

Ireland

National Social Report 2015

April 2015

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Chapter 1 – Overview

1.1 Introduction

The Department of Social Protection co-ordinated this National Social Report which has been prepared in accordance with the Social Protection Committee's guidance for 2015 strategic social reporting. The Report encompasses input from all relevant departments and has been approved by the Government of Ireland. The Report summarises the developments made by Ireland in the past year against the overarching objectives of the Open Method of Coordination.

The Report has been prepared in conjunction with Ireland's National Reform Programme 2015. It focuses on government policies concerning social protection, social inclusion, health and long-term care which are connected with, and supported by, the broader economic and employment policies and high level targets reported on in more detail in the National Reform Programme 2015.

1.2 Structural changes

A number of reforms relating to the Irish Further Education and Training (FET) Sector have been implemented in the past year. These include the establishment of SOLAS and 16 Education and Training Boards and the transfer of the former FÁS training centres to Education and Training Board governance. In addition, the first ever five-year 'Further Education and Training Strategy 2014-2019' was published which sets out five high level goals as a roadmap for the FET Sector as follows: Skills for the Economy; Active Inclusion including a Literacy and Numeracy Strategy; Quality Provision; Integrated Planning and Funding and Standing of FET. The Strategy commits the FET sector to respond more effectively to the needs of employers at local and regional level.

1.3 Economic context

During the period 2007 to 2009 GNP (constant market prices) fell by some 11%. Recovery since 2009 has, however, been stronger than was generally anticipated with growth recorded in every year except 2011, when a small decrease of 0.8% was recorded. GNP has grown by 13.6% (Q4 2011 to Q4 2014) and has grown by 6.3% in Q4 2014 compared with the same quarter in 2013. GDP growth in 2014 was 4.8% and it is anticipated that growth for 2015 will be approximately 4%.

1.4 Key social indicators

Employment

The employment rate for women and men aged 20-64 was 67.0% in 2014, up by more than 3% since 2012, showing a continuing improvement in the labour market after a fall from 74% in 2007 to 71% in 2008 and less than 64% in 2012. The employment rate for men in 2014 was 73%, up from 68% in 2012. The female employment rate has shown a more modest but still significant increase, from 59.4% in 2012 to 61.2% in 2013. The gender gap in employment rates had almost halved from 16% in 2008 to 9% in 2012, but has widened

slightly since then as male employment began to recover relatively rapidly. The employment rate for young people aged 20-24 has risen from 46.1% in 2012 to 49.4% in 2014. The employment recovery was initially led by a relatively narrow group of sectors; agriculture¹, accommodation and food service activities and professional services². During 2014, employment growth extended more widely in sectoral terms, most notably into construction and manufacturing. In terms of reaching the mid-point of the 2020 target of employment rates of 69-71%, the employment rate will have to increase by 0.5% each year. This rate of increase is feasible provided the recent recovery is maintained into the medium-term.

Unemployment

The seasonally adjusted unemployment rate is currently 10% (January 2015 Eurostat estimate); while it has fallen from a peak of 15% in early 2012, the rate remains unacceptably high. The male seasonally adjusted unemployment rate of 11.5% compares with a female unemployment rate of 8.2%.

Youth Unemployment

Overall, the under 25 age group had an unemployment rate of 23.9% in 2014 (32.5% for 15-19 year-olds and 21.6% for 20-24 year-olds) down from 30.4% in 2012. This compares to an unemployment rate of 10.4% for prime age workers (ages 25–54). About 38%, on average, of the young unemployed in 2014 were out of work for more than a year. Despite the high rate of youth unemployment, the absolute number of young unemployed people has fallen from close to 80,000 on average in 2009 to 47,000 on average in 2014. The most recent figures show youth unemployment down by 10,000 year-on-year to 39,000 in Q4 2014.

1.5 Overall strategy for social protection

Expenditure on social protection through the provision of income support payments as well as access to employment and related services is central to the promotion of active inclusion in Ireland. The Government's priority in recent years has been to underpin the sustainability of the welfare system into the future, including provision for increasing pensioner numbers arising from demographic pressures. In 2015, the ongoing policy of transforming the social protection system into one which focuses on maximising employability by providing training, development and employment services side by side with income support has been further expanded. This contributes to the overarching goal of Government to grow the economy and reduce unemployment. Getting people back to work will also assist those at risk of poverty. In this regard, the rate of unemployment has declined in the past year from 12.3% at the end of 2013 to 10.4% at the end of 2014. This fall in unemployment is consistent with strong growth in the economy in 2014.³ Unemployment currently stands at 10% (March 2015), having fallen from a crisis peak of 15%. Overall, welfare expenditure has decreased as a consequence of the reduction in unemployment. This has freed up resources which allowed all existing welfare payments and supports to be maintained for 2015 as well as the introduction of targeted improvements for welfare recipients such as the partial restoration of

¹ In the case of the agriculture, forestry and fishing sector it can be noted that estimates of employment in this sector have shown to be sensitive to sample changes over time. Year-on-year growth in 2013 is likely to have been less marked in agriculture and rather better in all other sectors, than is indicated by the current estimates.

