

**Pre Budget
Submission
2026**

**building
homes,
improving
lives.**

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Key actions for Budget 2026	
We call on government to consider the following recommendations for Budget 2026	
Sustaining the supply and maintenance of social and Cost Rental homes	
1. Construction specific funding model for Approved Housing Bodies:	
<ul style="list-style-type: none"> • A construction specific funding model for AHBs is required to address the inherent risks in the construction approach and the issues of viability including funding construction interest payments, resulting in debt service cover ratio dilution and risk sharing. The model could also include a mechanism to reflect payment of management costs that are applicable on date of completion of housing schemes. • A protocol should be included within this Construction Model regarding development risks, establishing predictability for all funders and the AHBs involved. This would serve as a clear and actionable guide for all stakeholders to maintain project continuity in exceptional instances and recognise that the Housing Agency is now a lender. • Respond operates a 'Development Agreement' approach with fixed price contracts, enabling the effective management of both costs and quality. Payments are certified by independent Quantity Surveyors at each stage. We are diligent in managing both costs and quality, and our qualified staff regularly inspect the sites to ensure the highest standards are maintained. However, black swan events do occur and have in recent years manifested for example inflation, wars and Covid, which can result in a small number of occasions in construction firm and/or developer failure and where additional costs will crystallise. It's important that this Construction Model has inbuilt flexibility to deal with such occurrences. 	
2. A cost recovery funding model to address legacy issues associated with the Capital Assistance Scheme (CAS) & Capital Loan and Subsidy Scheme (CLSS) properties:	
<ul style="list-style-type: none"> • We have had ongoing positive engagement with the Department of Housing, Local Government and Heritage on this issue and have made several proposals to address this urgent matter including those outlined below. We would welcome continued engagement to identify a viable solution. <ul style="list-style-type: none"> - <i>Option 1:</i> Increase the Management & Maintenance subsidy for CLSS properties by €2,500 per unit per annum and introduce a similar subsidy of €3,300 per unit per annum for CAS properties. These should be index-linked to inflation to ensure future sustainability. - <i>Option 2:</i> Introduce an increased annual revenue subsidy and establish a capital expenditure fund to support long-term planned maintenance. This fund could be accessed via multi-year maintenance plans and provide the certainty needed to fulfil our responsibilities as a landlord. - <i>Option 3:</i> Agree a formal mechanism whereby the CAS/CLSS funding deficit is recognised and offset against future CALF repayments. • A resolution is required to ensure payment of outstanding Local Authority debts on legacy CLSS/CAS funded schemes. 	
3. Funding of communal facilities and staffing for large scale schemes:	
<ul style="list-style-type: none"> • <i>Funding of communal facilities:</i> This includes crèches, tenant amenity spaces, play areas and playgrounds, as required to comply with grant of planning permission to provide for more sustainable communities. • <i>Staffing for large scale developments:</i> Funding of additional resources including staffing, is required to manage and run community services within large scale developments to promote and foster safe and sustainable communities. 	

4. Address the gearing challenge:

- The conversion of CALF and CREL accounting treatment to partial equity finance on our balance sheet appears to be a workable solution which could assist in reducing gearing levels, getting AHBs 'off balance sheet' and facilitating borrowing from non-state Financial Institutions.
- The details of the most appropriate funding mix must be explored by working in partnership with AHBs to ensure long term viability and continued housing delivery. We would ask that the larger AHBs are represented on any future working group or sub-groups examining funding and AHB debt levels.

5. Capital Advance Leasing Facility (CALF) funding:

- We would welcome a commitment to invest a level of equity finance as a replacement for the CALF loan to help reduce gearing levels for AHBs. This would involve the conversion of the CALF loan to part-equity finance. Critically, this would not involve additional net expenditure by the state or its agencies, as the same levels of funding would be required.

6. Provision of Cost Rental homes:

- To expand access to Cost Rental homes particularly for lower income earners who do not qualify for social housing but cannot afford pay market rents or to purchase a home, a revenue subsidy should be considered. This subsidy would bridge the gap between the 35% net household income and the discounted rent applied by AHBs within the current CREL model.
- The CREL funding model should have inbuilt flexibility to facilitate future exceptional increases in costs verified by independent Quantity Surveyors and interest rate increases between the time of initial application and the completion of the scheme.
- The Housing Agency should be appropriately resourced to meet the administrative requirements of managing large scale Cost Rental developments and construction stage payments. For example, providing the Housing Agency with a Revolving Fund would assist them to meet stage payment turnarounds. This would further support the viability of a construction model for AHBs.
- In addition, this resourcing would ensure The Housing Agency could make payment/s within a minimum number of days (i.e. within 5 days). This would enable AHBs, like Respond engaged in construction projects, to meet their contractual commitments to counterparties under the terms of the Development Agreement.

7. A single coordinated framework for large scale mixed tenure schemes:

- A streamlined single coordinated funding framework for large-scale mixed tenure schemes to assess and approve funding would avoid delays and quickly activate delivery of much needed homes.

8. Funding for deep retrofitting of social and affordable housing and addressing fuel poverty:

- Increase the percentage of the SEAI grant available to AHBs to a minimum of 90%, to target those homes and households most in need of these retrofitting works. This is in line with the grant level available under the Local Authority retrofit programme (that receives 100% grant).
- In alignment with Minimum Essential Standard of Living (MESL) research, we recommend increasing the weekly Fuel Allowance rate by €9.50, bringing it to €42.50 to restore the payment's 2020 purchasing power.

Investing in communities and pursuing social justice

9. A multidisciplinary approach to address family and child homelessness:

- Comprehensive and coordinated homeless prevention must be resourced as part of an integrated approach to address family homelessness, with a continued focus on the urgency of increasing the supply of social and Cost Rental homes.
- Introduce a Multi-Disciplinary Team, involving specific clinical and specialised supports to meet the mental health needs of families experiencing the trauma of homelessness. This could include a range of physical and mental health professionals, comprising a child psychologist, addiction, welfare support and translation services.
- Introduce mainstream funding for psychotherapist roles within homeless services to provide much needed therapeutic interventions to families and children in emergency accommodation.
- Provide the additional financial resources needed to ensure all children, teenagers and young adults living in Family Homeless Services have equal access to the services of a Child and Youth Development Worker.
- Introduce intensive and specialised wrap around supports to enable families at risk of homelessness to sustain their tenancies.
- Resource 'Housing with Support for Families' to address the needs of families with more complex issues, working from a housing-led approach.
- Review and increase current Housing Assistance Payment (HAP) rates in line with local market conditions, ensuring HAP remains a viable route out of homelessness for families.

10. Improving outcomes in Early Learning and School Aged Care (ELSAC):

- As members of Early Childhood Ireland, we support their call for the confirmation of a date for bringing Early Years and School Aged Care graduates within public sector pay and conditions, in line with teachers.
- Implement recommendations 5 and 28 from the Joint Committee on Children, Equality, Disability, Integration and Youth's (JCCEDIY) report (2024) on challenges facing the Early Childhood Care and Education Sector. These include that:
 - Funding models should be adjusted and made flexible enough to acknowledge and accommodate the diverse range of provision types, ensuring the viability and success of small and medium providers as well as those facing unique challenges due to issues like demographics and geography.
- Provide funding for the extension of the Access and Inclusion Model (AIM) to all age groups.
- Allocate €50 million in funding to continue to build momentum around the implementation of Equal Start as recommended by the Children's Rights Alliance (2025).
- Extend the recently announced planned roll out of the Hot School Meals Programmes to all DEIS primary schools to include all early year's services.

