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**An Bille Leasa Shóisialaigh, 2015**  
**Social Welfare Bill 2015**

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*Meabhrán Mínteach*  
*Explanatory Memorandum*

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**AN BILLE LEASA SHÓISIALAIGH, 2015**  
**SOCIAL WELFARE BILL 2015**

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**EXPLANATORY MEMORANDUM**

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**Introduction**

*Main Provisions*

This Bill is designed to give legislative effect to a range of Social Welfare measures announced in the Budget Statement of 13 October 2015, which are, in the main, due to come into effect in early 2016. The measures in question provide for increases to the pension payable to persons who are over the age of 66 years and their qualified adults, as well as increases in the rate of Child Benefit, Respite Care Grant, (which is renamed as the Carer's Support Grant) and Family Income Supplement. The Bill also provides for an increase in the period for which Carer's Allowance is payable after the death of the care recipient.

The Bill provides for a new tapered PRSI credit for certain Class A employees and an increase in the upper weekly earnings threshold at which the lower Class A (7.8%) rate of employer PRSI applies.

The Bill comprises 2 Parts and 10 sections, together with two Schedules.

**PART 1**

**PRELIMINARY AND GENERAL**

*Section 1* provides for the short title of the Bill, its construction and collective citation with the Social Welfare Acts.

**PART 2**

**AMENDMENT TO SOCIAL WELFARE ACTS**

**Definitions**

*Section 2* provides for the definition of certain common terms used in Part 2 of the Bill.

**Social insurance benefits (new rates)**

*Section 3* provides for increases in the personal rates of certain pensions (for those aged 66 and over) as well as increases for the qualified adults of those persons.

In the case of Death Benefit recipients who have attained pensionable age the rate of benefit is increased by €3.

The weekly personal rate of the State Pension (Contributory) is increased from €230.30 to €233.30. An additional €2 is payable where a qualified adult is under 66 years of age. In the case of a qualified adult over 66 years of age an additional increase of €2.70 is payable.

In the case of Invalidity Pension, the additional amount payable in respect of a qualified adult who attained the age of 66 before 2 January 2014 is increased by €2.70 (from €68.20 to €70.90).

In the case of Deserted Wife's Benefit, Widow's, Widower's and Surviving Civil Partner's (Contributory) Pension, the additional increase for a beneficiary who has attained pensionable age is increased from €36.80 to €39.80.

In the case of Incapacity Supplement, the additional amount payable in respect of a beneficiary who has attained the age of 66 years is increased from €16.30 to €19.30 while the additional amount payable in respect of a qualified adult who has attained the age of 66 years is increased from €10.80 to €12.80.

This section comes into operation in respect of the Invalidity Pension and Deserted Wife's Benefit increases on 7 January 2016, and in respect of the increases to Incapacity Supplement, Death Benefit, State Pension (Contributory), Widow's (Contributory) Pension, Widower's (Contributory) Pension and Surviving Civil Partner's (Contributory) Pension, on 8 January 2016.

#### **Social assistance payments (new rates)**

*Section 4* and Schedule 1 to the Bill provide for a €3 increase in the personal rate of State Pension (Non-Contributory) from €219.00 to €222.00 for those whose means do not exceed €30, as well as providing for an increase of €2 (from €144.70 to €146.70) in respect of qualified adults. The section also provides for proportionate increases for those on reduced rates due to means.

In the case of recipients of Carer's Allowance, the additional payment for beneficiaries who have attained pensionable age is increased, from €35.00 to €38.00 in the case of a beneficiary who cares for one person, and from €52.50 to €57.00 in the case of a beneficiary who cares for more than one person.

This section comes into operation in respect of Carer's Allowance on 7 January 2016 and in respect of State Pension (Non-Contributory) on 8 January 2016.

#### **Renaming of respite care grant**

*Section 5* and Schedule 2 to the Bill provide for the renaming of the Respite Care Grant to Carer's Support Grant. The section also provides for every reference to Respite Care Grant in the Social Welfare Consolidation Act 2005 and the Social Welfare (Consolidated Claims, Payments and Control) Regulations 2007 to be amended to Carer's Support Grant.

This section comes into operation on 1 January 2016.

#### **Carer's support grant – new rate**

*Section 6* provides for an increase of €325 to the annual Carer's Support Grant (currently the Respite Care Grant) from €1,375 to €1,700.

This measure comes into operation on 1 June 2016.

#### **Amounts of child benefit**

*Section 7* provides for an increase in the monthly rate of Child Benefit, from €135 to €140.

This measure comes into operation on 1 January 2016.

**Family income supplement (new weekly rates)**

*Section 8* provides for an increase of €5 per week in the Family Income Supplement (FIS) earnings threshold for families with one child and €10 per week in thresholds for families containing two or more children.

This measure comes into operation on 7 January 2016.

**Payment after death – carer’s allowance**

*Section 9* provides for the period for which Carer’s Allowance is payable following the death of the person being cared for, to be extended to a period of twelve weeks. Currently, the period of payment is six weeks.

This change comes into operation on 1 January 2016.

**Employment contributions – increase in PRSI thresholds**

*Section 10* provides for the following changes in Pay-Related Social Insurance (PRSI):

- A new tapered PRSI Credit for employees insured at Class A whose earnings are between €352.01 and €424 per week,
- An increase in the upper threshold at which the lower (7.8%) Class A rate of employer PRSI applies from €356 to €376 per week.

This measure takes effect from 1 January 2016.

*An Roinn Coimirce Sóisialaí,  
Deireadh Fómhair, 2015.*