



DEPARTMENT OF SOCIAL AND FAMILY AFFAIRS ANNUAL REPORT 2005

Our mission is to promote a caring society through ensuring access to income support and other services, enabling active participation, promoting social inclusion and supporting families.

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FOREWORD FROM THE MINISTER



I welcome the publication of the 2005 Annual Report of my Department. It is a record of our delivery of policies which make real differences to the lives of a very large number of people. These policies are informed by the principle of equality of opportunity and are geared towards allowing people to access opportunities, especially in the areas of training, enterprise development and returning to work. These opportunities, in turn, help people avoid poverty and social exclusion.

Expenditure by the Department exceeded twelve billion euro in 2005, an increase of 7.76 % on 2004.

The progress made in social welfare provision during 2005 is documented in this report. The improvements in the front-line delivery of customer service, including longer opening hours in local offices and improved IT systems, are proof of the continuing emphasis in my Department on quality customer service. The major increases in payments introduced in the Budget of December 2005 show our commitment to those who, through unemployment, illness or old age, would be in danger of social exclusion. The Child Benefit increases also demonstrate our commitment to families who experience high child-minding costs. This is augmented by the extension of the Back to School Clothing and Footwear Allowance and by increased spending on school meals. It is my intention to continue to support these key areas of expenditure in the future.

I wish to thank the staff of my Department for their support and commitment during the year.

A handwritten signature in blue ink that reads "Seamus Brennan". The signature is written in a cursive style with a long horizontal flourish at the end.

Seamus Brennan, TD
Minister for Social and Family Affairs

INTRODUCTION FROM THE SECRETARY-GENERAL



This Annual Report is the first on the Department's Strategy Statement 2005-2007 *Security with opportunity*. It documents the progress we made in 2005 in delivering our commitments under the Strategy.

The main priority of the Department continues to be the delivery of services to our customers in an efficient and effective manner. A number of significant improvements were made in the delivery of these services in 2005.

The delivery of customer service was supported by improved IT services and this reflects the progress being made at all levels in delivering on the modernisation agenda throughout the Department, as set out in detail in this report.

As part of our commitment to customer consultation a major independent customer survey was carried out nationwide in 2005. This afforded over 1,000 customers an opportunity to contribute their opinions on the quality of service they have received from departmental staff and to suggest areas of improvement in the service provided. The improved satisfaction level with service received over the previous survey findings is very encouraging.

Among the main goals of our organisation is one to support families and to strive to attain better outcomes in tackling poverty. These twin aims are best achieved by improved employment opportunities and decreasing barriers to work. A major strategic initiative towards achieving those aims, directed towards large households and those headed by lone parents, began in 2005.

The many achievements in 2005, documented in this report, were made possible by the flexibility and commitment of the staff of the Department. We are fortunate to have, at all levels, in the Department, staff who are deeply committed to the work they do, frequently in challenging circumstances, and I would like to thank them for their efforts over the year.

A handwritten signature in blue ink, appearing to read 'John Hynes'.

John Hynes
Secretary-General

CHAPTER 01

THE DEPARTMENT - ITS BUSINESS AND ORGANISATION

THE DEPARTMENT - ITS BUSINESS AND ORGANISATION

→ The main functions of the Department are:

- to formulate appropriate social protection policies;
- to administer and manage the delivery of statutory and non-statutory social and family schemes and services; and
- to work with other Departments and agencies in the delivery of Government priorities.

The main business of the Department continues to be the provision of income support, including insurance (PRSI) based payments, social assistance (means tested) payments, associated secondary benefits and universal schemes such as child benefit. The Department is also responsible for the provision, either directly or indirectly through its agencies, of other services designed to support individuals and families in participating actively in society. This also requires collaboration with other Government Departments and Agencies and with the voluntary and community sector.

→ Organisation of the Department

The Department employs 4,747 people (4,293.9 full-time equivalent posts) and is structured on Aireacht/Executive lines.

The **Aireacht** provides a range of corporate services comprising Personnel (including the Employee Assistance Service), Corporate and Staff Development Units, Finance, and Internal Audit. It also includes the policy area - the Planning Division - which is responsible for the formulation of social protection and other social support policies, the preparation of legislation and for the provision of policy support and advice to the Minister.

Social Welfare Services (SWS) is the executive arm of the Department and is responsible for the administration and management of social welfare schemes and services through a network of local, regional and other offices. Our main offices are located in Dublin, Dundalk, Letterkenny, Longford, Sligo and Waterford.

Regional Structure: The local delivery of some services and control related activities is structured on a regional basis. Within these regions there is a network of 58 Social Welfare Local Offices (SWLOs) and 68 Branch Offices (SWBOs).

Social Welfare Appeals Office is the independent Office responsible for determining appeals against decisions on social welfare entitlements.

The **Reach** agency (www.reachservices.ie), which reports to the Department, was established to promote radical improvement in public service delivery by developing a range of common services for Departments and agencies to be delivered through the Public Sector Broker (PSB).

MANAGEMENT ADVISORY COMMITTEE



JOHN HYNES
Secretary General



BERNADETTE LACEY
Director General



GERRY DALY
Assistant Director General



TOM MULHERIN
Assistant Secretary



ALICE O'FLYNN
Assistant Secretary



BRIAN O RAGHALLAIGH
Assistant Director General



VERA DERVAN
Director



GERRY MANGAN
Director



NIALL BARRY
Director



MAUREEN WALDRON
Director



EOIN O'BROIN
Director



OLIVER RYAN
Director – REACH



BRIAN FLYNN
Director

→ Statutory Agencies

There are five offices which come under the aegis of the Department:

- **Comhairle** which has responsibility for supporting the provision of independent information, advice and advocacy services for citizens. OASIS (On-line Access to Services, Information and Support), is a public service information system provided over the Internet by Comhairle (www.comhairle.ie);
- **Combat Poverty Agency (CPA)** which has responsibilities in the areas of advice to the Minister, research, action programmes and information in relation to poverty in Ireland (www.combatpoverty.ie);
- **Family Support Agency (FSA)** which is responsible for the provision of a family mediation service, the support, promotion and development of marriage and relationship counselling and other family supports, and the Family and Community Services Resource programme. The Agency's responsibilities also include undertaking research, providing and disseminating information about parenting and family issues, and providing advice to the Minister on matters relating to families (www.fsa.ie);
- **Pensions Ombudsman**
The Office of the Pensions Ombudsman investigates complaints that an individual has suffered a financial loss because of maladministration, disputes of fact or law, in relation to occupational pension schemes or Personal Retirement Savings Accounts. The Pensions Ombudsman is a statutory officer and exercises his functions independently. He reports to the Houses of the Oireachtas (www.pensionsombudsman.ie);
- **The Pensions Board**
The Pensions Board which is responsible for overseeing the implementation of the Pensions Act which relates to the administration of occupational schemes and Personal Retirement Savings Accounts (www.pensionsboard.ie).

CHAPTER 02

2005 IN REVIEW

2005 IN REVIEW

→ The context

The Department's work in 2005 was against a strong economic background. The Irish economy continued to perform well, with the strongest rate of growth in the Euro area last year. GDP rose by 4.7% in 2005 and the corresponding increase in GNP was 5.4%. Unemployment rates have dropped from 10.4% in 1997 to 4.4% in 2005, one of the lowest rates in Europe. The labour force grew by 4.5% to over 2 million people. This reflects changing social trends (increased participation rates) as well as returned emigrants and non Irish nationals, in particular people from the new EU member states. During 2005, the Department had to adapt to this widening of its customer base.

The Department's policies continued to be shaped in 2005 by the Programme for Government (launched in 2002 and reviewed in 2004) the Social Partnership Agreement '*Sustaining Progress*' which was reviewed, mid term, in 2004 and the National Action Plan to combat poverty and social inclusion.

→ Customer Service

Almost one million people are in receipt of social welfare payments each week. This means the Department's business involves direct interaction with a large cross section of the population. Consultation with these customers is an integral part of the Department's business and as part of the ongoing programme of consultation, it commissions an independent national customer service survey every five years.

The most recent survey took place in 2005. A total of 1,018 interviews were completed between September and November 2005. Interviews were conducted face to face in respondents' own homes. The sample was structured to be reflective

of the Department's customer base in terms of age, gender and region.

Overall satisfaction with the service received from the Department is high. Forty five percent of survey respondents are very satisfied and a further 43% are fairly satisfied. This is an increase in overall satisfaction levels of 4% compared to similar research conducted in 2001. This high level of satisfaction is supported by high ratings achieved across specific areas researched including: Department staff, Social Welfare Office facilities, communications, claims processing and information provision.

Some other findings from the survey are

- 96% of customers are satisfied with the deposit payment methods
- 84% found forms easy to complete
- 86% of customers are aware of PPSN and its uses compared to 15% in 2001.

→ Pensions Developments

Given the slow progress being made towards overall supplementary pension coverage targets, in February 2005 the Minister requested the Pensions Board to begin a review of the overall pension strategy. The Pensions Board finished its work in November 2005 and the report was published in January 2006. The report includes an assessment of the targets set in the National Pensions Policy Initiative in 1998, a review of the progress made towards achieving these targets together with a range of proposals designed to improve overall coverage. The Minister has requested the Pensions Board to undertake further work in this area in 2006.

→ Employment Supports

The Department continued to actively support its customers in returning to work, working with other agencies and through its own range of schemes.

Under the Employment Action Plan, over 46,000 people were referred to FÁS to avail of interventions such as guidance and training.

