



# Invest in the Ambition

Delivering on the Vision of Stronger  
Communities and a Fairer Ireland

A Pre-Budget Submission by Local Development Companies Network



**Budget 2027** must show an ambition that matches that of the policies it will support.

# Chairperson's Foreword



Budget 2027 comes at a critical juncture for public policy in Ireland. During the next twelve months, Government will publish and commence delivery on a series of capstone policies that will shape the country's social, economic, and environmental trajectory through the end of this decade. These include the Roadmap for Social Inclusion 2026-2030 and the OECD Rural Policy Review of Ireland 2026 – both of which have recently been published – along with Our Rural Future, Pathways to Work, and the next Five-Year Strategy for the Community and Voluntary Sector. At the same time, Ireland's EU Presidency and negotiations on the next Multiannual Financial Framework will require clear national positioning and sustained political focus.

Taken together, these developments represent a significant opportunity to align ambition with delivery. Budget 2027 must serve as the bridge between policy intent and practical implementation, ensuring that these strategies are resourced adequately and positioned for success from the outset.

This submission is framed around two core messages that we believe must inform that effort.

The first relates to the Roadmap for Social Inclusion. As Government's overarching strategy for tackling poverty and inequality, the Roadmap sets out an ambitious and important policy agenda. However, the experience of the previous Roadmap demonstrates that ambition alone is not sufficient. If the targets within the new Roadmap are to be met, Budget 2027 must provide the scale and certainty of investment required to support programmes like SICAP, to strengthen delivery models, and to ensure that communities have the capacity to engage with – and benefit from – the measures being put forward.

The second message arises from the OECD Rural Policy Review, which presents a compelling case for recentring communities within Ireland's approach to rural development. The Review highlights both the strength of Ireland's existing local development infrastructure and the constraints under which it operates.

In doing so, it points to a clear opportunity: to build on proven, community-led approaches such as LEADER, to address emerging funding gaps, and to better leverage the capacity that already exists at local level to deliver national policy objectives.

Importantly, these two strands of policy should not be viewed as separate or in competition with one another. Poverty, inequality, economic opportunity, and access to services are deeply shaped by place, and the challenges associated with social inclusion, urban and rural development are fundamentally interconnected. We have structured this submission around these two frameworks not to divide the agenda, but to anchor our recommendations in the most relevant and timely policy contexts. In practice, the outcomes that both agendas seek to achieve will depend on integrated, place-based responses that cut across traditional policy boundaries.

Across both of these agendas, a common theme emerges. Complex challenges – whether they relate to poverty, climate transition, demographic change, or economic development – cannot be addressed through isolated interventions. They require integrated, place-based responses that are grounded in the lived realities of communities. Local Development Companies have a long-standing track record of delivering in this way, acting as a trusted interface between national policy and local action. In this context, our recommendations are designed not only to address immediate funding pressures, but to strengthen the systems and structures that enable communities to participate fully in Ireland's development.

Budget 2027 must show an ambition that matches that of the policies it will support. We encourage Government to seize this opportunity – to invest decisively, to prioritise integration and partnership, and to ensure that communities are equipped to play a meaningful role in shaping a fairer, more resilient Ireland.

**Thomas Fitzpatrick**

Chairperson, Local Development Companies Network

# Overview of Recommendations

## 1

### Delivering on the Roadmap for Social Inclusion

- **Strengthen SICAP**  
Invest an additional €6.1m to begin the work of restoring SICAP's real value and to ensure it can respond to rising and more complex community needs.
- **Provide certainty for integration supports**  
Embed New Arrivals funding of €10m in SICAP to support sustained, community-led integration.
- **Base wider Sláintecare Healthy Communities rollout on a strengthened implementation and funding model**  
Review funding and delivery model, and ensure sustainable delivery by addressing funding gaps, administration costs, and staffing issues.
- **Adopt a more integrated approach to social inclusion**  
Deepen cross-government partnerships with LDCs to enable place-based, joined-up responses to interconnected challenges (e.g., poverty, climate, health), and embed a Human Learning Systems/Relational Approach to policy development across departments.

