 1,276,178 people held a medical card and 75,589 people held a GP visit card;
- The Department of Health and Children is reviewing the eligibility criteria for the assessment of medical cards in the context of financial, medical and social need to clarify entitlement to a medical card;
- The Department of Health & Children will develop specific community and sectoral initiatives to encourage healthy eating and access to healthy food and physical activity among adults, with a particular focus on adults living in areas of disadvantage;
- The Minister for Health and Children has launched the Health Service Executive's National Intercultural Health Strategy in February 2008 under the programme of reform and innovative change initiatives. This strategy, developed by the Social Inclusion Unit in the Office of the CEO in the HSE will help address the unique health and support needs of minority groups, for example, refugees, migrants and Travellers;

- Primary healthcare services will continue to be developed, drawing on the Primary Care Strategy. The target is to provide 300 primary care teams by 2008, 400 by 2009 and 500 by 2011; A review of these targets will be undertaken in 2008; and
- Out-of-hours GP services will be further developed with a view to having those services available to the whole population over the course of the NAPinclusion.

2.6.4 There is also a strong body of evidence in Ireland linking poverty and poor mental health. Poverty is also associated with a greater use of mental health services. (See Annex 2.6 for supports available to address these issues)

Housing

2.6.5 The core objective of the Government's housing policy is to enable every household have an affordable dwelling of good quality, suited to its needs, in a good environment, and, as far as possible, at the tenure of its choice. Policy measures to achieve this objective include:

- A new housing policy statement, *Delivering Homes, Sustaining Communities*, launched in February 2007;
- Record levels of investment across a range of programmes to address effectively the wide range of housing need in an efficient and environmentally sustainable manner, including through regeneration programmes;
- Continuing improvements in the quality of houses and neighbourhoods, including improvement of consumer information in relation to housing;
- The provision of tailored housing services to those who cannot afford to meet their own housing needs, and in this way responding to the broad spectrum of housing need;
- Progressing the social housing reform agenda set out in the Housing Policy Framework.

2.6.6 As set out in high level goal 10 of the NAPinclusion our aim is to deliver high quality housing for those who cannot afford to meet their own housing needs and to underpin the building of sustainable communities. An important element will be the enhanced housing output reflected in *Towards 2016* (social partnership agreement), which will result in the accommodation needs of some 60,000 new households being addressed over the period 2007 to 2009. This will embrace meeting special housing needs of the most vulnerable (the homeless, Travellers, older people and people with disabilities). However, resources provided for in the National Development Plan (NDP) will allow for a broadly similar level of output beyond 2009 resulting in the needs of some 140,000 households overall being met in the period 2007 – 2013. See Annex 2.6 for additional supports for disadvantaged groups in respect to housing.

Homelessness

2.6.7 Measures to address homelessness have resulted in recent years in their numbers reducing from 5,500 in 2002 to slightly in excess of 3,000 in 2005.¹⁰ The following target will help address the needs of those who remain homeless:

- A revised Government Strategy to address adult homelessness in Ireland will be published during 2008; A Poverty Impact Assessment and a Health Impact Assessment of this strategy will also be made available.

See Annex 2.6 for further targets and actions on Homelessness.

Income Support Services

2.6.8 Income support will continue to ensure that social protection adequately supports all people of working age, whether in the labour force or out of it, by facilitating labour market participation, mobility and transition. The Government is committed to maintaining the relative value of the lowest social welfare rate (which now stands at €197.80) following budget 2008, over the course of *Towards 2016*.

Older People and People with Disabilities

2.6.9 The vision as set out in *Towards 2016* for older people is of an Ireland where supports are provided, where necessary, to enable older people to maintain their health and well-being, as well as to live active and full lives, in an independent way in their own homes and communities for as long as possible.

2.6.10 To achieve this vision, the Government and social partners in *Towards 2016* have undertaken to work together over the next ten years towards creating continued investment in community care services, including home care packages and enhanced day care services, to support them to live independently in their communities for as long as possible. The NDP commits to investment of some €9.7 billion in the older people programme over the period 2007–2013 which will help in this regard. Funding will also be directed towards residential care services.

Transport

2.6.11 Accessibility of transport for older people and other vulnerable groups is vital in terms of accessing health services, social networks and for remaining active. Initiatives to address this issue include:

- A new Rural Transport Programme (RTP) was launched in February 2007. The target of the RTP is to develop community-based transport to redress social exclusion related to unmet needs for public transport in rural areas. Some €11 million was provided for the RTP in 2008, which will support the provision of improved and additional RTP services together with pilot cross-border rural community transport services at present under consideration in the North South Ministerial Council. It is planned that by end-2008, RTP Groups

¹⁰ Source: National Assessment of Housing Need, 2002 and 2005.

The small population size of this group means that their situation cannot be reliably captured through household surveys such as QNHS which measures employment/unemployment, and the EU-SILC survey, which measures household income and poverty rates. The series of social portraits for each stage of the lifecycle, developed to inform the NAP inclusion will include specific statistical data on this group and data deficits.

will be operational in every county and will be working towards maximizing coverage in their operational areas;

- The NDP commits some €90 million to the RTP over its full term. Funding is also available to the RTP from the Department of Social and Family Affairs in respect of the Free Travel scheme and from other interests that support the initiative; and
- The all-Ireland Free Travel Scheme for senior residents in all parts of the island, was introduced on foot of a commitment in the previous Programme for Government (2002-2007). The scheme enables seniors (over 66) resident in the Republic to travel free of charge on all bus and rail services in Northern Ireland (NI). Likewise, seniors (over 65) in NI can travel free of charge on bus, rail and ferry services participating in the Free Travel scheme in this State. This measure now benefits over 40,000 older people resident in the State who have received Senior Smartpass cards in the first year of the all-Ireland Free Travel Scheme.

National Carers' Strategy

2.6.12 In December 2007 the Government agreed to the establishment of a working group to develop a National Carers' Strategy. That group, chaired by the Department of An Taoiseach was established in early 2008 and is now working on developing the strategy. The Department of Social and Family Affairs provides the secretariat to the working group which also includes representatives of the Departments of Finance, Health and Children, and Enterprise, Trade and Employment as well as FAS and the Health Service Executive. Developing the strategy involves consultation with other Government Departments and bodies not represented on the working group and the Department of Social and Family Affairs has met with a wide range of organisations such as the Equality Authority, the Citizen's Information Board, the National Council on Ageing and Older People, and the National Disability Authority.

2.6.13 The focus of the strategy is on all informal and family carers in the community, not just those in receipt of a social welfare payment. The strategy will cover the period 2008 to 2016.

2.6.14 A carer's consultation meeting took place in January 2008 with representatives of 12 groups and 9 government departments and agencies in attendance. Key issues were recognition for carers and their work, accessing suitable health services, income support (including pensions) and access to training and employment. An update in relation to the strategy was provided to the social partners plenary session in February and the first of two consultation meetings was held in May 2008. In addition a public consultation process ran from March 2008 until April 2008. there was a good response from individuals and organisations and the submissions received are being examined.

Access to Services in Disadvantaged Areas

2.6.15 The experience of poverty and social exclusion can be aggravated, in the case of adults and children living in disadvantaged urban and rural areas. The NDP makes provision for investment of €1.9 billion in the Local and Community Development

Programme. The focus of investment is on the ongoing measures to support increasingly diverse communities, particularly those that are subject to disadvantage.

Gender Perspective and Wider Equal Opportunities

2.6.16 Homelessness predominantly affects males and there is normally a gender dimension to prevention and service provision. A majority of older people living alone or requiring care are women due to their greater longevity; they can also be financially vulnerable due to their lack of pension cover in their own right, as a result of on average lower employment participation and lower paid employment. In rural areas older men living alone are a particularly vulnerable group.

2.6.17 In relation to all Government services, policies and programmes, it is a specific aim of public policy to promote equality of opportunity between women and men through the development, implementation and monitoring of appropriate policies including Programmes for *Positive Actions to Promote Gender Equality* (including implementing the National Women's Strategy), and *Equality Proofing*.

2.6.18 The Equality Authority provides a range of supports to key service providers to assist their capacity to be equality competent and to reflect the principle of equality/diversity established for Quality Customer Service in the public sector.

2.6.19 The *National Women's Strategy*, published in April 2007, aims to achieve “an Ireland where all women enjoy equality with men and can achieve their full potential, while enjoying a safe and fulfilling life”. In fostering the achievement of this vision, the Strategy aims to be comprehensive and contains twenty key objectives and over two hundred planned actions. These objectives and actions have been clustered together under the following three key themes:

- Equalising socio-economic opportunity for women;
- Ensuring the wellbeing of women; and
- Engaging women as equal and active citizens.

2.6.20 The NDP is making available a funding package of €128 million to implement the National Women's Strategy and fund a second programme of positive actions under the Equality for Women Measure. A significant proportion of the funding under the Equality for Women Measure will focus on women from disadvantaged backgrounds and communities.

Indicators and Monitoring Arrangements

2.6.21 In addition to the indicators on poverty for priorities 1 and 2, broken down by age and gender, indicators will be used for measuring progress in tackling homelessness, and in relation to health care, housing and income support. The monitoring arrangements will be co-ordinated by the Office for Social Inclusion in consultation with the relevant Departments.

Resources

2.6.22 Social welfare expenditure has increased substantially since 1997 when spending was €5.7 billion to €17 billion in 2008. Each week welfare payments directly benefit 1.5 million of the population. Families also receive child benefit for almost 1.2 million children. Budget 2008 included a €194 million improvement in

child income support measures to combat child poverty including a €100 increase in the Early Childcare Supplement bringing this to €1,100 per child under six per annum. Budget 2008 increases are well ahead of projected increases in both prices and earnings. Thus for the fifth year in a row, social welfare rates will have grown faster than prices and earnings.

2.6.23 Expenditure on social inclusion related health care is spread across all the main areas of healthcare. It also includes expenditure on a number of specific strategies aimed at improving the health status of vulnerable groups. Expenditure for 2008 is allocated as follows: Traveller health services €30 million; health services for homeless adults €33 million and drug treatment services €85 million. Annual ongoing funding of some €37 million is available to the HSE to fund the operation of GP out-of-hours co-operatives

Approximately €30 million has been allocated to tackle rural and urban disadvantage in 2008 through the RAPID (€9.3m) and CLAR (€21.1m) programmes. Funding for the Rural Transport Programme (RTP) will be doubled from 2007 (based on the 2005 allocation of €4.5m). Thereafter, funding will be steadily increased, ultimately to a cash level of about 4 times the 2005 allocation. In addition, the budget for the Free Travel Pass is €65.79m in 2008.

2.6.24 In addition expenditure on the programmes contained in the Social Inclusion Chapter of the NDP will be €49.6 billion. The main elements are set out in Annex 2.3.

2.7 Better Governance

Objective (f): that social inclusion policies are well-coordinated and involve all levels of government and relevant actors, including people experiencing poverty, that they are efficient and effective and mainstreamed into all relevant public policies, including economic, budgetary, education and training policies and structural fund (notably ESF) programmes.

2008-2010 Preparation Process

2.7.1 This process effectively began with the preparation of the NAPinclusion 2007-2016 launched in February 2007 and involved all relevant policy areas and consultation with the relevant stakeholders. The Plan is closely linked to the new National Development Plan 2007-2013 (NDP) and is an essential element within the overall strategic framework for social inclusion based on the lifecycle approach.

2.7.2 In addition to setting out a wide-ranging and comprehensive programme of actions across all stages of the lifecycle, the NAPinclusion details 12 high-level strategic goals, reflecting the strong view of Government that significant interventions are required in some key areas in order to achieve the overall objective of reducing consistent poverty. These targeted actions and interventions are designed to mobilise resources to address long-standing and serious social deficits.

Policy co-ordination

2.7.3 The Social Inclusion Forum and the national social partnership agreement make a significant contribution to policy coordination, highlighting the challenges to be met and the degree of progress being made. This process is underpinned by ongoing monitoring and evaluation processes. The Cabinet Committee on Social Inclusion, Children and Integration chaired by the Taoiseach (Prime Minister) oversees the development and implementation of policies to achieve social inclusion, and promotes and facilitates coordination, where necessary, to obtain better outcomes. The Senior Officials Group on Social Inclusion, which reports to the Cabinet Committee, promotes a strategic, ‘joined up’ approach to policy development and its implementation, and has a key role in promoting policy initiatives of a crosscutting nature, overseeing their development and subsequent implementation.

2.7.4 The Office for Social Inclusion has a specific co-ordinating role in driving the process forward, particularly in relation to ongoing development of the strategies, monitoring, evaluating and regular reporting on progress being made in implementation and in achieving the intended outcomes, consultation with stakeholders, communications on the process to all stakeholders and the general public, the data strategy, research and poverty impact assessment. It reports to and is represented on the Senior Officials Group and liaises with relevant Government Departments and Agencies, through social inclusion units in those Departments, with local authorities and with the Combat Poverty Agency

2.7.5 At a local level the Minister for Environment, Heritage and Local Government announced in July 2007 the extension of the social inclusion unit programme to 9 more local authorities, in line with a commitment in *Towards 2016*. The main role of the units is to promote and facilitate the involvement of the local authorities in tackling social exclusion across the range of their activities in a cohesive and focused manner and in co-operation with other relevant agencies at local level. Social Inclusion Monitoring (SIM) groups representative of local public agencies and local development groups have also been established by each County and City Development Board (CDB) to improve coordination of social inclusion activities at local level.

Mobilisation and involvement of actors

2.7.6 Government Departments are committed to consulting with the social partners on policy proposals and the design of implementation arrangements. A Steering Group, chaired by the Secretary General of the Department of the Taoiseach (Prime Minister) and representing the Government and each of the Social Partner Pillars, has overall responsibility for managing implementation of the ten-year framework agreement *Towards 2016*. This Steering Group periodically reviews progress in implementing and further developing the key strategies including, in particular, the National Spatial Strategy (NSS), the National Reform Programme under the Lisbon Strategy, the National Development Plan (NDP), the NSSPI and the National Action Plan for Social Inclusion (NAPinclusion).

Working with other Jurisdictions

2.7.7 Poverty and social exclusion affect the quality of life of families and communities across the island of Ireland. Creating a more inclusive society by alleviating social exclusion, poverty and deprivation is a continuing challenge for administrations in Northern Ireland and Ireland. There are strong commonalities shared by those communities which have facilitated the establishment of a number of areas of cross-border co-operation. Progress has been significant in recent years, particularly through the work of the North/South Ministerial Council and EU funded Peace Programmes in Northern Ireland and the border region of Ireland.

2.7.8 Common text, which appears in Northern Ireland's *Lifetime Opportunities: Government's Anti-Poverty and Social Inclusion Strategy for Northern Ireland and in Ireland's National Action Plan for Social Inclusion 2007-2016*, outlines how the UK and Irish Governments are committed to developing and promoting co-operation in relation to combating poverty and social exclusion over the period of this plan. It commits Ireland and Northern Ireland to preparing a Joint Report to include:

- an overview of areas of existing North/South co-operation;
- areas potentially suitable for further cooperation; and
- advice on the mechanisms by which this work might be undertaken and delivered.

2.7.9 The Joint Report was submitted to the British Irish Inter-Governmental Conference (BIIGC) in February 2007 and approval was given by the Conference to continuing North/South joint work to alleviate 'social exclusion, poverty and deprivation to help create a more inclusive society on the island of Ireland'.

Mainstreaming social inclusion

2.7.10 Implementation of the strategic process to combat poverty and social exclusion is designed essentially to mainstream social inclusion by identifying the nature and causes of poverty in a modern developed society, the groups that are vulnerable, the measures required to achieve outcomes for them across relevant Government policies and programmes similar to those achieved by the mainstream majority. The NAPinclusion provides for the implementation of these measures and for monitoring and evaluating their implementation. These processes include:

2.7.11 Poverty Impact Assessment (PIA) is a mainstreaming tool for virtually all Government policy which may impact on poverty and social exclusion. The process requires government departments, local authorities and state agencies to assess policies and programmes at design, implementation and review stages for their likely impact on poverty and on inequalities which are likely to lead to poverty. The outcome of the assessments could lead to improved policies that contribute to poverty reduction.

2.7.12 The Office for Social Inclusion has commenced providing assistance to government departments on the application of the revised PIA guidelines and will roll out the new PIA process across government departments in 2008. To advance this process, OSI will assist a number of departments in performing pilot PIAs on policies being developed in those departments. These pilot exercises will provide models of good practice that will assist departments in effectively embedding PIA as part of their policy making process. In addition the Combat Poverty Agency (CPA) has been

working with a number of local authorities on applying the new guidelines in a local government context.

Monitoring, Evaluation and Reporting

2.7.13 The Office for Social Inclusion has been given a strengthened role under *Towards 2016* which includes meeting the reporting requirements for the NSSPI, monitoring and reviewing progress on the new National Action Plan for Social Inclusion and the social inclusion elements of the National Development Plan.

2.7.14 As part of a more streamlined and efficient monitoring and reporting process, the Office for Social Inclusion has prepared the First Annual Social Inclusion Report, which covers the social inclusion elements of *Towards 2016* and the NDP, ensuring that the reporting processes for all three strategies are streamlined. The report provides a detailed assessment of progress towards set targets; identifies new issues arising or issues that might benefit from a more co-ordinated approach; and reports on stakeholders' views emerging from various fora.

2.7.15 The report was submitted through the Minister for Social and Family Affairs to the Cabinet Committee on Social Inclusion and the Partnership Steering Group. The Cabinet Committee on Social Inclusion, Children and Integration chaired by the Taoiseach, meets on a regular basis and is supported by the Senior Officials Group on Social Inclusion.

2.7.16 The *Towards 2016* Steering Group includes social partners and representatives of relevant government departments and agencies. It has overall responsibility for managing the implementation of *Towards 2016*, as it applies to the wider non-pay issues. It has an ongoing oversight role in relation to implementation of the lifecycle framework.

2.7.17 The OSI has responsibility for the data strategy designed to ensure that the necessary data for monitoring and evaluation progressively becomes available. Equality proofing will also be a feature of the process. The monitoring and evaluation process and the annual report will be overseen by the Senior Officials Group who report to the Cabinet Committee on Social Inclusion, Children and Integration. The Steering Group for the Social Partnership Agreement will also have a related oversight role, thus ensuring that the social partners have a direct involvement in the process.

Office of the Minister for Children

2.7.18 In Ireland the Office of the Minister for Children and Youth Affairs (part of the Department of Health and Children) has been set up to strengthen governance and harmonise policy issues that affect children in areas such as early childhood care and education, youth justice, child welfare and protection, children and young peoples participation, research on children and young people, and cross-cutting initiatives for children. The Minister for Children attends Cabinet (Government) meetings and his Office has particular responsibility for overseeing the implementation of the National Children's Strategy (2000-2010), the National Childcare Investment Programme (2006–2010) and the Children Act (2001), the Child Care Act (1991) and with developing policy and legislation on child welfare and child protection.

CHAPTER 3 - NATIONAL STRATEGY FOR PENSIONS

3.1 Progress in relation to 2006-08 NSR and challenges identified in 2007 Joint Report

Introduction

3.1.1 The pension system in Ireland comprises two main elements. The first is the state-run social welfare system which provides a flat rate payment with eligibility based on the level of social insurance contributions paid over a persons working life through the State pension (contributory) or with eligibility based on satisfying a means-test through the State pension (non-contributory). The pension provided under the social welfare system is intended to provide an adequate basic standard of living. The second element takes the form of occupational pensions sponsored by the employer or personal pensions such as retirement annuity contracts (RACs) or Personal Retirement Savings Accounts (PRSAs).

3.1.2 The measures detailed in this chapter will assist in the achievement of the following EU common objectives relating to adequate and sustainable pensions.

- (g) adequate retirement incomes for all and access to pensions which allow people to maintain, to a reasonable degree, their living standard after retirement, in the spirit of solidarity and fairness between and within generations;
- (h) the financial sustainability of public and private pension schemes, bearing in mind pressures on public finances and the ageing of populations, and in the context of the three-pronged strategy for tackling the budgetary implications of ageing, notably by: supporting longer working lives and active ageing; by balancing contributions and benefits in an appropriate and socially fair manner; and by promoting the affordability and the security of funded and private schemes;
- (i) that pension systems are transparent, well adapted to the needs and aspirations of women and men and the requirements of modern societies, demographic ageing and structural change; that people receive the information they need to plan their retirement and that reforms are conducted on the basis of the broadest possible consensus.