It is increasingly recognised that employment supports are not just relevant to people receiving unemployment payments, but can also benefit some of our other client groups, such as people with disabilities and lone parents. A pilot project took place in the Midlands region, aimed at exploring avenues to employment, training and education for young people on Disability Allowance. This was done as a multi agency project, involving FÁS and the HSE along with the Department.

In relation to lone parents, a sub group of the Senior Officials Group on Social Inclusion was set up in early 2005 to examine the obstacles to employment for lone parents. Further work on this is continuing in 2006.

→ Poverty and Social Inclusion

A key social inclusion priority for 2005 was the production of the NAP/Inclusion 2003-2005 Implementation and Update Report, which was submitted to the European Commission in June 2005. This report was prepared following an in depth monitoring and evaluation process which involved senior officials and policy owners from relevant Government Departments, representatives of the social partners and the voluntary and community sector. The report outlined progress achieved in relation to the social inclusion targets contained in Ireland's second NAP/Inclusion.

→ New Technology and e Government

Service Delivery Modernisation

Following an extensive examination of how best to deliver its own services in the future, the Department is currently implementing the Service Delivery Modernisation (SDM) programme, the aim being to deliver a high quality, proactive service to customers. The SDM programme is an ambitious multi-year programme of change, involving the introduction of new technology and the replacement of legacy computer systems. It also involves the redesign of back office systems, business processes, procedures and work practices and the introduction of new organisational structures.

In October 2005 the Contribution History Object (CHO) phase went live. The CHO facilitates the electronic consolidation of a customer's full insurance record and will allow, over time, easy access to these records some of which were previously only available on microfiche. This implementation is very significant in that it successfully marks the first release of the new SDM platform. The development of the next phase of SDM the Customer Object Development project - commenced in November 2005. This project will deliver a set of services around the customer, replacing the existing Central Records System (CRS) but also delivering capability not currently supported by the CRS.

Reach

The design and development of the Public Service Broker (PSB) has been completed and customer account and identity management services are deployed.

CHAPTER 03

THE DEPARTMENT'S GOALS

THE DEPARTMENT'S GOALS

→ Goal 1: RETIRED AND OLDER PEOPLE

To ensure adequate, secure and sustainable pensions for retired and older persons and provide additional services in response to changing needs which allow them to maintain a reasonable standard of living on attaining retirement age

→ Goal 2: PEOPLE OF WORKING AGE

To provide income supports and access to relevant services to people of working age who cannot secure an income (or adequate income) from employment and facilitate them in taking up relevant employment, training, education and development opportunities as appropriate

→ Goal 3: CHILDREN

To ensure the well-being of all children through income support that assists with child-rearing costs in general, including those which arise in circumstances of particular need or disadvantage

→ Goal 4: COVERAGE, ACCESS AND ENTITLEMENT

To ensure that the range and level of social security coverage is appropriate to the social and economic circumstances of different groups, that the services for which people are eligible are readily accessible and delivered in an efficient, effective and integrated way, through direct provision to our customers and by supporting agencies in providing services to our customers

→ Goal 5: POVERTY, SOCIAL INCLUSION AND FAMILIES

To support and promote families and to attain better outcomes in tackling poverty and achieving a more inclusive society through co-operating, developing and implementing national anti-poverty strategies, and through the provision of income and other support services for people in debt or at risk of experiencing hardship

→ Goal 6: THE DEPARTMENT AND ITS STAFF

To develop an effective, adaptable and capable organisation and a culture of pride, innovation and performance with a high level of involvement by people at all levels and a climate which fosters personal and career development

CHAPTER 04

GOAL 1: RETIRED AND OLDER PEOPLE

GOAL 1: RETIRED AND OLDER PEOPLE

To ensure adequate, secure and sustainable pensions for retired and older persons and provide additional services in response to changing needs which allow them to maintain a reasonable standard of living on attaining retirement age

At the end of December 2005, approximately 300,000 people were in receipt of retirement or old age pensions while 59,000 qualified adults and 3,000 children also benefited. In addition, there were over 1.5 million recipients of the Household Benefits Package (Electricity/Gas Allowance, Free Television Licence and Telephone Allowance) and the Free Travel Pass, the majority of which were in receipt of pensions for older people.

→ OBJECTIVE 1

Achieve a high level of customer satisfaction by delivering social insurance and assistance pensions and additional services to a high standard.

→ Customer Service

Processing times for pension claims improved on 2004 in a majority of pension categories. See Appendix 1, p. 66 - *Status Report on Organisational Targets* - for details.

Improving access to information on all aspects of the social welfare system is a critical aspect of customer service in the Department.

Improvements in this area in 2005 included the upgrading of the LoCall help line and the provision of forms and leaflets drawn up in accordance with 'Plain English' guidelines. A new procedure for the recovery of foreign pension lodgements that occasionally do not transfer to customer accounts was initiated in Pensions Services Office in November 2005.

→ Service Delivery Model (SDM)

The Service Delivery Modernisation programme is a multi - annual programme of work involving the introduction of new technology and the

replacement of legacy computer systems. It also involves the redesign of back office systems, business processes, procedures and work practices and the introduction of new organisational structures.

The programme, which comprises business, organisation, and technical streams, is designed to be implemented in self contained phases.

The first phase of SDM which focused on the Child Benefit scheme was successfully implemented in November 2002. The current phase covers the extension of the SDM programme to Retirement Pension, Old Age Contributory Pension, Household Benefits, Free Travel, Bereavement Grant and Overpayment and Debt Management. In October 2005 the Contribution History Object function was implemented. This facilitates the electronic consolidation of a customer's full insurance record and will, over time, allow easy access to these records, some of which were previously only available on microfiche.

→ Control activity

A review of Retirement and Contributory pension cases, to verify the circumstances of the qualified adult where an Increase for a Qualified Adult (IQA) was in payment, was carried out in Pensions Services Office, Sligo. The resulting savings amounted to €1.7m. In addition, increases in payment rates to a number of those reviewed amounted to €450k. As part of the introduction of a risk management approach in the area of control generally, control risk analysis was carried out on the old-age non-contributory scheme in PSO in December 2004. This resulted in the identification of a number of potential control risks and the preparation and implementation of an action plan aimed at addressing the risks.

→ OBJECTIVE 2

Ensure the overall pension system provides a reasonable level of replacement income for retired and older persons and their survivors by:

(a) Providing adequate and sustainable state pensions and

(b) Ensuring extensive, secure and adequate supplementary pension provision, in consultation with the Pensions Board.

(a) Providing adequate and sustainable state pensions

→ Improvements in income for retired and older persons

The 2005 Budget made provisions for improvements in weekly rates of payment. These increases came into effect from January 2005. In addition, in December 2005 the following increases in relation to payments to retired and elderly people were announced in Budget 2006 and came into effect from January 2006:

→ Personal rates of payment

A €14 increase in the personal rate of payment for all pensioners aged 66 or over (65 in the case of Retirement (RP) and Invalidity Pension (IP)) was introduced. This brought the maximum rate of the Old Age Contributory (OACP) and Retirement Pensions to €193.30 per week and the Old Age Non Contributory Pension (OANCP) to €182 per week.

The basic means disregard was increased to €20 per week and an earnings disregard of €100 per week was introduced. The former will benefit over 30,000 people receiving payment at less than the full rate. The latter measure is intended as an incentive to older people who wish to extend their working lives.

These increases moved pension rates closer to the overall Government target of €200 per week for the basic pension to be achieved by 2007. Proportionate increases for all persons in receipt of reduced rates were also announced.

→ Qualified Adult Allowance (QAA)

An increase of €10.80 per week was announced for Qualified Adults (QAs) aged 66 and over who are in receipt of Old Age Contributory Pension, Retirement Pension or Invalidity Pension; €12.10 per week increase for Invalidity Pension QAs aged under 66; €9.30 per week increase for Old Age Contributory Pension and Retirement Pension QAs aged under 66; €10.60 per week increase for OAP QAs aged under 66 and those 66 and over, and Blind Persons Pension QAs aged under 66 and a €11.30 per week increase for all other QAs. Proportionate increases were introduced for all QAs in receipt of reduced rates.

→ Old Age Pension/WP/BPP/DWA/PWA/OPFP (aged 66 and over).

Special additional increase of €2.00 per week in the rate of Old Age Pension, Widow(er)'s Pension, Blind Person's Pension, Deserted Wives Allowance/Prisoners Wives Allowance/One-Parent Family Payment (aged 66 and over) was introduced bringing the total weekly increase in the personal rate to €16 per week.

→ State Non-Contributory Pension

An enhanced common non-contributory pension for all pension recipients aged 66 and over was introduced replacing the current Old Age Non-Contributory Pension, Widow(er)'s Non-Contributory Pension (aged 66 and over), Blind Person's Pension (aged 66 and over), Deserted/Prisoners Wife's Allowance and One-Parent Family Payment (aged 66 and over). In addition, the means disregard was increased by €12.40 per week, to €20 per week and a disregard of earnings from employment of €100 per week was introduced for all non-contributory pensioners.

→ Assessment of capital

As a result of a provision of Budget 2005 the formula for assessing capital, i.e., savings, investments, cash-on-hands and the value of property excluding the claimant's own home, was substantially improved. The amount of capital

that is disregarded in the means test increased from €12,697.38 to €20,000.00 from June 2005. In addition, the way in which capital in excess of €20,000 is assessed as means was substantially improved. The application of the increased disregard and the improved means assessment formula could result in an increased rate of pension for up to 7,300 old age non-contributory, widow/er non-contributory and blind pensioners whose means are derived wholly, or in part, from capital.