² These are predominantly, legal, accounting and engineering/architecture services.

³ <http://www.cso.ie/en/releasesandpublications/er/na/quarterlynationalaccountsquarter42014/>.

the Christmas Bonus payment benefiting some 1.2 million recipients of long-term payments, increasing Child Benefit, increasing the living alone allowance payable to pensioners and people with a disability and return to work initiatives such as the introduction of the Back to Work Family Dividend and the expansion of the JobsPlus employment support scheme.

A social impact assessment carried out by the Department of Social Protection⁴ found that the distributive impact of welfare measures is progressive with the bottom quintile gaining 0.5% from the welfare rate increases. For the first time since the economic crisis, welfare and income tax policy will result in an increase in average household incomes of 0.7% (equivalent of almost €6 per week). The measures will lead to no deterioration in the at-risk-of-poverty rate for all households. This suggests that social transfers continue to perform strongly in reducing poverty.

⁴ <http://www.welfare.ie/en/pages/socialimpact2015.aspx>.

Chapter 2 - Delivering on the Europe 2020 poverty and social exclusion target

2.1 The national social target for poverty reduction

The national social target for poverty reduction has three components; the headline target, the Irish contribution to the Europe 2020 poverty target and the child poverty target. Progress towards these targets and supporting indicators is reported annually in the Social Inclusion Monitor.⁵ The headline target is to reduce consistent poverty (the overlap of at-risk-of-poverty and basic deprivation) to 4% by 2016 (interim target) and to 2% or less by 2020, from the 2010 baseline rate of 6.3%. In 2013, the consistent poverty rate was 8.2%: an increase of 0.5% from 2012. This leaves a gap of 4.2% between the 2013 rate and the 2016 interim target. Numerically, 377,000 people were in consistent poverty in 2013. Considering the two components of consistent poverty, there was a fall in the at-risk-of poverty rate from 16.5% in 2012 to 15.2% in 2013, while basic deprivation rose 3.6% to 30.5%.

2.2 Ireland's contribution to the Europe 2020 poverty target

The Irish contribution to the Europe 2020 poverty target is to reduce by a minimum of 200,000 the population in 'combined poverty' (i.e. consistent poverty, at-risk-of-poverty or basic deprivation) between 2010 and 2020.⁶ The population using the Irish 'combined poverty' measure was 37.5% in 2013, compared to 35.7% in 2012. Nominally, this equated to 1.7 million people and is 310,000 people over the 2010 baseline figure.

2.3 Child poverty target

The child poverty target is to lift over 70,000 children (aged 0-17 years) out of consistent poverty by 2020, a reduction of at least two-thirds on the 2011 level. In 2013, there were 138,000 children in consistent poverty, an increase of 23,000 children on 2012. This means that a new figure of 101,000 children have to be lifted out of consistent poverty to meet the target by 2020.

2.4 Commentary

Policy approach

The Government policy framework for tackling poverty is set out in the National Action Plan for Social Inclusion 2007-2016 (NAPinclusion). A process is underway to update NAPinclusion for the extended period 2015-2017, to reflect the changed economic circumstances and recent policy initiatives. In addition, government departments are developing a whole-of-government approach to child poverty as a priority action under the National Policy Framework for Children and Young People 2014-2020. The approach encompasses child and family income supports, welfare reforms to improve access to the labour market for lone parents, additional investment in prevention and early intervention services in disadvantaged areas, assessing the Delivering Equality of Opportunity in Schools programme to inform future interventions to tackle educational disadvantage, a new physical

⁵ <https://www.welfare.ie/en/Pages/Social-Inclusion-Monitor.aspx>.

⁶ This indicator is similar to the EU 'at-risk-of-poverty or social exclusion' target.

activity plan, and measures to tackle food poverty including increased provision of school meals. The Government is implementing policies to tackle household joblessness in line with the European Council's Country-Specific Recommendation 2014 and details of these are set out in the National Reform Programme 2015.

Impact of the economic crisis

Incomes and living conditions in Ireland continue to be affected by the economic crisis. Despite the requirement for fiscal consolidation, the performance of social transfers in reducing at-risk-of-poverty remains strong. In 2013, social transfers (excluding pensions) reduced the at-risk-of-poverty rate from 38.4% to 15.2% representing a poverty reduction effect of 60.4%, an increase on 2012. Ireland continues to be among the best performing countries in the EU in reducing poverty through social transfers.

The increase in basic deprivation highlights the ongoing legacy of the crisis, which by 2013 had lasted six years. As noted in section 1.4, there was significant improvement in the labour market since 2013 which is not yet reflected in the SILC data.