3.1.3 The Green Paper on Pensions outlined below has an important role to play in meeting the common objective (i). The measures outlined in section 3.2 of this chapter relate to adequacy and will have a positive impact on common objective (g) and similarly the actions in section 3.3 relating to financial sustainability will assist in achieving common objective (h).

Green Paper on Pensions

3.1.4 The Government published a Green Paper on Pensions in October 2007. The objective of the Green Paper is to stimulate debate on the challenges and options for the future development of pensions in Ireland. The Green Paper identifies the challenges facing pension provision in Ireland and puts forward a number of options for tackling them. The major issues and challenges identified in the Green paper include;

- The demographic challenge

3.1.5 In common with most other countries, Ireland is experiencing demographic changes which increasingly over time will add considerably to the cost of pension provision. Therefore, along with the focus on maintaining adequate income in retirement, a key objective of the pensions system must also be economic and budgetary sustainability and the tension between these competing objectives is evident throughout the draft Green Paper.

- Issues in relation to the sustainability of the pensions system.

3.1.6 While the shift towards an older society will give rise to increased spending on health and long-term care, it is expected that the bulk of the rise in age-related public expenditure will be accounted for by pensions. Spending on public pensions (social welfare and public service occupational pensions) is projected to increase from roughly 5% of GDP (6% of GNP) at present, to 13% of GDP (15% of GNP) by 2050.

- Incomes of existing pensioners and the contribution various elements of the pension system make to the adequacy of this income

3.1.7 At present social welfare pensions are the main source of income for Irish pensioners and account for 54% of gross income. Occupational and private pensions are the next most important source contributing 24% of income. Income from work and self-employment is also important making up some 11% of income. Overall 32% of pensioner units in the State have income from an occupational or private pension.

- Issues relating to social welfare pensions and options for reform

3.1.8 In order to address a range of issues associated with social welfare pensions a number of reforms are discussed including the use of universal entitlements, back-dating the homemakers scheme and changing the basis of assessment for the State pension (contributory) from average contributions to total contributions.

- The role of tax incentives in the current system and their efficiency and effectiveness in supporting Government objectives in the area

3.1.9 The role of tax relief in encouraging supplementary pension provision is discussed at length dealing with, among other things, issues of equity and effectiveness. The cost of relief is also assessed and the Green Paper stresses that estimates in this regard (€2.9 billion in 2006) are extremely tentative and that further work is required in this area.

- Issues associated with defined benefit and defined contribution provision

3.1.10 Defined benefit provision is under pressure for a number of reasons including the increasing costs to employers and pressures arising from the need to

satisfy accounting standards (FRS17) and the minimum funding standard required under the Pensions Act.

- The role of annuities and the operation of that market

3.1.11 Annuities are perceived as providing bad value for money. Consultancy was engaged to assess the annuity market, and in particular the value it offers. In general, the conclusion is that while the Irish annuities market is small, the prices charged are not unreasonable.

- Public service pensions

3.1.12 The cost of public service pensions is one of the contributors to the high cost of ageing, and the paper acknowledges reforms already agreed in this regard. In addition, the Government intends to research and consider a number of further possible options to address future challenges.

-Work flexibility in older age

3.1.13 The root of the sustainability problem faced by many pensions systems is a growing imbalance between those who are retired and those at work. Accordingly, measures to increase the numbers at work can contribute to the sustainability of the system and this may require that people work longer.

-Role of Regulation

3.1.14 The role of regulation including the charges levied by pension providers forms an important element.

3.1.15 The publication of the Green paper was followed by a consultation process which was completed in May 2008. The Government is committed to developing a framework for long-term pension policy by the end of 2008. This may have significant and far reaching implications for the future of pension provision in Ireland, including the possibility of new targets and strategies for longer working lives. However, it is not possible at this stage to suggest what the shape of this framework will be for the period 2008-2010.

Existing Pension Targets

3.1.16 Policy in relation to pensions over the last decade has focused on progressing the targets recommended in the National Pensions Policy Initiative (NPPI), which was published in 1998. This report suggested a range of targets for pension adequacy and coverage and these were reaffirmed in the National Pensions Review (NPR) which was published by the Pensions Board in October 2005. These targets include;

- A retirement income from all sources (social welfare, occupational pension savings, investments etc) of 50% of pre-retirement income.
- A social welfare contributory pension of 34% of Gross Average Industrial Earnings. (GAIE)
- Supplementary pensions cover for 70% of those at work over 30 years of age for the period after 2013 (the social welfare pension should be adequate to achieve the 50% income target for 30%)

3.1.17 The replacement income target of 50% from all sources is endorsed in the Programme for Government. Another target in the Programme for Government is to increase the basic State Pension by around 50% to at least €300 per week by 2012. This would be equivalent to 40% of GAIE.

3.1.18 The Programme for Government also commits to developing proposals in the context of the Green Paper and in consultation with the social partners, to provide a Special Savings Investment Account (SSIA) type scheme designed to make supplementary pension provision more attractive to those on low incomes.

Achieving the targets

3.1.19 The State Pension has increased by 16.7% in the period from 2005 to 2007 in real terms. During the same period the consumer price index increased by 9.1% and GAIE increased by 8%. The Government target of €200 for the State Pension was achieved on target in 2007. Government policy supports the continued increase in the State Pension with a renewed objective of raising the State pension to €300 by 2012 or about 40% of GAIE. The State Pension is currently approximately 35% of GAIE.

3.1.20 A pension coverage survey was included in the Quarterly National Household Survey (QNHS) in Quarter 4 2005. This survey provides the latest data on pension coverage and shows that the overall coverage by occupational and private pensions for all persons in employment was 55% which is an increase from 51.2% in 2002. The coverage rate for those over the age of 30 was 61.8% which is up from 57.8% in 2002 and this means that the five-year interim NPPI target for 2008 of 62% has been achieved. This improvement has been achieved in a period when the labour force grew from some 1.8 million to 2 million.

3.1.21 Women continue to have a lower coverage rate than men, although the gap is narrowing, and certain sectors of the economy such as hotels and restaurants, agriculture and retail continue to be extremely difficult to reach. In total there are at present around one million people without supplementary pension cover. However

many of these will in due course make pension provision before they reach age 65. Despite this there will still be many people who will rely exclusively on social welfare provision for their retirement income unless action is taken.

3.1.22 The issues of coverage and the provision of an adequate replacement income in retirement are central to the pensions debate. The task of achieving these targets is made all the more challenging when one considers the projected demographic landscape that is likely to unfold between now and 2050.

3.1.23 In 2006 men aged 65 could expect to live another 16 years and women 19 years, in round figures. By 2036 this will have increased to 21 and 24 years, and to 22 and 26 years by 2061. While Ireland has one of the youngest populations in the EU with about 11% over 65 years of age, this will change in the decades ahead when those aged 65 and over will more than double to 28% of the population. In contrast, the share of the working age population is projected to gradually decline from 62% to 51%. The Pension Support ratio will decline from 5.6 in 2006 to 1.8 in 2061¹¹.

3.2 Review of Adequacy

Introduction

3.2.1 A key objective of the pensions system is to facilitate the achievement of an adequate income in retirement. For some, the social welfare pension will provide an adequate replacement income and the main policy objective for this group is alleviation of consistent poverty and the risk of poverty. For others and an increasing number of those in the labour force the State pension must be supplemented through occupational or private pension provision.

Changes since last NSR

3.2.2 The improvements in rates of social welfare pensions in recent years are set out in the table below. The rate of the State pension (contributory) formerly OACP has been increased at a rate higher than both CPI and the average industrial wage over the periods detailed below.

Table 1 – Rise in Average Industrial Earnings, Consumer Prices and OACP compared to the 60% median income line

	EU SILC					% rise 2003-2007
	2003	2004	2005	2006	2007	
60% median income line	175.77	185.51	192.74	202.49	n/a	n/a
Average Industrial Earnings	535.74	560.77	580.88	601.21	627.24	17.00%
CPI	106.3	108.6	111.3	115.7	121.3	14.10%
State Pension (contributory)	157.3	167.3	179.3	193.3	209.3	33.00%

Source: EU-SILC, Industrial Earnings and CPI (CSO)

Furthermore, the Government commitment for a rate of €200 per week for social welfare pensions was achieved on time in Budget 2007.

¹¹ Department of Social and Family Affairs (2007) Green Paper on Pensions

3.2.3 The new Programme for Government aims to increase the basic State Pension by around 50% to at least €300 per week by 2012 and in this regard the rate of the non-contributory pension was increased to €212.30 and the rate of the contributory pension was increased to €223 in Budget 2008 – the latter figure is equivalent to over 35% of GAIE (based on gross average industrial earnings of €627.24p.w. – CSO Industrial Earnings & Hours Worked, March & June 2007).

3.2.4 Under *Towards 2016*, the current social partnership agreement, the Government is committed to increasing the level of the qualified adult increase for pensioner spouses to the level of the non-contributory State Pension by 2010. In Budget 2007, the increase for qualified adults rose to €173 per week, which is 86.5% of the target rate. This rate was further increased for those over the age of 66 to €200 in Budget 2008, which is 89.6% of the current pension rate.

3.2.5 Other measures to benefit older people include the living alone allowance, free travel, medical card and the household benefits package¹²; a package of additional allowances for those over 70 (those under 70 and on State Pension may also be eligible subject to a means-test).

Changes to Means-testing

3.2.6 The basic income disregards were increased in Budgets 2006 and 2007. In addition, up to €20,000 in capital is also disregarded. Overall, a single person with no other means could have up to €40,000 in capital and qualify for a pension at maximum rate, and €80,000 in the case of a pensioner couple. A specific earnings disregard of €200 per week has also been introduced in the two Budgets referred to so that additional income from employment can be earned without losing pension entitlements.

Tax treatment of pensions

3.2.7 The State facilitates and encourages occupational and private pensions through favourable tax treatment of contributions and investment returns and by a regulatory system designed to safeguard pension entitlements. Contributions towards pension schemes and pension investment returns are tax exempt, with tax only being payable on the pension when it is in payment, subject to the allowances and relief at the time (statutory lump-sum on retirement also being exempt from tax). Tax-relieved contributions are subject to an annual net relevant earnings cap of €275,329 in 2008

3.2.8 Pensions are taxed as earnings under the Irish tax system. However, the annual age exemption threshold, under which income is not subject to tax has increased in recent years to €20,000 for a single or widowed person aged over 65 to €40,000 for a married couple (up from €16,500/€33,000 in 2005). This limit is increased by €575 for each of the first two dependent children and by €830 for any subsequent dependent child. In effect, couples with up to 20% more income than the average industrial wage may not have any income tax liability.

¹² The household benefits package includes a fuel allowance (€540 - €18 per week for 30 weeks), telephone allowance (value €311 per annum) and a free television licence (value €160 per annum). In addition, those over 80 years of age receive an additional €10 per week in their state pension.

3.2.9 Employer's contributions to a PRSA are treated as benefit-in-kind (BIK) and included within the age-related percentage limits and within the overall earnings cap for the purpose of tax relief. Employer's contributions together with employee contributions which exceed these limits result in an unrelieved BIK charge on the employee in respect of that excess

Career interruptions and pension rights

3.2.10 A homemakers scheme was introduced in 1994 with the intention of protecting the pension rights of people who take time out of the paid workforce to care for children or sick/older people. This scheme makes it easier for homemakers to qualify for the State pension. Under the scheme, periods of up to 20 years from 1994 spent performing such care work are disregarded when calculating the average number of social insurance contributions a person has accumulated for pension purposes. The operation of this scheme is subject to review in the context of the Green Paper on Pensions.

3.2.11 An employee can qualify for credited contribution during other interruptions in employment through sickness, unemployment, or where the employee retires early. These credits contributions are similar to the PRSI contributions which are paid while in employment and are factored in determining entitlement to State Pension.

Pensioners' incomes and coverage

3.2.12 One of the measures for assessing pension adequacy is by reference to the Government's target of securing a retirement income from all sources (social welfare, occupational pension, savings, investment etc) of 50% of pre-retirement income and by reference to the NPPI target of a social welfare contributory pension of 34% of GAIE. As indicated above the contributory rate is currently equivalent to 35% approx. of the GAIE.

3.2.13 The 'Value for Money' (i.e. retirement benefits compared to contributions paid over a lifetime) offered by the social insurance system to low earners is far higher than for high earners. While some re-distribution happens within DB schemes (usually in favour of higher earners), supplementary pensions are otherwise based directly on contributions (less charges) and tax relief.

3.2.14 The average net income for a pensioner unit in 2005 was €327.55 per week, (Table 2 below) compared to net average weekly incomes for all households in the population of €776.11. Social welfare pensions are the main source of income for Irish pensioners. Age, gender and household composition factors affect pensioner incomes. Around 32% of pensioner units have income from occupational or personal pensions but relatively few of pensioners in the bottom two-fifths of incomes have income from these sources.

Table 2: Pensioner unit weekly incomes (€) classified by pensioner unit type

Pensioner unit type	Couple	Single	All
Income from work and self employment	80.07	16.94	38.28
Other direct income (investment income, etc.)	29.22	11.88	17.74
Occupational/personal pensions	143.82	51.82	82.92
Social Welfare pensions	238.67	157.41	184.88
Other benefits	27.64	15.06	19.32
Total gross income	519.42	253.11	343.13
Tax and social contributions	31.16	7.62	15.57
Net disposable income	488.26	245.49	327.55

A pensioner couple refers to a couple where the male partner is aged 65+.

Incomes are based on the combined income of the couple.

Source: Special analysis of 2005 EU-SILC survey provided by CSO.

3.2.15 The National Pensions Review published in 2006, and more recent studies have shown that the majority of public and private defined benefit (DB) schemes will provide benefits that are adequate in terms of the NPPI targets for those with long service. However there are concerns that contribution levels to defined contribution (DC) schemes may be inadequate.

3.2.16 Estimates from the Economic and Social Research Institute suggest that the 50% replacement rate is being largely achieved by couples. However, as it indicated a replacement rate for single pensioners of only 43% this will require further consideration.

3.2.17 One of the measures for assessing pension coverage is by reference to the NPPI pension coverage target for post 2013 which suggests that 70% of those at work over 30 years of age require a supplementary pensions cover (the social welfare pension should be adequate to achieve the 50% income target for 30%)

3.2.18 All people in Ireland are covered for either the State insurance-based or means-tested pension. Supplementary pension provision operates on a voluntary basis and while many employers provide for an occupation pension, those who do not or those who might not allow membership of a scheme for up to two years must provide the employee with access to a Personal Retirement Savings Account (PRSA) after 6 months in that employment. The numbers of people availing of the PRSA has increased to 130,709 (Qtr. 4 2007) since its launch in 2002.

3.2.19 According to CSO statistics for Q4 2007¹³ there are about 2,194,000 in the workforce including 1,277,000 males and 963,000 females. The most recent statistics available in relation to pensions coverage are provided by the Quarterly National Household Survey for Quarter 4 2005. The results show that 58.3% of males and 50.6% of females have a supplementary pension. On that basis, the figures for those without coverage are 532,000 males and 476,000 females. There are no statistics available in relation to pension coverage for those who are not in the workforce.

¹³ QNHS q4 2007, table 1: labour force participation figures

Table 3 Comparison of progress with NPPI supplementary pension coverage targets since 2002

	1995 (ESRI)	2002 CSO	2005 CSO	NPPI target	5yr	NPPI ultimate target ¹⁴
Pension coverage – all workforce	46%	51%	55%	53%		60%
Pension coverage Aged less than 30	28%	36%	39%	34%		35%
Pension coverage 30 - 65	54%	58%	62%	62%		70%
Pension coverage Men	49%	56%	58%	54%		59% ¹⁵
Pension coverage Women	40%	45%	51%	51%		61%
Pension coverage Self-employed	27%	44%	44%	36%		44%
Pension coverage employees	51%	53%	57%	58%		64%

Source: National Pensions Review (2006)

3.2.20 While male workers continue to have a higher coverage rate than their female counterparts the gap has narrowed from 11% in Q1 2002 to 7% in Q4 2005. Pension coverage increased across all age categories over this period with workers in the 30 to 65 age group increasing from 57.8% in 2002 to 61.8% in 2005. Despite this improvement in pension coverage, certain groups remain hard to reach. However, many of these groups will achieve an adequate replacement rate through the social welfare system.

3.2.21 The Pensions Board is carrying out a comprehensive survey on pension take-up and behaviours behind pension take-up as part of an overall report on women's pensions. This survey will provide fresh data on pension coverage and information to draw out the reasons contributing to below average coverage rates for women.

Poverty rates for older people

3.2.22 A special analysis of EU SILC by the CSO for the Green Paper on Pensions stated that over half of all persons aged 65 and over were in the second and third income deciles, indicating that their income, mainly from pensions and survivors benefits, was close to the at risk of poverty threshold.¹⁶

3.2.23 There is no one measure that gives a complete picture of the situation regarding deprivation and poverty experienced by older people. The official Government approved measure used in Ireland is consistent poverty which was developed by the Economic and Social Research Institute (ESRI). This measure identifies the proportion of people, from those with an income of less than 60% of median income who are deprived of goods or services considered essential for a basic standard of living.

3.2.24 The Government has set a target in its National Action Plan for Social inclusion 2007-2016 to reduce the number of those experiencing consistent poverty to between 2% and 4% by 2012. The CSO special analysis of EU SILC indicated that

¹⁴ To be achieved after 2013

¹⁵ target rate for men lower than for women due to disproportionate number of men in self-employment.

¹⁶ EU SILC 2005

the percentage of people over the age of 65 in consistent poverty has declined from 3.1% in 2005 to 2.2% in 2006 while the consistent poverty rate for the population reduced from 7% in 2005 to 6.5% in 2006. These figures indicate that the Governments target for older people has been achieved.

Table 4 Consistent poverty rates, 2006 by age.

	0 - 14	15 – 64	65 +	Total
Males	10.0	5.9	2.3	6.4
Females	9.6	6.5	2.0	6.6
Total	9.8	6.2	2.2	6.5

Source: EU SILC 2006

3.2.25 Another measure used to assess poverty levels is the ‘at risk of poverty’ rate. This is the share of persons with an equivalised income below a given percentage (usually 60% - EU definition) of the national median income. The CSO analysis of EU SILC confirmed a sharp decline in the at risk of poverty rate for those aged 65 and older from 20.1% in 2005 to 13.6% in 2006. The national average for the population was 17%.

Table 5 Risk of poverty, 2006 by age (after social transfers, 60% threshold)

	0 - 14	15 – 64	65 +	Total
Males	19.4	16.2	13.6	16.6
Females	21.1	17	13.7	17.4
Total	20.2	16.6	13.6	17.0

Source: EU SILC 2006

Evolution of incomes for older people

3.2.26 The social welfare system provides for basic income support in retirement through a means-tested or insurance-based entitlement. Some changes were made in recent years to the rules governing entitlement to the means-tested State Pension (non-contributory) to encourage participation in employment after pension age. These changes allow a person on the State Pension to receive an earnings related income of €230 in addition to the State Pension which is currently paid at a maximum rate of €212.30 per week without affecting entitlement to the State Pension.

3.2.27 It is anticipated that the recourse to a means-tested State Pension will decrease as improvements in social insurance cover over the last 25 years and improved workforce participation, particularly amongst women, feeds into the pensions system. These improvements will lead to a reduction in the number of people qualifying for means-tested pensions offset by an increase in those qualifying for the old age contributory pension. In 2004 32% of recipients of a State Pension qualified on a means-tested basis. This has decreased to 29% in 2007.

3.2.28 At the moment 32% approx of pensioners are in receipt of a supplementary pension. It is anticipated that this figure will increase over time as pension coverage increases and pension schemes mature. The latest figures on pension coverage were provided by a CSO QNHS survey in 2005. This survey indicates that 62% of those

between the age of 30 and 65 are members of an occupational pension scheme. The NPPI target for this age group is 70%, to be achieved in the period post 2013 for this age group is 70%.

3.2.29 The QNHS for quarter 4 2007 also indicated that the participation rate for those aged between 20 and 59 was 86.5% for males and 66.8% for females. Ireland has exceeded the employment rates set under the Lisbon Agenda for 2010 for both females and for older workers.

3.2.30 The Green Paper on Pensions notes that half of the Irish workforce expects supplementary pensions to be their main source of income in retirement, while 59.9% expect to have some level of supplementary pension income. Only 20% expect the social welfare pension to be their main source, although this increases with age.