(b) Ensuring extensive, secure and adequate supplementary pension provision, in consultation with the Pensions Board

→ National Pensions Review

Results from the Central Statistics Office (CSO) Quarterly National Household Survey (QNHS) for Quarter 1 of 2005 show little change in the rate of supplementary pension coverage over the year in question, being around 52% of those at work. Up to the end of December 2005 some 68,260 Personal Retirement Accounts had been opened with a total asset value of €451 million. In February 2005 the Minister requested the Pensions Board to commence a review of the overall pensions strategy. The Pensions Board completed its work in November 2005 and the report was published in January 2006.

The report includes an assessment of the targets set in the National Pension Policy Initiative in 1998, a review of the progress made towards achieving these targets together with a range of proposals designed to improve overall coverage of occupational pensions. The latter includes a continuation of the existing voluntary system and various models of mandatory retirement savings. The report also updates projections on the ageing of the population and associated pension costs. The Minister has requested the Pensions Board to undertake further work in the area, particularly in relation to a mandatory approach, in 2006.

→ Defined Benefit (DB) arrangements

Amendments to the Pensions Act 1990 were made via the Social Welfare and Pensions Act 2005, to implement the recommendations from the Pensions Board to the Minister on foot of a review of the funding standard for DB pension schemes which was carried out by the Board. One of the recommendations was that the grounds on which extensions can be allowed should be expanded to encompass difficulties arising from increased liabilities. On foot of this recommendation, regulations were made in September 2005 to provide for the additional grounds under which an extended funding period may be allowed.

→ National Pensions Awareness Campaign

The National Pensions Awareness Campaign was continued by the Pensions Board in 2005 with an extensive campaign which included radio, television and cinema advertising. The Board also used public events such as the National Ploughing Championships to promote awareness. The main feature of the campaign in 2005 was a Pensions Action Week in May which was very well supported by pensions providers.

→ OBJECTIVE 3

Implement relevant national and international legislation.

→ New legislation

The Social Welfare and Pensions Act 2005 was enacted in March 2005. The Act provides for a number of amendments to the Pensions Act 1990, to implement the EU Directive (2003/41/EC) on the activities and supervision of the Institutions for Occupational Retirement Provision (IORPS) and to provide for the implementation of the Pensions Board's recommendations on funding standards and a number of miscellaneous amendments.

→ EU Directive 2003/41/EC

This Directive provides a framework for the operation and supervision of occupational pension schemes and allows for cross border activity in relation to pension provision. For the first time, it allows employers based in one Member State to contribute to pension schemes in other member states and by doing so is designed to encourage pan-EU pensions. A number of amendments to the Pensions Act were required to ensure compliance with this Directive. The implementation, which included the making of six consequential Regulations, was completed in full in September 2005, the deadline for transposition of the EU Directive. This Directive will facilitate Ireland becoming a hub for the location of pension arrangements.

For details of the entire legislative programme for 2005 see Appendix 4, pp 76-87 .

→ Other international developments

Discussions commenced with the social security organisations of Australia and New Zealand regarding secure electronic methods of data exchange in order to streamline decisions on pension entitlements under the bilateral agreements with these countries.

→ OBJECTIVE 4

Simplify the regulatory environment in which occupational/personal pensions operate.

→ Simplification review

The Department completed a simplification review of the Disclosure of Information Regulations in conjunction with the Pensions Board, in relation to occupational pensions and also ensured they were compliant with the EU Directive on IORPS and the revised Funding Standard arrangements. The new Disclosure of Information Regulations were signed in September 2005.

→ OBJECTIVE 5

Review and develop the opportunities for improved service to customers of Household Benefits Package and Free Travel.

→ Review of Household Benefits Package

The Household Benefits package, which comprises the Electricity/Gas Allowance, Telephone Allowance and free Television Licence is available to people living permanently in the State who satisfy specific qualifying criteria. The current administrative arrangements were designed for a relationship with a single provider per utility market and are not sustainable in a deregulated energy market environment with multiple service providers. In addition, the Department must comply with the requirements of the relevant Commissioners for Communications and Energy Regulation with regard to customer choice and market competition. The Department commissioned a review of the Household Benefits package and working relationships with utility companies and the findings are under examination.

Work continued towards the replacement of the existing Free Travel pass to improve customer service and security. Discussions took place between officials of the Department and the Department of Regional Development in Northern Ireland on the implementation of an All Ireland Free Travel Scheme for pensioners.

→ Transport pilot schemes

The Department contributed €750,000 in 2005 towards the 34 pilot transport schemes in the Rural Transport Initiative operated by POBAIL on behalf of the Department of Transport. This ensures that Free Travel pass holders can travel free of charge on these arrangements.

CHAPTER 05

GOAL 2: PEOPLE OF WORKING AGE

GOAL 2: PEOPLE OF WORKING AGE

To provide income supports and access to relevant services to people of working age who cannot secure an income (or adequate income) from employment and facilitate them in taking up relevant employment, training, education and development opportunities as appropriate

The Labour Force increased by 92,200 to 2,071,900 in the year (Quarter 4, 2005) and accounted for 62.2% of all persons aged 15 and over compared with 61% in Quarter 4, 2004.

The average Live Register for 2005 was 157,117. This compares with 166,013 for 2004.

The LR at the beginning of January 2005 was 158,816 and by the end of December 2005 it had decreased to 155,833.

At the end of 2005 approximately half a million people of working age were in receipt of payments from this Department. These were paid mainly in respect of unemployment, pre-retirement, disability and invalidity, employment supports and one-parent families. These were supplemented by a range of supports to assist customers into training/employment.

→ OBJECTIVE 1

Achieve a high level of customer satisfaction by delivering social insurance and assistance payments and additional services to a high standard.

Customer service developments in the delivery of social insurance and assistance payments included the following:

(a) Lunchtime Opening

During 2005, lunchtime service was extended to a further eight local offices bringing to 41 the number of offices providing a service to the public from 9.30 a.m. to 4.00 p.m. A full customer service, other than certification, is being provided through lunchtime opening hours.

(b) Garda Signing

Garda involvement in the certification of unemployment for customers living more than six miles from a local office ceased in 2004. In early

2005 revised signing arrangements were introduced which saw the boundary for the designation of postal customers extended from six miles to ten miles (16 km.). These customers attend in person at their local or branch office once every four weeks for signing purposes. Customers living more than 16 km. from their nearest office self certify every month and attend in person at the local office once every 12 weeks. Special arrangements apply to customers on off-shore islands or in other remote areas.

(c) Claim authorisation (Disability Benefit)

A prioritisation target for claim processing of 30% in three days was exceeded in 2005. The target group was those employees who are not paid while out of work because of illness and who had no other source of income. This reduced the need for the persons concerned to apply for Supplementary Welfare Allowance and thereby reduced administration costs.

→ OBJECTIVE 2

Develop specific social welfare schemes for people of working age to ensure that they have an adequate, secure and sustainable income and related supports.

→ Budget provisions

The 2005 Budget made provisions for improvements in weekly rates of payments. These increases came into effect from January 2005. In addition, in Budget 2006 (December 2005) increases in relation to payments to people of working age were introduced. These included an increase of €17 in the personal rate of payment and an increase of €11.30 in the Qualified Adult Allowance rate. See Appendix 2, pp 67-73 for details.

→ Introduction of Disability Allowance (DA) Expenses Payment

With effect from 8 June 2005 a new weekly personal payment of €35 was made to people resident in institutions and who were not entitled to a disability allowance payment. This allowance has replaced the pocket money allowances that were paid to such residents by the Health Service Executive. This measure addressed the anomaly whereby people with disabilities who were resident in a health board institution prior to August 1999 were not generally entitled to receive DA as long as they continued to reside in an institution

→ Improved conditions for Disability Allowance and Blind Pension

A significant improvement, which will impact on people with disabilities, was announced in Budget 2006 in December 2005. It will enable people in receipt of Disability Allowance or Blind Pension to participate in or progress in employment and will mean that a single person can earn up to €390 per week before Disability Allowance or Blind Pension is fully withdrawn. With effect from June 2006, earnings between €120 and €350 will be assessed at 50% and Disability Allowance/Blind Pension will thus be withdrawn at 50 cents for every euro earned.

→ Consultation with Disability Sector and Groups

The Department, through its Disability Consultative Forum, met with the representative organisations and disability service providers on four occasions to discuss a range of issues relating to services for people with disabilities. The Forum continues to be an important feedback mechanism for the Department in this area.

→ OBJECTIVE 3

Engage meaningfully with persons of working age, particularly marginalised and excluded groups, and provide services directly and in cooperation with other relevant agencies to encourage and support these people in taking up relevant work, training, education or development opportunities.

→ Employment Action Plan (EAP)

There were 59,225 referrals to FÁS under the EAP, involving 46,705 individuals.

Under the terms of the Plan, anyone approaching six months duration on the Live Register is referred to FÁS to avail of interventions such as guidance and training. Of these, 30,691 (66%) were interviewed by FÁS by end 2005.

Everyone aged between 18 and 55 years who is on the Live Register for over six month's duration is also referred to FÁS for guidance and training under this process. The referrals figure above also includes 10,591 such referrals (8,722 individuals). This process was rolled out across all regions of the Department during the second half of 2003 and continued in 2004 and 2005.

An evaluation of the EAP was undertaken on behalf of the Dept of Enterprise, Trade and Employment (DET&E), FÁS and the Dept of Social and Family Affairs. The recommendations contained in the report are being examined by the Department in conjunction with FÁS and the DET&E at present.

→ Supports for customers

In addition to the Employment Action Plan there are other supports available directly from the Department which are designed to assist customers of the Department and particularly marginalised and excluded groups. These include the provision of services directly and in co-operation with other relevant agencies to encourage and support these people in taking up relevant work, training, education or development opportunities.

