Key Disability Measures in Budget 2027

Budget 2027 lacks a cross-departmental response to Disability

29 October 2026

Introduction

A significant development in this year's budget is the creation of a permanent Cost of Disability payment, following a campaign that has stretched nearly two decades. However, the payment has a number of critical limitations. The amount is well below what we and others across the disability community called for. It will also not reach the many people with disabilities who do not receive long-term disability welfare payments, such as disabled workers. Nonetheless, the existence of this payment is an important step, and the Government has committed to working with people with disabilities to shape it in future budgets.

In other ways this was an unusually opaque budget, with departmental negotiations running until the last minute. As a result, there was far less clarity on the specific allocations announced on the day. For instance, we are still awaiting detail on allocations to services within disability-specific community supports. There is more on this below.

There was welcome recognition that disability services require greater investment, but announcements alone will not resolve unmet need. Success will depend on whether funding is recurring, reaches disabled people equitably and enables voluntary disability service providers to recruit and retain the workforce needed.

Elsewhere, there was a welcome announcement on the commencement of the Vehicle Adaptation Scheme. If designed robustly it has the potential

to help many people with disabilities who have access to a car to improve their mobility within their community.

Each government department publishes a further breakdown of its specific budget provisions. The remainder of this document summarises disability related budget provisions across a number of government departments, with additional DFI analysis.

Department of Children, Disability and Equality, DCDE

Department budget of €7.5 Billion, of which €4.2 Billion is for disability specialist services.

- Funding for an additional 191,000 combined **home-support and Personal Assistant, PA hours.** The published information does not provide a separate figure for PA hours, making it difficult to assess the specific impact on provision.
- **Under 65s in inappropriate accommodation -** measures to support continued transition from inappropriate nursing-home placements to community living, but no indicative figures provided.
- Approximately 1,500 new **day-service** places, including 53 additional places for older adults.
- 150 additional posts for Children Disability Network Teams, supporting access to early intervention and therapies for more than 46,000 children.
- Funding to support two new Community **Neuro-Rehabilitation Teams**. One in the HSE Dublin and North-East Health Region and the other in the HSE South-East Health Region.
- An additional €62 million has been announced for **disability residential services**, including:
    - 212 new planned and urgent placements, comprising 100 planned and 112 urgent placements;
    - 22 enhanced places;
    - Enhanced support for existing residents with complex needs;
    - Continued transition to community living.
    - The wider Government Budget summary refers to 489 additional residential care packages overall.
- **Early-years inclusion:** Access and Inclusion Model supports will be extended to children under three from September 2027, with the Department estimating that approximately 1,000 young children will benefit.

- An additional €15 million will fund approximately 14,700 extra **respite sessions** over a full year.
- **Disability Reform investment** includes the *Equal Lives reform programme and funding for improved governance, data systems and service planning.

*Equal lives refers to DCDE's programme of reform currently underway looking at residential care, disability data, respite and community living services.

- **Workforce -** funding was announced for a further 930 frontline disability-service staff.

DFI Analysis

While the additional investment in specialist disability supports and services, and the wider disability workforce is welcome, there is insufficient detail on reach, regional allocations or funding for voluntary disability service providers. Some further information will be available following the Department's Letter of Determination to the Health Service Executive and through the HSE's Service Plan.

Demand for disability services continues to grow. People's needs are also changing and becoming more complex. Much of the additional funding therefore is needed to respond to existing service levels and current need. It may not represent a corresponding uplift in the support available to each person.

For voluntary disability service providing organisations, further clarity is needed on how Section 39 funded organisations and other voluntary organisations will access the additional investment. It is also unclear whether the investment adequately addresses existing workforce and non-pay costs.

Some voluntary disability organisations rely on fundraising to bridge gaps between public funding and the cost of delivering services. As demand and delivery costs increase, there is a real risk that organisations must raise additional funds simply to maintain existing services, rather than to develop or enhance them.

The Budget is also missing investment in innovation, and current service provisions are focused on maintaining existing levels.