3.2.31 While a relatively low percentage (7.9%) of workers expect their main income source to come from 'savings or investments; sale of business, farm or other property' (around 20% of agricultural sector workers and the self-employed see this being the main source), 29% expect to have some income from these sources.

Measures to minimise the risk of social exclusion

3.2.32 The Government has placed considerable emphasis in recent years on improving the level of State pensions. Since 2005, State Pensions have increased by almost 17%¹⁷. As indicated above the Government is committed to increasing the rate of the contributory pension by 50% (to €300 per week) from its 2007 level by 2012. While there is no formal indexation policy in Ireland, the State Pension has broadly, over the long term, increased in line with earnings, which normally rise faster than prices. Therefore, if the social welfare pension were indexed to earnings, its cost would grow more rapidly than if indexed to prices. The downside of indexing pensions to prices is that, relative to earnings, the value of pensions falls with obvious implications for the relative poverty risk faced by older people. It is projected that, under price indexation, the value of social welfare pensions would fall from a current level of about 35% of gross average industrial earnings to some 15% by 2061, but would remain constant in real terms.

Retirement flexibility

3.2.33 The Government is committed to a range of measures which will introduce more flexibility around retirement. These are considered in the Green Paper and include consideration of measures which might introduce a phased retirement which will allow workers a greater say in their retirement age.

¹⁷ in relation to Contributory State pension €179.30 to €223.30

3.3 Review of Financial Sustainability of Pension Systems

Resourcing pension provision

3.3.1 As outlined above the pension system in Ireland comprises two main elements; the state-run social welfare system which provides a flat rate payment with eligibility based on a persons means or on the level of social insurance contributions paid over a persons working life; the second element takes the form of pensions sponsored by the employer or personal pensions such as retirement annuity contracts (RACs) or Personal Retirement Savings Accounts (PRSAs).

3.3.2 One of the key objectives of pension policy is to ensure the sustainability of the system over the longer term. The projected ageing of the population will give rise to a substantial increase in age-related expenditure of which pension provision is expected to be the single largest component. Recent projections indicate that spending on public pensions (social welfare and public service occupational pensions) is projected to increase from roughly 5% of GDP in 2006 to 13% of GDP by 2050¹⁸. Of this increase, over two-thirds can be attributed to the social welfare component of the pension system, with the public service element accounting for the remainder. While the National Pension Reserve Fund will be available from 2025 this will only fund a portion of the increased cost.

3.3.3 The State Pension (contributory) is funded by the Social Insurance Fund (SIF) which is financed from social insurance contributions. The means-tested State pension is finance from the Exchequer. Expenditure on social welfare (insurance based and means-tested pensions) rose from €3bn in 2005 to €3.3bn in 2006 and to €3.7bn in 2007 or 24% of overall social welfare expenditure.

3.3.4 Public service pensions are paid from current Exchequer funding. The Exchequer pensions bill increased from €985m in 2002 to €1,751bn in 2007 representing a 77.8% increase over the period. Irish occupational and private pension funding was valued at €87bn in December 2007.

3.3.5 The pension system is supported by an EET¹⁹ tax regime. The tax relief on expenditure foregone as a result of private pension in 2006 was estimated at €2.9 billion. Changes to this tax system would have very significant implications in terms, among other things, of the economic and behavioural impacts which would ensue. These impacts would be difficult to model in advance. For these reasons, the real information content of these costings of tax reliefs is limited and should be treated with some caution.

3.3.6 An actuarial review of the Social Inclusion forum (SIF) was carried out in 2005. Its main conclusion is that, while total income to the fund is projected to equal or exceed outgoings in the period to 2010, thereafter the fund's net cash flow position

¹⁸ These projections were prepared by the Department of Finance on the basis of work carried out at EU level by the Economic Policy Committee and the EU Commission.

¹⁹ exempt-exempt-taxed (EET) regime exempts pension contributions, exempts pensions Investment returns from taxation. Taxation is applied when the pension is paid.

is projected to decline and the surplus in the fund will be exhausted by 2016. Any shortfall in the social insurance fund has in the past been covered by Exchequer.

3.3.7 The NPRF²⁰ was established in 2000 with the objective of pre-funding in part the future Exchequer cost of social welfare and public service occupational pensions. A statutory obligation was placed on the Exchequer to pay a sum equivalent to 1% of GNP into the Fund each year from 2001 until at least 2055, with draw downs prohibited prior to 2025. The market value of the NPRF at end-2007 was €21.2 billion and it is estimated that in 2050, assets amounting to roughly 3% of GNP will be available for drawdown²¹.

Projected developments in pension expenditure

3.3.8 Ireland's demographic make-up is set to change dramatically in the coming years. While the overall size of the population is projected to increase, of greater importance from the viewpoint of the pension system is the projected change in its composition, particularly its increasing age²². The population share of those aged 65 and over is expected to more than double between now and 2050, from 11% to 28%. In contrast, the share of the working age population is projected to gradually decline from 68% to 58%. This implies that Ireland will move from having almost six people of working age for every older person today, to less than two to one by mid-century.

3.3.9 The life expectancy for males / females aged 65 is expected to rise from 15.9/19.3 years in 2006 to 20.6/23.8 years respectively by 2036.²³ It is expected that life expectancy will continue to improve by perhaps 1 year per decade. While it can be said with near certainty that the number of older people will increase over time, the size of the working age population is highly sensitive to the fertility and migration assumptions made at the outset. Notwithstanding these sensitivities, the above projections serve to demonstrate the likely scale of future demographic change.

3.3.10 The projected long-term path for public pension spending is graphed in figure 1. The projection methodology takes on board the recent Programme for Government commitments to increase social welfare pension payments to €300 per week by 2012. Thereafter, payments are assumed to rise in line with nominal earnings. This is to assume that the position of pensioners relative to workers does not worsen over time – in the case of the State Pension (Contributory), this translates into a payment of roughly €550 per week (in real terms) by 2050. The impact of moving towards a more contributory-based social welfare system is also modelled. While these factors account for some of the upward trend in pension spending, the bulk of the increase is attributable to demographic effects.

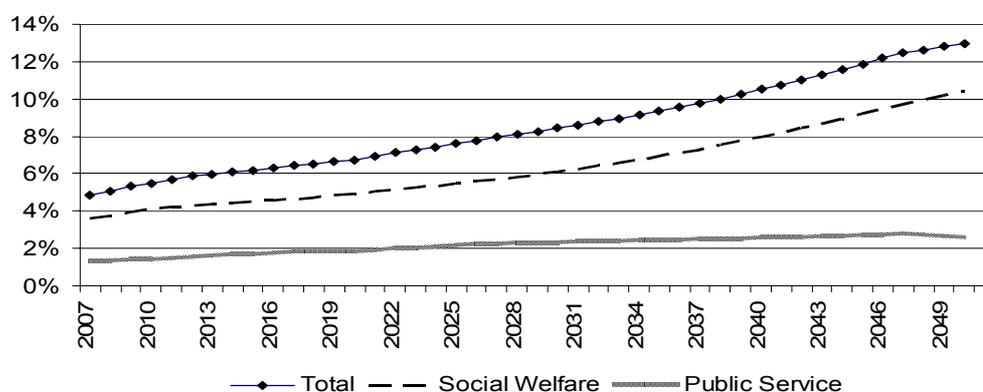
²⁰ National Pension Reserve Fund

²¹ This estimate is of course sensitive to the chosen rate of return and to the drawdown pattern assumed. See Economic Policy Committee & European Commission (2006) *The impact of ageing on public expenditure: projections for the EU25 Member States on pensions, health care, long-term care, education and employment transfers (2004-2050)*.

²² Source: EUROSTAT.

²³ Economic Policy Committee & European Commission (2005) *The 2005 EPC Budgetary Projections Exercise: Agreed Underlying Assumptions and Projection Methodologies*

Figure 1: Public Pension Spending Projections (% of GDP)



Source: Green Paper on Pensions

Financing public pension schemes

3.3.11 A further consequence of demographic change is that the task of financing increasing pension spending will fall to a diminishing share of the population. The public pension system is largely funded on a ‘pay as you go’ basis, that is, contributions made by today’s workforce are used to meet existing pension liabilities. By 2050 however, not only will pension costs have significantly increased, but there will be fewer than two workers per pensioner.

3.3.12 Taken together, these changes in the composition of the population imply a mismatch between the spending demands facing the public pension system and its ability to meet these demands. On the positive side, the assets accumulated in the National Pensions Reserve Fund (NPRF) will be available for drawdown from 2025 onwards. While these assets will go some way towards easing funding concerns, they fall far short of the projected 2050 pension liability of 13% of GDP. As such, the bulk of the funding gap will have to be met by the Exchequer. An alternative is to pursue options which reduce the size of the gap. In broad terms, the available options which are explored in the Green Paper are:

- Increasing Exchequer (raising taxes or reducing spending elsewhere) and / or private savings;
- Easing upward spending pressures;
- Raising the retirement age;
- Increasing the share of the population at work;
- Improving the productive capacity of the economy.

3.3.13 In considering which policy responses to pursue, due attention needs to be paid to the public finance and economy-wide implications of the various options, particularly their effect on competitiveness.

3.3.14 While raising taxes is one possible means of addressing the financing imbalance, there are clearly drawbacks to this approach. Given these, another possible

option would be to reduce spending elsewhere, although the largely growth-orientated nature of current Exchequer spending means that pursuing this option is not as straightforward as it may seem. For example, appropriate investment over the short to medium term is needed to boost the productive capacity of the economy. Such investment will improve competitiveness and help to sustain economic growth into the future. This, in turn, will place the public finances in a better position to meet the pensions funding gap.

3.3.15 As an alternative to meeting increased pension costs by raising taxation or reducing spending elsewhere, measures to improve the sustainability of the public pension system, or reduce the size of the gap, could be considered. A number of options, including curtailing the rate of increase in the State Pension. Increasing social insurance contributions and raising the statutory retirement age, are considered in the Green Paper on Pensions. Of these, curtailing benefits would run counter to the adequacy objective. On the other hand, indexing to prices would keep payments at the same level in real terms.

3.3.16 Increasing the retirement age is also an option given rising life expectancy. Such a step would allow for contributions over a longer time period and, if the number of years in retirement was held constant at today's average, would considerably ease spending pressures.

3.3.17 More generally, it may be more beneficial to put in place policy measures that aim to increase the share of the population at work (family supports, removing barriers to employment, migration, etc.) as well as improving the economy's productive capacity and overall competitiveness, in order to meet the future challenges.

3.3.18 Overall, given the magnitude of the task, it is unlikely that any one of the options outlined above will be sufficient to secure the long term sustainability of the pension system. Instead, a combination of some or all may be required.

Labour force participation

3.3.19 The overall labour force participation rate is currently 63.9%²⁴ and the unemployment rate is just 4.5%. When broken down by gender, we see participation rates of 73.4% for males compared to 54.5% for females. Aggregated participation rates for those aged between 20 and 59 are much higher at 86.5% for males and 66.8% for females.

3.3.20 For those aged 65 and over, labour force participation is currently 10% (up from 8% at the end of 2005). However this figure is made up of almost 17% of males and only 4.5% of females.

Increasing the share of the population at work

3.3.21 The estimated unused potential in the Irish labour market at the time of the last report and at Quarter 4 2007 is shown in the table below. It indicates that the

²⁴ CSO quarterly national household survey, 4th quarter 2007

estimated unused potential has decreased from 9% to 8.5% of the labour force. Some 37,500 of the 101,100 registered unemployed are female while 4,900 of the 11,500 marginally attached to the labour force are female.

Table 6x: Unused Employment Potential, Quarter 1, 2005 and Quarter 4 2007 (Source: CSO)

ILO Economic Status	Quarter 1 2005	Quarter 4 2007
<i>In labour force</i>		
Labour Force	1,990,500	2,239,000
Unemployed:	82,100	101,000
<i>Outside labour force - inactive</i>		
Marginally attached to the labour force:	12,100	11,500
Discouraged workers	9,300	9,500
Passive jobseekers	2,800	2,000
Persons not in education, who want work	56,500	52,400
Persons in education, who want work	29,400	25,800
Estimate of domestic potential	180,100 (9%)	190,700(8.5%)

3.3.22 Employment targets have been set under the Lisbon Agenda for 2010 with an overall employment rate of 70%, a female employment rate of 60% and an older workers' employment rate of 50%. The employment rate at Quarter 4 2007 was 69%, 60.8% 53% respectively. For those ages 65 and over, labour force participation is currently 10% (up from 8% at the end of 2005).

3.3.23 It is estimated that over the next 5 years, the limit to increase labour force participation will probably be reached. While an increasing level of female participation could be facilitated by improved childcare provision, the trend for female employment is moving towards part-time jobs. During the last year, more than a quarter of new jobs have been part-time and these have been taken up almost exclusively by women

Supporting Employment

3.3.24 Government policy facilitates those who wish to extend their working lives. The average exit age from the labour force in Ireland was 64.1 years in 2005 compared to the average EU25 age of 60.9 years.

3.3.25 Employment policy has focused on a range of measures designed to encourage attachment to the labour market. Government policy facilitates those who wish to extend their working lives through a range of measures including the following:

- The National Employment Action Plan (NEAP) was extended in 2006 to those aged 55 and 64 years on the Live Register. The first selection of customers in this age category commenced with effect from the start of July 2006. There were 51,452 people referred to the programme in 2007 and of these 3,166 people were aged between 55 and 64 years of age. 19% of these were either placed in a job or in an education or training programme while 37% of those referred left the Live Register for other reasons, compared to 48% for the overall NEAP.
- The development of a systematic programme of engagement with all people of all working ages, specifically including lone parents and people with disabilities. The objective of the programme for people with disabilities is to promote participation and social inclusion, primarily through activation measures aimed at people of working age applying for or in receipt of a payment such as invalidity pension;
- A pre-retirement allowance is a payment that allows a person, aged 55 or over, to retire from the labour force and receive a weekly allowance subject to certain conditions. This scheme is being phased out and no new applications were accepted after 4th July 2007;
- Compulsory retirement age removed from the public service since 2004 and the pension age has been increased to 65 years with no maximum retirement age;
- Non-contributory pensioners can earn additional income through employment while retaining their State Pension entitlements. The earnings disregard currently stands at €200;
- Introduction of an employment retention grant scheme and a new wage subsidy scheme – to address the increasing number of older workers exiting the labour market early through disability benefits.
- The Green Paper on Pensions suggests that more flexibility may be needed in the pension system in order to remove disincentives to working longer, in particular increasing retirement age

Resources from private sources

3.3.26 The limited evidence available would suggest that some pensioners are not attaining the replacement income targets suggested in the NPPI/NPR. There is also evidence that many PRSA contributors are under-saving for retirement. For most people at work, some form of supplementary provision will be necessary to facilitate the transition to retirement. Around 32% of pensioner units have income from

occupational or personal pensions but relatively few of pensioners in the bottom two-fifths of incomes have income from these sources. Some 55% of those of working age have a supplementary pension and 62% of those between the age of 30 and 65 have made provision to supplement the State Pension. Two thirds of those with a supplementary pension are members of a defined benefit scheme while the remainder are members of a defined contribution scheme. The challenge going forward is to increase coverage and to ensure that those who have a supplementary pension are contributing to the pension fund at a rate that will secure the desired income in retirement.

3.3.27 The Society of Actuaries in Ireland translated the NPPI/NPR target into a set of required contribution rates at various income levels and ages for DC/PRSA contributors. These required rates reflect the position at May 2006. The 2007 and 2008 increases in the social welfare pension and the increase in interest rates since will reduce these figures.

Table 7.: PRSA 2005 (at PPSN level, aged 23-47 and individual contribution in 2005 > €0) and DSFA 2004 income €15,000-€64,999

Income 2004	Income contribution rate by age in 2005 (%)				
	23-27	28-32	33-37	38-42	43-47
€15,000-€24,999	5.1	6.8	7.7	8.6	9.2
€25,000-€34,999	5.9	6.0	7.1	7.7	10.3
€35,000-€44,999	6.6	6.8	7.7	9.1	9.8
€45,000-€54,999	7.6	7.2	8.7	10.3	12.9
€55,000-€64,999	6.0	7.8	9.6	12.0	14.6

Source: Pensions Board PRSA register and Revenue/DSFA earnings data, matched by CSO

3.3.28 The Green Paper on Pensions has identified three broad options for dealing with the retirement income gap through supplementary provision; enhancements to the voluntary system of incentives, soft mandatory pensions and mandatory pensions. They are all particularly focused on medium and low earners, who have lower supplementary coverage at present.

Risks facing different types of private pension

3.3.29 Almost all schemes in Ireland are either defined benefit or defined contribution. There has been some development of hybrid schemes in recent years. Defined benefit schemes are monitored by the Pensions Board through the application of the funding standard requirements as set out in the Pensions Act. The funding standard requires that if a scheme had wound up, its assets would be sufficient to meet its liabilities and action must be taken if the assets fall short. An ongoing concern therefore in relation to DB schemes is the ability of schemes to continue to meet the Funding Standard.

3.3.30 The funding position of defined benefit pension schemes has improved with 81% of schemes satisfying the Pensions Board Funding Standard at the end of 2007 against 70% in 2006²⁵.

3.3.31 The recently introduced FRS17 obliges many companies to show any pensions deficits on their balance sheets. Both the requirements of the Funding Standard and employers obligations under FRS17 have contributed to the pressures on employer sponsored pension schemes and can influence the employers attitude to defined benefit schemes.

3.3.32 While the numbers of DB schemes are remaining constant, the majority of new schemes are DC. DB schemes are an important part of Irish pension provision and DB scheme members currently outnumber DC members by a ratio of about 2:1, down from 4.5:1 in 1996. In addition it is estimated that about 65% of defined benefit schemes were closed to new members in 2007.²⁶ This move towards DC schemes effectively shifts the pension funding risk from the employer to the employee. In the context of both DB and DC schemes the issue of the safety and security of pension investment arises and will be considered further in the context of the Green Paper on Pensions.

Monitoring the rate of return

3.3.33 Occupational pensions schemes in Ireland are organised on a trust basis and trustees are required at all times to act in the best interests of the scheme members. The operation of pension schemes is governed by the provisions of the Pensions Act which specifies that the trustees must provide for the proper investment of the resources of the scheme in accordance with the rules of the scheme.

3.3.34 The Occupational Pension Schemes (Investment) Regulations 2006 require that trustees of pension schemes, with 100 members or more, prepare a Statement of Investment Policy Principles (SIPP). The SIPP includes investment objectives, investment risk measurement methods, risk management processes used, and the strategic asset allocation implemented with respect to the nature and duration of pension liabilities. The investment regulations also specify in detail the investment duties of trustees of pension schemes. In relation to DC schemes it is seen as the role of a trustee to set objectives for the scheme and to monitor progress on an ongoing basis.

3.3.35 The disclosure requirement in relation to PRSAs provide for a six monthly investment report which outlines the investment performance on the underlying funds in the account. A Statement of Account is also issued on a six-monthly basis.

3.3.36 As regards sustainability of funded pension schemes, the long term funding in Ireland is presumptive of long-term equity out-performance compared to risk-free returns and that volatility in their value in the short-term is basically irrelevant. This includes the NPRF, which says in its investment strategy statement that "*The Commission's asset allocation strategy is founded on the premise that real assets, such as equities and property, whose performance is linked to the rate of economic*

²⁵ Annual Report Pensions Board 2007

²⁶ Mercer Human Resource Consulting June 2007

growth will continue, over the long-term, to outperform financial assets such as bonds."

Information provision

3.3.37 The Pensions Act provides for the dissemination of a wide range of personal and scheme information and put obligations on both trustees and employers for the provision of this information. This information includes annual reports, audited accounts, valuation reports, the provision of certain information on request and event specific information such as when a person joins a scheme, terminates employment or in the event of the wind-up of a scheme. The Pension Act was amended this year to enhance the provision relating to the training of trustees of pension schemes. Employers are now obliged to arrange appropriate training for trustees and in turn trustees are required to undertake the training provided.

3.3.38 The provision of information in creating an awareness of the need to provide for one's pension and to be able to access this provision on an ongoing basis is a central element in pension policy. In this regard, trustees of pension schemes will be required to issue annual benefit statements to a scheme member who has service in relevant employment after 1 January 2009. In relation to DB schemes this statement will include information of the member's own benefits and or his/her survivors benefits which would be payable under the rules of the scheme from normal pension age or the age at which preserved pension becomes payable under the scheme.