The following allowances, grants and projects continued to assist those of working age to access the labour market in 2005:

→ Back To Education Allowance (BTEA):

With effect from September 2005 the qualifying period for the Back To Education Allowance, Third Level Option, was reduced from 15 months to 12 months. The qualifying period for the Second level Option was not changed.

An expenditure review of the scheme commenced in September 2003 and a report was published in September 2005. The review working group recommendations will be instrumental in shaping second-chance education and income support in the future.

→ Back To Work Allowance (BTWA):

The scheme has remained under constant review to ensure that it continues to be relevant to the prevailing labour market and economic climate. In that context it was considered necessary to reduce the qualifying criteria for access to the scheme for Live Register participants from 5 years to 2 years enabling customers to avail of this support at a much earlier stage of unemployment and preventing drift into very long term unemployment. In Budget 2006 the qualifying period for access to both strands of the scheme was reduced to 2 years.

→ Technical Assistance and Training Grants (TATS):

Potential BTW recipients setting up a business may receive financial assistance in relation to the following: financial projections and business accounts, preparing business plan, market research, start your own business course, computer training etc. Assistance is also available towards the cost of public liability insurance. Potential BTW recipients (employees) may also be financially assisted with preparation for interviews/cvs and computer/pc skills training. This grant to individuals is a practical support and

in 2005 4,080 grants amounting to €1.879m were advanced through this fund.

→ Grants towards the Development and Promotion of Second Chance Education Opportunities:

This Grants Scheme is designed to assist programmes, projects and initiatives that provide second-chance education opportunities to long-term unemployed people and other disadvantaged groups. The overall objective is to encourage those target groups to return to education and training as a means of improving their educational qualifications with a view to returning to the labour force.

Expenditure from the fund in 2005 totalled €318,500 and the budget allocation for 2006 is €380,000.



Minister Séamus Brennan and some young citizens at launch of information magazine for lone parents.

→ Income support for lone parents

One of the key tasks in the *Ending Child Poverty* initiative under *Sustaining Progress* is to address obstacles to employment for lone parents.

A sub-group of the Senior Officials Group on Social Inclusion was set up in early 2005 to examine the obstacles to employment for lone

parents, with particular emphasis on income supports, employment, education, childcare and support programmes and information. A Departmental Working Group was also established to review the income support arrangements for lone parents. This group looked at issues including the contingency basis of the one-parent family payment, the cohabitation rule and the fact that the payment may act as a disincentive to the formation of partnerships and discourage joint parenting. A consultation process with social partners and other interested parties was undertaken to inform the work of the group.

Publication of both reports was approved by Government. It is intended that the outcome of these reviews, together with initiatives already in place, will contribute to the development of proposals designed to better support and encourage both lone parents and those seeking work in achieving a better standard of living and improved employment and education opportunities.

→ Supporting People with Disabilities - Pilot Project

The Disability Allowance Pilot Project was initiated in January 2005 as a multi-agency response to increasing numbers applying for Disability Allowance with particular reference to those between the age of 16 and 25 years. The agencies involved in the project were the Department of Social and Family Affairs, FÁS and the Health Service Executive. Preliminary research into the employment and training support needs of those on a Disability Allowance payment was undertaken in counties Longford, Laois, Offaly and Westmeath and a series of one-to-one consultations took place with recipients of the allowance in the age cohort 16 to 25 years. The results of the pilot project are being evaluated.

See Appendix (a) pp 27-29 for examples of specific projects undertaken under the Department's Special Projects Fund

→ OBJECTIVE 4

Ensure income supports and associated secondary benefits do not create financial barriers to seeking, accepting or improving employment.

→ Improvements in work incentives for people with disabilities

As mentioned above, a significant improvement, which will impact on people with disabilities, was announced in the December 2005 Budget. It will allow people in receipt of Disability Allowance or Blind Pension to participate or progress in employment and will mean that a single person can earn up to €390 per week before Disability Allowance or Blind Pension is fully withdrawn. With effect from June 2006, earnings between €120 and €350 will be assessed at 50% and Disability Allowance/Blind Pension will thus be withdrawn at 50 cents for every euro earned.

→ OBJECTIVE 5

Ensure that payments and supports to carers are efficient and effective, recognising their needs and adequately addressing poverty and social exclusion and are adaptable to the needs of carers in a changing care environment.

→ Increased payments to carers

Provision was made in Budget 2006 for the very significant increases in the weekly rates of payment to carers:

- the rate of Carer's Benefit increased by €17.00 to €180.70 per week, an increase of 10.4%,
- the rate of Carer's Allowance increased by €26.40 or 17.2% to €180 per week for a carer under age 66, and
- the rate for carers over age 66 increased by €30.20 to €200 per week, an increase of 17.8%.

The weekly income disregard in the Carer's Allowance means test increased by €20 to €270 for a single carer and by €40 to €540 for a

married carer, with effect from April 2005. It was announced in Budget 2006 that these disregards were to be further increased to €290 and €580 respectively with effect from April 2006 thereby achieving the Government commitment to increase the level of the disregard for couples to the average industrial wage.

The weekly income threshold for people in receipt of Carer's Benefit who wish to engage in limited employment or self-employment was increased from €250 to €270, with effect from April 2005.

In Budget 2006, it was also announced that the duration of the Carer's Benefit scheme would be extended by 9 months, from 15 months to 2 years. The duration of the associated Carer's Leave scheme will also be increased to 2 years. Budget 2006 also made provision to increase the number of hours that recipients of Carer's Allowance, Carer's Benefit and Respite Care Grant are entitled to work from 10 hours a week to 15 hours a week from June 2006.

→ Respite Care

From June 2005, the annual Respite Care Grant was increased by €165 to €1,000 and it was made payable to all persons providing full-time care, regardless of their means but subject to certain employment related conditions. By the end of 2005, almost 31,000 carers, including those in receipt of Carer's Allowance and Benefit, received the 2005 Respite Care Grant and applications continue to be received. Of this number, almost 5,900 carers were not in receipt of a weekly social welfare carer's payment. From June, the Grant was also paid in respect of each care recipient as distinct from a maximum of two, which had previously applied.

It was announced in Budget 2006 that from June 2006, the amount of the Respite Care Grant will increase by 20% to €1,200 in respect of each care recipient.

During 2005, arrangements were made to accommodate care-sharing situations on the Carer's Allowance scheme. This allows two carers who are providing full-time care in an established

pattern, for example every second week, to share the Carer's Allowance payment and the annual Respite Care Grant. The increased flexibility in the Carer's Allowance allows carers to combine the provision of care to a person who requires full-time care and attention and participation in the labour force.

→ Initiatives to improve claim processing

A number of revisions have been made in work practices to the Carers Allowance scheme that speed up claim processing. The main revision relates to the medical assessment procedure which results in the applicant knowing the outcome of investigation at an earlier stage than previously. Other initiatives include fast tracking of certain categories of claim and targeting and prioritising claims longest on hands.

→ OBJECTIVE 6

Ensure that a strategy regarding the financing of long-term care is developed.

→ Long-term Care Working Group

A working group, chaired by Department of An Taoiseach personnel and comprising senior officials from the Departments of Finance, Health and Children, and Social and Family Affairs, was established in January 2005. The objective was to identify the policy options for a financially sustainable system of long term care, taking account of the various reports and consultations that have taken place in this area. The report of the working group was submitted to the Government for consideration and influenced the developments announced, both in the health and social welfare areas, in Budget 2006.

APPENDIX (A) Examples of special projects initiatives

In 2005 the Department's Special Projects Fund was used to assist those who have been out of the labour market particularly lone parents and people with disabilities. They were able to avail of pre-employment and personal development training and counselling. Almost three million euro was provided through this fund in 2005 for training and supports for the harder-to-reach groups who were most distant from the labour market.

The groups who need special help of this type also include the very long-term unemployed, travellers and people with literacy difficulties as well as older people. Twenty of the projects funded in 2005 catered specifically for people with disabilities and 15 benefited lone parents.

The following is a sample of the 2005 Special Projects initiatives:

→ Waterford Early School Leavers Integrated Network (WESLIN).

WESLIN commenced as a Waterford Area Partnership initiative to tackle early school leaving. Schools and Community projects came together to identify and provide supports for children at risk of early school leaving. The project targets marginalised families, assisting children and parents to benefit from education, thereby helping them to avoid the stress, disruption and poverty associated with early school leaving.

The network involves children at risk of early school leaving being identified by the school and a range of supports for the child and family is provided. Supports include counselling for children/parents, learning support and community education for adults and families. WESLIN has been particularly successful in identifying children who are at risk and vulnerable and has provided educational supports to children with poor academic progress and children deemed disruptive at home or at school. This has resulted in improved school attendance by WESLIN participants.

→ The Inroads programme - North Side, Cork city

The programme was made available to social welfare customers who were on the Live Register, Lone Parents or were welfare dependent. The other partners in the programme were the local schools in the North Side of Cork City (Home/School/Community Links Project), Health Service Executive (Health Action Zone) and UCC. School liaison proved to be very effective in accessing many difficult-to-reach customers. The programme was oversubscribed and two programmes were run to cope with the numbers. The participants were all parents who have children in school and are based in areas that are recognised as being disadvantaged.

Further work was possible by leveraging matching funding from other agencies for progression programmes and events for those involved. For example the partnership between the DSFA and the Home/School/Community Links Project was expanded to include the Health Service Executive through the Health Action Zone to co-fund two Family Health and Well-being conferences in the city.