Stakeholder engagement

There is on-going stakeholder engagement in relation to the national social target for poverty reduction. The Social Inclusion Forum is an annual national consultative event to review the implementation of the National Action Plan for Social Inclusion and progress on the national social target for poverty reduction. The forum is convened by the Department of Social Protection in association with the European Anti-Poverty Network Ireland and the Community Workers Cooperative. The theme of the 2015 Forum, held in March 2015, was 'social policy innovation for social inclusion' and was attended by some 150 delegates from community and voluntary groups, including people experiencing poverty.

The Department of Social Protection hosted a stakeholder engagement on the poverty component of the National Reform Programme in March 2015, including the CSR relating to jobless households.

The Department of Social Protection and the Department of Children and Youth Affairs have consulted widely with child and family organisations on the implementation of a whole-of-government approach to child poverty, including a national seminar in association with the European Commission in November 2014 and the Advisory Council for the National Policy Framework for Children and Young People.

Chapter 3 - Recent reforms and policy initiatives in social inclusion

3.1 Access for all to resources, rights and services, preventing and addressing exclusion

Activation measures

The Pathways to Work Strategy sets out a comprehensive reform of the State's approach to helping unemployed jobseekers return to work. While the 2012 and 2013 Pathways to Work intervention targets focused largely on new jobseekers, there has been an on-going process of engagement with the long-term unemployed since 2014. In 2014, some 186,900 unemployed people attended group information/engagement sessions, of whom approximately 56,000 were long-term unemployed. 169,000 initial one-to-one guidance interviews were held, of which some 47,000 were with long-term unemployed persons. 57,000 places on a range of further and higher education courses were reserved for people who were long-term unemployed. A number of schemes providing temporary employment on works and services of value to the community had over 31,000 participants on Community Employment and Tús work placement in December 2014. Also, participation on JobBridge, the national internship programme, was in excess of 6,000 at end 2014. In addition, a new employment services model, JobPath, will be introduced in 2015 and aims to provide additional capacity to the Public Employment Service in order to enable it engage more systematically with long-term unemployed jobseekers. Further policy measures announced in Pathways to Work 2015 will enhance reforms already underway especially for the long-term unemployed and youth unemployed.

Youth Guarantee Implementation Plan

The Youth Guarantee Implementation Plan was launched in January 2014 and the Plan's measures were progressively introduced throughout 2014. These included reserving places on existing programmes for young people who are long-term unemployed and developing variants of these programmes/offers tailored specifically for unemployed young people. The First Steps internship programme for young people was launched in February 2015 and aims to offer those who are particularly distant from the labour market a work experience opportunity with sponsor employers. JobsPlus for Youth was also launched in February and offers employers who recruit a young person under age 25 and unemployed for four months or more a subsidy of up to €416 per month. The Ballymun Pilot Youth Guarantee project came to a close in December 2014. Lessons learned from the project will be considered in the national roll-out of the Youth Guarantee over 2015.

Employer engagement

Persuading employers to offer employment opportunities to jobseekers and especially to people who are long-term unemployed is a particularly difficult challenge and a number of initiatives have been undertaken during 2014 to enhance employer engagement. These included; briefing sessions for employers on employment services and supports available with some 1,000 participants representing 750 organisations across a range of industries, a National Jobs Week in September 2014 involving jobs work-shops and recruitment events with the involvement of 200 employers and about 20,000 unemployed jobseekers and a number of training programmes to upskill jobseekers, in co-operation with stakeholders

including Skillnets, the Industrial Development Agency and the private sector. An Employer Activation and Youth Employment Charter whereby employers guarantee that at least 50% of candidates considered for employment will be selected from the Live Register of unemployed jobseekers, and the inclusion of a 'Social Clause' in large public works procurement (10% of jobs to be reserved for unemployed jobseekers) were also introduced in 2014.

Improving access to enabling services - childcare

Approximately €260 million is invested annually by the Government specifically to support the provision of childcare support including the Community Childcare Subvention programme, the Early Childhood Care and Education programme and the Training and Employment Childcare programmes. These programmes support the provision of childhood care and education for more than 100,000 children each year. Almost every pre-school service (more than 4,300) in the State is participating in the Early Childhood Care and Education programme with up to 68,000 children, or 95% of the eligible age cohort, expected to avail of the programme in 2015. Under the Community Childcare Subvention programme funding is provided to community childcare services to enable them to provide quality childcare at reduced rates to disadvantaged and low-income working parents to facilitate their return to employment. Some 25,000 children are catered for under the programme each year in almost 900 community childcare services. The programme has an annual budget of €45 million. Under the Childcare Education and Training Support programmes, services are contracted to provide childcare places to qualifying trainees or students for the duration of their courses. They also support low-income and unemployed people to take up a job, increase their days of employment or take up a place on an employment programme.