DFI is also concerned about the additional employer costs arising from pension auto-enrolment. No specific provision for these costs has been identified within the announced disability-service measures. Without additional funding, these costs will increase pressure on organisations delivering publicly funded disability services.

Department of Social Protection

Department Budget of €30.9 billion.

- **Cost of disability payment** of €500 for the year to benefit people on long-term disability social welfare payments.
    - Payment due to commence in Q1 of 2027.
    - Co-design process to be undertaken throughout 2027 to establish a permanent CoD payment for introduction in 2028.
- **Core welfare rates** increased by €10.
- A €10 increase in the weekly **employment earnings disregard** for both Disability Allowance and Blind Pension, raising it from €165 to €175 per week starting July 2027.
- **Fuel allowance** increased by €5/week to €43 a week but not extended to people on illness benefit. People on disability allowance, invalid**it**y pension, and blind pension already qualify for fuel allowance.
- **Increase to income disregard** for carers to €1,150 for a single person, €2,300 for a couple, with a €100 home carer credit increase also included.
- Extension of the **Wage Subsidy Scheme,** WSS to those moving to Partial Capacity Benefit from Illness Benefit.
- Reduction in minimum hours to qualify for the WSS from 15 to 8 hours.
- **Christmas bonus** will be paid in December 2026 for those receiving a long-term disability payment.
- Increase in hours of communication/Irish Sign Language under the **work and access programme**.

DFI Analysis

DFI has long called for improvement in social welfare payments. To specifically reduce people's risk of poverty, social welfare rates should be indexed or benchmarked annually to a level above the poverty line and should consider inflation and wage growth. The budget provisions fall short of our pre-budget asks which outlined a requirement for a €15 increase in core social welfare rates.

On the positive side, a cost of disability budget line is a major development. Much research and evidence has already been gathered, through the Indecon report, submissions to the Department on CoD and the CoD summit held early this year. The co-design process for a permanent cost of disability payment committed to in Budget 2027 should begin as soon as possible to ensure that sufficient time is allocated. It also needs to include a broad representation of disabled people to ensure inclusive representation.

Department of Health

Department budget of €29.1 billion, including an additional €1.76 billion for hospital, community, mental-health capacity and health-service reform.

- An additional 1.8 million **home-support hours for older people**, alongside expanded community supports. This is separate from the additional disability home-support and Personal Assistance hours outlined above.
- Expansion of community crisis **mental-health supports**, including:
  - Extension of the Suicide Crisis Assessment Nurse programme to all counties,
  - Two new rural Crisis Resolution Teams
  - Six additional out-of-hours Solace peer-support cafés[1].
- Four additional Jigsaw **youth mental-health services** planned, alongside **40 additional clinicians** to support a **new ADHD pathway** and enhanced mental health supports for children and adolescents with intellectual disabilities within CAMHS[2].
- 33,000 additional hours of **free counselling** through community-based mental-health provision. This is a mainstream measure rather than a disability-specific allocation, but it may be relevant to disabled people experiencing barriers in accessing mental-health support.[3]
- Additional investment intended to improve **children's oral and orthodontic services,** including reducing School Dental Programme waiting lists and improving access to more complex dental treatment.
- **Digital health** with continued rollout of the HSE Health App, shared care records and ePrescribing, alongside progress towards a national Electronic Health Record.
- Support earlier access to new medicines **for rare diseases**.
- **Care closer to home** with additional hospital, community and mental-health capacity, together with expanded virtual-care options across the six Health Regions.

[1] https://www.gov.ie/en/department-of-health/press-releases/budget-2027-delivers-291-billion-for-health-services-as-government-continues-investment-in-more-care-closer-to-home/

[3] https://www.gov.ie/en/department-of-health/press-releases/minister-butler-marks-world-mental-health-day-2026-by-announcing-11-million-investment-in-early-intervention-youth-mental-health-and-talk-therapies/

DFI Analysis

Investment in community services, mental health, oral health and care closer to home is welcome. However, greater capacity will not automatically deliver equal access. Services must be accessible and provide reasonable accommodation to ensure access for disabled people. Implementation must include people with intellectual disabilities, neurological conditions and complex support requirements. It must also include others who experience barriers to mainstream healthcare.