Through the same partnership approach UCC agreed to offer a unique progression programme for participants involved. A six-week Introduction to Women Studies Programme was run in the communities by UCC lecturers and tutors. Thirty-eight women received certificates in April 2005.

→ Ex-Offenders Programme, Cork

The aim of this programme run in Cork was to run a holistic multi-faceted programme to provide the participants with the soft and hard skills to achieve career progression.

The programme took a partnership approach. The Steering Group was made up of a number of agencies who regularly work with ex-offenders including the Probation and Welfare Service, Cork Alliance, Churchfield Community Trust, the Linkage Programme, LES, and DSFA.

Participants were carefully selected and it was agreed from the outset that the group would

consist of no more than 6-8 participants to allow for intensive one-on-one interaction.

The programme ran from January to June 2005 with 6 participants. They received training in e.g. forklift driving, fitness training, CV preparation, driver test (theory) preparation. Participants were introduced to employers and given some work experience. They were also challenged to look at their own lives and to generate solutions for their own problems. All were included in decision-making regarding the running of the programme. The participants were also introduced to the concept of role reversal.

→ New Directions Programme for Lone Parents

A New Directions Programme which commenced in Cork in 2003 was designed specifically for under-25 recipients of One Parent Family Payments. It ran for 5 mornings per week for the full academic year. This commenced as a one-year course but has now a follow on two-year course with office skills high in its content.

This year will see the first batch of students (16) graduating and the prospect of employment for those who are in a position to avail of it looks promising.

Currently there are 76 single parents involved in the New Directions Programme which is co funded between Cork City VEC, Local Employment Services and the Dept. of Social and Family Affairs.

→ Ballymun Partnership and DSFA initiative

Ballymun Job Centre in association with the Ballymun Partnership and DSFA developed a preparatory training course for individuals interested in developing skills for employment in the hotel and catering industry. The programme targeted adults who wished to work within this area but did not have any formal educational qualifications or experience necessary for these types of jobs. The programme focused on basic skill acquisition with an emphasis on subjects

that have a vocational application to the service industry.

The programme ran for eight week four mornings per week from October to December 2005. Ten clients completed the course and, of those, nine have progressed to jobs or further training.

→ The PINEL Project

The PINEL Project is a programme developed by the Kimmage, Walkinstown, Crumlin, Drimnagh (KWCD) Partnership in the Dublin 12 area in conjunction with a partner group Cam Ymlaen in North Wales. The project is supported by the EU Intereg 111 programme. It is part-funded by the European Union along with co-funding from the Welsh Assembly and the Department of Social and Family Affairs.

The PINEL Project spans a three-year period and it is particularly designed to assist the social inclusion and progression of people who may have mental health issues. The project delivers two twenty-week pre-vocational training programmes each year. Participants may avail of certification through the training provided. There are places for 90 participants in all, with provision for fifteen people on each training programme. The training is provided on a part-time basis, for four mornings each week. The programme is designed to facilitate individual progression within a supportive and friendly environment. Training includes the following elements: Self-awareness, Personal Development, Building confidence, Assertiveness, Communications, Problem Solving, Customer Care, Computer Skills, Information Technology, Personal Planning, Equality Legislation, Health Issues and Medication. The course also includes a module on cultural diversity including a visit to Wales, and the Welsh partners group visiting their counterparts in Ireland.

→ Hilltop Services Project, Dundalk

This project targeted disabled adults in the Dundalk area. Funding was applied for by Parents and Friends of the mentally Handicapped, Dundalk. Training was delivered by Hilltop

Services, a service of The Brothers of St. John of God, an order that provides support & training to adults with moderate learning disabilities.

The aim of the project was to give participants their best chance of securing some form of employment appropriate to their skills and abilities. The training programme included training in job specific skills and involved consultations with job coaches and supervisors. Eight people took part in year 1. The outcome for the participants was as follows: three people got part time employment, one person went into community employment, two entered supported employment, and two became involved in the community via drama.

The "one-to-one" attention was pivotal to success of the training especially in relation to the quest of participants for independence. The pilot is now in its second year. Funding for year 2 was approved to give the group an opportunity to test lessons emerging from year one. It also enabled the group to provide further training for two participants from year 1 who needed additional support.

One of the requirements for year 2 of the special funding awarded to this project was that Hilltop Services pursue the mainstreaming of the programme at national level. Hilltop Services are actively & vigorously pursuing this.

CHAPTER 06

GOAL 3: CHILDREN

GOAL 3: CHILDREN

To ensure the well-being of all children through income support that assists with child-rearing costs in general, including those which arise in circumstances of particular need or disadvantage

Child Benefit is paid each month in respect of each qualified child. By December 2005 there were 547,540 recipients of Child Benefit in respect of over one million children. In addition, children benefited from the Back to School Clothing and Footwear Allowance and the School Meals provision. Family Income Supplement, which is paid weekly to families, including lone parent families on low pay, was paid to almost 17,500 families in respect of 33,956 children.

→ OBJECTIVE 1

Achieve a high level of customer satisfaction by delivering income support for families and children to a high standard.



L/R Claire Kelly, Myra Coll, Evelyn Coll and Roy Baldrick from Letterkenny SWS Office who received the award of the Q-Mark on behalf of Child Benefit Section

→ Customer service

The Q-Mark, the national symbol of quality in Ireland, was awarded to Child Benefit Section in 2005. Acquiring this mark of excellence in customer service involved improving the phone service and, in particular, reducing the level of abandoned calls from 30% pre April 2005 to five per cent later in the year.

Documentation of procedures manuals and process maps were also improved. Internal communications were improved by various methods including the use of notice boards to show current performance on claim processing and phone calls. The customer complaints system was also emphasised.

Claim decision and payment delivery targets for Child Benefit payments continue to be met. A Fraud and Error survey was conducted in the Child Benefit area and has been used to formulate control strategy and control measure implementation.

→ OBJECTIVE 2

Ensure the range of income support schemes for families and children provides adequate help in circumstances of particular need or disadvantage.

In December 2004 Budget 2005 was introduced, making provision for improvements in the various payments in respect of children and families. These improvements were provided for in the Social Welfare Act, 2004 and came into effect from January 2005 onwards. In addition, the following increases in payments were announced in the 2006 Budget and will be implemented at various dates in 2006:

Child Benefit (CB)

Child Benefit lower rate was increased by €8.40 and the higher rate by €7.70 per month. New monthly rates are €150 and €185 per month respectively.

Family Income Supplement (FIS)

All FIS earnings thresholds were increased by amounts ranging from €19 to €282 per week depending on family size.

Back to School Clothing & Footwear Allowance

The rate of payment of Back to School Clothing & Footwear Allowance increased by €40 per child; new rates are €120 for children aged 2 to 11 years old and €190 for children aged 12 to 22.

The additional-income disregard was increased by €50 per week, from €50 to €100 per week for entitlement to Back to School Clothing & Footwear Allowance .

The Back to School Clothing & Footwear Allowance was extended to persons in receipt of Orphan's Contributory Allowance and Orphan's Pension.

One Parent Family Payment

The upper income threshold was increased by €82 per week to €375 per week.

School Meals

Additional funding of €2.0m for School Meals Scheme was announced.

→ Ending Child Poverty Special Initiative

The Department, through the Office for Social Inclusion (OSI), had lead responsibility for progressing the Ending Child Poverty Special Initiative - one of eight special initiatives contained in *Sustaining Progress*, the National Social Partnership Agreement. During 2005 the OSI worked with the National Children's Office, relevant Government departments, the Combat Poverty Agency and the Social Partners in developing and implementing a multi-dimensional policy response to this problem. A key element of this work included the establishment, as referred to in Chapter 5, of a

Working Group to consider the obstacles to employment faced by lone parents - a group identified as being particularly vulnerable to poverty and social exclusion.

→ Donegal School Meals Project

A pilot project was launched in Donegal in 2005, following a review of the School Meals Scheme, to promote the scheme with schools in the county. This resulted in an additional 18 projects by the end of 2005. This increased the expenditure on school meals in Donegal by 100%, the number of local school meal projects increased by 32% and the number of children benefiting increased by 52%.

→ OBJECTIVE 3

Improve the level of information available about the circumstances of children in families in order to better inform policymaking in the area of child poverty.



L/R Helen Johnston, Director, CPA, Minister Séamus Brennan and Brian Duncan, Chairperson CPA at launch of CPA Policy Statement 'Ending Child Poverty'.

→ National Longitudinal Study of Children.

The National Longitudinal Study of Children (NLSC) will be the most significant study of its kind to be undertaken in the Republic of Ireland, particularly in terms of the scope and length of study period. It is anticipated that 10,000 children from birth and 8,000 children aged nine will be recruited to participate in the study. The aim of the study is to examine the factors which contribute to, or undermine, the well being of children in contemporary Irish families, and,

through this, contribute to the setting of effective and responsive policies relating to children and to the design of services for children and their families. The Government assigned responsibility for the study to the Department of Health & Children (acting through the Office of the Minister for Children) and the Department of Social and Family Affairs. The development of the study has been overseen by a Project Team comprising officials from the Office for the Minister for Children and the Department of Social and Family Affairs, with the assistance of the Central Statistics Office.

CHAPTER 07

GOAL 4: COVERAGE, ACCESS AND ENTITLEMENT

GOAL 4: COVERAGE, ACCESS AND ENTITLEMENT

To ensure that the range and level of social security coverage is appropriate to the social and economic circumstances of different groups, that the services for which people are eligible are readily accessible and delivered in an efficient, effective and integrated way, through direct provision to our customers and by supporting agencies in providing services to our customers

→ OBJECTIVE 1

Ensure that the coverage of the Pay Related Social Insurance (PRSI) system is appropriate to the respective circumstances of employed, self-employed and other categories.