3.2 Supporting people entering the labour market

As announced in Budget 2015, the Back to Work Family Dividend (BTWFD) scheme aims to help families to move from social welfare into employment. It will give financial support to people with children who were getting jobseeker and one-parent family payments and who take up employment, increase their hours of employment or become self-employed. The BTWFD provides support for up to two years after a person moves from social welfare into employment. If a person qualifies for the Dividend they will get a weekly payment equivalent of any increases for qualified children that were being paid on their jobseeker or one-parent family payment, up to a maximum of 4 children, for the first year in employment. Half that amount will be paid weekly for their second year in employment. Where payable the Dividend will be additional to any entitlement the family may have under the Family Income Supplement (FIS) scheme. The BTWFD scheme will act as a further incentive to work, in addition to the existing FIS scheme. It will operate during the period of economic recovery and will be available to jobseekers and lone parents who take up or increase the level of their employment until March 2018.

3.3 Investing in children

Improvement of social services, specifically child protection

The Child and Family Agency, in its first year of operation, is providing social work services to some 20,000 children, including approximately 6,500 children in care. The Agency is progressing a wide-ranging programme of reform of child welfare and protection services.

Reforms being advanced include: the alignment of resources and processes to ensure that referrals are subject to initial assessment, prioritisation and response in line with national policies; further development of the in-take/assessment policies to support and respond to increasing numbers of reports and to ensure a continuing focus on the implementation of standardised business processes; plans for the roll-out of a model of out-of-hours service outside the greater Dublin area and the development of a quality assurance framework.

Key groupings to support the implementation infrastructure of Better Outcomes, Brighter Futures: The National Policy Framework for Children and Young People (2014-2020) were established in 2014. They include: the cross-departmental Sponsors Group to drive implementation and provide a forum for problem solving and to develop a set of priorities to build momentum and inform a work plan for 2015; a high level Children and Young People's Policy Consortium to have oversight and promote cross-Government implementation; and an Advisory Council comprising non-statutory stakeholders from the range of sectors working with children and young people, as well as independent experts and individuals nominated by the Minister for Children and Youth Affairs. A National Steering Group for Children and Young People's Services Committees has been established to guide the implementation of committees as a key local infrastructure to ensure optimum outcomes for children and young people.

Targeted support to single parent and large families

Provisions in the Social Welfare and Pensions (No. 2) Act, 2014 have enabled the One-Parent Family Payment scheme income disregard to be maintained at €90 per week. This will benefit approximately 28,000 working recipients in 2015. The further changes to the income disregard, that were scheduled to occur in January 2015 and in January 2016, will not be taking place. This measure improves the financial incentive for lone parents to avail of employment opportunities. In addition, the Social Welfare (Miscellaneous Provisions) Act, 2015, provides that eligibility for the Jobseeker's Allowance Transitional Arrangement will be extended to include lone parents who were not previously in receipt of the One-Parent Family Payment.⁷ This will enable such persons to either work part-time without restrictions (subject to a means test), or to access full-time education and to avail of the full range of Intreo activation services whilst in receipt of the Jobseeker's Allowance Transitional Arrangement. These reforms aim to provide the necessary supports to lone parents to help them to escape poverty and joblessness, to access the range of education, training and employment support programmes, to develop their skills set and, ultimately, to secure employment and financial independence.

⁷ In recognition of the specific caring responsibilities of lone parents with young children, the Jobseeker's Allowance Transitional Arrangement was introduced in June, 2013 for those whose youngest child is aged under 14 years. Such persons are exempt from the Jobseeker's Allowance scheme conditions that require them to be available for and genuinely seeking, full-time employment. They can also work part-time without restrictions (for example, during mornings, when their children are at school) and still receive payment – subject to a means test. The Jobseeker's Allowance Transitional Arrangement allows lone parents to balance their caring responsibilities and reduces their requirement for child care. It also allows lone parents to avail of full-time education and to access the Back to Work Family Dividend if they leave their payment to take up employment.

3.4 Homelessness and housing inclusion

Implementing strategies to prevent, confront and measure homelessness

In February 2014 the Government approved the establishment of a Homelessness Policy Implementation Team, composed of key officials from across Government departments and agencies. The Team is responsible for overseeing and monitoring the delivery of actions outlined in the Government's *Implementation Plan on the State's Response to Homelessness*, which was published in May 2014. Progress on the Plan's implementation is reported to Government on a regular basis.

A Summit on Homelessness was held in December 2014 on foot of which the Government agreed a '20-point Action Plan to Address Homelessness' which comprises a number of actions including immediate additional responses to the issue of rough sleeping in Dublin. The Plan made a number of commitments including the provision of additional emergency accommodation capacity and, accordingly, an additional 271 homeless beds were put in place in Dublin by the end of 2014.

Furthermore, a Social Housing Strategy 2020 was published in November 2014 which sets out clear, measureable actions and targets to increase the supply of social housing, reform delivery arrangements and meet the housing needs of all households on the housing list.⁸ A target of a total provision of over 110,000 social housing units is provided for in the Strategy. The Strategy will address the needs of the 90,000 households on the housing waiting list in full, with flexibility to meet potential future demand.