3.3.39 In the case of a DC scheme the annual benefit statement will specify the accumulated value of the retirement fund and the amount of contributions paid to date and the amount of any transfers received. In addition members of DC scheme will be issued with a statement of reasonable projection in respect of relevant employment at least once in every scheme year commencing on or after the 1st January 2009.

3.3.40 The Pensions Board provide an extensive range of information on pension through its website (www.pensionsboard.ie). The website includes an online version of the Boards information booklets, a pension calculator, guidelines and an informal communication for interested parties in the form of a bulletin. The Department of Finance provides information on public service pensions through its website at www.cspensions.gov.ie This website contains circulars and information on public service pensions and a pension modeller which will calculate an estimate of a persons pension benefits.

3.4 Review of Modernisation of pension systems in response to changing need of the economy, society and individuals

Introduction

3.4.1 The future of pension provision in Ireland has been the subject of much debate over the last decade or so. In October 1996 the National Pensions Policy Initiative (NPPI) was launched. The objective of the Initiative was to facilitate national debate on how to achieve a fully developed national pensions system and to formulate a strategy and make recommendations for the actions needed to achieve this system. The pension priorities and targets recommended in this report are central to the current pension strategy. In October 2005, the National Pensions Review was published. The report included a review of previously agreed pension targets, an

assessment of current coverage and adequacy and discussion on the strategic options for meeting the agreed targets. The key message emerging from this report was the prediction of a significant increase in the annual cost of social welfare retirement pensions and public sector pensions. In July 2006, a report on a mandatory pensions system was published by the Pensions Board. The objective of this report was to explore the general principles of a mandatory or soft mandatory system and to make a specific practical recommendation. All of these reports provided valuable input to the Green Paper on Pensions which was published in October 2007.

The Green Paper

3.4.2 The main objectives of the Green Paper is to set out the background to the Irish pensions system, the current challenges, and possible approaches to pensions development to address these challenges. A recurring theme in the Paper is how to marry ambitions in relation to the coverage and adequacy of the system and in relation to the modernisation agenda with the economic and financial sustainability concerns flowing from the marked increase in the pensioner population and the relative decline in the numbers who will be supporting the pensions system through their tax contributions.

3.4.3 The Green Paper does not recommend any particular course of action but rather sets out clearly the current situation and the implications, from an economic and social perspective, of various courses of action which have been suggested. These include maintaining the status quo or expanding private and occupational cover through either mandatory or soft mandatory arrangements.

3.4.4 A major consultation process followed the publication of the Green Paper. A national awareness campaign was launched where all citizens were invited to make submission on the Green Paper either in writing to the Department of through the dedicated Green Paper website (www.pensionsgreenpaper.ie). In addition the Department held seminars in five locations throughout the country and completed the consultation process with a conference in Dublin at the end of May 2008. The Government is committed to developing a framework for future pension policy by the end of 2008.

Issues relating to social welfare pensions

3.4.5 Through a series of social insurance reforms in the 1970s, 80s and 90s the social welfare pension system is in transition to a system largely based on contributory payments. However, there are issues in relation to the current social welfare system. Some of these issues could be considered legacy issues arising from the structure of the system of social insurance which applied up until the late 1980s and early 1990s

3.4.6 These issues are considered in the context of the Green Paper which discusses a range of reforms including the use of universal entitlements, back-dating the homemakers scheme and changing the basis of assessment from average contributions to total contributions.

Issues in relation to supplementary pensions

3.4.7 Almost all schemes in Ireland are either defined benefit or defined contribution though there has been some development in hybrid schemes is recent

years. Specific issues arise in relation to the nature of each of these scheme types; These issues in relation to DB schemes include:

- The impact of the funding standard on DB as set out above.
- The decline of DB schemes. While the numbers of DB schemes are remaining constant, virtually all new schemes are DC. DB schemes are an important part of Irish pension provision and DB scheme members currently outnumber DC members by a ratio of about 2:1, down from 4.5:1 in 1996. While DC schemes can provide certain advantages, the main concerns about the declining proportion of DB membership include: i) that retirement benefits are too low, given the contribution rates for DC schemes and; ii) a change in the allocation of risks from employers to employees. iii) security of investment return.
- The integration of a DB pension with a social welfare pension. An integrated scheme, usually DB is one where the contribution and benefits are calculated net of the social welfare retirement benefit. A frequent criticism of these schemes is that if social welfare retirement benefits increase rapidly in the years before retirement, the benefits paid by the scheme, particularly for the lower paid, can be lower than expected.
- The main issue which arises in relation to DC is the adequacy of the pension benefit payable on retirement. Many DC members are unlikely to have a retirement income equal to, or greater, than the NPPI target. The duration and level of contribution into a DC scheme is an essential factor in this regard.
- An issue which impacts on both scheme types is the demand for guarantees and for the security for pension scheme members. Security of pension benefit as it relates to DC is concerned with the security of what was expected from the investment. The security of benefits of members of DB schemes depends on the assets already accumulated in the pension fund, and on the willingness of the employer to continue to make contributions.

3.4.8 The social insurance system provides pension coverage for all employees and self-employed workers in the private sector, and to employees in the public sector since 1995. Supplementary pension coverage has been rising but there are groups within the population and labour force that remain difficult to reach.

3.4.9 The demographic projections to 2050 suggest that the existing pension system is not sustainable without changes in the overall policy mix. Current consideration of pension policy needs to cover not only the scope and adequacy of benefits but also the funding arrangements. Countervailing measures would be required to address the projected funding gap. As an indicator of scale, if this was done through higher taxation rather than other policy adjustments, it is estimated that an adjustment of the scale required could lead to a fall in both output and employment of up to 6% over the medium term and would reduce Ireland's attractiveness as an investment location.

3.4.10 Female and part time workers have lower than average supplementary coverage. People with breaks in their careers, particularly in respect of DB scheme employments, are also likely to have lower benefits compared to those with continuous careers.

Development underlying a future pension framework

3.4.11 The recurring theme in the Green Paper is how to align ambitions in relation to the coverage and adequacy of the system as set out above, and in relation to the modernisation agenda with the economic and financial sustainability issues flowing from the demographic changes which project a marked increase in the pensioner population and the relative decline in the numbers who will be supporting the pensions system through their tax contributions.

3.4.12 The Government will develop a framework for future pension policy which will attempt to address the challenges set out in the Green Paper. In responding to these challenges the strategy for the delivery of the future pension framework will seek to ensure that the common objectives of adequacy, sustainability and transparency are addressed.

Options for reform

3.4.13 The Green Paper set out four broad approaches which were presented to encourage the national pensions debate. These options are;

- Delivering improved adequacy through enhanced social welfare benefits
- Enhancements in respect of voluntary pension provision
- Soft-mandatory pensions
- A full mandatory system

3.4.14 These four approaches will be compared to the current system across a range of criteria. The main criteria that facilitate comparisons of the approaches are coverage, adequacy, cost, competitiveness, modernisation and redistribution. These criteria apply both to the level of pensions provided under the system and to the means of delivery.

3.4.15 Decisions on the adoption and implementation of any particular approach will have to take full account of its likely impact on the economy and of the need to maintain budgetary stability.

CHAPTER 4 - NATIONAL STRATEGY FOR HEALTHCARE AND LONG TERM CARE

4.1 Key challenges, priority objectives and targets, covering both healthcare and long-term care

4.1.1 The National Health Strategy, Quality and Fairness: A Health System for You was launched in November, 2001 to provide vision and strategic direction for the development of health and personal social services in Ireland. The Strategy defined four national goals for the health system up to 2010 i.e. better health for everyone, fair access, responsive and appropriate care and high performance.

4.1.2 It was recognised that in order to achieve the four national goals, the health system would need to be reformed. As a result, the Health Service Reform Programme was approved by Government in June 2003. The aim of the Reform Programme is to provide the best possible service, in terms of quality and effectiveness, to patients within the resources made available by the Government and to have equity as a core value in our health service. The importance of the reform process is underlined by a number of challenges which face the State including;

- Demographic changes arising from an increasingly ageing population and the demands which this places on the health service and on personal social services;
- Increased public expectations
- The impact of medical and technological innovations.

4.1.3 Increased investment has underpinned progress under the Health Service Reform Programme. Investment in the health sector has increased significantly since 1997 from €3.67 billion to over €16 billion in 2008.

4.1.4 The National Development Plan 2007 – 2013 provides for €5.841 billion capital investment under the Health Infrastructure Programme. Capital funding of €2.4 billion is intended for the Acute Hospital Sector and €2.1 billion to Primary Community and Continuing Care.

4.1.5 The capital provision for the health service in 2008 is €720m and this will allow a number of major initiatives to be progressed. The service areas being prioritised are Acute Hospitals, Primary Care, Services for Older People, Disability

Services, Mental Health, Health Research and implementation of the National Plan for Radiation Oncology.

4.2 Healthcare

4.2.1 Progress in relation to 2006-2008 National Strategy Reports and challenges identified in 2007 Joint Report

The Reform Programme has resulted in improvements to services across the healthcare system. Some key policy/service developments are in the area of:-

Children and Families

4.2.1.1 The Office of the Minister for Children (OMC) was established in 2005 to achieve better outcomes for children by setting the strategic policy direction for services for children, monitoring and driving the implementation of the National Children's Strategy, encouraging and supporting inter agency working and fostering a child-centred approach to service delivery for children. Responsibility for Youth Affairs was recently transferred to the Office which is now known as the Office of the Minister for Children and Youth Affairs (OMCYA).

4.2.1.2 The OMCYA adopts a whole-of-Government approach to its work on behalf of children, and works closely with relevant Government departments in the implementation of the National Children's Strategy. The OMCYA works with both statutory and non-statutory service providers, and in particular with the HSE, in monitoring and overseeing service delivery for children.

Primary Care

4.2.1.3 It is national policy to expand primary care services and to develop Primary Care Teams and Primary Care Networks in line with the Primary Care Strategy *Primary Care - A New Direction* and the National Health Strategy goal of providing responsive and appropriate care. Central to this expansion is a parallel shift in appropriate activity from hospitals to community-based settings, greater integration of services between the two settings and the expansion of GP out-of-hours co-operatives. See Section 4.2.3 and Annex 4.1 of the Report for further detail in this area.

Cancer Control

4.2.1.4 Government policy is to implement '*A Strategy for Cancer Control in Ireland 2006*' which aims to improve the organisation, governance and quality of cancer care from prevention and screening through to treatment services, supportive and palliative care and research. For further details see Annex 4.1.

Acute Hospitals

4.2.1.5 The National Treatment Purchase Fund (NTPF) was established in April 2002 to treat public patients who had been longest on surgical in-patient waiting lists. It became a statutory body in May 2004. The NTPF has now provided services for over 100,000 patients since its establishment. This comprises approx. 77,000 in-patients and 23,000 out-patients. NTPF budget has risen from €5m in 2002 to €100.4m in 2008. Further details on the NTPF can be found under 4.2.2 of the report.

Disability and Mental Health

4.2.1.6 In January 2008, the Government established the Office for Disability and Mental Health to support the Minister for Disability and Mental Health in exercising his responsibilities in four Government Departments: Health and Children; Justice, Equality and Law Reform; Education and Science and Enterprise, Trade and Employment. Further information on this new Office can be found in Annex 4.1.

4.2.1.7 Part 2 of the Disability Act 2005, which is one of the central elements of the National Disability Strategy, commenced with effect from 1 June 2007 for children aged under 5 years of age. Further information on the National Disability Strategy can be found in Annex 4.1.

4.2.1.8 Early in 2007, the Government signed the United Nations Convention on the Rights of Persons with Disabilities. This Convention will have significant consequences right across the health services and is not specific to one given area. It proposes a shift in an understanding of how society views 'disability' from a medical to a social model. This Department is currently represented on an Inter-Departmental Committee chaired by the Department of Justice, Equality and Law Reform, and charged with putting in place the necessary steps to support ratification of the Convention as soon as possible.

4.2.1.9 The Mental Health Act 2001 was fully implemented from 1 November, 2006. *A Vision for Change*, a new National Policy Framework for the mental health services was published in January 2006. National policy is to develop mental health services in line with the recommendations of this framework and to reduce levels of suicide and deliberate self harm in line with the recommendations of *Reach Out* - the Suicide Prevention Strategy published in 2005. See Annex 4.1 for further information.

Older People

4.2.1.10 A new Office for Older People was formally established on 30 January, 2008. The Office is based in the Department of Health & Children to support the Minister of State with responsibility for Older People. Further information on the function of the Office and developments and priorities in this area can be found under the Long Term Care Section of this report (4.3).

4.2.2 Priority policies related to Common objective (j)

Accessible, high-quality and sustainable healthcare by ensuring access for all to adequate health care and that the need for care does not lead to poverty and financial dependency; and that inequities in access to care and in health outcomes are addressed;

Clear statutory provisions on eligibility and entitlement

4.2.2.1 Work is underway in the Department on a new legislative framework to provide for clear statutory provisions on eligibility and entitlement for health and personal social services. The aim is to produce a clear set of statutory provisions that ensure equity and transparency and to bring the system up to date with developments in service delivery and technology that have occurred since the Health Act 1970. The legislation will define specific health and personal social services more clearly; set out who should be eligible for what services, as well as criteria for eligibility; establish when and in what circumstances charges may be made and provide for an appeals framework. It is expected that proposals will be brought to Government during 2008. As part of this work the Department is reviewing the eligibility criteria for the assessment of medical cards in the context of financial, medical and social need to clarify entitlement to a medical card.

Improvement in Assessment Guidelines for Medical Cards & GP Visit Cards

4.2.2.2 Persons and their dependants who would otherwise experience undue hardship in meeting the cost of General Practitioner (GP) services qualify for a medical card, which entitles them to a range of services free of charge. In 2005, the GP visit card was introduced as a graduated benefit so that people on moderate and lower incomes, particularly parents of young children, who do not qualify for a medical card, would not be deterred on cost grounds from visiting their GP.

4.2.2.3 In recent years there have been significant improvements to the way in which people's eligibility for medical cards and GP visit cards is assessed. Since the beginning of 2005, the qualification guidelines have increased by a cumulative 29%. Assessment is now based on a person's and, where relevant, his/her spouse's income after tax and PRSI (Social Insurance), and takes account of reasonable expenses incurred in respect of rent or mortgage payments, childcare and travel to work. In June 2006, there was a further increase in the qualification threshold for the GP visit card to 50% above that for a medical card (previously 25%). Furthermore, under the assessment guidelines, persons whose weekly incomes are derived solely from Department of Social and Family Affairs payments or Health Service Executive (HSE) payments, even if these exceed the stated threshold, qualify for a medical card.

Programme for Government Commitments in relation to medical cards

4.2.2.4 The Programme for Government commits to the following:

- Indexing the income thresholds for medical cards to increases in the average industrial wage;
- Doubling of the income limit eligibility of parents of children under 6 years of age, and trebling them for parents of children under 18 years of age with an intellectual disability.
- Allow people with disabilities to work without losing key essential medical card cover after 3 years.

Acute Hospitals

4.2.2.5 The current Programme for Government, *Towards 2016*, contains commitments to ensure greater equality in access and care between public and private patients in the healthcare system.

The Government is committed to:

- increasing the number of public-only hospital beds;
- implement plans for co-located private facilities on the campuses of public hospitals in order to free up beds for public patients;
- proactively deal with waiting times for treatment.

4.2.2.6 Arising from negotiations on new contractual arrangements for medical consultants, a new employment contract has been drafted which provides for salaried consultants who will not have any private fee income from patients; require that where consultants may engage in private practice that at least 80% of their clinical/patient output must be public patients; and provide “one for all” access to outpatient diagnostic services based solely on medical need.

National Treatment Purchase Fund

4.2.2.7 As outlined in section 4.2.1.5 of the report, the National Treatment Purchase Fund (NTPF) was established in April 2002 to treat public patients who had been longest on surgical in-patient waiting lists. The NTPF has now provided services for over 100,000 patients since its establishment. This comprises approx. 77,000 in-patients and 23,000 out-patients. NTPF budget has risen from €5m in 2002 to €100.4m in 2008.

4.2.2.8 NTPF began providing out-patient services in the last quarter of 2005 and it has been a growing part of its work ever since. In 2007, NTPF contacted 20,630 patients on OPD waiting lists. Of these, half accepted an offer of an out-patient appointment and one quarter were removed (on validation) from the waiting list. The remaining quarter declined treatment or did not respond.

4.2.2.9 Of the 10,569 who were offered appointments, 4,000 received surgery and a further 1,900 needed further investigation/review. It is envisaged that the NTPF will treat 20,800 in patients, 13,500 out-patients and will provide 2,500 MRIs in 2008.

Other Initiatives to improve access to adequate health care

4.2.2.10 The National Action Plan for Social Inclusion, (NAPinclusion) is the main vehicle through which the Irish Government’s response to the problems of poverty and social inclusion is being channelled. The NAPinclusion details a number of health commitments aimed at tackling and reducing health inequalities and improving the health status of the more vulnerable members of our society.

4.2.2.11 For example, it includes the high level goal of developing 500 primary care teams by 2011 which will improve access to services in the community, with particular emphasis on meeting the needs of holders of medical cards (i.e. those on low incomes and those over 70 years of age). More information in relation to planned developments in primary care is given under section 4.3.3 and in NAPinclusion 2007-2016 in Annex 4.1.

4.2.2.12 The NAPinclusion is closely linked to the new National Development Plan (NDP) 2007-2013, within the overall framework of a new social partnership agreement *Towards 2016*. The NDP will place special emphasis on promoting social inclusion in the areas of Disabilities, Child Care and Older Persons. The expected level of current investment is €18.8 billion, €12.2 billion and €9.7 billion respectively for each of these areas over the period of the plan.

4.2.3 Priority policies related to Common objective (k)

Quality in healthcare and by adapting care, including developing preventive care, to the changing needs and preferences of society and individuals, notably by developing quality standards reflecting best international practice and by strengthening the responsibility of health professionals and of patients and care recipients;

Primary Care/preventative activities

4.2.3.1 As outlined under Section 4.2.1 and in more detail in Annex 4.1, the strategy, *Primary Care: A New Direction*, (2001) is the roadmap for the development of primary care services in Ireland over a period of ten to fifteen years. At the heart of the Strategy is the aim of developing services in the community to give people direct access to integrated multi-disciplinary teams of general practitioners, nurses, health care assistants, home helps, physiotherapists, occupational therapists and others.

The Government committed under the *Towards 2016* partnership agreement to the establishment of 300 Primary Care Teams by 2008; 400 by 2009; and 500 by 2011. A review of these targets is being undertaken in 2008.

4.2.3.2 Since 2002, the Government has provided significant new funding to enable the Primary Care Strategy to be rolled out - €52m in total. Funding totalling €40m was provided to the HSE between 2006 and 2008 with the intention that this should be used for the establishment of some 200 Primary Care teams involving 600 new frontline professionals. Work on the establishment of the teams is ongoing in the HSE. It involves realignment of existing staff as well as the recruitment of new staff.

4.2.3.3 Other primary care objectives include:

- Improving the prevention and management of chronic diseases including diabetes, obesity and heart disease (further information below).
- Addressing health inequalities through the development of integrated approaches within the health sector to improve access to mainstream services.
- Improving the promotion, prevention and protection of public health by implementing a range of programmes in health promotion, immunisation against infectious diseases, food/water/air safety, screening and emergency planning.

Management of Chronic Diseases

4.2.3.4 The general management of chronic diseases has been set out in the Department of Health and Children policy framework which has recently been published. The framework describes an approach centred on disease management programmes to treat and delay the onset of complications and reduce emergency hospital admissions. It addresses the management of chronic diseases at different levels through a reorientation towards primary care and the provision of integrated health services that are focused on prevention and returning individuals to health and a better quality of life.

4.2.3.5 The main elements include:

- The development of models of shared care which set out the roles and responsibilities of primary care and specialist services (These would be established initially for diabetes, heart disease, stroke and chronic destructive pulmonary disease)
- The development and implementation of clinical protocols and guidelines for use in primary care and specialist services
- The central role of primary healthcare in the management of patients with chronic disease
- The development of programmes of self-care for patients which would allow better self-monitoring and treatment in chronic disease
- Clinical information systems, quality assurance and evaluation as an integral part of disease management.

See Annex 4.1 for details of the various specific initiatives under this policy framework.