→ The Social Insurance Fund

The surplus in the Social Insurance Fund in 2005 was €495 million and the cumulative surplus at the end of 2005 was some €2,401 million.

→ Policy Developments

The Social Partnership report - *Developing A Fully Inclusive Social Insurance Model* - was published in June. The report points to measures that could reform the social insurance system - in the light of a changing labour market and emerging participation and social trends. Issues related to how the social insurance system provides access to social protection, how social insurance treats workers with gaps in their contribution record such as those with interrupted work patterns are examined with a range of conclusions and recommendations are put forward to inform policy development.

→ PRSI Exemptions reviewed

A review of PRSI exemptions for workers employed temporarily in the State was initiated. The review is examining the take-up and benefits of the exemptions and will consider any changes necessary on foot of labour market changes.

→ Other PRSI Developments

A new PRSI sub-class was introduced on foot of an increase in the Health Contribution threshold of €44 per week - raising the weekly threshold from

€356 to €400. This change affected all PRSI classes but resulted in only one new subclass. The earnings ceiling was increased by €2,020 to €44,180 with effect from January 2005 to maintain the real value of the ceiling.

→ Customer Service

Treatment Benefit introduced a reimbursement system for customers who wish to avail of treatment services in EU countries. Investigations were initiated to ensure that employments are correctly classified as self employment or employment.

→ Bilateral agreement

A revised bilateral agreement on social security with Australia was agreed and ratified and came into effect on 1 January 2006. A revised agreement with the UK, providing for workers moving between Ireland, the Isle of Man and the Channel Islands was signed, and it is hoped to ratify and bring it into effect during 2006.

→ OBJECTIVE 2

Ensure effective administration of PRSI-related entitlements.

→ Management of the PRSI collection system

The Department collaborates closely with the Revenue Commissioners to deal with matters of mutual concern including quality and timeliness of PRSI data transfers. In addition, there is ongoing liaison with Revenue, employers and others to ensure the timely and accurate transfer and update of End of Year (EOY) data for all customers, including self-employed. The end-December 2005 returns represented an increase

in excess of 100,000 over the same period in 2004 (for the 2003 tax year)

There are ongoing efforts to attain maximum clearance of all contribution data which are then updated to customer records on the Department's central records system. This is being achieved through more precise matching criteria and improved quality of incoming data. In the reporting period, nearly 73,000 records returned for the 2004 tax year were found to require further clarification, of which 57% were amended by December 2005. During the year a further 32,000 records were amended and validated for the 2003 tax year. In addition, 50,000 requests were received by Central Records in 2005, of which 90% were cleared.

As part of the implementation of the Department's Service Delivery Modernisation programme (SDM) (see Goal 4, pp 41-42 for details) the Contribution History Object (CHO), which captures and integrates the complete contribution history record of customers, was implemented in Client Eligibility Services, the EU Bilateral Section and the Pensions Forecasts area in the Pensions Services Office (PSO) in October 2005.

→ Improved contribution details from other countries

An EU Technical Commission on Data Processing has, as its main task, the development of channels for routing information between Member States and to develop the use of telematic services for the exchange of data. In 2005, the Department continued to be fully engaged in the work of the EU Technical Commission on Data Processing which included

- a) the integration of the ten new Member States into all its activities and
- b) on appropriate preparations and implementation of an Action Plan (agreed during the Irish Presidency, 2004) to intensify data exchange processes between social security institutions .

→ Secure data exchange

Discussions commenced with personnel of the Australian and New Zealand social security organisations in relation to secure electronic methods of data exchange in order to streamline decisions on pension entitlements under the bilateral agreements with these countries.

→ OBJECTIVE 3

Ensure that the rules for entitlement to social assistance payments are appropriate to the circumstances of claimants, are easy to understand and are applied in a fair and consistent manner.

→ Means Review Group

A working Group was set up in November 2005 to examine the various means tests employed by the Department with a view to developing proposals for rationalisation and simplification of these where appropriate.

The focus is on developing proposals and administrative changes to ensure that elements of means are treated similarly across schemes and that complexity is reduced.

→ OBJECTIVE 4

Ensure that, for entitlements that are wholly or partly medically based, the arrangements for medical examination and assessment are of a high standard and are applied in a consistent and effective way.

In 2005 over 73,000 medical desk check reviews and 51,000 medical examinations took place.

→ Options for more flexible working arrangements for scheduling and undertaking medical reviews

A comprehensive review of medical certification, reporting, review and assessment for schemes related to illness, disability and caring has been commenced with effect from August 2005. This

project will, accordingly, include a review of the approach to:

- Medical certification and the provision of medical reports;
- The assessment and review of continuing eligibility in respect of payments related to illness, disability or caring.

The review will assess and report on all aspects of Medical Certification, Reporting, Review and Assessment in terms of efficiency, effectiveness, economy and customer service with reference to current national, EU and international best practice. It will consider alternative approaches to meeting the Department's requirements in these areas, put forward options for the development of an enhanced service and recommend a preferred approach.



Some of the staff of the Department who were involved in the Renaissance Project in 2005.

→ Best Patient/Public Education Project Award

Chronic disability arising from low back pain is increasing. The Renaissance Project was conceived with the aim of preventing and reversing this trend. The project demonstrated that early intervention decreases the incidence of progression to chronic disability from low back pain, which results in an earlier return to work. Over 70% of the people involved in the project ceased claiming social welfare and returned to work.

→ OBJECTIVE 5

Deliver (and support the delivery of) a quality, comprehensive and up-to-date information

services to internal and external customers, other state agencies and the wider voluntary and community sector.

→ Information Services Strategy

The Department's Information Services Strategy 2003-2006 has as its primary purpose the provision of comprehensive and accurate information in a clear and easily accessible manner to customers, employers, staff and external partners. The following developments took place in this regard:

a) Plain English

In 2005, the Department's "Plain English" policy continued to be applied with the assistance of the National Adult Literacy Agency thus ensuring the use of plain English in all information material for customers.

b) Service in Irish

Approximately 75% of all social welfare information leaflets and application forms had been translated into Irish at the end of 2005.

c) Advertising

Two major campaigns in the print media were conducted to promote public awareness of the extension of the Respite Care Grant to all full-time carers and new improvements in the assessment of capital for means tested schemes.

d) Information Grants

A total of €1.142 million was allocated to various national organisations and voluntary groups for information dissemination projects to our customers and to address the information needs of emigrants and immigrants.

e) PRSI Calculator

A PRSI Calculator was developed which enables customers to calculate their appropriate rate of PRSI contributions based on weekly earnings and employment conditions. The 2006 version is available at www.welfare.ie/calculators/prsi_calc_o6.html. It also displays a guide to the main classes of PRSI.

f) Publications in 2005

An information magazine, entitled 'Options and Opportunities' which is for and about one-parent families, was published by Information Services in September 2005. The magazine was distributed to over 80,000 one-parent families country-wide. It contained information and advice on education, employment options, money and budgeting advice, family support services and a wide range of other supports. *The Guide to Social Welfare Services (SW4)* and the *Employers' Guide to the Pay-Related Social Insurance Contribution System (SW3)* were up-dated and published in May 2005.

→ OBJECTIVE 6

Promote and develop a strong customer service culture through the Department and the agencies under its aegis and deliver continuous improvement in customer service.

The Department remains committed to the challenge of providing a quality customer service to all customers and also to ensuring continuous improvement. The Customer Action Plan 2004-2007 outlines key action points that will be undertaken by this Department to continue to implement the 12 customer service principles. Developments in the following aspects of customer service took place in 2005:

a) Customer Charter

The Department launched its first Customer Charter in May 2004. It is a statement of the Department's public commitment to customers and the standard of service they can expect from staff members. It was designed to further enhance the quality and accountability of service provided to the public. The commitments were reviewed during 2005. See review findings in Appendix 5, pp 88-90.

b) Quality Accreditation

An important development in quality customer service was the introduction of an independent system of quality service measurement to assist in the review of existing customer service standards and identify any issues/gaps/problems. The Child Benefit Section in Letterkenny applied for and was awarded the Q-Mark in June 2005. See pp. 32.

c) Customer Consultation

Consultation with customers is an integral part of delivering a quality customer service. It assists in particular in identifying areas for improvement. The Department uses a variety of consultation methods including day-to-day contacts, touchscreen surveys, comment and complaint system, customer panels, customer surveys. During 2005 reviews were undertaken in relation to touchscreen surveys and customer panels in order to further develop the consultative process to make it easier for customers to express their views.

d) National Independent Survey

An independent customer service survey was commissioned in 2005. The survey provided an opportunity for customers to give their views on the quality of service they received. It also allowed them to indicate any areas where improvements might be made. The Company surveyed 1,018 of our customers in their own home.

Some of the key findings are as follows:

- 88% of customers were either satisfied or very satisfied with the service they received from the staff of the department, an increase of four per cent on the findings of a similar survey in 2001.
- For 92% of customers, their first point of contact would be with the Department if they needed to make a claim.
- The number of customers who found application forms easy to complete has increased from 74% in 2001 to 84% in 2005.
- Awareness of the PPS number and its uses has increased from 15% in 2001 to 86% in this survey.
- 79% of customers said they received notification setting out the amount they would be paid. Of those who received such correspondence, 70% found the contents 'very clear' with a further 27% finding it 'fairly clear'.

→ Branch Office opening times

Following consultation with the Branch Managers Association (BMA) all Branch Offices now open from 9.30am.

→ OBJECTIVE 7

Provide a satisfactory service in Irish, in line with the requirements under the Official Languages Act.