11. Supporting older peoples to remain in their homes:

- To enhance access to Day Care Services for older people, integrated transport funding should be established as a core component of Day Care Services. We support Alone's Pre Budget Submission call for an annual investment of €20m in transport funding for day care centres.
- Provide funding for the establishment of dementia specific daycare services and a National Dementia Awareness Training Centre.

12. Ensuring the sustainability of the community, voluntary and charity sector in Ireland:

- Provide funding on a full-cost-recovery basis to ensure the sustainability of services delivered by the community and voluntary sector.
- Increase allocations to all government departments, sufficient to provide sustainable and equitable funding for community and voluntary sector organisations delivering public services contracted by the state.
- To achieve this, apply an additional 20% allocation to each department for pay awards agreed through the Workplace Relation Commission (WRC) to cover increased inflation-based costs such as insurance, pension auto-enrolment, governance costs, and other essential expenditure not covered by the two WRC agreements.
- Ensure similar funding allocations to all government departments and agencies not currently part of the WRC process to ensure equity and sustainable funding for all contracted service delivered to the state by community and voluntary organisations.

About Respond

Respond, a construction-led Approved Housing Body and service provider, has been working all around Ireland for over 40 years. Our vision is that every family and individual in Ireland will have high-quality housing as part of a vibrant and caring community. Housing and decent accommodation, in the areas where people want to live, are central to improving people's lives and enhancing the health and well-being of society.

18,538 tenants live in 8,180 properties across the 26 counties that we either own or manage. Respond also provide a range of services for families and individuals within our communities. This includes emergency accommodation with 24/7 support for families who are homeless in six Family Homeless Services, three Day Care Services for Older People, 17 Early Learning and School Aged Care Services and Education, Family Support and Refugee Resettlement services. Our aim is to provide person centred services to support people to achieve their goals and reach their full potential.

About Approved Housing Bodies (AHBs)

AHBs are not-for-profit organisations that have a social purpose to provide for peoples housing needs by working close in co-operation with the Government, local authorities and relevant agencies. In particular, AHBs work in partnership with local authorities to support the provision of housing and in many cases, additional supports. They provide affordable rented housing for people who cannot afford to buy or rent their own homes.

Introduction

Housing is essential enabling infrastructure that underpins workforce participation, education engagement, labour mobility and community stability. Social and affordable housing, in particular, functions as key social and community infrastructure playing a transformative role in delivering long-term social, economic and public health outcomes. A home provides more than just shelter; it is the foundation for family life, educational attainment, mental and physical health and wellbeing, and meaningful participation in society.

There has been a welcome increase in the delivery of housing, particularly of social and affordable homes, over the last number of years. However acute pressure on our housing system remains. The imbalance between housing demand and supply persists. The Housing Commission estimated that, as of the 2022 Census, there was a housing deficit of between 212,500 and 256,000 homes.¹ The number of people living in emergency accommodation continues to increase month on month, with a record 15,915 people experiencing homelessness according to June 2025 figures published by the Department of Housing, Local Government and Heritage² (DHLGH). This includes 2,320 families with 4,958 children.

The Programme for Government acknowledges that increasing housing supply is the key to addressing the housing crisis and the critical role of Approved Housing Bodies as ‘*strategic delivery partners*’ in delivering the social and affordable homes required. In addition, the recently published National Development Plan Review 2025³ (July 2025) commits to the investment of €36 billion in housing with the specific undertaking to deliver an additional social 12,000 homes annually. The NDP also includes additional investment commitments in the ancillary areas of water, energy and transport, “...to meet the housing needs of our population and to support future economic growth to improve the living standards of the people of Ireland” (p5). We look forward to more details in the coming weeks and months.

Further, the Summer Economic Statement⁴ also published on 22nd July 2025, re-enforces the Government’s commitment to invest in housing and infrastructure, to speed up the delivery of new homes acknowledging that, “*Increasing the supply of new housing remains the single-most important priority for Government*” (p.v).

These commitments must now be translated into practical actions in the forthcoming National Housing Plan and Budget 2026, enabling Approved Housing Bodies to fully realise their role as key strategic delivery partners, working closely with our statutory partners to ensure that housing targets are met.

As demonstrated throughout the recent General Election campaign, the Government and voters alike place housing and homelessness at the forefront of national priorities. This should now be clearly reflected in the Government’s forthcoming National Housing Plan underpinned by firm budgetary commitments and a whole-of-government approach to delivering long term housing solutions at the scale required.

¹ Government of Ireland. (2024). ‘*Report of the Housing Commission*’. Available at: <https://www.gov.ie/en/collection/cb118-report-of-the-housing-commission/> (Accessed: 13 March 2025).

² DHLGH (2025) *Homeless Report – June 2025*. Available at: https://assets.gov.ie/static/documents/Homeless_Report_-_June_2025.pdf. (Accessed: 1 August 2025).

³ Government of Ireland. (2025). National Development Plan Review 2025. Available at: <https://www.gov.ie/en/department-of-public-expenditure-infrastructure-public-service-reform-and-digitalisation/campaigns/project-ireland-2040/> (Accessed: 1 August 2025).

⁴ Government of Ireland. (2025). Summer Economic Statement July 2025. Available at: <https://www.gov.ie/en/department-of-finance/press-releases/ministers-donohoe-and-chambers-publish-summer-economic-statement-2025/> (Accessed: 1 August 2025).

A construction-led Approved Housing Body

Respond is strongly committed to adding to the national housing stock; being ‘construction-led’ means we purchase land linked to a development contract, fund the construction at each stage, with our in-house development professionals overseeing the construction process, ensuring both quality and cost control. Therefore, we are not competing for existing homes already built and we are often involved in schemes which would not be delivered without the involvement of Respond.

This efficient approach, using our Development Agreement with fixed price contracts for site acquisition and stage payment delivers significant cost savings in our experience, compared to turnkey acquisition. Overall, the model has performed well in delivering homes while maximising value for money for the state.

Currently, the funding schemes for the development of social and Cost Rental homes by Approved Housing Bodies are more suited to support the delivery of turnkey rather than the construction-led (site acquisition and stage payments) model of delivery. In turnkey acquisitions, the developer or construction company carries the construction risk, often financed through mezzanine financing.

Respond’s construction-led approach enables effective management of costs and quality, delivering value for money for the state and high-quality homes for tenants. However, this approach, results in Respond assuming the associated construction risk. As a not-for-profit AHB, it is essential that we cover our actual costs and that the additional risks associated with this delivery model are appropriately shared, in recognition of our duty of care to existing tenants and service users.

Approved Housing Bodies, particularly Respond as a construction-led Approved Housing Body, are uniquely placed to support the new government to meet its housing targets, given our proven track record. We understand the government intends to support more AHBs towards the construction-led approach. Respond has the possibility of delivering many more social and Cost Rental homes by engaging further with our development partners. Furthermore, we have demonstrated our capacity to deliver at scale, and we can continue to do so, but only with the necessary supports.