Improving access to adequate, affordable housing, including social housing and reforms to housing benefits/support

Part 4 of the Housing (Miscellaneous Provisions) Act 2014 provides for the Housing Assistance Payment (HAP) scheme. The first phase of the HAP statutory pilot commenced in September 2014 in one local authority with a further rollout to six other local authorities; including a specific focus on accommodating homeless households in Dublin. Consideration is currently being given to the sequencing of local authorities to commence the HAP on an incremental basis in 2015. The HAP scheme is being designed so as to bring all of the social housing services provided by the State together under the local authority system; with local authorities being responsible for all households with an established housing need. This will facilitate the removal of existing disincentives to employment posed by the receipt of rent supplement by allowing HAP recipients to remain on the scheme if they gain full-time employment. The scheme will also provide for a better integrated and more streamlined service for households, facilitate better regulation of the private rented sector, provide certainty for landlords as regards their rental income, improve standards of accommodation and provide greater consistency in the application of social housing policies in Ireland.

⁸ <http://www.environ.ie/en/PublicationsDocuments/FileDownload,39622,en.pdf>

Measures and services to better prevent evictions/loss of permanent accommodation

The Residential Tenancies (Amendment) (No. 2) Bill is expected to complete its passage through the Oireachtas and become law by mid-2015. This legislation will introduce a tenancy deposit protection scheme and extend the remit of the Residential Tenancies Act 2004 to tenancies in the Approved Housing Body (AHB) sector. The amending legislation will provide improved security of tenure for AHB tenants, provide access for AHB tenants and landlords to an independent dispute resolution service and set out fair procedures for the termination of AHB tenancies with mandatory notice periods linked to the duration of a tenancy. In addition, the legislation will extinguish a landlord's automatic right of termination in the first 6 months of certain tenancies for all tenants.

3.5 Combatting discrimination

The Irish Human Rights and Equality Commission was established as an independent statutory body on 1st November 2014 following the merger of the Human Rights Commission and the Equality Authority. The Commission will support public bodies in placing equality and human rights consideration at the heart of decision making. A significant innovation in the Irish Human Rights and Equality Commission Act 2014 is the introduction of a positive duty on public bodies to have due regard to human rights and equality in their work and conduct their business in a manner consistent with individual human rights. The Commission will assist public bodies to comply with the positive duty, including by producing guidelines and codes of practice. This means the systematic integration of an equality and human right perspective into everyday work, including changes to organisational cultures so that such a perspective is an integral part of the organisation.

During 2015, a range of proposals aimed at improving the structures in place for consulting with, and improving outcomes for, the Traveller and Roma communities are being implemented. A wide-ranging consultation process will be undertaken with stakeholders to identify the key themes, objectives and specific actions/targets for the National Traveller and Roma Integration Strategy in order to ensure a co-ordinated approach across Government to meet the needs of people from the Traveller and Roma communities. The focus is on complying with the EU Framework for the Implementation of Roma Integration Strategies and ultimately improving public service engagement with, as well as outcomes for, the Traveller and Roma communities.

In the area of disability policy, views of stakeholders are being sought as to how the National Disability Strategy should be progressed over the years 2016 to 2019. An initial round of consultations will identify the priority themes to be addressed in a revised National Disability Strategy. A second phase will identify and agree specific objectives under each of the themes identified in phase one. Phase three will focus on identifying precise and measurable actions and achievement of each of the objectives identified in phase two.

Chapter 4 – Recent reforms to achieve adequate and sustainable pensions

4.1 Pensionable age

The age for qualification for the Irish State pension is 66 for both men and women. In relation to supplementary occupational and private pensions, both the labour market participation rate and supplementary pension coverage of women have improved greatly over the last number of years and will reduce the pensions gender gap for future retirees. In 1987, female participation was 35% whereas in 2014 this was 53% (compared to 68% for men). In early 2002, 45% of females and 57% of male workers had a private pension. Latest figures indicate the rate for female workers had increased to 49% and the rate for male workers had decreased to 53%.⁹

4.2 Contributory period

The minimum number of paid weekly contributions for entitlement to a State Pension (Contributory) increased from 260 to 520 for claimants reaching pension age on or after 6th April 2012. This measure was originally provided for in legislation in 1997. From 1st September 2012, additional rate bands were introduced for State Pension (Contributory) to more fairly reflect the proportionality of attachment to the workforce by the person. The pre-existing State Pension (Contributory) yearly average rate band of 20–47 was replaced by 3 bands; 20-29, 30-39 and 40-47.

4.3 Funded pensions

In January 2015, a series of measures were announced aimed at tackling Ireland's low rate of workplace pension coverage, improving consumer confidence in the system and ensuring greater efficiency and oversight of pension schemes. As part of this process, the Government confirmed an intention to proceed with work to develop a roadmap and timeline for the introduction of a new, universal, supplementary workplace retirement saving scheme. This employment-based defined contribution scheme is intended to progressively achieve universal pension coverage, with a particular focus on lower-paid workers. The work to develop the roadmap will be progressed through the establishment of a high level Universal Retirement Savings Group which will bring a recommendation to Government in the form of a roadmap and estimated timeline for introduction.