## 2

### Acting on the OECD Rural Policy Review

- **Secure the future of LEADER**  
Protect LEADER and the LEADER approach to ensure LEADER funding is ringfenced and expanded under the next MFF.
- **Address immediate LEADER funding gaps**  
Invest an additional €10.2m in the current programme to respond to strong demand for funding in strategically important areas and to unlock the latent potential of the rural economy.
- **Address inconsistencies and shortcomings in funding arrangements for community-based services**  
Ensure that funding models for community-based services (i) reflect the true cost of delivery and (ii) do not expose delivery partners to excessive levels of funding precarity.
- **Recognise and resource the “hidden workforce” that sustains essential community services**  
Invest €12m to increase Tús/RSS top-ups by €7.50 per week in 2027 and €500k to strengthen and expand the Ireland's network of Rural Recreation Officers.

All recommendations in this submission link directly to the ambitions of two key policy documents – the Roadmap for Social Inclusion 2026-2030 and the OECD Review of Rural Policy 2026, both of which have been published in recent months. We believe that it is essential that budgetary choices in 2027 and beyond are informed by the guiding aims of both of these policy documents. As we point out across this submission, there is considerable overlap in the aims and scope of both documents. Investments in one can – and should – strengthen the other, and our recommendations seek to make the most of these synergies.



**PART 1:**

# Delivering on the Roadmap for Social Inclusion Requires Immediate and Sustained Investment



In May of this year, Government published its Roadmap for Social Inclusion 2026-2030. As its overarching strategy for tackling poverty and social exclusion, the Roadmap is one of Government's most critical policy documents. The targets set down in the Roadmap touch on many of the issues against which we judge the true prosperity of our country, like child poverty, economic and health (in)equality, and the opportunities afforded to people with disabilities to engage in meaningful work.

In his foreword to the Roadmap, Taoiseach Micheál Martin expressed a hope that many of us share – that by articulating these targets, and by affirming that all of Government will be committed to their delivery, the Roadmap will provide the impetus that is needed to address many of the fundamental injustices that linger in Irish society, but which have no place in a country of Ireland's wealth.

But the lessons of the last Roadmap (2021-2025) teach us that if Government's commitment to the achievement of those targets is sincere, then its follow-through cannot be anything other than immediate, sustained, and decisive. While there were some important advances during the lifetime of the last Roadmap, three-quarters of the statistical targets set down within it were not achieved. In fact, Ireland's performance across a number of key anti-poverty measures was worse in 2025 – at end of the Roadmap's implementation period – than it was in 2020, just before the Roadmap commenced. Areas which saw deterioration included both the child poverty rate and the consistent poverty rate, both of which were identified as key areas of focus for the Roadmap. The child poverty rate stood at 6.7 per cent in 2020; instead of falling towards the target of 3 per cent that the Roadmap envisaged, it had risen to 7.8 per cent – or 95,167 children – by 2025. Similarly, consistent poverty, which began at 4.4 per cent, saw an increase to 4.7 per cent – or 256,554 people – versus a target of 2 per cent.

The new Roadmap contains many of the same targets as its predecessor, and the scorecard of the last Roadmap illustrates the scale of the challenge faced by Government. Budget 2027 is Government's opportunity to rise to that challenge, and to give the new Roadmap the platform to succeed in the many areas in which its predecessor fell short. Maintaining current levels of investment in the hope that this will yield dramatically improved results is simply not credible; this would be to set the Roadmap up for failure, and it would fatally undermine any sense of hope that, in five years' time, Ireland will be a fairer and more equitable society than it is today.

To meet the objectives of the Roadmap, Government must be prepared to ramp up investment where it is most needed and where it has the potential to yield real and sustained impact at both the individual and community level. This effort must draw in all departments and levels of Government, and it must begin now.

Led by the vision of the Roadmap for Social Inclusion 2026-2030, we call on Government to prioritise four specific measures in Budget 2027:

▶ Invest in SICAP

▶ Roll New Arrivals Funding into the Core SICAP Budget

▶ Progress the Rollout of Sláintecare Healthy Communities – but address issues in the Implementation and Funding Model first

▶ Prioritise a more holistic and integrative approach to the implementation of inclusion policy

## Recommendation 1: Invest in SICAP

► Increase SICAP funding by 12.5 per cent, or €6.1m.

The Roadmap for Social Inclusion is underpinned by three high-level objectives, namely:



**Reduce poverty and inequality levels** - with a particular focus on children, lone parent families, older people, disabled people and marginalised communities.



**Embed social inclusion, connection and community resilience** as key objectives across all state policies and through fostering and supporting community and voluntary activity.



**Foster inclusive growth,** supporting labour market participation and employment while ensuring adequate social protection and safety nets.

SICAP is integral to all three of these objectives, and must be funded accordingly.