Ireland's economic performance

Ireland has recorded sustained economic growth over the last number of years, with a record exchequer surplus in 2024 and near record rates of employment. There are now 2.77 million people employed in Ireland⁵ and an unemployment rate of just 3.9%.⁶ Despite this, recent forecasts indicate that Ireland remains exposed to global shocks amid geopolitical uncertainty. In addition, affordability issues and pressures in our housing system, particularly housing shortages pose a risk to economic growth, competitiveness and prosperity. The Central Bank of Ireland Financial Stability Review 2024 II ⁷ highlights this issue and states:

“Growth in the Irish domestic economy has been robust, and this is expected to continue over the near-to-medium term, supporting the financial position of borrowers and lenders. But Ireland is particularly exposed to heightened geopolitical and economic risks as a small, open economy. Medium-term domestic risks have increased on balance, with capacity constraints and housing shortages posing risks to growth and future FDI.” (p. 5).

⁵ Statista (2025) *Ireland: Employment from 2015 to 2025*. Available at: <https://www.statista.com/statistics/795284/employment-in-ireland/> (Accessed: 13 March 2025).

⁶ CSO (2025) *Monthly Unemployment February 2025*. Available at: <https://www.cso.ie/en/releasesandpublications/ep/p-mue/monthlyunemploymentfebruary2025/#:~:text=Key%20Findings,of%204.2%25%20in%20February%202024> (Accessed: 13 March 2025).

⁷ Central Bank (2024) *Financial Stability Review*. Available at: <https://www.centralbank.ie/news/article/economy-remains-resilient> (Accessed: 13 March 2025).

The OECD Economic Survey Ireland 2025⁸, highlighted how existing labour shortages risk jeopardising the government’s agenda on housing and climate reforms. It states:

“Continued imbalances between housing supply and demand risk further exacerbating affordability, with societal and distributional implications for individuals. There are also aggregate consequences on the competitiveness of the Irish economy, as the lack of sufficient housing, at affordable prices and in locations close to economic activity, is affecting employers’ ability to attract labour and their decision on where to grow and invest.” (p. 78).

Official estimates indicate that an additional 80,000 construction workers are required to meet housing and retrofitting targets by 2030.⁹ Existing supply shortages and affordability challenges in the housing market make it difficult to attract this workforce, further exacerbating the issue.

Current housing landscape

Ireland’s housing system is currently characterised by acute shortages in supply, affordability challenges and record levels of homelessness. Notwithstanding the progress in the increased delivery of much-needed homes, we continue to experience the effects of more than a decade of underinvestment that followed the financial crash.¹⁰

Unmet housing need

The level of unmet need in the country remains startlingly high. The Parliamentary Budget Office (PBO) defines ‘ongoing need’ as those eligible but not yet in receipt of social housing. This includes the number of households on social housing waiting lists plus, those in receipt of the Housing Assistance Payment (HAP) who are living in the private rental sector. According to Department of Housing Local Government and Heritage (DHLGH) statistics, there were 53,742 active HAP tenancies at the end of 2024¹¹ and 59,941 households on social housing waiting lists. Therefore, an estimated 113,683 households had an ongoing housing need at the end of 2024.¹²

There is also a significant cohort of young people who remain living in their family home due to the acute shortage of affordable homes. Census 2022 highlighted this issue, reporting that 522,486 adults were living with their parents.¹³ This is considerably higher than the EU average.¹⁴ According to the CSOs longitudinal *Growing up in Ireland* survey, 70% of 25-year-olds still resided with their parents, with more than six in ten citing financial reasons for staying.¹⁵

This high share of adult children remaining in the family home has not always been a feature of the Irish housing system but is rather a consequence of the ongoing crisis. For example, in 2012 the share of 18–34-year-olds living with their parents was 38%, broadly in line with the European

⁸ ECD (2025) ‘OECD Economic Surveys: Ireland 2025’. Available at: https://www.oecd.org/en/publications/oecd-economic-surveys-ireland-2025_9a368560-en.html (Accessed: 13 March 2025).

⁹ DFHERIS (2024) ‘An Update to the Report on the Analysis of Skills for Residential Construction and Retrofitting’. Available at: <https://assets.gov.ie/static/documents/an-update-to-the-report-on-the-analysis-of-skills-for-residential-construction-and-ret.pdf> (Accessed: 24 July 2025).

¹⁰ Jose Doval Tedin, M. and Faubert, F. (2020) ‘Housing Affordability in Ireland.’ Available at: https://economy-finance.ec.europa.eu/system/files/2020-12/eb061_en.pdf (Accessed: 13 March 2025).

¹¹ DHLGH (2025) *Overall social and affordable housing provision*. Available at: <https://www.gov.ie/en/department-of-housing-local-government-and-heritage/collections/overall-social-and-affordable-housing-provision/#housing-assistance-payment> (Accessed: 21 May 2025).

¹² DHLGH (2025) *Summary of Social Housing Assessments*. Available at: <https://www.gov.ie/en/department-of-housing-local-government-and-heritage/collections/summary-of-social-housing-assessments/> (Accessed: 21 May 2025).

¹³ CSO (2023) *Census of the Population 2022 Profile 3 – Households, Families and Childcare*. Available at: <https://data.cso.ie/> (Accessed: 13 March 2025).

¹⁴ Eurostat (2025) *Share of young adults aged 18-34 living with their parents by self-defined current economic status*. Available at: https://ec.europa.eu/eurostat/databrowser/view/ilc_lvps09/default/table?lang=en (Accessed: 13 March 2025).

¹⁵ CSO (2025) *Growing up in Ireland: Cohort ‘98 at age 25 Main Results*. Available at: <https://www.cso.ie/en/releasesandpublications/ep/p-guic98/growingupinirelandcohort98atage25mainresults/localandnationalmovements/> (Accessed 13 March 2025).

average at the time. However, this share rose to 59% in 2022, while the European average remained static at 38%. Unsurprisingly, over this period homeownership rates for this cohort have been on the decline. As of Census 2022, the age which marks the changeover to homeownership was 36 years old. This age has been increasing overtime from 26 years in 1991, to 35 years in 2016.¹⁶

Changing tenure patterns

Since the 1990s there has been a significant change in tenure patterns with a steep decline in homeownership and an increasing reliance on both private and public sector renting. In 1991, Ireland's rate of homeownership peaked at 80% of households, with private renting accounting for 8% and social renting at 10%.¹⁷ By 2022, owner occupation had fallen to 66%, while 19% rented from a private landlord and 10% rented from a local authority or voluntary association.¹⁸

These changing tenure patterns, coupled with the concurrent rise in the cost of both rents and house prices have not only had negative implications for younger people as mentioned above, but also have implications for the growing number of people renting into older age. This poses a significant challenge for policymakers as Ireland's pension system has to date leveraged the 'double dividend' associated with homeownership, which results in lower housing costs and higher assets to draw on in retirement.¹⁹ In other words, the drop in the rate of homeownership adds additional vulnerability to retirement income. This adds to the complexity of addressing the housing and services needs of an ageing population. If this is not addressed through policy, retiring households in the private rental sector could face affordability challenges and will be at risk of losing their homes as they struggle to keep up with high and/or increasing private rental sector rents that their retirement income cannot keep pace with.