To support the successful delivery of a universal pension scheme, plans were announced to reform and simplify the wider pensions landscape in Ireland. This is necessary to achieve improved coherency and consistency in the pension system and to increase the confidence and understanding of pension savers. Work is underway on proposals to help improve the governance capacity of Defined Contribution schemes so that they have a greater ability to provide consistently good value, good investment choices and high standards of communication to members.

⁹ Central Statistics Office (2011) Quarterly National Household Survey Pensions Provision Quarter 4 2009.

There have been changes to the pensions governance arrangements arising from restructuring the Pensions Board. It has been renamed the Pensions Authority to better reflect its key role of safeguarding the pensions of occupational pension scheme members and also the provision of information on occupational pensions. Oversight of the Pensions Authority is now undertaken by a three person body. A Pensions Council was also established to assume the advisory role previously within the remit of the Pensions Board. In addition to individuals with expertise on pensions, the Council has a strong focus on representing consumer interests. It will operate as a pensions advisory panel and report to the Minister for Social Protection on matters of pensions policy with a particular emphasis on policies to support the sustainability and adequacy of pension provision.

Chapter 5 - Recent reforms in health care policy

5.1 Health system reform

In 2012, the Government published *Future Health – A Strategic Framework for Reform of the Health Service 2012–2015* outlining how it would reform the health system across 4 strands; health and wellbeing, structural reform, services reform, and financial reform.¹⁰ In January 2015, the Minister for Health published a list of priorities for the period 2015-2017. The priorities provide a clear direction for the development of health services and health policy as well as identifying a targeted plan against which progress can be measured.

Healthy Ireland - A Framework for Improved Health and Wellbeing 2013-2025 was approved by Government in February 2013.¹¹ During 2014, implementation of the Framework focused on cross governmental work in order to address the determinants of health across a range of issues relevant to the *Healthy Ireland* agenda, to identify potential barriers and find solutions, and to exploit opportunities to progress a ‘Health in All Policies’ approach. Examples in 2014 include working with other departments to implement the National Policy Framework for Children and Young People, to embed and integrate health and wellbeing into education and to promote the ‘healthy workplaces’ agenda. In addition, the National Rare Disease Plan was published in 2014 with a view to the establishment of a rare disease office within the Health Service Executive.

5.2 Stewardship of the health care system

The Health Service Executive National Service Plan 2015 concentrates on on-going reform of health services with a particular focus on key infrastructural changes such as the establishment and development of Hospital Groups and Community Healthcare Organisations and the development of patient centred integrated models of care. Strategic enablers such as the individual health identifier will also be further developed.¹² The Health Service Executive is strengthening its accountability arrangements and has put in place a new accountability framework as part of its overall governance arrangements. This framework will measure performance across the Health Service Executive, Hospital Groups and Community Healthcare Organisations by means of a Balanced Score Card taking into account access to services, the quality and safety of those services, the financial resources available and the commitment and expertise of its workforce.

5.3 Financing and cost-sharing

The Health Service Executive (Financial Matters) Act 2014 provides for the Health Service Executive to be funded, from January 2015, through the Vote of the Office of the Minister for

¹⁰ http://health.gov.ie/wp-content/uploads/2014/03/Future_Health.pdf

¹¹ <http://www.hse.ie/eng/services/publications/corporate/hieng.pdf>

¹² The Health Identifiers Act 2014 was passed in July 2014 and provides the legal basis for individual health identifiers for health service users and unique identifiers for health service providers. While individual health identifiers are primarily about patient safety, they will also help in managing the health service and make it operate more efficiently.

Health. The budget allocation for 2015 is the first increase in Health funding in seven years with an increase of €564 million on the 2014 allocation.

Activity Based Funding (ABF) represents a major change in the way hospitals are funded. Under ABF, hospitals are paid for the quantum and quality of care they deliver. This will, over time, drive efficiency and increase transparency. Full roll-out of ABF is a multi-year project and a phased approach to implementation is being taken in order to ensure operational stability in hospitals. Phase one commenced in January 2014 in the 38 largest hospitals in the State, for in-patient and day case activity. A strategic plan for 2015–2017 is being finalised and will set out the key steps for ABF implementation. A restructuring project, as outlined in *Future Health*, is being scoped in the context of the development of policy on a healthcare commissioning framework and roll-out of ABF. The revised road-map for delivering Universal Health Insurance will also inform this process.

Following the enactment of the Health (Pricing and Supply of Medical Goods) Act 2013 generic substitution and reference pricing continued to be introduced during 2014 which delivered almost €50 million in savings.