Cancer Control

4.2.3.6 Government policy is to implement '*A Strategy for Cancer Control in Ireland 2006*' which aims to improve the organisation, governance and quality of cancer care from prevention and screening through to treatment services, supportive and palliative care and research. The Health Service Executive National Cancer Control Programme is designed to implement the strategy. See Annex 4.1 for further details on the HSE National Cancer Control Programme.

Mental Health Services

4.2.3.7 The Mental Health Act 2001 was fully implemented from 1 November, 2006. All admission and renewal orders for persons who are involuntarily admitted to psychiatric hospitals are reviewed by a Mental Health Tribunal. See Annex 4.1 for further details on developments in mental health.

The Pre Hospital Emergency Care Council

4.2.3.8 The primary function of the Council is to develop appropriate standards in pre-hospital emergency care. The most significant development in the sector for many years is the roll-out of the Advanced Paramedic Training Programme. This required two legislative changes which were finalised in August 2005. The National Ambulance Service College (NASC) in affiliation with University College Dublin (UCD) has trained 112 Advanced Paramedics to date.

Health Information and Quality Authority (HIQA)

4.2.3.9 The Health Information and Quality Authority (HIQA) was established on 15th May 2007 under the Health Act 2007. See Annex 4.1 for further information.

Information

4.2.3.10 The Information Framework continues to focus on the implementation of the recommendations in the National Health Information Strategy (NHIS). Developments in this area include the establishment of the Health Information and Quality Authority (HIQA) on a statutory basis under the Health Act 2007 and the establishment of a Health Information Inter-agency Group with responsibility for providing overall guidance, direction and advice on information and ICT developments.

4.2.3.11 Capital funding of €490m is being provided for Health Information & Communications Technology under the National Development Plan 2007-2013. The HSE has strengthened its ICT governance arrangements. Further details in Annex 4.1. A Health Information Bill is being prepared. Further details can be found at Annex 4.1.

Statutory Complaints Procedure and Whistleblowing

4.2.3.12 Two significant developments under the health reform programme are the introduction of a statutory complaints procedure in the health service and provisions for making protected disclosures or “whistleblowing” on issues of patient safety. See Annex 4.1 for further information.

Participation on the Community in decisions about the delivery of health and personal social services

4.2.3.13 There have been a number of important initiatives in this area as follows: -

- The National Strategy on Service User Involvement in The Irish Health Service launched in May, 2008;
- The National Health Consultative Forum which took place in May, 2008;
- The needs assessment workbooks being developed by the HSE for use by Primary Care Teams.

Further information on these initiatives can be found in Annex 4.1.

Health Research Board (HRB)

4.2.3.14 The Health Research Board (HRB) provides funding, maintains health information systems and conducts research linked to national health priorities, to improve people's health, build health research capacity and make a significant contribution to Ireland's knowledge economy. The Board co-operates with other research bodies in Ireland and elsewhere in promoting, commissioning or conducting relevant research. The HRB received allocations of capital and non-capital grants for 2008 as follows -- Revenue 2008 €37.375m - Capital 2008 €12.4m

Further information on the Board's research and information programme is included in Annex 4.1

4.2.4 Priority policies related to Common objective (I)

that adequate and high quality health care remains affordable and financially sustainable by promoting a rational use of resources, notably through appropriate incentives for users and providers, good governance and coordination between care systems and public and private institutions. Long-term sustainability and quality require the promotion of healthy and active life styles and good human resources for the care sector.

Organisational Reform

4.2.4.1 The Health Act 2004 and the establishment of the HSE in 2005, allowed the separation of roles of policy making and service delivery. Since then, the Department of Health and Children has continued to divest itself of involvement in the operational delivery of health and personal social services. It is now responsible for supporting the Minister and the overall organisational, legislative, policy and financial accountability for the health sector. The Health Service Executive (HSE) has responsibility for delivery of health and personal social services on a national basis.

4.2.4.2 The accountability framework that is in place in order to ensure these services are delivered efficiently and effectively by the HSE is grounded in the Health Acts 2004 and 2007. The framework consists of:

- HSE Corporate Plan
- HSE National Service Plan and Performance Monitoring Framework
- Annual Output Statement
- HSE Code of Governance
- HSE Annual Report

As mentioned earlier, the Government established the Office for Disability and Mental Health in January, 2008. Further information on these measures can be found in Annex 4.1.

National HR & Workforce Planning

4.2.4.3 The challenge is in securing the necessary changes in staff working regimes and behaviours and ensuring appropriate levels of manpower and skill mix across a wide range of highly trained professionals. See Annex 4.1 for developments in this area.

4.3 - Long-Term Care

4.3.1 Progress in relation to 2006-2008 NSR and challenges identified in 2007 Joint Report

4.3.1.1 Life expectancy at age 65 in Ireland is increasing and most people are fit and active and living healthy lives for longer. It is estimated that there are approximately 463,000 people aged 65 years and over in Ireland today. Latest population projections suggest that this figure will increase to 1,105,000 by 2036, increasing the number of people over 65 as a percentage of working age population from 18% to 39%. Within this, the number of people aged over 85 is projected to increase from 46,700 to 155,500. This trend is expected to continue out to 2056 when the old age dependency ratio is projected to reach 60%.

4.3.1.2 While an increase in life expectancy is a product of successful social, health and economic policies, it also creates challenges in terms of planning, development and implementation of long term care policy and practice. It is important to note that the cost of long-term care is only one implication of demographic trends. Wider implications, for example in relation to the cost of acute medical care and pensions, will also have to be considered.

4.3.1.3 Government Policy in relation to Older People and Long Term Care is set out in the Programme for Government 2007-2012 and the latest Social Partnership Agreement “*Towards 2016*”. In that Agreement, the Government and the Social Partners agreed to work together to develop an infrastructure of long-term care services for older people in accordance with the following principles:

- All relevant public services should be designed and delivered in an integrated manner around the needs of the care recipient based on a national standardised needs assessment. Care needs assessments should be available in a timely, consistent, equitable and regionally balanced basis.
- Access to joined up, user-friendly, customer-focused service consistent with individual needs
- The use of community and home-based care should be maximised and should support the important role of the family and informal care. (see 4.3.3 objective k for further details)
- The continued development of sheltered housing options, with varying degrees of support will be encouraged.
- Where community and home-based care is not appropriate, quality residential care should be available. (see 4.3.3 objective k for further details)
- There should be appropriate and equitable levels of co-payment by care recipients based on a national standardised financial assessment.
- The level of state support for residential care should be indifferent as to whether that care is in a public or private facility.
- No current resident of a nursing home, public or private, should be put at a disadvantage by whatever new co-payment arrangements for residential care are introduced.
- Information about entitlements and benefits should be clearly set out and communicated to older people, and
- The financial model to support any new arrangements must be financially sustainable. (see 4.4.4 objective l for further details).

Office for Older People

4.3.1.4 A new Office for Older People was formally established on 30 January, 2008. The Office is based in the Department of Health and Children to support the Minister of State with responsibility for Older People. The main functions of the Office will be to draw up and implement a Strategy for Positive Ageing; to bring greater coherence to the formulation of policies affecting older people; and, to develop policy and oversee and monitor the delivery of health and personal social services for older people.

Human Resources

4.3.1.5 Building the capacity of the health service workforce is central to the achievement of the goals and objectives of the Department. A joint Department of Health and Children / Health Service Executive working group on workforce planning was established in June 2006 and includes representatives of the Departments of Finance, Education and Science, and the Higher Education Authority. Work began on a national workforce planning strategy in conjunction with the Health Service Executive late in 2007. This work is being coordinated through the Joint Working Group. The strategy steering group is at an advanced stage of producing a strategy document.

Elder Abuse

4.3.1.6 The National Implementation Group on Elder Abuse (EANIG) was established in 2003 to oversee the implementation of the recommendations contained in the Report "*Protecting our Future*". The Report made recommendations in relation to the development of health and non-health services necessary to deal with elder abuse. It recommended that the issue of elder abuse be placed in the wider context of health and social care services for older people. In this context, the Group is now operating under the auspices of the newly established Office for Older People.

4.3.1.7 EANIG identified the following three priority issues for the implementation of the elder abuse programme:

- Appropriately composed steering groups in each HSE region
- Appointment of senior case workers in each local health area plus a dedicated Elder Abuse Officer in each HSE region
- Development of appropriate management support for senior case workers

Four regional steering groups were established and a national steering group was put in place to oversee progress. To date (April 2008), 26 senior case workers and 3 dedicated elder abuse officers have been appointed.

Carers

4.3.1.8 *Towards 2016* also contains a commitment to develop a National Carer's Strategy to cover the period 2008 to 2016. The strategy will focus on supporting informal and family carers in the community. All relevant departments and agencies are involved in the development of the National Carer's Strategy and there is appropriate consultation with the social partners. The Department of Social and Family Affairs has lead responsibility for the development of the Strategy (see also 4.3.4 objective 1 for further details).

4.3.2 Priority policies related to Common objective (j)

Objective (j): Accessible, high-quality and sustainable long-term care by ensuring access for all to adequate long-term care and that the need for care does not lead to poverty and financial dependency; and that inequities in access to care and in health outcomes are addressed.

Nursing Home Support Scheme

4.3.2.1 The new Nursing Home Support Scheme, '*A Fair Deal*', is due to commence in 2009. The bill providing for the new scheme is currently being finalised by the Office of the Attorney General. '*A Fair Deal*' aims to remedy the inequities that exist in the current system. At present, people face greatly different costs depending on whether they are in public or private nursing homes. In addition, individual contributions in public nursing homes are based on a flat rate regardless of an individual's wealth, whereas State support for individuals in private nursing homes is based on means-testing. This means that many people in private nursing homes get no support, and even with a nursing home subvention, people can face costs they cannot afford. The result is that some people are forced to sell or mortgage their homes to pay for care costs.

4.3.2.2 The objectives of '*A Fair Deal*' are to render private long-term care accessible, affordable and anxiety-free, and to equalise State support for public and private long-term care recipients. Under the Fair Deal, individuals will undergo a care needs assessment carried out by a multi-disciplinary team of HSE healthcare professionals. If a person is assessed as requiring residential care, he/she can apply to the HSE for a means assessment which will calculate his or her contribution to care. The State will meet the full balance of cost thereafter.

4.3.2.3 Individuals who require long-term residential care will contribute 80% of their assessable income, e.g. their pension(s). Depending on the amount of a person's assessable income, there may also be a contribution of up to 5% of a person's assets. The payment of the contribution based on assets can be paid at the time when care is received, or may be deferred until the settlement of the person's estate if they so wish. This deferred contribution will be based on the actual number of weeks spent in residential care and on the cost of care and, consequently, may be less than 5% per annum. No one will pay more than the cost of their care.

4.3.2.4 In addition, where the deferred contribution applies to the principal private residence, it will be capped at a maximum of 15%, or 7.5% in the case of one spouse going long-term residential care while the other remains in the home. This means that after three years in care, a person will not be liable for any further deferred charge on the principal residence. It also means that as much as 85% of the value of the principal residence may be maintained for the beneficiaries of the person's estate. This is not something that can be guaranteed at the moment. Individuals will be able to choose care in any approved private nursing home or public nursing home, subject to availability and an ability to meet their particular needs.

4.3.2.5 *'A Fair Deal'* will ensure that individuals will not be forced to sell or mortgage their homes; they will not have to borrow to fund long-term care; they will not experience unaffordable costs and their family/friends will not have to contribute towards their care. In the interim, the existing subvention arrangements continue to apply. As of January 2007, persons who apply may receive any amount up to a maximum of €300 per week. Enhanced subvention is also available. This is a supplementary subvention, paid by the HSE, to a person in or entering private long-term care. The amount of enhanced subvention paid is at the discretion of the HSE and varies according to the cost of care.

4.3.3 Priority policies related to common objective (k)

Objective (k): Accessible, high-quality and sustainable long-term care by ensuring quality in healthcare and by adapting care, including developing preventive care, to the changing needs of society and individuals, notably by developing quality standards reflecting best international practice and by strengthening the responsibility of health professionals and of patients and care recipients.

Home Care Packages

4.3.3.1 Government policy is to support older people to remain in their own homes for as long as possible in accordance with their expressed preferences. Home care packages are intended for people who are using core services, such as home helps, but who need more assistance to continue to live in the community. The packages include the services of nurses, home care attendants, home helps and various therapists including physiotherapists and occupational therapists. The particular target groups for receipt of Home Care packages are older people currently in residential or hospital care, who have the capacity to return to their homes, and people in the community who are considered as possibly requiring residential care in the absence of such intervention.

4.3.3.2 The packages are delivered through the HSE and by voluntary groups, the private sector and the HSE itself. The delivery is flexible and responsive to the needs of individuals, for example, a person who is under 65 and who may need a package can receive it as appropriate. Significant additional funding has been provided in recent years to increase the community support services for older people. This has allowed for increases in the number of Home Care Supports, Home Help hours and Day/Respite places. These services are designed to help older people to continue to live in their own homes. The policy is to build up sufficient home and community based care so that less than one in twenty people over 65 will need residential care.

4.3.3.3 An Inter-Departmental Working Group was recently established to oversee an independent Evaluation of the Home Care Package Initiative. Terms of Reference have been drawn up to engage an external Consultancy agency for the evaluation, which is expected to take place in 2008. The working group is representative of the Departments of Health and Children, Finance, Social and Family Affairs and the Health Service Executive. Following completion of the evaluation, the Department of Health and Children will prioritise the development of standards for Home Care Services.

Standards for Residential Care

4.3.3.4 Government policy is to develop and improve health services in all regions of the country and to ensure quality and patient safety. The present standards for nursing homes are set out in the 1993 Care and Welfare Regulations. The HSE inspects private nursing homes on the basis of these standards, but public homes are not inspected.

4.3.3.5 In January 2007 the Minister for Health and Children published a new set of draft national standards for all nursing homes – public, private and voluntary. The standards were developed by a working group chaired by the Department of Health and Children and included the Health Service Executive, Social Service Inspectorate and the Irish Health Services Accreditation Board.

4.3.3.6 As the Health Act, 2007 provides that the enhanced inspection function will be taken over by the Health Information and Quality Authority (HIQA), the draft standards were formally referred to HIQA for consultation and finalisation. HIQA established a wide-ranging Working Group to finalise the draft standards. The terms of reference of the Group were to:

- review and develop the draft standards
- establish a process for targeted and public consultation
- oversee the public consultation process
- consider feedback from the public consultation process
- finalise the draft standards for publication and inspection

4.3.3.7 HIQA completed its work early in 2008 and the final draft standards were submitted to the Minister for Health and Children at the end of February 2008. The draft standards are based on legislation, research findings and best practice. While broad in scope, the standards acknowledge the unique and complex needs of the individual person at the centre of care, and the additional specific knowledge, skills and facilities needed in order for service providers to deliver a person-centred and comprehensive service that promotes health, well-being and quality of life.

4.3.3.8 The draft standards are currently being considered by the Department of Health & Children. Once approved, the Standards will have to be underpinned by Regulations. It has been confirmed that a Regulatory Impact Analysis (RIA) will be undertaken on the Regulations. Part of this work will involve examining transition arrangements and the phasing in of the new standards across public and private units.

4.3.4 Priority policies related to common objective (I)

Objective (I): Accessible, high-quality and sustainable long-term care by ensuring that adequate and high quality health care remains affordable and financially sustainable by promoting rational use of resources, notably through appropriate incentives for users and providers, good governance and coordination between care systems and public and private institutions. Long-term sustainability and quality require the promotion of healthy and active lifestyles and good human resources for the care sector.

Future financing

4.3.4.1 It is accepted that the financial model to support any new arrangements must be financially sustainable. Further data collection and evaluation is required on different options and may be a combination of different options including co-payments, additional sources of funding beyond taxation sources, a social insurance type arrangement and/or a pre-funding mechanism.

4.3.4.2 The Report of the Working Group on Long Term Care was published in 2007 and it has been agreed that the Department of Health & Children will progress the issue of the future financing of long term care. Some preliminary work has been undertaken and it is expected that a more detailed consideration of the options will commence in late 2008.

Carers

4.3.4.3 In December 2007, the Government agreed to develop a National Carer's Strategy. The working group to develop the Strategy is chaired by the Department of the Taoiseach with the secretariat provided by the Department of Social and Family Affairs. The working group includes officials from the Departments of Finance, Enterprise, Trade & Employment, Health & Children, as well as agencies such as the Health Service Executive and FÁS. The expertise of other departments and agencies is called on as required, including Environment, Heritage & Local Government, Transport and the Revenue Commissioners. The Strategy will cover areas such as income support, health and care Services, training, labour market issues, transport, housing and information services.

National Positive Ageing Strategy

4.3.4.4 The Programme for Government 2007-2012 contains a commitment in relation to the development of a National Strategy for Older People. The newly established Office for Older People will take the lead in developing a National Positive Ageing Strategy, which will include:

- the development of operational plans by Government Departments clearly setting out objectives relating to older people;
- joined up thinking on initiatives serving older people;
- ongoing mechanisms to monitor progress and identify challenges;
- liaison with recognised voluntary groups in the area; and
- consideration of the appointment of an Ombudsman for Older People.

Monitoring and Review

4.3.4.5 With regard to the overall policy objectives set down in *Towards 2016*, (including those for Older People) the monitoring and review arrangements for the Agreement are as follows:

- A meeting of all the parties, chaired by the Taoiseach will take place annually.
- Quarterly plenary meetings of the four social partner pillars (Employers, Unions, Farmers and the Community & Voluntary pillar)
- A formal review will take place during 2008.

Annex 2.1 – Good Practice in relation to Social Inclusion Policy

This annex contains details of three examples of good practice drawn from key policy measures or institutional arrangements.

2.1.1 Office of the Minister for Integration

In June 2007, the Taoiseach appointed a new Minister of State with responsibility for the development of Integration policy. The creation of this new Minister of State position reflects the Government's commitment to social cohesion and integration.

With it came the establishment of the Office of the Minister for Integration which has a cross-Departmental mandate to develop, drive and co-ordinate integration policy across other Government Departments, agencies and services. The Office is based in the Department of Community, Rural and Gaeltacht Affairs but has primary links to the Departments of Justice, Equality and Law Reform and Education and Science. The Minister will also be involved in setting up various funding measures to foster greater social and civic participation in Irish life by migrants.

The Office continues to be developed and a Director General was appointed in January 2008.

Mainstream Approach

Ireland adopts a mainstream policy of service provision in the integration area while recognising the need for targeted initiatives to meet specific short term needs. Overall, responsibility for the promotion and coordination of integration measures for all legally-resident immigrants rests with the Office of the Minister for Integration. In general, the actual delivery of integration services is the responsibility of mainstream Government Departments which are continuing to respond to the needs of newcomers by developing responses appropriate to their areas of responsibility.

Development of Integration Policy

The Office of the Minister for Integration will be involved in the development of a long-term national policy on integration which will be informed by widespread consultation at a national level.

A cross-Departmental Group was established by Government in February 2007 to carry out a review of existing integration policy and to provide an initial assessment of future policy options. The Group was chaired by the Department of the Taoiseach. The review was completed in May 2007 and a policy framework document was submitted. The Minister will be publishing a set of integration principles shortly and will be setting up cross-departmental structures to get Government Departments to deliver on their integration mandate.

In February 2007 the Government also started the process of consultation with NGOs and key stakeholders by holding a major conference on Integration Policy. A follow-up workshop on developing integration policy took place in December 2007. An International conference on 'Intercultural Dialogue' will be hosted by the OMI in May 2008.

Task Force on Integration

A Task Force on Integration will be established in 2008 to identify key issues affecting immigrant communities. The Taskforce will consult widely with the immigrant and indigenous populations; visit communities; examine previous research and report back with specific recommendations. This Task Force will be expertise based and is expected to run for eighteen months.

The Minister also plans to set up an ongoing “Commission for Integration”. This will include a broad representation of stakeholders to reflect the groupings and interests emerging from the work of the Task Force. The Commission will advise the Minister on all aspects of developments in the integration area.

Ministerial Council for Immigrants

The Minister also intends to establish a Ministerial Council. This will be representative of immigrants and will allow ongoing input by immigrants into policy and implementation issues.

Strategic Studies

A range of cross-cutting strategic studies geared towards informing policy development in the integration area are also ongoing.

The Irish Government is aware of the crucial role of English language for all legally resident migrants. In this context, a report was commissioned in 2007 to develop a broad strategy for this critical area and to make recommendations on how to implement the strategy. This report is due in 2008.

A study on interpretation and translation services is also underway. In addition, a study has been carried out on appropriate funding mechanisms for ethnic minority organisations – the report was commissioned under the National Action Plan Against Racism (NPAR).