Cost Rental housing introduced in 2021 under the Affordable Housing Act offers a long-term secure rental option, aimed at those who do not qualify for social housing but cannot afford to rent or buy in the private market. This tenure is still in its infancy with 2,180 homes delivered (by end of 2024) however, when provided at scale it has the potential to help stabilise prices within the private rental market.²⁰ In combination with appropriate support, Cost Rental housing could also provide a more secure and affordable housing option for older people entering retirement.

Homelessness

Homelessness represents the most acute consequence of a housing system that does not meet the needs of society. The number of people experiencing homelessness in Ireland has continued to grow reaching an unprecedented 15,915 according to latest figures published by DHLGH in June 2025 including, 2,320 families and 4,958 children.²¹ It is important to highlight that these figures only represent a snapshot of homelessness at a particular 'point in time'. In actuality, people are moving

¹⁶ CSO (2023) *Census of the Population 2022 Profile 2 – Housing in Ireland*. Available at: <https://www.cso.ie/en/releasesandpublications/ep/p-cpp2/censusofpopulation2022profile2-housinginireland/homeownershipandrent/#:~:text=The%20rates%20of%20owner%20occupancy,without%20a%20mortgage%20or%20loan> (Accessed: 13 March 2025).

¹⁷ CSO (1991) *Census 1991 Volume 10 – Housing*. Available at: <https://www.cso.ie/en/census/censusvolumes1926to1991/historicalreports/census1991reports/census1991volume10-housing/> (Accessed: 13 March 2025).

¹⁸ CSO (2023) *Census of the Population 2022 Profile 2 – Housing in Ireland*. Available at: <https://www.cso.ie/en/releasesandpublications/ep/p-cpp2/censusofpopulation2022profile2-housinginireland/homeownershipandrent/> (Accessed: 22 May 2025).

¹⁹ Slaymaker, R. et al. (2022) 'Future trends in housing tenure and the adequacy of retirement income'. Available at: <https://www.esri.ie/publications/future-trends-in-housing-tenure-and-the-adequacy-of-retirement-income> (Accessed: 13 March 2025).

²⁰ Godrick-Kelly, P. (2018) 'Cost Rental Housing – A Model for Ireland'. Available at: https://www.nerinstitute.net/sites/default/files/research/cost_rental_housing_a_model_for_ireland.pdf. (Accessed: 22 May 2025).

²¹ DHLGH (2025) *Homeless Report – June 2025*. Available at: https://assets.gov.ie/static/documents/Homeless_Report_-_June_2025.pdf. (Accessed: 1 August 2025).

out of homelessness while others are becoming newly homeless. There are also those transitioning in and out of homeless services as a result of repeat episodes of homelessness, for several reasons. For example, time spent in institutional settings including hospitals, prison, residential drug treatment, transitions into housing that breaks down and movement to and from other areas or jurisdictions. This means, the number of individuals, families and children who endure the trauma of being without a safe, secure home is much greater than this 'snapshot' figure.

In addition, official homelessness statistics in Ireland only take account of those residing in state-funded Section 10 emergency accommodation. This narrow definition of homelessness can again underrepresent the true scale of the issue. 'Hidden homelessness' is a term used to describe those who are not 'visible', either to the public or to services. Examples of hidden homelessness include couch surfing, sleeping in cars or workplaces, squatting or sharing with friends and/or relatives due to a lack of alternative options. Hidden homelessness is counted in official statistics in some European jurisdictions e.g. Finland. A report from the Simon Communities of Ireland estimated that approximately 24,000 households in the Republic of Ireland and a further 8,500 households in Northern Ireland are experiencing a form of hidden homelessness (May 2024).²²

As a provider of family homeless services, Respond directly deal with the reality of this housing crisis and its effect on families, particularly children. Emergency accommodation should only be used as a short-term, acute intervention. However, families are increasingly spending longer periods of time in our services due to the shortage of suitable move on housing options available.

Prolonged time in emergency accommodation has stark consequences for children's development and overall wellbeing. A report by the Royal College Physicians of Ireland (2019)²³ highlighted how homelessness and inadequate housing can have negative implications across a range of aspects of both parents and children's lives including health, development, social, behavioural, education and relationships.

Poverty and deprivation

Despite improvements in overall poverty rates in Ireland in recent years, the cost of living, especially housing costs, are putting many households under significant strain. According to the latest Survey on Income and Living Conditions (SILC) data from 2024,²⁴ the percentage of people living in enforced deprivation was 15.7%. Although this is a slight reduction from 17.3% in 2023, there remains a significant number of households that are forced to go without basic items and necessities due to the high cost of living.

Furthermore, people renting (across all tenures including private and social housing) are more at risk, with more than three in ten (31.5%) living in enforced deprivation compared to less than one in ten (8.75%) of owner occupiers. While almost half of households (46.2%) said they had some difficulty in making ends meet in 2024. Again, this is higher for those renting, with more than six in ten (62.8%) reporting at least some difficulty in making ends meet, compared to four in ten (38.5%) of owner-occupiers. People renting were also more likely to fall behind on household bills. For

²² Cunningham, K. (2024) 'Under the Radar: Unveiling Hidden Homelessness Across the Island of Ireland'. Available at: <https://www.simon.ie/e-publication/under-the-radar-unveiling-hidden-homelessness-across-the-island-of-ireland/> (Accessed: 13 March 2025).

²³ Royal College of Physicians of Ireland (2019) 'The Impact of Homelessness and Inadequate Housing on Children's Health'. Available at: <https://www.drugsandalcohol.ie/31348/1/Impact-of-Homelessness-full-position-paper-final.pdf> (Accessed: 13 March 2025).

²⁴ CSO (2025) Survey on Income and Living Conditions (SILC): Enforced Deprivation 2024. Available at: <https://www.cso.ie/en/releasesandpublications/ep/p-silced/surveyonincomeandlivingconditionssilcenforceddeprivation2024/householdarrearsandfinancesattheendofthemoth/> (Accessed: 13 March 2025).

example, 16.5% of those renting failed to make one or more utility bill payments on time in the past 12 months, compared with 4.6% of owner occupiers.

Research undertaken by the Economic Social and Research Institute (ESRI) (2024)²⁵ on minimum essential standards of living, depicts a similar situation for those renting. It highlights how regardless of whether they are renting in the private sector or the public sector, renters are much more likely to be living below their expenditure needs than those who own their own home. Tenant households need to allocate an average 64% of their household income on expenditure needs, compared to 40% for those in owner occupier households.

Children

Children are particularly vulnerable to poverty and deprivation in Ireland, having had the highest income poverty rates of all age groups over the past ten years.²⁶ This is despite some positive steps in addressing child poverty such as, the establishment of the Child Poverty and Well-being Programme Office and the introduction of free school meals and books.

Early childhood experiences are crucial for the well-being and development of children, specifically because the effects of childhood poverty can last a lifetime.²⁷ It is imperative that early childhood education and care (ECEC) policies are a key element of the suite of measures implemented to address child poverty as a preventative measure, striving to reduce and/or reverse the long-term negative outcomes that persist.