SICAP, the Social Inclusion and Community Activation Programme, is a national programme to tackle poverty and social exclusion at the community level. It is a proven vehicle through which Government can engage with the people and groups that are most vulnerable to poverty and social exclusion, and it serves as an enabler for a broad range of Government initiatives aimed at addressing inequalities in areas like health, employment, and education.

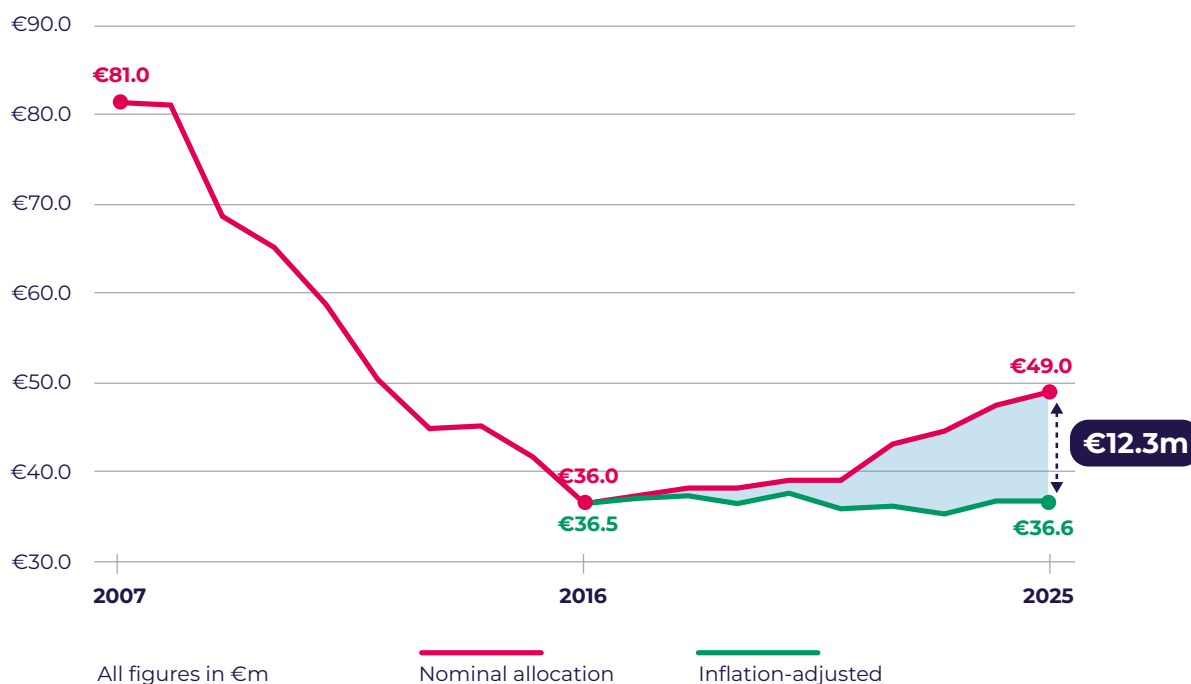
### SICAP Target Groups

- People living in disadvantaged communities
- People impacted by educational disadvantage
- People living in jobless households or households where the primary income source is low-paid and/or precarious
- People who are long-term unemployed
- People with a criminal history
- Refugees
- International Protection Applicants
- Disabled People/People with Disabilities
- Heads of One-parent Families
- Travellers
- Roma
- Island residents

During the years of the recession, budgets for the flagship social inclusions programmes of the day – namely the Local Development Social Inclusion Programme & Community Development Programme, followed by the Local Community Development Programme and then SICAP – fell by more than 55 per cent, from €81.3m in 2007 to €36.5m in 2016. Just as concerning, however, is that – when inflation is factored in – SICAP's budget remains at almost exactly the same level today as it was when it fell to its lowest point in 2016. In other words, the small, incremental increases to the SICAP budget that we have seen over the past ten years have been almost entirely wiped out by inflation.<sup>1</sup>

<sup>1</sup> Between 2016 and 2025, SICAP's budget saw a nominal increase of 34 per cent. Over the same period, cumulative inflation (compounded annually) amounted to 33.6 per cent, effectively wiping out the nominal budget increase.

## Funding for SICAP and its Predecessor Programmes, 2007-2025<sup>2</sup>



It is vital that SICAP has the capacity to adapt to the needs of individuals and communities, especially as those needs grow deeper and more complex. Disinformation, a proliferation of anti-immigrant sentiment, the worsening homeless crisis, and a re-emergence of acute cost of living pressures are some of the factors that are making the landscape for SICAP – and community development work at large – increasingly challenging.