Funding

Over 9 million euros has been allocated to the Office of the Minister for Integration in the 2008 Budget. This will greatly facilitate the economic, social and political integration of new immigrants into Irish society. However it should be noted that the Office of the Minister for Integration does not provide core funding and this funding is seed funding to mobilise and encourage institutions to achieve defined integration objectives. New funding streams will be set up to provide seed funding for specific integration-related initiatives and these will have a particular emphasis on membership organisations, faith based groups and building local structures. Funding aimed at immigrants is contained in the allocations of several other Government Departments in line with the Government’s mainstream approach in the integration area.

2.1.2 National Intercultural Health Strategy 2007 - 2012

The Health Service Executive's (HSE) National Intercultural Health Strategy was launched by the Minister for Health and Children in February 2008. This strategy provides a framework within which the health and support needs of service users from diverse ethnic and cultural backgrounds may be addressed. Service users include asylum seekers, refugees, Irish Travellers, migrant workers and members of new and established minority ethnic communities.

Key messages in the strategy are grouped into the following themes:

1. Access to services and service delivery, where provision of accessible information and issues around provision of quality interpretation services are viewed as priority areas,
2. Enhancement of data, information and research, through which evidence based service planning around the health status, needs and outcomes of service users from diverse groups, and
3. Provision of training and support to staff in equipping them with skills to ensure responsive, sensitive culturally competent health service delivery to people from all communities and cultures.

This strategy was informed by an extensive consultation process with service users, HSE staff and service providers. Given the vulnerable situation of service users from minority ethnic groups, many of whom are living in unfamiliar, isolated situations, experiencing difficulties in integrating within communities, navigating public services etc., it was evident that any consultation process around development of the National Intercultural Health Strategy should use mechanisms designed to encourage active consultation and facilitate a meaningful process in this regard. Awareness of the need to address any cultural and language barriers formed an integral element of facilitating participation in the consultations. Careful planning around the nature of the consultation process was thus critical in ensuring that all interested service users could be informed of the process and supported in participating in it. At the same time, it was necessary to facilitate active involvement in the consultation process by HSE staff and other service providers working in the area of intercultural health.

Consultation Process

Real participation within a climate of equality and partnership was a key consideration in the development of this strategy. The need to engage meaningfully with service users and service providers is a recurrent theme within the transformation process taking place in the HSE and is an intrinsic principle of any work within a social inclusion context. Extensive national consultations took place with service users, representatives of NGOs, statutory and voluntary sector, HSE staff and other service providers in informing the development of the Intercultural Strategy.

A wide-ranging national consultation with service users and service providers took place from May 2006 to January 2007. All themes emerging from the consultation process were reflected in the report of the consultations and are incorporated, as far as is possible, into the strategy.

A pre-consultation exercise commenced in May 2006 in which interested stakeholders were invited to forward their views around the current provision of health and support

services to persons from diverse cultural and ethnic backgrounds together with suggestions around the enhancement of the development of these services. This process was advertised mainly through HSE networks and community websites, while each member of the Steering Group also circulated relevant information around this to his or her own constituencies.

The views and information submitted via this process were then used to shape a series of focused questions to be used in the subsequent major consultation events. These events were extensively advertised through HSE communication channels, community networks and mainstream media, with invitations to these events circulated in English, Chinese, Arabic, Polish, Russian, French and Spanish. Supports around interpretation and childcare were offered to facilitate optimal participation by service users in the consultations. At the same time, Steering Group representatives continued to actively circulate information to their own networks and to support their members in participating in the consultations.

A series of workshop type consultations for service users as well as for HSE staff were held. The format of the national consultations was one of service users and members of the voluntary sector attending morning consultations, and HSE staff participating in the afternoon sessions. Questions for each session were the same. Participants worked in small, facilitated groups, using the questions as themes for discussion and suggestions. Feedback was provided to the overall group by designated reporters, with all comments being documented for subsequent use.

A series of individual interviews with undocumented migrants and migrant women, among others, were also held, while a number of focus groups were held, many of which were facilitated by NGOs active in the field of ethnic minority health. Further consultations and events funded and supported by Combat Poverty Agency and hosted by Pavee Point and Cáirde took place with Travellers and with members of the Ethnic Minority Health Forum respectively. A broad survey, aimed at capturing the views of service users from a range of communities across the country, was facilitated by the Immigrant Council of Ireland. These surveys were conducted with members of Polish, Lithuanian, Slovakian, Brazilian, Nigerian, Congolese, Burundian, Angolan, Cameroon, Muslim and Sikh communities.

From a policy perspective, a seminar was hosted by the National Consultative Committee on Racism and Interculturalism (NCCRI), during which representatives from a range of sectors including the Department of Justice, Equality & Law Reform, NCCRI, Women's Health Council, Migrant Rights Centre Ireland, HSE and the Economic and Social Research Institute discussed issues relevant to the provision of ethnic minority health. Written submissions were also invited.

Regular updates around overall progress of the strategy were provided via the same networks. A detailed report of all the consultations was published, with summaries translated into a number of the languages spoken in Ireland and is available either separately or with the strategy. This report contains direct accounts of service user and service provider experiences and views, and is most usefully read in conjunction with the strategy.

Implementation of the Strategy

Implementation of recommendations thus far has focused on a number of cost effective, prioritised areas. Examples here include:

- strategic translation of core information into major languages spoken in the country,
- provision of support to staff in relation to using interpretation and translation services,
- progression of an Intercultural Health project - aimed at equipping staff to deliver a culturally competent service – across a number of hospital and local health office sites, and
- the integrated efforts across HSE pillars towards progressing the rollout of an ethnic identifier in core datasets.

2.1.3 Technical Advisory Group and Data Matrix

Arising from the publication of the revised National Anti-Poverty Strategy in 2002, a Technical Advisory Group (TAG) was created to advise and support the Office for Social Inclusion (OSI) in the development of relevant data and indicators on poverty and social exclusion. The membership of the group includes representatives from key Government Departments, as well as technical experts from the Central Statistics Office (CSO), the Combat Poverty Agency (CPA), the Economic and Social Research Institute (ESRI) and the Equality Authority (EA). In 2007 membership of this group was expanded to include technical experts from the social partners in line with the commitments contained in the social partnership agreement *Towards 2016* and the National Action Plan for Social Inclusion (NAPinclusion 2007-2016). In addition to the original members of the Group, the reconstituted TAG now contains representatives from the Employers, Farmers, Trade Unions and Community and Voluntary pillars, as well as representatives from agencies and organisations who represent various lifecycle groups.

The terms of reference of the Group include advising OSI on:

- (i) identifying current data availability and gaps in the data required for the effective monitoring and evaluation of the NAPinclusion;
- (ii) reviewing the data requirements for the application of appropriate indicators, with particular reference to the measurement of policy outcomes, drawing on national, regional, EU and other relevant indicators;
- (iii) the most effective approaches for poverty measurement, particularly in the light of the data available from the EU Survey on Income and Living Conditions (EU-SILC);
- (iv) the potential for policy development and research on poverty and social exclusion in Ireland, taking account of increased utilisation of existing data sources and of the development of new data sources; and
- (v) addressing the data requirements of the enhanced poverty impact assessment process.

The Group formally meets once every six months and provides a forum for stakeholders to exchange information on developments in the area of data and indicators. The TAG facilitates in a structured format the exchange of information relating to the collection and dissemination of data at local, national, EU and international level. The Group can also be seen to play a useful role as a mechanism for discussing those areas where value can be added and synergies can be achieved, avoiding unnecessary overlaps and assisting in identifying gaps in data sources.

To progress the work on identifying current data availability and gaps, the OSI has developed a data matrix, which will inform the work of the TAG. This tool sets out each goal, target or action contained in the NAPinclusion (broken down by each lifecycle stage: children, people of working age, older people, people with disabilities and communities) and the Government Department responsible for each of these. Aligned with each of these goals, targets or actions are the indicators needed for monitoring and evaluation purposes. These indicators have been disaggregated into input, output and impact indicators. This will assist in helping to determine not only the outcomes of the policy effort but also the extent of the success of that policy effort or intervention.

The data matrix also sets out the data sources to be used in the monitoring and evaluation process. In turn the areas where deficiencies in the social inclusion statistical infrastructure persist and where work on filling data gaps is required are identified. The OSI is engaged in an iterative process with the policy holders in the relevant Government Departments to ensure that the data matrix remains current and reflects the up-to-date situation regarding data availability.

The data matrix is being designed to serve as a reference point for a streamlined reporting mechanism of social inclusion activity across the various Government strategies, including the NAPinclusion, the social inclusion aspects of the National Development Plan, the national partnership agreement *Towards 2016* and the social inclusion input into the National Strategies for Social Protection and Social Inclusion (NSSPI). The streamlined reporting mechanism will assist in the development of a more comprehensive and efficient monitoring process, which aims to ensure that social inclusion policies are well co-ordinated across the strategic framework.

Annex 2.2 EU-SILC – Poverty Statistics

TABLE 1		2003 (%)	2004 (%)	2005 (%)	2006 (%)
- CONSISTENT POVERTY RATES - Percentage of persons below 60% of median income and experiencing deprivation (based on revised 11-item index)	Overall	8.2	6.6	7.0	6.5
	Men	7.8	6.1	6.8	6.4
	Women	8.6	7.1	7.2	6.6
	Age 0-14	11.7	9.3	10.2	9.8
	15-64	7.5	6.2	6.7	6.2
	65+	5.9	3.9	3.1	2.2
	At Work	1.9	1.5	1.7	1.5
	Unemployed	26.6	19.3	23.7	22.0
	Student	9.0	7.4	10.5	10.8
	Home Duties	12.3	10.1	9.5	8.3
	Retired	5.7	3.9	2.8	3.2
	Ill/Disabled	22.9	22.7	17.8	17.9
	Other	13.7	14.0	15.8	14.2
	1 adult, no children	11.9	10.2	8.0	8.4
	2 adult, no children	5.7	5.3	4.7	4.0
	3+ adult, no children	4.0	3.0	3.3	3.2
1 adult with children	33.7	30.1	26.9	27.3	
2 adults with 1-3 children	5.3	4.8	5.5	5.1	
Other h'holds with children	13.1	8.6	11.4	9.9	
Irish nationals	7.9	6.3	6.8	6.4	
Non-Irish nationals	14.4	11.5	11.0	8.5	

Source: Central Statistics Office, EU Survey on Income and Living Conditions

TABLE 2		2003 (%)	2004 (%)	2005 (%)	2006 (%)
- AT RISK OF POVERTY RATES - Percentage of persons below 60% of median income based on national equivalence scale	Overall	19.7	19.4	18.5	17.0
	Poverty Gap	21.5	19.8	20.8	17.5
	'At risk of poverty anchored at a point in time'	19.7	17.0	16.0	13.7
	Men	18.9	18.0	18.4	16.6
	Women	20.4	20.8	18.5	17.4
	Age 0-14	21.0	21.2	21.2	20.2
	15-64	17.6	17.6	17.4	16.6
	65+	29.8	27.1	20.1	13.6
	At Work	7.6	7.0	7.0	6.5
	Unemployed	41.5	37.2	40.6	44.0
	Student	23.1	23.6	29.5	29.5
	Home Duties	31.8	32.1	27.6	23.8
	Retired	27.7	26.1	20.5	14.8
	Ill/Disabled	51.7	47.3	40.6	40.8
	Other	*	52.3	35.7	32.1
	1 adult, no children	40.4	35.7	28.8	25.4
2 adult, no children	21.2	21.4	16.6	13.8	
3+ adult, no children	12.4	12.7	13.8	13.2	
1 adult with children	49.3	48.3	40.7	39.6	
2 adults with 1-3 children	12.3	12.5	12.8	11.7	
Other h'holds with children	23.2	23.1	24.7	23.4	
Irish nationals	19.3	19.0	18.0	16.6	
Non-Irish nationals	27.9	29.2	26.9	23.5	

Source: Central Statistics Office, EU Survey on Income and Living Conditions

Further information on statistics relating to poverty and deprivation can be found on the CSO website:

http://www.cso.ie/releasespublications/documents/eu_silc/current/eusilc.pdf

Annex 2.3 – Targets relating to Social Inclusion Policy Objectives

2.3 Policy Objective 1 – Child Poverty

Early Childhood Development and Care

- Pre-school Education Advisors are being recruited to work with clusters of pre-schools in the more disadvantaged urban areas. The early childhood education component of the programme has been rolled out to the existing target group of 180 urban/town primary school communities. It is now being extended to encompass the remaining 140 urban/town primary school communities under the School Support Programme.
- The provision of quality childcare, and an increase in the number of childcare places (of all types) by 100,000, over the period to 2016 is a key target under both the social partnership agreement *Towards 2016* and the NAPinclusion. The NCIP will create 50,000 of these places, including 10,000 pre-school (3-4 year olds) and 5,000 after-school places. By the end of December 2007, €134m in capital grants had been approved to childcare providers under NCIP. Capital grants totalling a further €39m and €4.7m were approved in January and April 2008 respectively. These approvals are expected to lead to the creation of almost 24,000 new childcare places as well as supporting nearly 6,000 existing places to further develop quality childcare provision. In addition the NCIP continues to support City and County Childcare Committees and the National Voluntary Childcare Organisations as part of its broader approach to developing the infrastructure for childcare. Funding is being provided in 2008 to allocate an additional 100 Youth reach places. (See section 2.4 Lifelong Learning and access to quality work and learning opportunities)

Improving Education Outcomes for Children

Further measures under DEIS at primary level include reduced class sizes for schools serving the most disadvantaged urban communities, allocation of administrative principals on lower enrolment and staffing figures than apply generally and access to literacy and numeracy supports and programmes.

Supports specific to second level include provision for school library support for schools with the highest concentration of disadvantage and access to the Junior Certificate School Programme and the Leaving Cert Applied.

Additional measures to be implemented over the remaining period of DEIS include targeted early education provision for the most disadvantaged urban school communities and a sabbatical leave scheme.

Income Support for Children

- Child benefit has been increased to €166 per month for each of the first two children and to €203 per month for subsequent children. The aim is to at least maintain these high levels in real terms;
- The Early Childcare Supplement, introduced with effect from April 2006, was increased from €1,000 to €1,100 per annum. It is targeted towards pre-school

children up to age 6 years and is specifically designed to assist parents with the costs associated with caring for children in their early years. (See Resources in section 2.6 policy objective 4 – Access to Quality Services);

- The Back to School Clothing and Footwear Allowance was increased to €200 for children aged 2-11 years and to €305 for children aged 12-22 years;
- The earnings disregard for the means tested One Parent Family payment made to Lone Parents with child dependants is designed to facilitate employment take-up. It has been increased substantially by €82 to €425 per week;
- Family Income Supplement (FIS) is a weekly payment for families, including lone parent families, at work on low pay. It is designed to provide cash support for employees on low earnings with families. FIS weekly income thresholds were increased by €10 per week for each child following budget 2008; and
- Qualified Child Increase is an additional payment in respect of each qualified child up to age 18, which is extended to encompass older school/college going children to age 22 under certain circumstances, for a person in receipt of most weekly social welfare payments. The current weekly rate is €24 per week.

Children and their Families

The Children Act 2001 provides two distinct pathways to meet the needs of both groups of children:

- a juvenile justice route which emphasises a diversionary and restorative justice approach, and
- a health board welfare route which emphasises a care and protection approach.

Work on enhancing the quality of inspections of children's residential centres is ongoing within the Social Services Inspectorate which is part of the Health Information and Quality Authority (HIQA).

The 1st State of the Nation's Children report was published in February 2007 in line with a commitment in the National Children's Strategy to regularly measure and monitor child well-being. The report:

- a. Describes the lives of children in Ireland
- b. Tracks changes over time
- c. Benchmarks progress in Ireland relative to other countries.

The 2nd State of the Nation's Children Report is being compiled at present and it is expected that it will be published in early 2009.

The National Longitudinal Study of Children in Ireland (NLSCI)

The aim of the Study, being undertaken by the Economic and Social Research Institute (ESRI) and the Children's Research Centre, TCD (jointly known as the Study Team), is to examine the factors which contribute to, or undermine, the well-being of children in contemporary Irish families, and, through this, contribute to the setting of effective and responsive policies relating to children and to the design of services for children and their families.

Work on the Study is well underway. The first data sweep of the nine-year cohort is due for completion by end May 2008 and work on the infant cohort is expected to commence shortly.

2.4- Policy Objective 2 - Access to Quality Work and Learning Opportunities, with a focus on lone parents and people with disabilities.

The specific measures for priority groups currently being considered by Government are as follows:

Lone Parents – proposals in a recent Discussion Paper being considered include:

- reforming income supports for lone parents and other low income families to remove barriers and create incentives to employment participation;
- expanded availability and range of education and training opportunities for lone parents; (see below section on Lifelong learning);
- significantly improved access to childcare;
- extension of the National Employment Action Plan to lone parents and other parents on low income. This includes attaching conditions to receipt of the new payment, with progressive activation as the child gets older; and
- increased funding for the Community Services programme, which targets lone parents among others. The objective of this programme is to support local community activity to address disadvantage, while providing employment opportunities for priority target groups such as lone parents. Some €52 million was provided for the programme in 2007 and this will rise to €72 million by 2009.

Persons with Disabilities

Accordingly, the following actions will be progressed:

- Increase the employment of people with disabilities who do not have a difficulty in retaining a job. The immediate objective is to have an additional 7,000 of that cohort in employment by 2010. The longer term target is to raise the employment rate of people with disabilities from 37% to 45% by 2016, as measured by the Quarterly National Household Survey. The overall participation rate in education, training and employment will be increased to 50% by 2016.
- Targets will be reviewed in the light of experience and the availability of better data.
- By 2010, a comprehensive employment strategy for people with disabilities will be developed by the Department of Enterprise, Trade and Employment. The Social and Economic Participation programme, being introduced by the Department of Social and Family Affairs, will also be of major importance for this group.
- Proposals by the DSFA for a cross-agency programme to develop and assess new approaches to promoting participation in the economy on the part of people with disabilities have been accepted for European Social Fund funding.

- The initiative will concentrate on people with disabilities who are of working age and in receipt of a social welfare disability payment but who, are not progressing into or within employment, accessing training, education or other progression opportunities.

Lifelong Learning and access to quality work and learning opportunities

To this end the following actions are being progressed:

- The Workplace Basic Education Fund will register 2,000 learners during the period 2007-2010;
- Work to ensure that the proportion of the population aged 20-24 completing upper second level education or equivalent will exceed 90% by 2013;
- Work to ensure that flexible learning opportunities are available to adults in disadvantaged communities to enable them to return to learning;
- Work to ensure that the Adult Education Guidance Initiative, AEGI, provides a guidance service to help adults to make informed educational, career and life choices throughout their lives;
- Provision of an additional 500 places under Back To Education Initiative this year to build on the 1,000 places allocated in 2007;
- A further 1,000 Youthreach places will be provided by 2009, on top of the existing 2,700 places provided by Vocational Education Committees;
- The Back to Education Initiative, providing support for adults who did not complete upper second-level schooling, will be expanded by an additional 2,000 places by 2009, in addition to the 8,000 places currently provided.

2.5- Policy Objective 3 - Integration of Migrants

Integration

The measures being taken in developing new structures include:

- A Task Force on Integration to identify key issues affecting immigrant communities; consult widely with immigrants and Irish people; visit communities; examine previous research and report back with recommendations;
- An International conference on 'Intercultural Dialogue' hosted by the OMI in May 2008;
- The publication of a review of existing integration policy and an initial assessment of future policy options arising from this review;
- A Commission for Integration to be established. This will advise the Minister on all aspects of developments in the integration area. It will include a broad representation of stakeholders to reflect the grouping and interests emerging from the work of the Task Force; and
- A Ministerial Council to represent Immigrants and to reflect the groupings and interests emerging from the work of the Task Force;

Education Supports

Supports for integration policy in the education sector include:

- In 2008, there are over 1,900 language support teachers compared to just 997 in 2006;

- The continued development of intercultural guidelines for primary and post primary schools;
- Further expansion on information about the Irish educational system for migrants;
- Additional supports for teachers including a language assessment kits;
- The development of a national English language training policy and framework for legally-resident adult immigrants during 2008;
- On-going review and evaluation of migrant education policies including:
 - Evaluation of the provision of English as an Additional Language (EAL) in a number of primary and post-primary schools in 2008 and 2009;
 - A large scale study into how an increasing diversity of students impacts upon resource requirements and day to day teaching and learning in primary and post-primary schools in 2008; and
 - Publication of an OECD thematic review of migrant education policy at pre-school, primary and post-primary and practice is to be completed in autumn 2008.