Priorities for Budget 2026

As an Approved Housing Body, we are committed to fulfilling our role as a key strategic delivery partner of government and delivering on housing targets. We welcome the commitments set out in the Programme for Government to conclude the review of the AHB sector and to continue to roll out the largest social housing programme in the history of the state.

Respond is strongly committed to increasing the national housing stock; this means we buy the land, fund the construction at every stage and our in-house experts oversee the construction process ensuring both quality and cost control. This is rather than competing for existing homes already built. We currently own and manage properties across the 26 counties of Ireland and currently have 3,403 homes under construction of which, 2,033 are social homes and 1,370 are Cost Rental homes. As a service provider we are committed to supporting communities and working with those most in need.

We are focused on finding practical solutions while increasing our capacity for delivering more homes for people that need them and supporting communities to develop and thrive.

²⁵ Maitre, B. and Alamir, A. (2024) 'Technical paper on minimum essential standards of living, poverty and deprivation in Ireland'. Available at: <https://www.esri.ie/publications/technical-paper-on-minimum-essential-standards-of-living-poverty-and-deprivation-in>. (Accessed: 13 March 2025).

²⁶ Maitre, B. et al. (2025) 'Child poverty on the island of Ireland'. Available at: <https://www.esri.ie/publications/child-poverty-on-the-island-of-ireland>. (Accessed: 13 March 2025).

²⁷ Maitre, B. et al. (2025) 'Child poverty on the island of Ireland'. Available at: <https://www.esri.ie/publications/child-poverty-on-the-island-of-ireland>. (Accessed: 13 March 2025).

Key actions required

Below we set out the priority actions required to enable Respond to continue delivering much needed homes at scale and to play our part in addressing the housing and homelessness crisis.

Sustaining the supply and maintenance of social and Cost Rental homes

1. Construction specific funding model for Approved Housing Bodies:

Respond's construction-led (site acquisition and stage payments) model of delivery enables the management of costs and quality effectively, delivering value for money for the state and high-quality homes for tenants. However, this approach means Respond assumes the 'construction risk'. Alternatively, when homes are acquired as turnkey, the developer or construction company carry the construction risk which they manage with mezzanine finance. The funding schemes for the development of social and Cost Rental homes by AHBs are better suited to supporting the delivery of turnkey projects rather than projects using the construction-led (site acquisition and stage payments) model of delivery.

Recommendations:

- A construction specific funding model for AHBs is required to address the inherent risks in the construction approach and the issues of viability including funding construction interest payments, resulting in debt service cover ratio dilution and risk sharing. The model could also include a mechanism to reflect payment of management costs that are applicable on date of completion of housing schemes.
- A protocol should be included within this Construction Model regarding development risks, establishing predictability for all funders and the AHBs involved. This would serve as a clear and actionable guide for all stakeholders to maintain project continuity in exceptional instances and recognise that the Housing Agency is now a lender.
- Respond operates a 'Development Agreement' approach with fixed price contracts, enabling the effective management of both costs and quality. Payments are certified by independent Quantity Surveyors at each stage. We are diligent in managing both costs and quality, and our qualified staff regularly inspect the sites to ensure the highest standards are maintained. However, black swan events do occur and have in recent years manifested for example inflation, wars and Covid, which can result in a small number of occasions in construction firm and/or developer failure and where additional costs will crystallise. It's important that this Construction Model has inbuilt flexibility to deal with such occurrences.

2. A cost recovery funding model to address legacy issues associated with the Capital Assistance Scheme (CAS) & Capital Loan and Subsidy Scheme (CLSS) properties:

Legacy funding challenges associated with CAS and CLSS properties are a critical issue for Approved Housing Bodies with older housing stock such as Respond. It is urgent that a viable funding model is implemented as soon as possible to put these homes on a sustainable financial footing. As Respond was established in 1982 it was a significant early participant in both the CAS and CLSS funding models long before the introduction of the CALF and P&A funding model for social housing. However, the rental income from these properties, (combined with management and maintenance subsidy for CLSS properties and RAS subsidy for some CAS tenants) falls significantly short of the actual costs of managing and maintaining these homes over their lifetime.

Recommendations:

- We have had ongoing positive engagement with the Department of Housing, Local Government and Heritage on this issue and have made several proposals to address this urgent matter including those outlined below. We would welcome continued engagement to identify a viable solution.

- *Option 1:* Increase the Management & Maintenance subsidy for CLSS properties by €2,500 per unit per annum and introduce a similar subsidy of €3,300 per unit per annum for CAS properties. These should be index-linked to inflation to ensure future sustainability.
- *Option 2:* Introduce an increased annual revenue subsidy and establish a capital expenditure fund to support long-term planned maintenance. This fund could be accessed via multi-year maintenance plans and provide the certainty needed to fulfil our responsibilities as a landlord.
- *Option 3:* Agree a formal mechanism whereby the CAS/CLSS funding deficit is recognised and offset against future CALF repayments.
- A resolution is required to ensure payment of outstanding Local Authority debts on legacy CLSS/CAS funded schemes.

3. Funding of communal facilities and staffing for large scale schemes:

Respond recognises that along with delivering much needed homes, communities also require access to a variety of additional facilities and services to foster their success. Housing is widely recognised as a key social determinant of health and the quality of both; physical and social environment significantly influences wellbeing outcomes.

The inclusion of community buildings and other facilities such as playgrounds and outdoor social spaces within our housing schemes deliver many social and health benefits. These facilities become more crucial as we scale up to deliver larger, higher density housing schemes that meet the needs of Ireland's changing demographics. These schemes will include an increase in older people and smaller households. Community buildings and shared outdoor spaces provide much needed opportunities for making social connections and establishing local community support groups that deliver local health and wellbeing services. Examples include healthy eating and exercise clubs, money and budgeting advice, youth groups, facilitating tenant and resident groups supporting community cohesion, along with a range of other cultural and community services.

Currently funding models available to AHBs for the development of homes is focused on the capital costs of delivering numbers of homes. The additional facilities and services required to support community needs currently have to be met from an AHB's existing resources. This limits the provision of community buildings and initiatives that benefit both AHB tenants and the wider community.

To support community needs, targeted capital supports are required for the provision of community facilities which are appropriate to the scale of larger developments along with revenue support, to run and maintain community services where there is an identified need.

Recommendations:

- *Funding of communal facilities:* This includes crèches, tenant amenity spaces, play areas and playgrounds, as required to comply with grant of planning permission to provide for more sustainable communities.
- *Staffing for large scale developments:* Funding of additional resources including staffing, is required to manage and run community services within large scale developments to promote and foster safe and sustainable communities.

4. Address the gearing challenge:

We welcomed the establishment of an internal departmental working group to explore the issue of gearing within the AHB sector in 2023 and appreciated the opportunity to make both written and verbal submissions.

Recommendations:

- The conversion of CALF and CREL accounting treatment to partial equity finance on our balance sheet appears to be a workable solution which could assist in reducing gearing levels, getting AHBs 'off balance sheet' and facilitating borrowing from non-state Financial Institutions.
- The details of the most appropriate funding mix must be explored by working in partnership with AHBs to ensure long term viability and continued housing delivery. We would ask that the larger AHBs are represented on any future working group or sub-groups examining funding and AHB debt levels.