→ Official Languages Act 2003

The scheme required under Section 11 of the Official Languages Act was submitted to the Department of Community Rural and Gaeltacht Affairs for agreement. In preparation for the implementation of the scheme staff training took place as in previous years with the emphasis on those staff dealing directly with customers. Translation of information leaflets and forms continued resulting in 75% of these being available on the website of the Department. All new and replacement signs in the Department were bilingual and the various documents required to be published in Irish and English simultaneously were presented in that form.

→ OBJECTIVE 8

Develop the Standard Authentication Framework Environment (SAFE) programme externally and internally and support the development of an identity policy framework for the governance and delivery of identity management services.

During 2005, the Interdepartmental SAFE Steering Group discussed the development of the Public Service Card and also develop a draft set of business requirements. A progress report was submitted to Government jointly with the Department of Finance. Work is underway on the detailing of a pan public service Registration Service. A functional specification for a Public Service Card is also being developed which will support the Department's future use of a card.

→ OBJECTIVE 9

Develop and implement efficient and effective customer identity management systems, provide identity management services to external agencies and ensure that security and privacy principles are developed and implemented.

→ Redesign of Central Records System

Work commenced on a project to redesign the Department's primary customer database - the Central Records System. This project (the Customer Object Development) will redevelop this system to support continued modernisation of the Department's business with customers, supporting the delivery of services across multiple channels.

Public Service Identity (PSI) Services to support the use of the Personal Public Service Number (PPSN) across agencies went live in 2005, supporting the registration of customers to the Reach Public Services Broker.

→ OBJECTIVE 10

To deliver through the Reach project a standard means of access to public services through the Public Services Broker (PSB).

In 2005, Reach deployed a production level Public Services Broker (PSB) integration and messaging framework with personal account, case management, and secure identity authentication. This phase of development will conclude in May 2006 at which stage the basic Phase 1 of the Public Services Broker will be fully functional with a number of additional services including identity management for Revenue's Online-PAYE Service.

The use of the PSB by public service agencies is being promoted widely and particularly with regard to the secure messaging aspects of the Inter-Agency Messaging system (IAMS). IAMS was initially developed for the automatic notification of Births from the General Register Office to the Department with return of PPS Numbers and automatic initiation of Child Benefit claims.

IAMS was subsequently extended to notification of deaths and marriages and currently thirty two agencies receive these services and realise programme savings by timely termination of pension payments, medical charges and single parent allowances. Work is also proceeding on document exchanges between a number of State agencies and services.

→ OBJECTIVE 11

Ensure that customers have access to services through a choice of service delivery channels and continue development of the service delivery modernisation plan for delivery of social welfare services.

→ e-Payments Strategy

As part of the e-Payments strategy that is being developed a Request for Information (RFI) to the Financial Services sector, to obtain information on potential payment options for social welfare customers, was prepared.

→ OBJECTIVE 12

Modernise and improve the delivery of services to the Department's customers through the development and implementation of agile ICT systems and organisational change programmes.

Service Delivery Modernisation Programme (SDM)
The Service Delivery Modernisation programme is a multi - annual programme of work involving the introduction of new technology and the replacement of legacy computer systems. It also involves the redesign of back office systems, business processes, procedures and work practices and the introduction of new organisational structures.

The programme, which comprises business, organisation and technical streams, is designed to be implemented in self contained phases. Each phase delivers key business benefits, extends the business object model chosen by the Department and strengthens and enhances the underlying technical architecture.

Each phase of the programme has two main strands -

- **Technical** - development and refinement of the IT infrastructure to provide the foundation for a radically improved and modernised system of service delivery for all social welfare schemes.
- **Business Re-Organisation** - a parallel programme of organisational change to take advantage of the new technology and information and communication technology (ICT) systems and to deliver efficiencies in business processes and maximize customer service.

The first phase of SDM, which focused on the Child Benefit scheme was successfully implemented in November 2002.

The current phase covers the extension of the SDM programme to Retirement Pension, Old Age Contributory Pension, Household Benefits, Free Travel, Bereavement Grant and Overpayment and Debt management and is being implemented on an incremental basis. The key business objectives are to provide

- a quality service to pensioners, assisting them in establishing their rights and anticipating their needs
- proactive claim initiation of Retirement/Old Age Contributory pension claims and related allowances for people approaching pension age
- multiple access channels - phone, post, in person at an office of the Department and via the Public Service Broker;
- integrated processing of pension claims and related allowances thus removing the need for pensioners to complete multiple claim forms
- support for new work management practices and procedures and
- support for the recording of overpayments and debt recovery

The first release of this phase, which involved the implementation of the Contribution History Object (CHO) went live on 1 October 2005.

The CHO facilitates the electronic consolidation of a customer's full insurance record and will allow, over time, easier access to these records some of which were previously only available on microfiche. This implementation is very significant in that it successfully marks the first release of the new SDM technical platform.

The development of the next phase of SDM - the Customer Object Development project, commenced in November 2005. This project will deliver a set of services around the customer, replacing the existing Central Records System (CRS) and the Customer Management System (CMS) but also delivering capability not currently supported by the CRS.

→ OBJECTIVE 13

Ensure access at a local level to a wider range of services and more effective collaboration with other agencies in the delivery of those services.

→ One Parent Family Payment (OPFP)

The programme to devolve OPFP claim processing to local offices continued during 2005. By the end of the year, 36 of the Department's local offices and their associated branch offices were processing OPFP claims locally. The OPFP claims processed locally accounted for approximately 80% of the total weekly intake of OPFP claims nationwide.

→ OBJECTIVE 14

Ensure that error, fraud and abuse are prevented, detected and deterred by implementing effective risk-based controls of all income support and related expenditure.

→ a) Control Strategy

The Department's control policy aims to keep fraud and abuse to a minimum by promoting control as an essential element of the day-to-day work of the various work areas. A four-pronged approach is taken to the control of schemes

namely prevention of fraud and error at the initial claim stage, early detection through effective review of claims in payment, measures to deter fraud and the pursuit and recovery of overpayments.

The introduction of systematic risk analysis of major schemes is now a key element of the approach to tackling fraud and abuse in the social welfare system. Furthermore fraud and error surveys of schemes are undertaken to establish baseline levels of fraud and abuse. These initiatives have facilitated a more focused and targeted approach to control activity.

→ b) Public Awareness

The Department tries to raise public and staff awareness in combating fraud in a number of ways including publicising the outcomes of court cases in respect of persons transgressing the social welfare code. The Department's policy is to seek recovery of monies received fraudulently or without entitlement and to prosecute those who defrauded the social welfare system and employers who failed to comply with their statutory obligations with regard to social welfare legislation. Press releases are issued detailing the outcomes of the Department's control activity and the outcomes of court prosecutions, where possible, are publicised in the local and national press.

→ c) Co-operation with other Agencies

An important element, in the process of implementing an effective control policy, is cooperating with other Government departments, state agencies, local authorities, employer groups and trade unions, to ensure that information and best practice is shared, subject to the statutory obligations under Data Protection legislation. The Department continued to improve links with a number of relevant bodies, both national and international, and participated in a number of committees, which dealt with issues of relevance to control.

→ d) North/South Co-operation

Under the reciprocal staff Exchange Programme established between the Department and the Northern Ireland Social Security Agency, six investigators from the Department visited the Northern Benefits Investigation Services for one week in 2005.

→ e) Computer Systems

Enhancement of the Department's computer systems continue to facilitate a more co-ordinated, focused and effective approach to control, enabling, inter alia, data from a variety of sources to be cross-checked and potential irregularities isolated and pursued. In particular the checking of commencement of employment notifications from Revenue revealed instances of persons having overlaps in the area of working and claiming social welfare benefits/assistance. All overlap cases were pursued and where applicable, overpaid monies recovered and prosecution action initiated where appropriate.

→ f) Identity Fraud

Emphasis continues to be placed on combating identity fraud with a specific focus to ensure that persons do not use false identities to obtain PPS numbers or to facilitate the fraudulent receipt of social welfare benefits. During 2005, a combination of training programmes for local staff and internal back-up services contributed to the continued detection of false applications. A total of 94 persons were arrested in connection with offences under the Criminal Justice (Theft and Fraud Offences) Act, 2001 by An Garda Síochána for possession of false/forged documents following detection by staff.

→ g) Debt Recovery

Considerable effort continues to be put into improving the effectiveness of debt recovery measures and pursuit of defaulters. Civil proceedings are initiated in some cases to recover outstanding overpayments and to enforce

maintenance recovery orders made against the liable relatives of recipients of one-parent family payments. Work is continuing on the design of a comprehensive computer system to handle overpayments and debt recovery across all schemes.

→ Outcomes

Gross savings from the control activities on scheme payments amounted to €397.5 million in 2005 (see chart below). Some 323,600 claims were reviewed in this process. In addition inspections of employer records identified arrears of PAYE/PRSI amounting to €9 million.

| Savings | €m |
|---------------|--------------|
| Unemployment | 120.4 |
| Illness | 73.6 |
| OFP | 99.1 |
| Pensions | 63.2 |
| Child Benefit | 19.6 |
| Carers | 7.3 |
| PAYE/PRSI | 9.0 |
| Others | 14.3 |
| TOTAL | 406.5 |

During 2005 a total of 440 cases were forwarded to the Chief State Solicitor's Office (CSSO) for the initiation of court proceedings with 271 criminal cases finalised with the following results:

| Outcome | Number |
|--------------------------------|------------|
| Fined | 130 |
| Imprisoned | 4 |
| Suspended Sentence | 25 |
| Community Service | 6 |
| Probation Act | 85 |
| Bound to the Peace | 2 |
| Adjourned/Struck out/dismissed | 17 |
| Debt Paid/ Decree obtained | 2 |
| TOTAL | 271 |

In addition, 28 civil cases were sent to the CSSO for court proceedings to facilitate the recovery of overpayments and the enforcement of maintenance recovery orders against the liable relatives of one-parent family recipients.