Moreover, several of the actions committed to in the Roadmap – including those relating to improved labour force participation rates among disadvantaged groups (Objectives 19 and 32), reduced poverty and increased social participation among people with disabilities (Objectives 48 and 50), and migrant integration (Objective 59) – rely directly on SICAP for their advancement. Many other actions – like the development of a Social Innovation Hub (Objective 53), the expansion of the Sláintecare Healthy Communities programme (Objective 54), and the implementation of the National Traveller and Roma Strategy II – rely indirectly on SICAP, and could not be achieved without the “leveraging value” that SICAP provides.

SICAP’s importance to rural development in Ireland was also made clear in the OECD’s Review of Rural Policy in Ireland, which stressed that “social inclusion must be integrated into every aspect of rural policy” (pp. 18). The report also emphasised an overarching need to strengthen investments in area-based and spatially differentiated interventions, like SICAP, which are adapted to the particular needs of the communities that they support.

The 12.5 per cent increase (€6.1m) increase in SICAP funding that we recommend here would serve only to close the “inflation gap” – the difference between the nominal value and the real (inflation-adjusted) value of the budget increases that have been effected since 2016 – by about half, but would provide an important and meaningful step towards restoring the programme’s capacity to deliver at the scale demanded by the ambitions of the Roadmap.

<sup>2</sup> Figures for 2007-2009 pertain to the Local Development Social Inclusion Programme and the Community Development Programme (combined); figures for 2010-2015 pertain to Local Community Development Programme. The latter concluded in April 2015, marking the commencement of SICAP.

## Recommendation 2: Roll New Arrivals funding into the core SICAP budget

- ▶ *Continue to provide New Arrivals funding at current levels (€10m per annum), but allocate this funding on a core/multi-annual basis going forward.*

The experience of recent years has shown that integration is afforded the greatest chance to succeed when communities are supported, where local actors have the capacity to respond quickly, and where migrants are enabled to participate in social, cultural and economic life. The New Arrivals funding that has been provided through SICAP since 2022 has become a key enabler of community-level integration, and must be sustained. We are calling on Government to absorb the New Arrivals funding stream of €10m into the core SICAP budget (this move cannot, however, come at the expense of the recommended increase to the core SICAP budget). Rolling New Arrivals into SICAP would provide certainty that the funding will continue for the duration of the SICAP programme, rather than the 12-month Government budget cycle, as is currently the case. Fostering trust between new and host communities requires consistent, multi-year engagement, and funding arrangements need to reflect this.

Merging New Arrivals with SICAP would afford certainty to beneficiaries that key supports, around things like language, employment, and volunteering, will not suddenly disappear or be drastically scaled back. It would also afford desperately needed certainty to the *providers* of such supports. Many of the LDCs that administer New Arrivals funding report that they have been forced to put staff members who are employed under this programme on protective notice at the beginning of December each year, pending the completion of the REV process and confirmation that this funding will continue into the following year. This is a source of considerable distress for both New Arrivals staff and their LDC colleagues, and is a problem which will undermine the working relationship between Government and LDCs the longer it remains unaddressed. We therefore call on Government to implement what should be a relatively simple administrative fix – by rolling New Arrivals funding into SICAP – in the upcoming budget.

## Recommendation 3: Progress the rollout of Sláintecare Healthy Communities – but address issues in the implementation and funding model first

- ▶ *Undertake a full review of the adequacy of funding provisions, establishing a stakeholder group to support this process.*

Sláintecare Healthy Communities (SHC) works to promote health equality by improving health and wellbeing in communities where risk factors are greatest. Launched in 2021, the programme has recently been expanded to 24 communities, where it is delivered by Local Development Companies, Family Resource Centres, and a number of other community-based organisations. Further expansion of SHC is envisaged under the Roadmap for Social Inclusion, which is a commitment that LDCN welcomes.

However, expansion must be underpinned by a sustainable implementation model. LDCs have expressed serious concerns about the viability of the current funding structure, wherein:

- Funding for the delivery of SHC has not increased since the inception of the programme in 2021; as we have already set out in the context of SICAP, the costs of programme delivery have risen sharply in this time.

- Administration costs, in the form of a “host fee”, equate to 15 per cent of the programme budget. A 25 per cent administration provision, equal to that provided for SICAP and LEADER, is necessary. This is a particularly pressing issue for organisations that deliver multiple strands of SHC, for whom considerable time must go into the work of co-ordination as well as delivery.
- Terms and conditions of employment are substantially worse for staff employed under Sláintecare Healthy Communities, as compared to those employed in similar roles by the HSE, which adds to existing challenges around recruitment and retention.