See specific details below re the Capital Advance Leasing Facility (section 5) and the Cost Rental Equity Loan Facility (section 6).

5. Capital Advance Leasing Facility (CALF) funding:

The current funding model enabling AHBs to deliver homes comprises of a number of government-backed loans, including the Capital Advanced Leasing Facility (CALF) for social homes. This funding scheme provides for a long-term loan of up to 30% capital advance funding, which is provided by the Department of Housing, Local Government and Heritage via Local Authorities and the remaining 70% is sourced from the Housing Finance Agency. The Department make an additional contribution through a Payment and Availability Agreement (P&A) and is the vehicle via which the CALF loan and senior debt, together with the related interest payments, is effectively repaid. In other words, this income is used to fund the loan repayment and operational costs.

This 100% debt-funding model is leading to problematic levels of gearing, especially for larger AHBs like Respond as noted by the Irish Council for Social Housing report, 'Building on Success: A Financial Roadmap for the AHB sector (2022), p.2²⁸ and the Report of the Housing Commission (2024), p.168.²⁹ This is likely to impede access to alternative sources of funding for AHBs in the future.

Although AHBs are primarily funded through loans rather than grants, almost all the loans are provided by the government through the Department of Housing, Local Government and Heritage and the Housing Finance Agency. The 14 largest AHBs were recategorized in 2018 by Eurostat as being 'on balance sheet', meaning AHB borrowing is now included in overall national debt. As highlighted by the Housing Commission, this is unusual compared to other Western European countries. This is concerning, as in the face of geopolitical uncertainty and threats to our public finances, a government decision to restrict public borrowing in the future could limit AHBs capacity to deliver much needed social and affordable housing. Current funding mechanisms lend themselves to a pro-cyclical social housing regime, of which there is broad consensus that we need to move away from in order to provide an alternate supply pipeline, as a counterbalance and alternative to private market cyclicity.³⁰

²⁸ ICSH (2022) 'Building on Success: A Financial Roadmap for the AHB Sector'. Available at: <https://icsh.ie/resources/building-on-success-a-financial-roadmap-for-the-ahb-sector/> (Accessed 9 July 2025).

²⁹ Government of Ireland (2024) 'Report of the Housing Commission'. Available at: <https://www.gov.ie/en/the-housing-commission/collections/report-of-the-housing-commission/> (Accessed: 13 March 2025).

³⁰ Byrne & Norris (2017). Private Causes, Public Consequences and Post-Crisis Financialization: Critically Exploring the Impact of Ireland's Private Housing Boom and Bust on Public Housing Provision. Available at: <https://researchrepository.ucd.ie/entities/publication/c1775590-ce3e-4930-9c94-621b1a413fb5> (Accessed 10 July 2025).

Recommendation:

- We would welcome a commitment to invest a level of equity finance as a replacement for the CALF loan to help reduce gearing levels for AHBs. This would involve the conversion of the CALF loan to part-equity finance. Critically, this would not involve additional net expenditure by the state or its agencies, as the same levels of funding would be required.

6. Provision of Cost Rental homes:

As mentioned above, Cost Rental housing is crucial in responding to the needs of many households who do not qualify for social housing supports but cannot afford to rent or buy in the private sector, including the growing numbers of older people renting into retirement.

Similar to the loan terms made available under CALF for social housing, the government introduced a capital loan facility in 2021 to aid the provision of Cost Rental housing. Whilst acknowledging the significant improvement the introduction of Cost Rental Equity has had on the financial viability of Cost Rental schemes, there are some further improvements that should be considered.

Recommendations:

- To expand access to Cost Rental homes particularly for lower income earners who do not qualify for social housing but cannot afford pay market rents or to purchase a home, a revenue subsidy should be considered. This subsidy would bridge the gap between the 35% net household income and the discounted rent applied by AHBs within the current CREL model.
- The CREL funding model should have inbuilt flexibility to facilitate future exceptional increases in costs verified by independent Quantity Surveyors and interest rate increases between the time of initial application and the completion of the scheme.
- The Housing Agency should be appropriately resourced to meet the administrative requirements of managing large scale Cost Rental developments and construction stage payments. For example, providing the Housing Agency with a Revolving Fund would assist them to meet stage payment turnarounds. This would further support the viability of a construction model for AHBs.
- In addition, this resourcing would ensure The Housing Agency could make payment/s within a minimum number of days (i.e. within 5 days). This would enable AHBs, like Respond engaged in construction projects, to meet their contractual commitments to counterparties under the terms of the Development Agreement.

7. A single coordinated framework for large scale mixed tenure schemes:

The establishment of a new Housing Activation Office to identify barriers and actions required to speed up delivery of housing is welcome. One of the key challenges we currently face is the need to navigate multiple, separate streams to deliver large scale mixed tenure schemes, for example: CALF for social homes through the Department of Housing, Local Government and Heritage, CREL for Cost Rental Homes through The Housing Agency and other funding avenues for delivering vital community buildings and other infrastructure. This fragmented approach adds complexity and slows progress.

Recommendation:

- A streamlined single coordinated funding framework for large-scale mixed tenure schemes to assess and approve funding would avoid delays and quickly activate delivery of much needed homes.

8. Funding for deep retrofitting of social and affordable housing and addressing fuel poverty:

The commitment to ramp up targets to deliver more B2-equivalent home retrofits each year is welcome, particularly the focus on low incomes households. It is imperative that low-income households living in older, less efficient homes are prioritised for retrofitting. This is especially urgent given that electricity prices in Ireland are among the highest in Europe.³¹ A recent ESRI study³² found that energy bills were the most commonly cited area by low-income households for additional support (50%). Interventions and supports related to this area, along with housing and health should be prioritised.

Enhancing the energy efficiency of our housing stock offers extensive economic and social benefits. According to an International Energy Research (IERC) (2021) report entitled *Creating a Shared Value for All*³³, some of these benefits include rapid reduction in fuel poverty which in turn, increases household disposable income, improving health and wellbeing, reducing energy consumption and associated carbon emissions. The report also highlights how a nationwide retrofitting programme could benefit the exchequer through annual savings of social welfare spending on household fuel allowances.

Respond has invested over €52 million towards upgrading over 2,100 older homes over the last twelve years, assisted by €17m in grants available to us through the Sustainable Energy Authority Ireland (SEAI). In 2024, Respond completed improvements to 48 homes. However, in recent years the grants have only covered circa 40-50% of the total costs of works required. This limits the number of homes we can upgrade.

The Irish Council for Social Housing (ICSH) and Housing Alliance Climate Change group estimate that of the 67,000 homes their members manage, approximately 21,000 have a BER rating of C1 or lower, or no BER rating at all. Under current funding levels, Housing Alliance members are projected to deliver 350 retrofits per year over the next three years, and this will plateau at 400 retrofits per year thereafter. This calculation is based on a 'business as usual' scenario that reflects financial and operational constraints across the AHB sector. However, recent surveys by both the Housing Alliance and ICSH show that with an increase to 90% grant funding, annual AHB retrofit delivery could rise to between 1,500 - 1,700 homes, enabling up to 9,000 B2 equivalent upgrades by 2030.