Of concern with the announced Health budget is the lack of movement on the prescription charge thresholds, despite DFI having requested both a reduction in the monthly cap of the Drug Payment Scheme from €80 to €60, and a plan to stabilise the high costs of certain drugs. DFI had also, among other asks, called for the creation of dedicated neurology services in regional hospitals, to improve access to timely diagnosis and appropriate care. This was not announced.

We continue to call for means testing for the medical card to be replaced with a need-based assessment, though this requires policy and legislative change beyond the scope of the budget.

Finally, while the earlier-access medicines pilot for rare diseases is a welcome and potentially important development, it should not be treated as equivalent to implementation of the National Rare Disease Strategy. Further detail is required on funding, eligibility, timelines and regional access, as well as investment in diagnosis, genetics, care coordination, specialist expertise and patient pathways. Success should be measured not only by the number of medicines approved, but by whether people experience earlier diagnosis, timely and equitable access to treatment, and coordinated lifelong care.

Department of Education and Youth

Department budget of €14.435 billion[4]. Of this €12.835 billion is allocated for core and temporary measures, with capital funding of €1.6 billion under the National Development Plan.

- 1,353 additional **Special Education Teachers.**
- 2,339 additional **Special Needs Assistants**.
- Some €24 million has been allocated to the **Education Therapy Service**, ETS in 2027. Provisions in this budget are to ensure that all

[4] Key_Features_Budget_2027.pdf

special schools have access to ETS before the programme is gradually extended mainstream classes.

Department of Housing, Local Government and Heritage

Department Budget of €11.92 billion.

- Local Authorities will be given greater funding and borrowing powers, but we have few details on how this will be used
- **€360 million for housing adaptation** and retrofitting social homes, a breakdown of how much will go to which programme is not yet known.
- Cap under **Help to Buy** has increased to €35,000.
- **Rent Tax Credit** raised to €1,150 for a single person and €2,300 for a couple.
- **Rent tax credit** to increase, possibly to €1,200.
- €3 billion for 12,000 **new social housing** delivery. No mention of accessibility within social housing announcement.
- €1 billion to support delivery of 15,000 **new start homes**.
- €750 million to (i) **adaptation grants for homes**, (ii) retrofitting of social homes, (iii) the remediation of homes affected by defects and (iv) expanded State-owned temporary accommodation capacity. No breakdown across these schemes was provided, nor how much additionality will be available for the housing adaptation grant.

Department of Transport

Department budget of €5.551 billion.

- There will be an increase in the **Public Service Obligation** allocation to provide new rural and wider public transport services. Expansion of Local Link services has also been announced, but details remain limited.
- €6.5 million has been allocated to establish and run the **Vehicle Adaptation Scheme,** which is due to commence in 2027 following consultation. This is intended to support drivers and passengers who require adaptations to enter, exit or operate a motor vehicle.
- A new **Transport Accessibility Scheme** was announced, but details remain limited.

- A ringfenced programme was mentioned for the **retrofitting of public transport infrastructure** for accessibility across the bus and rail networks.

Department of Enterprise, Tourism and Employment

Department budget allocation of €1.3485 billion.

- Plan to look at barriers to employment for disabled people announced, but no details or funding included in the announcement
- Minimum wage increased to €14.94/hour, a 79 cent increase.

Department of Finance

- **VAT Compensation Scheme:** The annual fund will increase from €10 million to €15 million in 2027. Eligible charities can claim partial compensation for VAT costs, with refunds linked to their level of non-public funding. Where total eligible claims exceed the €15 million fund, payments are made on a pro-rata basis[5].
- Expansion of the 2% band of the USC, so no one on minimum wage pays more than 2%.

[5] Department of Finance's Budget 2027 Tax Policy Changes under "Other Taxation Measures – VAT Charity Compensation Scheme."