The net effect of these issues is that many organisations delivering SHC are doing so at a loss, which, for registered charities such as LDCs, presents very substantial operational and governance risks.

## **Recommendation 4: Prioritise a more holistic and integrative approach to the implementation of inclusion policy**

- ▶ *Deepen partnerships with LDCs across all branches of Government, particularly in areas where grassroots engagement is paramount, and embed a Human Learning Systems/Relational Approach to policymaking across Government departments.*

One of the clearest lessons from both the Roadmap for Social Inclusion and the OECD Rural Policy Review is that complex policy challenges cannot be addressed effectively through isolated, single-issue interventions. Poverty, climate vulnerability, service gaps, labour market exclusion, health inequality, and social isolation tend to be interconnected. Responses must therefore be integrated, place-based and capable of adapting to local conditions.

LDCs are uniquely structured to work in this way. They provide Government with an established national infrastructure that is embedded in communities and proven in its ability to work across a range of policy areas. Building on this, there is a clear opportunity for closer partnership between Government and LDCs through a more deliberate focus on areas where LDCs' integrated, place-based model offers distinct added value.

One such area is that of climate, where there is significant scope to achieve closer integration between climate action and community development. Successive Climate Action Plans recognise that meaningful community engagement is central to achieving climate goals, and substantial resources have been channelled through bodies such as Local Authorities, CAROs, and the SEAI. However, while these organisations play important roles, their work is primarily oriented towards supporting established groups, rather than fostering the early-stage “animation” needed to help communities organise, build shared purpose, and engage in collective action – particularly among disadvantaged or marginalised groups.

As a result, there remains a gap between available supports and the capacity of communities to access and utilise them effectively. Programmes like SICAP and LEADER demonstrate the importance of addressing this gap by building knowledge, trust, and participation, and by supporting communities from within. A more focused, community-led climate programme, delivered through a SICAP-type model, would strengthen grassroots capacity, complement existing structures, and enable a more inclusive, coordinated, and effective national response to climate action.

A relational approach to policymaking would further strengthen this agenda by recognising that outcomes are shaped not only by programmes, but by the relationships between people, services and institutions. This requires a shift from siloed delivery towards collaborative, cross-sector working, with an emphasis on trust, continuity and local knowledge. LDCs, with their established networks and embedded presence, are well placed to act as brokers of these relationships - linking communities, public bodies and other stakeholders. Embedding a more explicitly relational model in Government policy would enhance coordination, improve responsiveness to local needs, and ensure that interventions reflect the lived realities of the communities they are designed to support.

**PART 2:**

# The OECD Review Can Be a Catalyst for Communities to Be Returned to the Heart of Rural Development



The second part of our pre-budget submission focuses on the OECD's Rural Policy Review of Ireland 2026, which was published in February, and which is the most comprehensive assessment of Ireland's rural policy to be performed in recent years. While a thorough summary of this Review and its findings is beyond the scope of this submission, the Review makes a number of important observations relating to the role that communities play in rural development which are of specific concern to LDCs. In the sections below, we link key insights from the OECD Review to specific actions for Budget 2027, as well as for the next iteration of Our Rural Future and Government negotiations on the next EU Multiannual Financial Framework.

Our specific recommendations arising from the OECD review are as follows:

- Secure the long-term future of LEADER within the EU's Multiannual Financial Framework
- Address emergent and strategically important funding shortfalls in the current LEADER programme
- Maximise the potential of Ireland's subnational infrastructure for area-based development
- Take a broad view of volunteerism and the structures required to support it

OECD

### **Rural communities need to be afforded a more central role in their own development**

"The OECD approach to rural development has always emphasised a bottom-up, investment driven process, where local people and local governments jointly identify development opportunities and challenges specific to their location, and then identify and implement a strategy to improve their situation ... **LEADER is the quintessential example of a programme that implements this approach.** ... Over time, Irish rural policy has been decoupled from this type of locally driven economic development. The decoupling can be seen in the difference in focus between the CEDRA report and ORF. CEDRA was established in 2012 to examine Ireland's current status and medium-term potential for economic development and emphasised the importance of local entrepreneurship and strengthening local competitive advantages. By 2021, when the DRCDG released ORF, the focus on strengthening rural economies through bottom-up development had disappeared" (pp. 148)