Therefore, whilst we have made progress in this area, we now need to accelerate this programme if we are to achieve the necessary improvements and energy efficiency gains required. This is particularly important given elevated energy prices and the withdrawal of temporary cost-of-living packages expected in Budget 2026. Given the sustained rise in energy costs since 2020 (64%) and projections for further increases throughout 2026, the real value of the Fuel Allowance has been significantly eroded.³⁴ Up to now this has been offset by the 'cost of living' lump sum payments and universal electricity credits, which have temporarily supplemented the reduced value of the core rate.

³¹ Eurostat (2024) *Electricity Price Statistics*. Available at: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Electricity_price_statistics (Accessed 15 April 2025).

³² Ó Ceallaigh, D. et al. (2025) 'The response of low-income households to the cost-of-living crisis in Ireland'. Available at: <https://www.esri.ie/system/files/publications/RS206.pdf> (Accessed 15 April 2025).

³³ IERC (2021) 'Creating Shared Value for All'. Available at: <https://www.ierc.ie/wp-content/uploads/2021/09/IERC-Retrofit-Co-Benefits-Paper-Final-Digital.pdf> (Accessed 16 April 2025).

³⁴ Vincentian MESL Research Centre (2024) *Pre-Budget Submission 2026*. Available at: https://www.budgeting.ie/download/pdf/mesl_pre-budget_submission_2026.pdf (Accessed 3 July 2025).

Recommendations:

- Increase the percentage of the SEAI grant available to AHBs to a minimum of 90%, to target those homes and households most in need of these retrofitting works. This is in line with the grant level available under the Local Authority retrofit programme (that receives 100% grant).
- In alignment with Minimum Essential Standard of Living (MESL) research, we recommend increasing the weekly Fuel Allowance rate by €9.50, bringing it to €42.50 to restore the payment's 2020 purchasing power.³⁵

Investing in Communities and Pursuing Social Justice

9. A multidisciplinary approach to address family and child homelessness:

Respond provide a range of services in the community including six Family Homeless Services, five in Dublin and one in Limerick. These services are under increasing pressure, with families spending much longer in emergency accommodation services due to a shortage of appropriate long-term housing. The average length of stay across our six Family Homeless Services is now 15 months – up four months from last year and triple the duration of three years previous. Prolonged homelessness leads to additional complex support needs, particularly for children. A more systematic, trauma-informed approach is required to address the health, wellbeing, and developmental needs of families, especially children experiencing homelessness.

Currently, only three of our six homeless services have access to a Child and Youth Development Worker. This leaves many children without equal access to critical support. We also provide a counselling service to adult service users, which has had a demonstrably positive impact not only on the individual service users but on the wider staff team and service delivery model.

Respond currently employs a Psychotherapist whose service is available to all service users aged 18 years and over. Both staff and service users have highlighted the benefits of such a service with frequent requests for the need for children to access this service. However, currently there is no capacity for this.

Along with the immediate benefits of delivering therapy to service users within their accommodation settings, we are seeing wider benefits of the role of the psychotherapist within Respond Family Homeless Services which permeates across the services, raising awareness of needs, transferring skills to other staff and supporting teams to deliver services within a trauma informed approach.

Furthermore, a report by Focus Ireland³⁶ exploring the issues faced by families experiencing long term homelessness found that some of these families have complex needs and require support from a wide range of disciplines, including clinical and therapeutic fields, if they are to be supported out of homelessness. This report recommended the development of a Multi-Disciplinary Team for homeless families in Ireland with a preference for an in-house services approach (p32).

Recommendations:

- Comprehensive and coordinated homeless prevention must be resourced as part of an integrated approach to address family homelessness, with a continued focus on the urgency of increasing the supply of social and Cost Rental homes.

³⁵ Vincentian MESL Research Centre (2024) *Pre-Budget Submission 2026*. Available at: https://www.budgeting.ie/download/pdf/mesl_pre-budget_submission_2026.pdf (Accessed 3 July 2025).

³⁶ Focus Ireland. (2023) *Multidisciplinary Team for Homelessness Families – Feasibility Study*. Available at: <https://www.focusireland.ie/knowledge-hub/research/>. (Accessed 6 August 2025).

- Introduce a Multi-Disciplinary Team, involving specific clinical and specialised supports to meet the mental health needs of families experiencing the trauma of homelessness. This could include a range of physical and mental health professionals, comprising a child psychologist, addiction, welfare support and translation services.
- Introduce mainstream funding for psychotherapist roles within homeless services to provide much needed therapeutic interventions to families and children in emergency accommodation.
- Provide the additional financial resources needed to ensure all children, teenagers and young adults living in Family Homeless Services have equal access to the services of a Child and Youth Development Worker.
- Introduce intensive and specialised wrap around supports to enable families at risk of homelessness to sustain their tenancies.
- Resource 'Housing with Support for Families' to address the needs of families with more complex issues, working from a housing-led approach.
- Review and increase current Housing Assistance Payment (HAP) rates in line with local market conditions, ensuring HAP remains a viable route out of homelessness for families.

10. Improving outcomes in Early Learning and School Aged Care (ELSAC):

The Organisation for Economic Cooperation and Development (OECD) highlighted the importance of high-quality Early Childhood Education and Care (ECEC) in their recent report entitled, *Reducing Inequalities by Investing in Early Childhood Education and Care* (2025):³⁷

"The importance of ECEC cannot be overstated. It is a cost-effective way to close achievement gaps before they widen and become entrenched. Unlike interventions aimed at addressing inequalities later in life, high-quality ECEC promotes the development of foundational skills like language, literacy and numeracy, essential for later success. Early years policies, if coordinated and evidence-based, can reduce the need for expensive remedial education and social services in the future" (p. 3).

Investment in the sector should reflect the role of ECEC as a right and a public good, which has extensive societal benefits.³⁸ A recent article in *Ireland's Education Yearbook 2024*³⁹ highlighted the positive impact and return investing in the sector brings:

"Research confirms that funding for an early years and school-aged care system is one of the highest-returning large-scale investments for government. Some governments view this as contributing to the development of human capital, as it lays the foundations for skills development and lifelong learning." (p. 87).

Respond welcome the suite of reforms and initiatives aimed at improving the quality, affordability and availability of ECEC which have been introduced in recent years. However, funding issues persist, and Ireland still falls short of average OECD public expenditure on early childhood education and

³⁷ OECD (2025) 'Reducing Inequalities by Investing in Early Childhood Education and Care'. Available at: https://www.oecd.org/en/publications/reducing-inequalities-by-investing-in-early-childhood-education-and-care_b78f8b25-en.html. (Accessed: 13 March 2025).

³⁸ Joint Committee on CEDiy (2024) 'Report on the challenges facing the Early Childhood Care and Education Sector May 2024'. Available at: https://data.oireachtas.ie/ie/oireachtas/committee/dail/33/joint_committee_on_children_equality_disability_integration_and_youth/reports/2024/2024-03-05_report-on-challenges-facing-the-early-childhood-care-and-education-sector_en.pdf. (Accessed: 16 April 2025).