Integration initiatives by other service providers

Department of Education and Science Integration Unit

The Department of Education and Science has established an Integration Unit to;

- co-ordinate the Department's responses to the education needs of newcomers from pre-school to retirement through working with the appropriate sections/agencies/regional offices;
- liaise with other sections and agencies in the development of a national intercultural education strategy; and
- engage with the key external stakeholders to progress the integration agenda.

Social and Family Affairs Supports

The Department of Social and Family Affairs in the period January to April 2008 have provided 87 interpretation services. Furthermore a three-way phone system, providing interpretation for customers, is currently being tested in local offices of the Department.

A guide to all the schemes and services operated by the Department are now available on the department's website in eight different languages (Arabic, Chinese, French, Polish, Portuguese, Romanian, Russian and Spanish) in addition to Irish and English.

National Action Plan against Racism

Actions arising from the NPAR include:

- The development of the Small Grants Schemes to encourage and target initiatives to focus on interaction between new communities and the local population;
- Implementation by the Football Association of Ireland (FAI) of an intercultural strategy and action plan for soccer to encourage increased participation in football among people from minority ethnic and cultural backgrounds;
- The progression of a strategic review on a future framework for interpretation and translation. The independent consultants report will be submitted in 2008;

- Funding has been provided to the Arts Council to carry out research into the development of an intercultural strategy within the arts and to fund a number of initiatives promoting cultural diversity and integration;
- Research on the adequacy of Ireland's racist crime legislation will be published in 2008;
- A number of local 'Intercultural Plans' will be developed throughout 2008. The purpose of these Plans is to foster a coordinated approach at local city/county strategy level that is consistent with the aims and objectives of the NPAR; and
- An Garda Síochána (Police) will develop a Diversity Strategy and Implementation Plan for the organisation in 2008. To date, over 500 ethnic liaison officers have been trained and appointed throughout Ireland;

2.6 - Policy Objective 4 - Access to Quality Services

Mental Health

Supports available to address the issues of mental health include:

- The launch in January 2006 of the report *A Vision for Change* by an Expert Group on Mental Health Policy, which is complemented by the subsequent National Economic and Social Forum's report on Mental Health and Social Inclusion, published in October 2007;
- The introduction of the Health Act in April 2007, thus establishing the Health Information and Quality Authority (HIQA) and the Office of the Chief Inspector of Social Services on a statutory basis. The Act provides for the registration and inspection of all nursing homes - public, private and voluntary; and
- The establishment of the Office for Disability and Mental Health in January 2008. The Office's functions include driving the recommendations of *A Vision for Change*, bringing a new impetus to the implementation of the Report through working in partnership with the HSE and other stakeholders to achieve implementation of agreed targets.

Housing

- A National Housing Strategy for people with a disability will be developed by 2009. The strategy is to be progressed through the establishment of a National Group under the aegis of the Housing Forum. The Group convened in October 2007 and work is progressing on the development of the Housing Strategy for people with a disability;
- A more comprehensive and objective means of assessing need is being developed which will include a focus on the provision of housing advice to allow housing supports to be tailored to reflect changing accommodation needs through a person's lifecycle;
- Programmed investment over the period 2007-2009 will allow for the commencement or acquisition of 27,000 homes for people in need of social housing through a combination of local authority, voluntary, and co-operative housing and RAS contractual arrangements; Good progress has been made on the delivery of social housing programmes with some 9,000 new social housing starts/acquisitions achieved in 2007. This is in line with the

commitment in *Towards 2016* to achieve 27,000 starts in the period 2007 to 2009;

- The Rental Accommodation Scheme (RAS) for households who have been in receipt of rent supplement for over 18 months and who have a long-term housing need is at the mid point in its initial implementation period. Some 32,000 households will benefit; Activity under this Scheme has begun to accelerate since the first transfers in September 2005 and the aim is that at least 15,000 cases will have been accommodated through the Scheme by the end of 2008; and
- Making adequate central heating systems available in all local authority rented dwellings by end 2008. Some €26 million has been allocated for the central heating programme in 2008.

Homelessness

- Long term occupancy of emergency homeless accommodation will be eliminated by 2010. This will involve addressing the needs of up to 500 households; This target is included in *Towards 2016* and is also the aim of *A Key to the Door, the 2007 - 2010* action plan of the Homeless Agency. In 2007, 300 households who were long-term occupants of emergency homeless accommodation were moved to more permanent accommodation. It is expected that the needs of 200 households will be addressed in 2008; and
- The involvement of the voluntary and cooperative housing sector has been strengthened through the establishment of a National Homelessness Consultative Committee (NHCC) in April 2007 under the aegis of the Housing Forum. Meetings of a data sub-group of the NHCC, which has been formed to address the issue of data collection, are now ongoing.

Access to Services in Disadvantaged Areas

The specific measures and resource allocations in this area are as follows:

- Community Development and Services Sub-Programme: €861 million.
- RAPID Sub-Programme: €67million
(€0.97million will be to support ICT initiatives).
- Local Development Social Inclusion Sub-Programme: €417 million.
- Volunteers and Volunteering Supports Sub-Programme: €197 million.
- National Drugs Strategy Sub-Programme: €319 million.

Furthermore the Programme for Government²⁷ contains proposals for a Community Development Plan, to deliver community facilities throughout the country with funding of €150million over a five year period and a broad range of commitments which will benefit rural communities including transport, rural enterprise, rural tourism, recreation, sustainable housing and broadband access.

Under the RAPID (Revitalising Areas by Planning Investment and Development) Programme Leverage Fund almost €67 million will be available between 2007 and 2013 to co-fund investment by government departments and agencies in the 46

²⁷ Agreed Programme for Government 2007, A Blueprint for Ireland's Future 2007-2012.

RAPID designated areas. This funding will help to support new projects and initiatives, such as playgrounds and community-based CCTV, aimed at improving the quality of life and community safety for residents of RAPID areas.

Resources

Total expenditure on the programmes contained in the Social Inclusion chapter of the NDP amounts to €49.6 billion. The main elements are set out as follows:

- €19.3 billion in respect of people with disabilities;
- €12.3 billion Children's Programme covering childcare services, child protection and recreational facilities for children and educational help.
- €9.7 billion to help older people live independently at home and for investment in residential care facilities for older people who are no longer able to live at home;
- €4.2 billion in Education Support programmes for people of working age to support further adult education, tackle early school leaving, improve student support and third level access;
- €1.1 billion in Working Age in Social and Economic Participation programmes;
- €1.9 billion to support the development of our increasingly diverse communities, implementation of the National Drugs Strategy, strengthening and enhancing the RAPID programme for disadvantaged urban areas, and investment in Family Resource Centres; and
- €848 million to support immigrant integration, the advancement of members of the Travelling Community, the National Action Plan Against Racism and programmes and measures to combat gender inequality.

In addition there is expenditure in other areas of the NDP which is crucial to combating poverty and social exclusion, including housing, education, employment and health. Key areas include:

Over €21 billion for housing, delivering assistance through social, affordable and voluntary housing schemes to over 140,000 households over the Plan period, including 100,000 new social and affordable units;

- €5 billion investment in health infrastructure: acute hospital care; primary community and continuing care; and health information and communications;
- €5 billion in schools development and €13 billion in higher education;
- Almost €2 billion for sport and culture.
- Almost €4.9 billion for targeted training and supports to groups outside the labour market;

- €2.9 billion to improve training for people in employment, to help upskill those who may be affected by industrial restructuring, to improve and enlarge the apprenticeship system and to provide progression opportunities for school leavers; and
- €90 million investment in expanding the Rural Transport Initiative.

Annex 4.1 – Descriptive material on healthcare and long-term care systems and practices

Further Information in relation to Organisational Reform

As mentioned under Section 4.2.4, the accountability framework that is in place in order to ensure that health and personal social services are delivered efficiently and effectively by the HSE is grounded in the Health Acts 2004 and 2007. The framework consists of:

- HSE Corporate Plan
- HSE National Service Plan and Performance Monitoring Framework
- Annual Output Statement
- HSE Code of Governance
- HSE Annual Report

HSE Corporate Plan

Under Section 29 of the Health Act, 2004, the HSE must prepare and submit a Corporate Plan for the Minister's approval. Under the terms of the Act the Corporate Plan must, amongst other things, specify the key objectives of the Executive for the 3 year period and the strategies for achieving those objectives. The second 3 year Corporate Plan since the establishment of the HSE was submitted to the Minister in July 2008.

HSE National Service Plan (NSP) and Performance Monitoring Framework

Under Section 31 of the Health Act, 2004 the Health Service Executive must prepare and submit to the Minister its Service Plan for the coming year, for approval. The NSP must, amongst other things, indicate the type and volume of health and personal services to be provided by the Executive for the resources provided in its Vote. The fourth annual National Service Plan was presented to the Minister for approval in November, 2007. It was approved and laid before the houses of the Oireachtas (Parliament) in December, 2007.

The NSP is monitored through a series of monthly and bi-annual Performance Monitoring Reports submitted by the HSE which are examined by the Department. The NSP also embeds approx 40 indicators/measures that can be used to assess the performance of the HSE in relation to the NSP.

High level quarterly service plan meetings are held between Department and HSE management teams to discuss progress on the implementation of the NSP and to raise and resolve significant issues.

Annual Output Statement 2008

The Annual Output Statement for 2008 was presented to the Select Committee on Health and Children by the Minister on 8 May 2008 and was laid before the Houses of the Oireachtas. This was the second Annual Output Statement which matches outputs and strategic impacts to financial and staffing resources for the financial year.

HSE Code of Governance

In accordance with section 35 of the Health Act, 2004, a Code of Governance must be submitted to the Minister for approval. The code should, amongst other things, include an outline of the guiding principles applicable to the Executive, its internal controls and its structure, including the roles and responsibilities of the board and management.

HSE Annual Report

Under Section 37 of the Health Act 2004 the Executive must publish an Annual Report and financial statements. The Report includes a statement of the health and personal social services provided in the preceding year and a report on the implementation that years' service plan, corporate plan and capital plan.

Further information in relation to Organisational Reform in the Area of Disability and Mental Health

Establishment of the Office for Disability and Mental Health

In January 2008, the Government established the Office for Disability and Mental Health to support the Minister for Disability and Mental Health in exercising his responsibilities in four Government Departments: Health and Children; Justice, Equality and Law Reform; Education and Science; and Enterprise, Trade and Employment.

The new Office brings together responsibility for a range of different policy areas and State services which directly impact on the lives of people with a disability and people with mental health issues. The Office will bring about improvements in the manner in which services respond to the needs of people with disabilities and mental health issues, by working to develop person-centred services, focussing on the holistic needs of clients and service users and actively involving them in their own care.

Very substantial progress has been made in recent years in the areas of disability and mental health, but much remains to be done. In particular, there is a need to improve co-ordination and communication across different Government Departments and agencies in their delivery of services to this client group. This will be the main focus for the new Office in the coming months.

The key priorities for the Office for Disability and Mental Health are:

- supporting the implementation of the Health Sectoral Plan under the Disability Act 2005. The Office will focus in particular on facilitating the delivery of integrated health and education support services for children with special needs, by further developing existing mechanisms for co-operation and co-ordination between the health and education sectors, both at national and local level;
- developing an appropriate continuum of training and employment support services for people with a disability by working together with the Dept. of Enterprise, Trade and Employment, FAS and the HSE;

- bringing a new impetus to the implementation of *A Vision for Change*, working in partnership with the HSE and other stakeholders to achieve implementation of agreed targets.
- Achieving greater cooperation between the health and justice sectors on matters relating to people with mental illness who come before the Courts, who are in the prison system or in the Central Mental Hospital.

Further information on Primary Care

It is national policy to expand primary care services and to develop Primary Care Teams and Primary Care Networks in line with the Primary Care Strategy *Primary Care - A New Direction* and the National Health Strategy goal of providing responsive and appropriate care.

Primary Care Teams (PCTs) will service a defined local population and will:

- Identify and prioritise needs at individual and population levels;
- Service people's needs, at or close to home;
- Facilitate access to a further range of generalist and specialist services in the community;
- Provide referral to acute hospitals and work with the hospitals to ensure that people receive a seamless service before and after hospital care

Funding and current position

To date, Government has provided significant new funding to enable Primary Care Teams (PCTs) to be rolled out - €52m in total. Funding totalling €40m has been provided between 2006 and 2008 for the establishment of 200 Primary Care teams involving 600 new frontline professionals.

87 teams are being established by the HSE with the funding provided in 2006. 100 Primary Care Team locations were identified for the 2007 developments. Some 500 GPs are involved in the development of Teams with a further 700 GPs projected to become involved in the 2007 phase.

In addition to the additional resources being put in place, the Health Service Executive is working on the reorganisation of existing professional resources in the community so that as far as possible, people's needs can be met by generalist rather than specialist services.

A Health Needs Assessment forms an essential part of the development of a primary Care Team in an area. The Health Service Executive Guidelines on Health Needs Assessment for Primary Care Teams recommend that mechanisms for active community involvement be developed and that local community and voluntary groups are involved in the planning and the delivery of primary care services. The Guidelines state that the community's views should be heard on existing service provision; gaps in that service and factors they feel which impact on community health and that at a later stage the area profile and the objectives being set for the Team should be made known to the community.

The establishment of Primary Care Teams (PCTs) is a sizeable task, which encompasses much more than the recruitment of new staff and reconfiguration of existing professional resources. The process also includes identifying appropriate PCT locations, negotiation with relevant unions on recruitment issues and changes to work practices, agreeing with other service providers on their participation, team-building work, assessing the needs of the community and mapping existing services. Other requirements which are more long-term in nature include improving ICT to support interdisciplinary care and also addressing the physical infrastructural needs.

The Government has committed under the *Towards 2016* Partnership Agreement to the establishment of 300 Primary Care Teams by 2008; 400 by 2009; and 500 by 2011. A review of these targets is being undertaken in 2008.

GP out-of-hours cooperatives

The expansion of GP out-of-hours cooperatives is another important factor in providing appropriate care in the appropriate setting. These co-operatives allow GPs to provide services to their patients when their surgeries are closed in the evening, at weekends and on bank holidays. GP out-of-hours co-operatives have been established in all HSE areas, providing coverage in at least part of each county.

Further information on Management of Chronic Diseases

The general management of chronic diseases has been set out in the Department of Health and Children policy framework which has recently been published. The framework describes an approach centred on **disease management programmes** to treat and delay the onset of complications and reduce emergency hospital admissions. It addresses the management of chronic diseases at different levels through a reorientation towards primary care and the provision of integrated health services that are focused on prevention and returning individuals to health and a better quality of life. The main elements include:

- The development of models of shared care which set out the roles and responsibilities of primary care and specialist services (These would be established initially for diabetes, heart disease, stroke and chronic destructive pulmonary disease)
- The development and implementation of clinical protocols and guidelines for use in primary care and specialist services
- The central role of primary healthcare in the management of patients with chronic disease
- The development of programmes of **self-care** for patients which would allow better self-monitoring and treatment in chronic disease
- Clinical information systems, quality assurance and evaluation as an integral part of disease management.

Diabetes

An Expert Advisory Group on Diabetes has been established and is currently drawing up standards of care for diabetes. This process will take account of the Department of Health and Children's document '*Diabetes: Prevention and Model for Patient Care*'. The group has identified as one of its priorities the development of an Integrated Care

Model for the treatment of Diabetes. This model will focus on the joint participation of hospital consultants and general practitioners in the planned delivery of care for patients. The Expert Advisory Group has also identified the other areas of diabetes care that need priority attention such as retinopathy screening, pediatric diabetes, patient education and empowerment, and podiatry.

Obesity

The Obesity Task Force recognised that a multi-sectoral approach is necessary, involving other state agencies and Government Departments and real engagement of the public and private sectors to implement all of the report's recommendations. Recognising the need to take a coherent 'whole of Government' approach to the wider determinants of health, and in particular to tackling the obesogenic environment, the Department of Health and Children has got approval to the establishment of a high level inter-departmental group on the prevention of chronic diseases.

Having a remit to assist in the Prevention of Chronic Disease, the high level inter-departmental group will also, where relevant, address issues relating to the consumption of alcohol and tobacco products.

Cardiovascular Health

The Government has committed over €60 million since 2000 towards the implementation of the Cardiovascular Health Strategy, '*Building Healthier Hearts*'. This funding has supported a wide range of new services and initiatives. These have had a positive impact on the diagnosis and treatment of patients with heart disease.

An audit of progress on the implementation of '*Building Healthier Hearts*', was published by the HSE in September 2007. The report, "*Ireland: Take Heart*" shows a continuing decline in cardiovascular disease. However, a rise in obesity and low levels of physical activity have prevented Ireland from doing even better. The report also identifies where services fall short of what was recommended in '*Building Healthier Hearts*'.

The Cardiovascular Health Policy Group was established in September 2007. It will set out broad policy guidelines for development of policy on cardiovascular health, including stroke. It is due to complete its work later in 2008.

The Task Force on Sudden Cardiac Death published its report, "Reducing the risk: a strategic approach" in March 2006. Action has been taken on most of its 75 recommendations, including all of the 48 recommendations considered to be "immediate."

Smoking

Tobacco use is the single largest causative factor, accounting for 30% of all cancer deaths in developed countries. Many advances have been made with regard to smoking and smoking control in Ireland in recent years including a ban on advertising. In March, 2004 the workplace ban on smoking was introduced in all places of work, including licensed premises. The introduction of the ban has had a significant effect in reducing the incidence of smoking among the population with the consequent benefits to health. However, the continued prevalence of smoking in the

population and the negative impact on health continues to be a cause of concern, particularly in relation to our young people. Sustained focus of smoking cessation is required in order to address the negative impact on smoking particularly in relation to chronic conditions of the circulatory and respiratory systems.

Alcohol Policy

Ireland has experienced significant increases in alcohol consumption and related harm in the last decade (related to rapid economic growth, changing lifestyles, increased availability and strong marketing). The particular drinking pattern (heavy episodic drinking known as binge drinking) in Ireland is adding to the burden of health and social harm, particularly with regard to drinking by others and harm to vulnerable groups such as children.

Working Group on Alcohol

In July 2005, a Working Group on Alcohol was established to help mobilise the stakeholders through social partnership to achieve a targeted and measurable reduction in alcohol misuse. The Working Group was comprised of the social partners, relevant Government Departments, Gardaí, National Drugs Strategy Team and Health Service Executive. It examined the issues of underage drinking, drink driving and high risk drinking. The report was published in June 2006.

The report included recommendations on issues such as community mobilisation, workplace alcohol policies, advertising, labeling and education and awareness. An Implementation Group was established in November 2006 to monitor and report on progress on the implementation of the recommendations. The Implementation Group is expected to report in 2008.

Development and Implementation of Cancer Strategies

Last September, the Government endorsed the establishment by the HSE of a National Cancer Control Programme to manage, organise and deliver a national programme for the entire population, in line with the National Cancer Control Strategy approved by Government in June 2006. Ireland's first National Cancer Control Director was appointed in November 2007.

The delivery of cancer services on a programmatic basis will serve to ensure equity of access to services and equality of patient outcome irrespective of geography. This will involve significant realignment of services to move from the present fragmented system of care to one which is consistent with international best practice in cancer control.

The designation of cancer centres aims to ensure that patients receive the highest quality care while at the same time allowing local access to services, where appropriate. Where diagnosis and treatment planning is directed and managed by multi-disciplinary teams based at the cancer centres, then much of the treatment (other than surgery) can be delivered in local hospitals. In this context, chemotherapy and supportive services will continue to be delivered locally.

National Plan for Radiation Oncology

The Department is working with the HSE in implementing the National Plan for Radiation Oncology. The Plan consists of four large centres in Dublin (Beaumont and

St. James's), Cork and Galway and two integrated satellite centres in Limerick and Waterford.

The HSE will have in place radiation oncology capacity to meet the needs of the population by 2010. After 2010 the HSE will continue to increase capacity to ensure that these needs continue to be met

Implementation of population-based quality-assured screening programmes for breast, cervical and colorectal cancer

Evidence based population based screening programmes are an essential element of the National Cancer Control Strategy. In 2007, the Minister set up the National Cancer Screening Service Board. This amalgamated BreastCheck and the Irish Cervical Screening Programme.