## **Recommendation 5: Secure the long-term future of LEADER within the EU's Multiannual Financial Framework**

- ▶ *Ensure that European funding for LEADER is both ringfenced and sufficient under the next MFF. As part of this, we ask that Government appoints a permanent representative to the EU to work on behalf of the Department of Rural and Community Development and the Gaeltacht.*

LEADER remains Ireland's most important instrument for bottom-up, community-led rural development. Over the past ten years, almost 7,000 different projects – spanning all 26 counties and a broad range of themes including enterprise, tourism, food, social inclusion, infrastructure and connectivity, and climate and environment – have been approved for LEADER funding. But, as a recent European Commission report observed, LEADER is being expected "to do more with less"<sup>3</sup>. Even before accounting for inflation, LEADER funding in Ireland for the 2021-2027 period is less than 60 per cent of what it was during the 2007-2013 period. Whilst other funding programmes have come on stream during the intervening years, none employ LEADER's community-led methodology, and none place a comparable focus on the kind of grassroots animation that is needed to catalyse action at the community level.

Looking ahead, LEADER faces an even more uncertain future, as European budgets – as currently proposed – no longer provide for the ringfencing of LEADER funding. The risks that this presents for the long-term future of LEADER are stark. LDCN takes re-assurance from Government commitments to push for the reinstatement of ringfenced funding. We encourage Government to be consistent and forceful in making this case, and to take the step of appointing a Permanent Representative for the Department of Rural and Community Development and the Gaeltacht to the EU. Ireland currently has permanent representatives working across 23 different policy areas, most of which align clearly to one of its departments (e.g., Agriculture, Food and the Marine). Given DRCDG's role as Managing Authority for LEADER, and that Department's intimate knowledge of the programme, it needs to be afforded every opportunity to advocate for the long-term future of LEADER at European level.

LDCN's ambition is to see the LEADER budget restored to 2007-2013 levels, and a critical first step in this process is to ensure that the EU funding component is significantly increased from its current level of around €15.6m per annum. Under EU rules, this is the minimum amount of its EU funding envelope that Ireland can allocate to LEADER, and Ireland is one of only a small number of EU countries to allocate no more than the legal minimum.

In summary, Ireland's engagement with the EU must (i) seek the reinstatement of mandatory ringfencing for LEADER funding and (ii) ensure that the ringfenced amount is sufficient to reverse the long-term decline in LEADER funding, and the mounting demands on LEADER to “do more with less.” To deliver on these imperatives, LDCN has proposed that each member state would be required to reserve at least 2.5 per cent of the value of their CAP allocation for LEADER.<sup>4</sup>



**LEADER has become the primary support for indigenous rural enterprise – but the under-funding of LEADER is hampering the development of rural enterprise**

“In rural areas, the community-led approach LEADER programme has been able to provide support to micro businesses, but their capacity to fund these activities varies. A substantial portion of LEADER budgets goes to community development, rural infrastructure and social inclusion, which means that direct financial support for micro businesses is just one component among many competing priorities” (pp. 169).

**Recommendation 6: Address emergent and strategically important funding shortfalls in the current LEADER programme**

► *Invest an additional €10.2m in the current LEADER programme to ensure that its work in supporting key facets of the rural economy, like enterprise and tourism, is sufficiently resourced.*

Additional to the need to secure LEADER's long-term future, there is a need to ensure that LEADER is resourced to deliver for communities over the short term – that is, for the approximately eighteen months of the current programme that remain. As the OECD review pointed out, LEADER is now the primary source of funding support for rural SMEs, the development of which is highlighted by the OECD as a key priority during the lifetime of the next iteration of Our Rural Future.

3 European Commission (2024) The long-term vision for the EU's rural areas: key achievements and ways forward. Brussels: European Commission.

4 Note: our recommendation would see CAP used only as a benchmark against which to determine minimum levels of LEADER allocation, which is consistent with the EU's current budget rules. It would not require Member States to use ringfenced CAP monies to fund LEADER, but would instead allow them to draw LEADER funding, wholly or partly, from their wider NRPP envelope.

Within the SME population, LEADER funding is targeted at strategically important sectors, including the green economy, agricultural diversification, rural tourism and recreation, innovative enterprise development, rural food production, and social, community and cooperative enterprises.

Additional to the need to secure LEADER's long-term future, there is a need to ensure that LEADER is resourced to deliver for communities over the short term – that is, for the approximately eighteen months of the current programme that remain. As the OECD review pointed out, LEADER is now the primary source of funding support for rural SMEs, the development of which is highlighted by the OECD as a key priority during the lifetime of the next iteration of Our Rural Future. Within the SME population, LEADER funding is targeted at strategically important sectors, including the green economy, agricultural diversification, rural tourism and recreation, innovative enterprise development, rural food production, and social, community and cooperative enterprises.