5.4 Health service delivery

The White Paper on Universal Health Insurance (UHI) was published in April 2014. The Department of Health, in conjunction with the Economic and Social Research Institute and other state agencies, is undertaking a major costing exercise to examine the cost implications of a change to a multi-payer UHI model as proposed in the White Paper. The resulting analysis will include a review of evidence of the effects on healthcare spending of alternative systems of financing and of changes in financing methods and entitlements. It will also estimate the cost of UHI for individuals, households and the Exchequer. Initial results from this exercise are expected in the near future, following which the Minister for Health will revert to Government with a roadmap on the next steps to UHI.

Work on the new Children's Hospital progressed in 2014, with stage one design for the hospital building completed, and engagement has commenced with staff and families in relation to detailed design. The relocation of the National Maternity Hospital to the St. Vincent's University Campus is progressing with the preliminary design stage completed in December 2014.

The Minister for Health has set a target that by mid-2015, persons will not have to wait more than 18 months for in-patient and day case treatment or an out-patient appointment. The Health Service Executive is working on an implementation plan to achieve this target and has committed, in its Service Plan 2015, to the publication of waiting lists at consultant and specialty level. Waiting list performance will be assessed within the revised accountability framework which is published as part of the Service Plan.

Hospital emergency department overcrowding is a priority issue for the Government and it has provided additional funding of €3 million in 2014 and €25 million in 2015 to address delayed discharges. The Health Service Executive is accessing all suitable non-acute accommodation to the maximum extent possible to allow those who have been clinically discharged to leave acute hospitals. Arrangements are in place to allow the recruitment of

staff where it has been established that there is an urgent service requirement and the number of nurses directly employed by the public health service is expected to increase in 2015.

The Protection of Children's Health (Tobacco Smoke in Mechanically Propelled Vehicles) Act 2014 was enacted in December 2014. The aim of the Act is to protect children by limiting their exposure to second-hand smoke. Regulations to bring the legislation into force are being drafted.

The Public Health (Standardised Packaging of Tobacco) Act 2015 was enacted in March 2015. Ireland is the first country in Europe and the second country in the world to pass such legislation. Under the terms of the Act, all forms of branding; trademarks, logos, colours and graphics, will be removed from tobacco packs. The brand and variant name will be presented in a uniform typeface for all brands and the packs will be in one plain neutral colour. The aim of the Act is to reduce the appeal of tobacco products, increase the effectiveness of health warnings and reduce the ability of branded tobacco packaging to mislead people about the harmful effects of smoking. Regulations on the prescribed aspects of the Act are being drafted.

5.5 Investing in the health care workforce

The Department of Health is responsible for formulating overall policy relating to workforce planning in the Irish public health service. Action 46 of *Future Health* provides for the Department to work with the Health Service Executive to implement an approach to workforce planning and development with the objectives of recruiting and retaining the right mix of staff, training and upskilling the workforce, providing for professional and career development and creating supportive and healthy workplaces.

In 2015, the Department of Health will develop a national integrated strategic framework for health workforce planning on a cross-sectoral basis, while the Health Service Executive will begin the deployment of an operational model for workforce planning and development; including systems, processes and tools. In the context of integrated models of care, *Future Health* will provide the overarching context for discipline-specific strategic workforce planning and development in the future which is intended to support the stability and sustainability of the health workforce in Ireland.

5.6 Enhancement of access to services and of patient's choice

In keeping with a commitment in the Programme for Government, the Lourdes Hospital Payment Scheme commenced in November 2013 and is being administered by the State Claims Agency. The Scheme provides awards ranging between €60,000 and €100,000 to women who were excluded from the original Lourdes Hospital Redress Scheme in 2007. By February 2015, €2.7 million had been awarded to 43 women, with a small number of applications to be determined.

The Government agreed, in July 2014, to the establishment of the Symphysiotomy Payment Scheme with approximately €34 million available for the payment of ex-gratia awards to women who underwent symphysiotomy in the State between 1940 and 1990. The Scheme commenced in November 2014 and some 570 applications have been received. By March

2015, over €8.7 million has been paid in awards ranging between €50,000 and €150,000 to 146 women.

The Health (General Practitioner Service) Act 2014, which provides the legal framework for the extension of general practitioner care free at the point of service to all children aged under six years, was enacted in July 2014. The objective is to have the service in place in Q2 2015, subject to the conclusion of contractual discussions and the completion of a fee-setting process.

The Directive on Patients' Rights in Cross-Border Healthcare seeks to ensure a clear and transparent framework for the provision of cross-border healthcare within the EU for those occasions where the care patients seek is provided in another Member State rather than in their home State. The Application of Patients' Rights in Cross-Border Healthcare Regulations 2014 implement three key provisions of the Directive; the National Contact Point, the reimbursement process and the prior authorisation process. Patients resident in Ireland can seek reimbursement of the costs of treatment received in other EU Member States, subject to terms and conditions. In February 2015, a further Regulation was promulgated which deals with the remaining substantive issue requiring transposition: a requirement for mandatory liability insurance for health professionals providing services under the terms of the Directive.