³⁹ Merrin, G. (2024) 'Investing in Early Years and School Aged Care as a Public Good'. Available at: <https://irelandseducationyearbook.ie/downloads/IEYB2024/Irelands-Yearbook-of-Education-2024-Early-Childhood-8.pdf>. (Accessed: 16 April 2025).

care.⁴⁰ To fulfil its stated objectives of improving outcomes for children and families experiencing poverty the government must proactively address this. Furthermore, current funding models do not reflect the diversity of provision. Many of our services operate in areas of disadvantage⁴¹, where many of the children attending have complex support needs that require higher staff ratios. This reality is not reflected in current funding models, and the introduction of the Equal Start model has not fully addressed this.

Access to affordable nutritious food is key to a child's development and meaningful participation in education programmes. Currently, just five of Respond's 17 services receive food/meal grants. A 2023 study examining food insecurity in Ireland⁴² found that 70% of parents were at some point worried about being able to provide sufficient food for their family. Its findings show that food poverty in Ireland is worsening, and families are increasingly skipping meals, cutting down on household bills like fuel to ensure they have enough money for food and, resorting to food banks or relying on vouchers to provide sufficient food for their children.

Recommendations:

- As members of Early Childhood Ireland, we support their call for the confirmation of a date for bringing Early Years and School Aged Care graduates within public sector pay and conditions, in line with teachers.⁴³
- Implement recommendations 5 and 28 from the Joint Committee on Children, Equality, Disability, Integration and Youth's (JCEDIY) report (2024)⁴⁴ on challenges facing the Early Childhood Care and Education Sector. These include that:
 - Funding models should be adjusted and made flexible enough to acknowledge and accommodate the diverse range of provision types, ensuring the viability and success of small and medium providers as well as those facing unique challenges due to issues like demographics and geography.
- Provide funding for the extension of the Access and Inclusion Model (AIM) to all age groups.
- Allocate €50 million in funding to continue to build momentum around the implementation of Equal Start as recommended by the Children's Rights Alliance (2025).⁴⁵
- Extend the recently announced planned roll out of the Hot School Meals Programmes to all DEIS primary schools to include all early year's services.

11. Supporting older people to remain in their homes:

Respond run three Day Care Services for Older People that provide meals, activities and health monitoring to support older people to continue to live as independently as possible and for as long as possible in their own homes. There is significant demand for these services, with a current waiting list of 115 people across the three services we operate. In addition to waiting lists, Respond's experience along with others in the sector is that transport to and from day care services can be a

⁴⁰ The OECD Family Database. Available at: <https://www.oecd.org/en/data/datasets/oecd-family-database.html>. (Accessed 05 August 2025).

⁴¹ 14 of our 17 of services are designated Tier 1 or Tier 2 levels of disadvantage and therefore receive Equal Start funding.

⁴² Barnardos and Aldi (2024) 'Food Insecurity in Ireland: Impact on children and their parents'. Available at: <https://www.barnardos.ie/wp-content/uploads/2024/02/Barnardos-%E2%80%93-Food-Insecurity-Report-2024.pdf>. (Accessed: 16 April 2025).

⁴³ Early Childhood Ireland (2025) *Early Childhood Ireland Budget 2026 Submission*. Available at: <https://www.earlychildhoodireland.ie/tag/early-childhood-irelands-budget-2026-submission/>

⁴⁴ Joint Committee on CEDY (2024) 'Report on the challenges facing the Early Childhood Care and Education Sector May 2024'. Available at: https://data.oireachtas.ie/ie/oireachtas/committee/dail/33/joint_committee_on_children_equality_disability_integration_and_youth/reports/2024/2024-03-05_report-on-challenges-facing-the-early-childhood-care-and-education-sector_en.pdf. (Accessed 16 April 2025).

⁴⁵ Children's Rights Alliance (2025) 'Child Poverty Monitor 2025'. Available at: <https://childrensrights.ie/publications/child-poverty-monitor-2025/#:~:text=Published%20date%3A%2009%20Jun%202025&text=The%20Monitor%20will%20track%20Government,the%20high%20cost%20of%20living>. (Accessed 9 July 2025).

significant barrier for many individuals, and funding for transport often presents a further challenge as it doesn't cover the full costs of provision.⁴⁶

Adequate access to Day Care Services is essential to support older people in maintaining their independence and to continue living and being a part of their communities. Day Care Services also provide much needed respite to families and carers. Crucially, this service also takes pressure off other primary health and care facilities⁴⁷. Respond therefore welcome the Government's commitment to increase funding for respite services and establish twenty new dementia specific daycare centres. In addition, we also suggest the following:

Recommendations:

- To enhance access to Day Care Services for older people, integrated transport funding should be established as a core component of Day Care Services. We support Alone's Pre Budget Submission call for an annual investment of €20m in transport funding for day care centres.
- Provide funding for the establishment of dementia specific daycare services and a National Dementia Awareness Training Centre.

12. Ensuring the sustainability of the community, voluntary and charity sector in Ireland:

The community, voluntary and charity organisations work at the heart of communities and play a pivotal role in supporting the economy, filling gaps in public services and addressing social inequalities, all of which enable and support communities to thrive across Ireland. These services often reach the most vulnerable people in society, providing vital supports in areas like housing, health and social care, protecting households from the very acute effects of deprivation and exclusion.⁴⁸. To sustain their role and impact it is essential to attract and retain high quality qualified staff into the sector. As members of The Wheel, we support the following recommendations:⁴⁹

Recommendations:

- Provide funding on a full-cost-recovery basis to ensure the sustainability of services delivered by the community and voluntary sector.
- Increase allocations to all government departments, sufficient to provide sustainable and equitable funding for community and voluntary sector organisations delivering public services contracted by the state.
- To achieve this, apply an additional 20% allocation to each department for pay awards agreed through the Workplace Relation Commission (WRC) to cover increased inflation-based costs such as insurance, pension auto-enrolment, governance costs, and other essential expenditure not covered by the two WRC agreements.
- Ensure similar funding allocations to all government departments and agencies not currently part of the WRC process to ensure equity and sustainable funding for all contracted service delivered to the state by community and voluntary organisations.

⁴⁶ Alone and Social Justice Ireland. (June 2024). Policies for Ageing Well at Home in Ireland: Health and Wellbeing 2025. Available at: <https://alone.ie/library/policies-for-ageing-well-at-home-in-ireland-health-and-wellbeing-2025/>. Accessed 5 August 2025.

⁴⁷ HSE (2024) *Community care improving health outcomes and experiences for patients across Ireland*. Available at: https://about.hse.ie/news/community-care-improving-health-outcomes-experiences-patients-across-ireland/?utm_source=chatgpt.com. (Accessed: 20 May 2025).

⁴⁸ Social Justice Ireland (2025) *Budget Choices 2026*. Available at: <https://www.socialjustice.ie/publication/budget-choices-2026>. (Accessed 10 July 2025).

⁴⁹ The Wheel (2025) *Thriving Communities in a Changing Ireland: Budget 2026*. Available at: <https://www.wheel.ie/policy-campaigns/budget2026>. (Accessed 10 July 2025).

Conclusion

Respond is committed to being a proactive and solutions focussed partner in addressing Ireland's housing and homelessness crisis. With our proven track record, deep expertise, and extensive experience in housing delivery and supporting sustainable communities, we believe we are well-positioned to play a pivotal role as a strategic delivery partner. If adequately supported and enabled, we can significantly contribute to the provision of much-needed social and Cost Rental homes across the country along with delivering services that enable strong communities to thrive.