Eighteen months out from the end of the current programme, several LDCs have now allocated their enterprise funding in its entirety, such is the level of grassroots activity and the appetite for funding support (and, again, the impact that inflation has had on LEADER budgets locally). This presents Government with a choice: to allocate additional monies to fund the shortfall, or to await the rollout of a new LEADER programme in two years' time. We strongly encourage Government to recognise this for the opportunity that it is, and to take the first of these paths. The demand for enterprise funding under LEADER is an indicator of the latent potential of the rural economy. The scale of this potential will inevitably ebb and flow with the economic cycle, and there is every chance that the opportunity that presents today will have receded by 2027.

We are therefore calling on Government to allocate additional funding, amounting to €10.2m (or 10 per cent of the exchequer contribution to the current programme to the LEADER programme), to ensure that it is resourced to deliver for communities through the end of the current programme period.



**Strong local and area-based development structures exist – but they are chronically under-resourced**

“Despite having the institutional subnational structures in place, the system’s potential remains constrained. Subnational actors too often seem to lack the resources and capacity to fully realise their mandates” (pp. 13).

**Recommendation 7: Maximise the potential of Ireland’s subnational infrastructure for area-based development**

► *Ensure that all services commissioned by the state and delivered by community and voluntary organisations are designed for long-term sustainability*

For over 35 years, Local Development Companies worked closely with all levels of Government to deliver area-based development that is integrated and community-led. Today, LDCs employ more than 1,750 full-time staff, who support over 150,000 people and 6,000 community groups and social enterprises each year. They have a presence in every town, city and county in Ireland, and they work closely with people and groups that other arms of the state cannot reach.

## THE REACH AND IMPACT OF LDCs IN IRELAND

Over a period of almost

**35 years,**

LDCs have built deep roots in communities throughout the Republic of Ireland

LDCs support over

**6,000**  
**community groups**  
and **social enterprises**  
every year

Each LDC delivers

**21**  
**programmes,**

on average, within  
its local area

LDCs deliver almost

**€230m**

worth of supports  
to communities  
each year

LDC programmes directly  
support more than

**150,000**  
**people**

every year

LDCs employ  
more than

**1,750**  
**full-time staff**

More than

**6,600**  
**Rural Social Scheme** and  
**Tús participants** working in  
LDCs ●●●

●●● contribute over

**6.25 million**  
**hours**

to community and voluntary  
organisations in their locality  
every year

LDCs are a perfect example of the strong subnational structures that the OECD observed. Unfortunately, they also exemplify the resource constraints that the OECD identified as characteristic of area-based development efforts in Ireland. We have already outlined the resource challenges surrounding SICAP and LEADER, but in doing so we focused on the risk that this presents to these programmes, not the risk that it presents to the wide range of other work that they facilitate. On average, LDCs deliver 21 programmes in their communities but, for the most part, these programmes would not be viable if SICAP and LEADER did not exist to anchor them. The leveraging value of both SICAP and LEADER is vast, but there is a limit to the amount of supplementary work that they can support, particularly as demands on the programmes themselves continue to increase.

It is also important to note that both SICAP and LEADER are commissioned by means of competitive tender; under these circumstances, they can only be relied upon as enablers of other work over the short term. If that other work is to be operationally viable over the medium to long term, it must be capable of paying its own way. Already, we have identified shortcomings with the funding model for Sláintecare Healthy Communities, but this programme is not an outlier: other programmes, like the Outdoor Recreation Infrastructure Scheme, Outdoor Recreation Infrastructure Scheme, Workability, and others also carry administration budgets which are either insufficient or nil. The strain that this places on the LDC, or whatever the body tasked with frontline delivery may be, weakens the entire system.

Government must exercise a duty of care here to LDCs and other community and voluntary organisations that are contracted to deliver services on its behalf. While we appreciate that a “one-size-fits-all” approach to funding structures is neither desirable nor feasible, the 25 per cent administration budgets that both SICAP and LEADER carry is a useful referent, and we encourage Government to work towards making this the “default” in all instances where community and voluntary organisations are engaged as delivery partners. The short-term cost of such a measure would be miniscule relative to the potential cost of allowing the status quo to prevail over the long term.