Chapter 6 - Recent reforms to achieve adequate social protection for long-term care needs

6.1 Stewardship of the long-term care system

The Health Act 2007 provides for the registration and inspection of all nursing homes; public, private and voluntary. Responsibility for the registration and inspection regime rests with the Health Information and Quality Authority which is the statutory body established under the Act. This regime, which began in 2009, replaced a system whereby the Health Service Executive registered and inspected private nursing homes only.

6.2 Financing and cost-sharing

The Nursing Homes Support Scheme provides financial support towards the cost of long-term residential care services in nursing homes. Under the Scheme, nursing home residents contribute towards the cost of their nursing home care based on their means and the Health Service Executive pays the balance. Means testing does not apply in the case of home care; the service is provided free and based on the assessed care needs of the person.

6.3 Preventing dependency

The Programme for Government committed to completing and implementing the National Positive Ageing Strategy so that older people are recognised, supported and enabled to live independent full lives. The Strategy was published in April 2013 and provides the blueprint for a whole of Government and whole of society approach to planning for an ageing society. A Healthy and Positive Ageing Initiative has been established to implement the research objective of the Strategy and will run from October 2014 to December 2017, with a commitment to funding for a further two years. The Initiative will monitor changes in older people's health and wellbeing linked to the goals and objectives of the Strategy. This will be done primarily through the development of positive ageing indicators to be published every two years.

In December 2014, the Irish National Dementia Strategy was published to increase awareness, ensure early diagnosis and intervention, and develop enhanced community based services. The Strategy sets out a number of principles to underpin the provision of care and supports for people with dementia. The Strategy is accompanied by a National Dementia Strategy Implementation Programme which includes the provision of intensive home care packages, an information campaign and resources for general practitioners.

6.4 Service delivery

Services for older people

In 2015, a total of €948 million is available to administer the Nursing Homes Support Scheme. As of the end of January 2015, over 22,000 people were being supported by the Scheme. In 2014, the Health Service Executive supported some 47,500 persons with home help services and provided approximately 10.3 million home help hours. Nationally, approximately 8% of the over 65 population are in receipt of some type of home help service.

In addition, over 18,500 home care packages were provided throughout 2014 benefitting approximately 3% of the over 65 population. Also, some 21,000 people over 65 years attended a day care service.

Services for people with disabilities

The report ‘Time to Move on from Congregated Settings – A Strategy for Community Inclusion’¹³ proposes a new model of support in the community for people with disabilities currently in congregated settings. To ensure that the needs of people transitioning from congregated settings are fully taken into account during the process, the model of care for individuals will be based on a person-centred plan. An implementation plan for deinstitutionalisation is being developed by the Health Service Executive and will be rolled out at regional and local levels, in full consultation with stakeholders. Also, configuration of adult day services for people with disabilities is underway, based on the provision of individualised and person-centred supports. This process will be expanded in 2015 with particular emphasis on providing places for school-leavers which meet the new person-centred model of services and supports.

6.5 Assuring and monitoring quality

Quality services for older people

All nursing homes are registered with and inspected by the Health Information and Quality Authority. The Health Act 2007 (Care and Welfare of Residents in Designated Centres for Older People) Regulations came into effect in July 2014 and the Registration of Designated Centres Regulations came into operation on 1 March 2015.

The Programme for Government commits to developing national standards for home support services which will be subject to a Health Information and Quality Authority inspection. The Health Service Executive, as part of a procurement process in 2012, introduced written standards of care in relation to external providers of home care packages. Providers are monitored through service level agreements and are supervised through regular operational meetings and review of care plans.

Quality services for people with disabilities

Regulations to allow for the registration and inspection of residential services for people with disabilities were signed in October 2013. The Health Information and Quality Authority is empowered to register, inspect and monitor such services. By the end of 2014, some 670 inspections had taken place and are leading to many improvements in these services.

6.6 Support to informal carers

The National Carers’ Strategy was published in July 2012 and sets the strategic direction for future policies, services and supports provided for carers. The Strategy contains a roadmap

¹³http://www.fedvol.ie/_fileupload/Next%20Steps/Time%20To%20Move%20On%20From%20Congregated%20Settings.pdf

for implementation with a suite of actions and associated timelines and identifies the authorities responsible for their implementation. The first Annual Report on the implementation of the Strategy was published in November 2013 and the second in January 2015.¹⁴ The Department of Health and the Health Service Executive met with carers' representatives at the Annual Carers' forum hosted by the Department of Social Protection in February 2015.

6.7 Enhancement of access to services and of patient's choice

The Nursing Homes Support Scheme is a national scheme. In order to manage the available funds through the year, a national placement list for the release of funding is operated by the Health Service Executive. A review of the Scheme is considering its future sustainability, taking account of Government policy, relevant demographic growth trends and the current and projected fiscal situation and to make recommendations as to how the scheme should operate in the short to medium-term. The review is expected to be completed in 2015.

¹⁴ <http://health.gov.ie/blog/publications/18388/>