National Breast Screening Programme

BreastCheck – the National Breast Screening Programme commenced roll-out nationwide in 2007. BreastCheck provides a free breast screening service for eligible women aged 50-64 on a two yearly cycle. The BreastCheck service is a quality assured, population based screening programme that operates using multi-disciplinary teams with specialist expertise in the areas of breast screening, cancer detection and treatment.

BreastCheck became the first national screening service provider worldwide to offer a fully digital mammography service in April 2008. The benefits of digital mammography for women screened include improved clinical image quality and reliability.

The expert advice from BreastCheck and from the National Cancer Forum, as contained in the National Cancer Control Strategy, is that following the national extension of the programme, the upper age limit should be extended to women aged 69 years. The Minister will consider extending the age limit as recommended when the national roll-out of the programme is sufficiently developed and it is assured that a quality service is being delivered.

Cervical Cancer Screening

The National Cancer Screening Service (NCSS) is planning to roll out the National Cervical Screening Programme in September 2008. Approximately 240,000 women will be screened annually based on an 80% take up; women aged 25 to 44 will be screened every 3 years; women aged 45 to 60 every 5 years.

All elements of the programme, call/recall, smear taking, laboratories, colposcopy and treatment services will be quality assured, organised and managed to deliver a single integrated national service.

The Health Information and Quality Authority (HIQA) has recently completed a Health Technology Assessment on HPV vaccination. The NCSS has advised that the vaccine has the potential to play an important long term role in the prevention of cervical cancer in conjunction with the screening programme. A decision will be made over the next few months on a vaccination programme.

Colorectal Cancer Screening

Excluding non melanoma skin cancer, colorectal cancer is the most common cancer comprising 9% of total cancers. The Minister has asked the Board of the National Cancer Screening Service to advise her on the introduction of a national colorectal cancer programme, specifically on the population to be screened, at what intervals screening should take place, the type of test required and the requirements for a quality assured and well organised cost effective symptomatic service.

The Service has established an Expert Group on Colorectal Screening, the final advice of which is expected in the Autumn of 2008 and will be informed by screening programmes in place or planned in other countries.

HIQA have been requested to undertake a Health Technology Assessment on colorectal cancer screening in order to make decisions on the timelines and other parameters for the introduction of a national colorectal screening programme.

Further Information in relation to Improving Access to Adequate Healthcare

In addition to the information in 4.2.2, the **National Action Plan for Social Inclusion 2007-2016** contains other significant health commitments relevant to addressing health inequalities and improving health status. These include:

- Development of specific community and sectoral initiatives to encourage healthy eating and access to healthy food and physical activity among adults, with a particular emphasis on adults living in areas of disadvantage
- Publishing a Men's Health Policy and Action Plan, against a backdrop where life expectancy of Irish men is among the lowest in Europe
- Monitoring inequalities in cancer risks, cancer occurrence, cancer services and cancer outcomes to maintain a policy focus on cancer inequalities
- Development of a national intercultural strategy designed to address the unique health and support needs of minority groups such as refugees, migrants and Travellers (see Annex 4.1 for more information on Traveller Health).
- Taking account of the strong body of evidence linking poverty and poor mental health, there will be two general adult community mental health teams (CMHTs) per 100,000 of the population by 2013

Further Information in relation to Disability Services

National Disability Strategy

The National Disability Strategy, launched in September 2004, supports and reinforces equal participation in society of people with disabilities. The Strategy contains a suite of elements, principally the **Disability Act 2005**, the **Education for**

Persons with Special Educational Needs (EPSEN) Act 2004, Sectoral Plans prepared by six government Departments during 2006, the **Citizens Information Act 2007** and a multi-annual **disability support investment programme** totalling some €900m between 2006 and 2009.

The Strategy followed a number of positive legislative and policy measures in prior years, which were designed to enhance the equality framework. While the guiding principle of mainstreaming public services for people with disabilities was adopted by the government in 2000, the Strategy, and the components contained therein, provided a legal basis for this policy.

Disability Act 2005

This is one of the central elements of the National Disability Strategy. It sets down a range of statutory entitlements which are designed to underscore disabled peoples' engagement with everyday life. The emphasis is very much on mainstreaming as much as is practicable. Part 2 of the Act contains the primary elements of the legislation, including a statutory entitlement to an **independent assessment of health and education needs {Section 8}**, a **statement of services {Section 11}** which it is proposed to provide and an **independent redress and complaints mechanism {Section 14}** should the need arise. The Act also establishes a basis for the preparation of sectoral plans by six government Departments, designed to ensure that people with disabilities will become an integral part of service planning and provision.

Part 2 of the Disability Act 2005 has commenced with effect from 1 June 2007 for children aged under 5 years. This prioritisation reflects the importance of intervention early in life, which can have a significant impact on the disabling effects of a condition or impairment. The commencement in respect of children aged between 5 and 18 will be introduced by 2010, in parallel with the implementation of the EPSEN Act 2004. The requirements of Part 2 of the Disability Act 2005 will be extended to adults as soon as is practicable, but no later than 2011.

Given that the provisions contained in Part 2 of the Disability Act 2005 significantly advanced on what had gone before, it was important that appropriate standards in respect of the Assessment of Need process were put in place. These were developed, following extensive consultation with appropriate stakeholders, including the National Disability Authority (NDA) and the Health Information & Quality Authority (HIQA). This was especially important given that the standards developed will also apply to the assessment process which will operate under the provisions of EPSEN. The standards were published in advance of the phased introduction of Part 2 in June 2007.

Disability Sectoral Plans

The Disability Act 2005 requires six Government Departments to develop Sectoral Plans which show how key issues relating to people with disabilities will be addressed. These Plans set out details of the delivery of specific services for people with disabilities and represent the Government's mainstreaming policy.

The Disability Act, 2005 requires that each Plan must generally contain information with regard to:

- Information on codes of practice;
- Details of complaints procedures;
- Monitoring and review procedures for the Plan;
- Timeframe for reporting;
- The level of access relating to services specified in the Plan; and
- Other matters the Minister considers appropriate.

There is a requirement in the Disability Act, 2005 for these Departments to actively consult with people with disabilities or their representatives prior to publication of the Sectoral Plans. The National Disability Authority (NDA), an independent statutory agency, advised the relevant Government Departments on the content of their Sectoral Plans, as did the Disability Legislation Consultation Group (DLCG), a group representative of people with disabilities.

In addition, the legislation specifies a number of supplementary issues on which information is to be provided by each of the six Departments. For example, the Department of Transport is required to provide information in relation to:

- Access to public passenger transport services for people with disabilities;
- A programme of measures to provide access to such services;
- The timescale within which these measures will be taken;
- The proposed arrangements to facilitate access to passenger transport services from a public road; and
- Any other matter which the Minister considers appropriate.

The Plans, which were submitted to the Houses of the Oireachtas and launched by the Government at the end of July 2006, include specific targets, where practicable, and timescales against which progress will be measured. As provided for in the Disability Act, 2005, the Departments of Social and Family Affairs, Health and Children and Enterprise, Trade and Employment have also included material on cross-Departmental co-operation in relation to the development and co-ordination of services for people with disabilities.

Towards 2016 has promised that progress reports will be prepared on the Sectoral Plans after 3 years and the Disability Act will be reviewed after 5 years.

However, because the Health Sectoral Plan is the first step in a complex and constantly evolving process, which will establish a baseline for access to health services and for service delivery and standards, the Department of Health and Children and the HSE committed to undertaking an annual review of progress in each of the first three years.

The first Annual Review was published in December 2007. Further targets have been identified, specifically in relation to planning for the commencement of the Act for 5 – 18 year olds and adults. This includes work with the Health Service Executive, the

Department of Education and Science, the National Council for Special Education and other relevant stakeholders.

In July 2007 a protocol was drawn up between the Department of Health and Children and the Local Authorities to govern arrangements in relation to housing needs identified under the assessment of need process (for under fives as Part 2 of the Disability Act, 2005 has only been commenced for this age cohort).

Work is continuing on the development of a protocol governing support costs for social housing projects provided for people with disabilities. This protocol will develop arrangements between the HSE and Local Authorities for the provision of grant aid under the Department of Environment, Heritage and Local Government Capital Assistance Scheme from service provider/housing agencies working on behalf of people with a disability, which has on-going revenue/staffing implementations

A protocol governing the strategic assessment of the nature and extent of local housing needs of people with a disability will be developed and implemented by 2009.

National Review of HSE Funded Adult Day Services

A range of day services for people with disabilities are provided by statutory and non statutory providers. A comprehensive review of these services commenced in mid 2007 and is expected to conclude in 2008. The National Review Group on Adult Day Services has been tasked with the following;

“To advise on the reconfiguration and modernisation of existing Adult Day Services to reflect the core principles of the Health Strategy – Access, Quality, Accountability and Person Centredness that incorporates the following approach:

- Best practice
- Good value for money
- Better outcomes for services users
- In line with relevant legislation and national standards.

This process aims to produce a clear outline of a recommended service model/s that is reflective of the above principles.”

Further information in relation to Mental Health

As already indicated in section 4.2.3, the Mental Health Act 2001 was fully implemented from 1 November, 2006. All admission and renewal orders for persons who are involuntarily admitted to psychiatric hospitals are reviewed by a Mental Health Tribunal.

“*A Vision for Change*” the Report of the Expert Group on Mental Health Policy, which was launched in January 2006, has been accepted by Government as the basis for the future development of our mental health services. Implementation of “*A Vision for Change*” is largely the responsibility of the Health Service Executive. However, some 20% of the recommendations relate to other Government Departments and Agencies.

Following publication of the report, an independent **Monitoring Group** was established to monitor progress in implementing the report's recommendations. The Group submitted its first annual report in May 2007. The Report acknowledges the progress made but expressed concern about the lack of a systematic approach to implementation of the Report and the lack of clarity in responsibility for implementation in the HSE.

The Health Service Executive Implementation Plan has recently been finalised and is expected to be signed off by their Management Team shortly

The new Office of the Minister for Disability and Mental Health will focus in particular on driving the implementation of "A Vision for Change".

Further Information on Traveller Health (objective j)

Progress continues to be made in the area of Traveller health.

An All-Ireland Traveller Health Study was launched in July, 2007. It will be the first study of the health status of Travellers and health needs that involves all Travellers living in Ireland, North and South. It is jointly supported by the Department of Health and Children in the South and the Department of Health, Social Services and Public Safety in Northern Ireland. The study will include a census of the Traveller Population and an examination of their health status, to assess the impact of the health services currently being provided and to identify the factors which influence mortality and health status. It is expected that the Study will take up to three years to complete.

Further information in relation to Quality and Consumer Involvement (objective k)

HIQA

The Health Information and Quality Authority (HIQA) was established on 15th May 2007 under the Health Act 2007.

HIQA will promote the delivery of high quality health and personal social services by setting and monitoring standards for service delivery and by undertaking special investigations on issues relating to patient safety.

HIQA incorporates the Office of the Chief Inspector of Social Services which has specific statutory functions in relation to residential care of children, older people and people with disabilities. It also incorporates the Irish Health Services Accreditation Board.

ICT

As already indicated in Section 4.2.3, capital funding of €490m is being provided for Health Information & Communications Technology under the National Development Plan 2007-2013

The HSE has made significant progress in strengthening ICT governance arrangements with the appointment of a national Director of ICT to provide a central source of decision making in relation to all ICT matters. The HSE is finalising an

ICT strategy which, while looking to the longer term, will propose an action plan for a period of three years from 2008-2011.

Phase 1 of the Integrated Patient Management System (IPMS) programme of work, covering 30 hospitals, was completed in November 2007. In addition critical clinical departmental systems are being provided to a range of acute hospitals. There are over 1,700 General Practitioners (GPs) in 680 GP practices using GP Messaging, with over 3.1 million laboratory results transmitted electronically to GPs each year. There are 32 major infrastructure projects and over 330 minor infrastructure projects ongoing to improve the information systems framework which is necessary for the ultimate development of an electronic health care record.

Health Information Bill

A Health Information Bill is being prepared which has as its principal objectives:-

- ensuring that information can be used to best effect to enhance patient care and safety;
- facilitating the greater use of information technologies for better delivery of patient services and,
- providing the legislative framework required for a robust information governance structure for the health system as a whole.

More specifically, the Bill will address the legislative requirements necessary for the introduction of Unique Health Identification and Electronic Health Records systems and will have very careful regard to the need to protect the privacy, confidentiality and security of patient information.

National Strategy on Service User in the Irish Health Service

The National Strategy on Service User Involvement in The Irish Health Service has been completed and was launched by the Minister for Health and Children in May, 2008.

The strategy comprises a statement of overall goals together with relevant actions. The goals outlined are designed to ensure that a service user/provider partnership is successfully established. The implementation of the strategy will ensure that:

- Health service providers continuously seek to improve the patient experience based on the feedback of patients, carers and relatives.
- Service users and communities receive timely and suitable information, when they need it, on treatment, care, services, health promotion and prevention of illness.
- Service users are encouraged to express their preferences and are supported to make choices and to share decisions about their own health care.
- Patients, service users, particularly those with long-term health-related conditions, are helped to contribute to planning of their care and are provided with opportunities and resources to develop competence in self-care.
- Local communities are well informed and are involved in health service development in their area.

Statutory Complaints Procedure and Whistleblowing

The Health Strategy put patients at the centre of care and providing mechanisms where individuals can challenge treatment or decisions is an important part of patient empowerment. Two significant developments under the health reform programme are the introduction of a statutory complaints procedure in the health service and provisions for making protected disclosures or “whistleblowing” on issues of patient safety.

Regulations were made in 2006, under the Health Act 2004, which established a statutory complaints process for the health service. These regulations, which took effect from 1st January 2007, are designed to ensure high and uniform standards of complaints management throughout the public health system. The HSE has developed policies and procedures to implement the regulations. It has published a manual entitled *Your Service, Your Say* detailing the handling of complaints and other feedback. A list of complaints officers for each area of operation is available on the HSE website.

The Health Act 2007 provided for *protected disclosures* or “whistleblowing” safeguards; employees making protected disclosures in good faith and on reasonable grounds about issues of patient safety or patient welfare are protected from penalisation in the workplace and from civil liability.

National Health Consultative Forum

The second statutory Forum convened under The Health Act, 2004 took place in April, 2008. The work programme for the day was focussed around the theme of ‘*Best practice in change programmes having regard for the move from hospital to community based health services, incorporating current thinking on innovative practices and flexible ways of working*’.

The Forum was hosted by Minister Mary Harney, TD and there was an overwhelming level of interest in attending this year's Forum, resulting in an attendance of nearly 400 members on the day. The day was chaired by national broadcaster and historian Dr John Bowman.

Those in attendance came from a wide variety of professional backgrounds in the public and private health sector. This included clinicians and health practitioners-Consultants, G.P's, Dentists, Nurses and a wide range of therapy professions. Also represented were health professional representative groups, universities, health sector trade unions, private health insurers, non commercial state sponsored bodies, patient /client groups, service users as well as voluntary and community groups.

Needs Assessment Workbook for use by Primary Care Teams

The Primary Care Strategy “Primary Care – A New Direction” identified needs assessment as central to effective primary care. It states that the coverage, composition and number of primary care teams in each local health office (previously health board) area should be established on the basis of needs assessments consistent with a population health approach. A needs assessment workbook has been developed by the HSE for use in each Local Health Office area by the Primary Care Teams. The workbook provides guidance on the involvement of the community and

service users generally in the needs assessment process. The results of the needs assessment process will help to inform the development of new service initiatives and to provide a basis for allocating resources to Primary Care Teams to meet current and future needs.

Further information on the research and information programmes of the Health Research Board (HRB)

The Health Research Board's publication *A Picture of Health – A Selection of Irish Health Research 2007* outlines the most recent breakthroughs in health research from a total of 48 experts in five third level institutions and eight hospitals throughout the island of Ireland. The research spans a broad range of areas from autism and heart disease to the impact of information technology on patient care and health care planning

The HRB are participating in a Health Research Group set up in May 2007 to identify and prioritise strategic research priorities.

Investments in research projects include:-

- €20 million investment for a new clinical research facility in Galway
- €6.5 million for consultants for dedicated research time
- €2 million funding to increase charity led research into rare diseases
- €3.9m for a new all-Ireland clinical research consortium, *Perinatal Ireland*
- €5 million for Irish researchers to participate in leading global autism genome project
- €1.5 million for research to help tackle MRSA in Ireland

In May 2008 in the first Irish study of its kind, *Health Research -Making an impact: the economic and social benefits of HRB-funded research* the HRB has assessed the cumulative outcomes of a selection of HRB funded research projects over time to demonstrate the impact that funding is having on people's health and the Irish economy.

In April 2008 the Health Research Board (HRB) announced eight new research awards for doctors which will enable them to undertake a PhD in a topic of their own choice. Now in the tenth year of its pioneering Clinical Research Training Programme to support PhD training for doctors and dentists, the HRB has invested almost €11 million to enable more than 80 medical doctors to undertake clinical research in key areas like cancer, schizophrenia, diabetes and MRSA.

In April, 2008, funding of €10 million for HRB Research Centres to tackle specific health needs was announced. People suffering from diabetes or obesity and vulnerable patient groups including the elderly, children, pregnant women and drug users will benefit from new research which will be conducted in two 'virtual' HRB Research Centres.

In February, 2008, the Health Research Board (HRB) and the Health Service Executive (HSE) announced that they will jointly fund a new Clinical Research

Facility in Cork. The aim of HRB/HSE Clinical Research Facility (CRF) is to provide the infrastructure – the physical space, facilities and the experts - needed to support patient focused research studies.

The HRB also published a number of reports during 2008 on topics including the use of the Internet by adults to search for information on health issues, trends in treatment for problem alcohol use and suicide and suicide prevention measures.

Further Information on National HR & Workforce Planning (objective I)

The challenge is in securing the necessary changes in staff working regimes and behaviours and ensuring appropriate levels of manpower and skill mix across a wide range of highly trained professionals.

A joint DOHC / HSE working group on workforce planning was established in June 2006 and includes representatives of the Departments of Health and Children, Finance and Education and Science, the HSE and the Higher Education Authority. The working group reports to the Cabinet Sub Committee on Health. The working group's initial focus is on the workforce requirements in disability services, services for older people and cancer services. A draft national workforce planning strategy, in conjunction with the Health Service Executive, is almost complete. This will be coordinated through the Joint Working Group.

FÁS carried out the health skills report in 2005. FÁS have agreed to undertake a more detailed analysis of eleven professions for the Joint Working Group due for completion at the end of 2008. The report is being done under the auspices of the Expert Group on Future Skill Needs.

Significant additional revenue and capital funding has been invested in pre-registration nurse education and training since 2002 in order to finance the roll out of the four-year undergraduate nursing degree programmes, and latterly the direct entry midwifery and integrated general/children's nursing degree programmes. Since 2006, there has been an annual student nurse intake of 1,880. The overall number of training places available annually has doubled since 1998. The Department is also working closely with An Bord Altranais (Irish Nursing Board) to ensure the safe introduction of nurse/midwife prescribing. Up to 50 nurse/midwives will qualify as prescribers this year with a further 100 in 2008 and 100 in 2009. The number of nurses and midwives (WTE) has increased by over 11,126 (43%) since 1997. There are now over 36,700 (WTE) nurses in the public health service.

In relation to medical education and training, the implementation of two key reports, (Fottrell and Buttimer Reports) is being pursued in line with an ongoing programme of investment, including the recruitment of additional academic consultants.

As mentioned earlier in the report (objective (j)), a new employment contract has been drafted for medical consultants that provides for salaried consultants who will not have any private fee income from patients; require that where consultants may engage in private practice that at least 80% of their clinical/patient output must be public patients; and provide "one for all" access to outpatient diagnostic services based solely on medical need.

Long Term Care

Palliative Care

- A Baseline Study (launched March 2006) was undertaken by the Irish Hospice Foundation, supported by the Health Service Executive and Atlantic Philanthropies. The Study indicated regional variances across the country in the provision of hospice/specialist palliative care services. Under the Programme for Government, the Government has committed to removing the regional disparities in the provision and funding of palliative care, and to ensuring that the needs of all those who require palliative care are met. Current spend on palliative care is approximately €75 million.
- A needs assessment identified the need to have a national policy specifically for Children's palliative care and in 2007, the Department of Health and Children set up a working group to develop a policy on children's palliative care. The draft policy document is currently being finalised.