#### **Alleviating reliance on unpaid volunteers is a pressing need**

“Volunteers are essential, but core rural development functions should not be outsourced entirely to unpaid actors if the aim is to build resilient and inclusive rural communities” (pp. 209).

### **Recommendation 8: Take a broad view of volunteerism and the structures required to support it**

- ▶ *Increase top-up payments for Tús and Rural Social Scheme participants at a total cost of €12m, and invest €500k to strengthen and grow the Rural Recreation Officer network.*

Volunteers are a vital force of change in both rural and urban communities. However, volunteers do not operate in a vacuum, and – as the OECD point out – rarely do they bring about positive change without the support of people whose job it is to build and maintain a supportive architecture around them.

Over many years, Ireland has developed a number of important enabling structures for its volunteers. Two such structures are Tús and the Rural Social Scheme (RSS), which together play a crucial but often unseen role in Ireland's volunteer ecosystem. Tús and RSS participants serve as a lifeline for Tidy Towns groups, Meals on Wheels services, and countless social enterprises and community initiatives, many of which would otherwise not be viable due to a lack of volunteer manpower. Across Ireland, an army of more than 6,600 Tús and RSS participants contributes more than 6.25 million labour hours towards community and voluntary causes each year.

Typically, Tús and RSS participants receive a top-up payment of €32.50, which we believe is far from commensurate with the economic and social value that these programmes generate. While we recognise Government's concern that increasing top-up payments could reduce incentives to take up employment, we also believe that it is incumbent on Government to ensure that the costs of participating in a scheme that delivers important services to the community does not exceed the value of top-up payments that participants receive for doing so. In many cases, expenses such as travel – particularly in larger counties – can absorb most or all of the €32.50 weekly top-up.

At the same time, increases in core social welfare rates, while welcome, do not incentivise participation in Community Employment (CE), Tús, or RSS. On the contrary, by reducing the relative value of the top-up compared to the base payment, they risk having the opposite effect.

We therefore recommend an increase in top-up payments for CE, Tús and RSS participants of €7.50 per week per year over the next three years (additional to any increases to underlying social welfare), at an annual cost to Government of €12m.

Similarly, the work of a Rural Recreation Officer – which involves the development, management, and ongoing maintenance of walking trails and other outdoor recreation infrastructure – requires a level of technical expertise and institutional support which could not be reasonably expected of a volunteer or voluntary group. Ireland's 26 Rural Recreation Officers (RRO) are housed within LDCs, where they work at the intersection of community development, rural enterprise, tourism, health and wellbeing, and environmental stewardship. Overall, they play an important part in helping to make rural places more attractive, active and sustainable.

Despite the strategic importance of this role, the funding for RROs has not kept pace with the growth in expectations placed upon them, or with inflation. The responsibilities associated with outdoor recreation have expanded significantly in recent years, driven by increased public use of trails and amenities, growing policy interest in activity tourism, the development of outdoor recreation strategies, and the wider recognition of nature-based recreation as a contributor to health, well-being and rural economic development. RRO salaries have remained static since 2021, and now lag significantly behind comparable roles in the public service.

Furthermore, many areas of the country are still not served by an RRO, with some RROs working across two counties, or across large geographical areas within a county. Given the considerable impact that RROs generate for the areas that they serve, coupled with the workload pressures that they are experiencing, we strongly recommend that RRO numbers be expanded on a phased basis.

As such, we recommend that six additional RRO roles be created in 2027, and that funding is allocated for a €5,000 increase in each RRO's salary.

# Member Organisations





## About Local Development Companies Network

Local Development Companies Network (LDCN; formerly Irish Local Development Network or ILDN) is the national representative body for Local Development Companies (LDCs) in Ireland. LDCs operate in all urban, rural and island communities and are overseen by voluntary boards that are constituted to ensure a community-led, socially inclusive focus.

Current programmes include the Social Inclusion & Community Activation Programme (SICAP), LEADER, Rural Social Scheme, Tús, Local Area Employment Services, the HSE Sláintecare Healthy Communities Programme, the Rural Recreation Programme, the Walks Scheme, Back to Work Enterprise Allowance, Social Farming, and various supports for Social Enterprises.

Each of our member LDCs are unique and provides services that reflect the needs of their communities. Beyond the core programmes listed, LDCs also deliver national and European initiatives that enhance the development of their communities through enterprise, training, activation, education, health, and community supports. LDCN as a representative body liaises with funders and policymakers to ensure the voice of communities and programme delivery specialists are highlighted in national, regional and local community policy and provision.

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