→ Overpayment and Debt Management

Work on the new overpayment and debt management computer system progressed during 2005 and it is planned to implement the system in the second half of 2006.

Current departmental policies and practices are being reviewed with a view to developing a new debt management strategy, which will optimise the level of debt recovered and the efficiency of the collection process.

→ OBJECTIVE 15

Ensure maintenance of timely, accurate and efficient systems of decision, appeal and redress for social welfare entitlements.

→ Decisions, appeals and redress

The Decisions Advisory Office (DAO) continued to play a pro-active role in the provision of advice and support to Deciding Officers in the Department, to ensure that decisions in regard to applications, or reviews on continued entitlement to Social Welfare payments, are carried out in a consistent and high quality manner.

With the aim of achieving consistency in decision-making and providing clarification on issues, the DAO continued to liaise with the Social Welfare Appeals Office (SWAO) during 2005. Regular meetings were held with that Office to discuss issues arising on the application of the legislation in decision-making.

During 2005, the DAO provided training to Deciding Officers in the Social Welfare Local Offices (SWLO's) throughout the country and in other scheme areas. Over 600 requests were made to the DAO, by Deciding Officers, and others, seeking advice on the interpretation of legislation and guidelines in relation to decisions on Social Welfare claims. A review was initiated of the Guidelines and Procedures across the Department's schemes and that review is ongoing.

→ Freedom of Information (FOI)

During 2005, a total of 462 FOI requests were received in this Department. This represents a 17% decrease on the number (558) of requests received in 2004. Of the requests received in 2005, 438 (95%) were from members of the public seeking access to personal records, including 21 requests from staff members for personnel records. The remainder were for non-personal records. A total of 434 requests were processed in 2005 of which 387 (89%) requests were granted in whole or in part.

→ OBJECTIVE 16

Ensure that the social welfare code meets the requirements of the Equal Status Act 2000, as amended, and other relevant legislation.

→ Review of the social welfare code

A decision was taken after considerable background work and consultation with the Department of Justice, Equality and Law Reform that a review of the social welfare code to examine its compatibility with the Equal Status Act, 2000 (as amended) would take place in two phases.

Phase 1 of the review will involve a scoping exercise to establish the most suitable approach and methodology to carrying out the main review. The results of Phase 1 will then form the basis of the terms of reference of the main review. Following a tendering process the contract for carrying out Phase 1 of the project was awarded and the work is underway. A project board has been established and a project manager appointed to oversee the work of the consultants. This work will be completed in 2006 and the second phase of the project commenced.

CHAPTER 08

GOAL 5: POVERTY, SOCIAL INCLUSION AND FAMILIES

GOAL 5: POVERTY, SOCIAL INCLUSION AND FAMILIES

To support and promote families and to attain better outcomes in tackling poverty and achieving a more inclusive society through co-operating, developing and implementing national anti-poverty strategies, and through the provision of income and other support services for people in debt or at risk of experiencing hardship

→ OBJECTIVE 1

Monitor, evaluate and report on the implementation of the National Action Plan against Poverty and Social Exclusion (NAP) which incorporates the objectives and targets of the revised NAPS and the partnership agreement 'Sustaining Progress'.

→ National Action Plan against Poverty and Social Exclusion

The Office for Social Inclusion (OSI), set up in 2002, has overall responsibility for developing, co-ordinating and driving the Irish National Action Plan against Poverty and Social Exclusion. A key priority for the Office during 2005 was the production of the *NAP/inclusion 2003-2005 Implementation and Update Report*, which was submitted to the European Commission in June 2005. This report was prepared by OSI following an in-depth monitoring and evaluation process which involved senior officials and policy owners from relevant Government Departments, representatives of the social partners and the voluntary and community sector. The report outlined progress achieved in relation to social inclusion targets contained in Ireland's second NAP/inclusion. As part of the reporting process, EU Member States were also asked to identify key measures planned for 2005-2006 when the next round of National Action Plans are due.

Copies of the implementation report are available on the Office for Social Inclusion website - www.socialinclusion.ie in the publications section, or directly from the Office for Social Inclusion, Department of Social and Family Affairs, Áras Mhic Dhiarmada, Store Street, Dublin 1 Tel: +353-1-7043851.

→ National Anti Poverty Strategy (NAPS) Social Inclusion Forum

The second annual NAPS Social Inclusion Forum was held in January 2005 and was attended by participants from the voluntary and community sector, the statutory sector, local representatives, and members of the National Economic and Social Forum (NESF). The OSI and the NESF co-funded this event, both parties worked closely with the Combat Poverty Agency and the European Anti-Poverty Network in its planning and organisation.

The annual Forum provides people who are affected by poverty and social exclusion and their representatives with an opportunity to contribute their views on, and experiences of, the implementation of the NAP/inclusion.

A formal report of the 2005 Social Inclusion Forum containing all inputs and reports of the workshop outputs was prepared and presented to the Cabinet Committee on Social Inclusion.

→ Institutional Structures

During 2005 OSI continued to develop and support the enhanced set of institutional structures which underpin the NAP/inclusion. In addition to the Office for Social Inclusion, these include:

- The Cabinet Committee on Social Inclusion, chaired by the Taoiseach, met six times throughout the year;
- The interdepartmental Senior Officials Group on Social Inclusion, co-ordinated by Department of the Taoiseach personnel met monthly during 2005 to brief and advise the Cabinet Committee;
- The Management Group of Assistant Secretaries, drawn from relevant

Departments and chaired by OSI, met three times during 2005;

- The Social Inclusion Consultative Group, involving the social partners and anti-poverty experts, met three times during 2005.
- Social Inclusion Officers/Units, established in key Government Departments co-ordinate their Department's contribution to the process in close liaison with OSI;
- The National Economic and Social Forum, in co-operation with OSI convened the Social Inclusion Forum (SIF) in January 2005.
- The Technical Advisory Group (TAG) chaired by OSI which advises the Office on the formation of an enhanced data strategy to underpin the NAPS progressed the agenda on poverty measurement during the year.
- National Development Plan (NDP)/Community Support Framework (CSF) Monitoring and Co-ordinating Committees. Promoting Social Inclusion is one of the four key objectives of the National Development Plan. The OSI has responsibility for supporting the social inclusion horizontal principle within the NDP/CSF. To assist the progression of this process and generally increase the social inclusion focus of the NDP, the OSI participated on NDP Monitoring Committees during 2005 and worked with the Combat Poverty Agency, in providing technical assistance.

→ OBJECTIVE 2

Ensure that there is a clear knowledge and understanding of the nature, extent and causes of poverty and social exclusion and the strategies to address it.

The Office for Social Inclusion (OSI) Data Strategy OSI has responsibility for the development of a data strategy, designed to ensure that the necessary data is available in a timely manner for

monitoring, evaluation, policy prioritising, targeting and overall NAP/inclusion policy development. OSI is supported in the development of its data strategy by a Technical Advisory Group (TAG) comprising representatives of key Government Departments, the Central Statistics Office (CSO), the Combat Poverty Agency (CPA), the Economic and Social Research Institute (ESRI) and the Equality Authority.

Throughout 2005 OSI's data strategy was progressed in two broad areas of work:

- The identification and filling of data gaps which prevent proper measurement of progress against the NAP/inclusion targets;
- Reviewing the way in which poverty is measured in Ireland

→ Data Gaps

During the first half of the year OSI undertook a monitoring and evaluation exercise of the NAP/inclusion 2003 - 05. As part of this exercise Government Departments were requested to consider the issue of data availability in the context of possible new or revised targets, which might be included in the next National Action Plan. As a result of the monitoring and evaluation undertaken, those areas where deficiencies in data availability persist were identified. OSI is working with Government Departments with a view to identifying how the data gaps can be filled, particularly in the context of preparing the next NAP/inclusion.

→ Measurement of Poverty

The issue of reviewing how poverty is measured in Ireland is a priority for the overall development of the OSI data strategy. Work done in this regard by OSI in 2005 drew on a mandate provided by the Senior Officials Group on Social Inclusion in late 2004.

OSI progressed the work on poverty measurement with the assistance of the Technical Advisory Group during the year. A national seminar, held in September 2005, considered two main issues: (i) the basis on which consistent

poverty is measured; and (ii) the idea of having a tiered approach to poverty measurement and targeting, rather than rely on any single measure. The issue is now being further considered in the context of the preparation of the next National Action Plan against Poverty and Social Exclusion (2006-2008).

→ Poverty Impact Assessment

Poverty impact assessment (PIA), formerly known as poverty proofing, was first introduced in 1998, and is the process by which government departments, local authorities and state agencies assess policies and programmes at design, implementation and review stages in relation to the likely impact that they will have or have had on poverty and on inequalities which are likely to lead to poverty, with a view to poverty reduction. Guidelines to assist government departments in carrying out poverty proofing exercises were circulated in 1999.

The National Economic and Social Council (NESC) carried out a review of the poverty proofing process in 2001 and recommended a number of improvements.

During 2005 OSI undertook its own review of poverty proofing and sought views from a wide variety of stakeholders. In total 29 submissions were received.

As a result of this work OSI has developed a new set of guidelines for poverty impact assessment. The guidelines have been significantly strengthened with the introduction of a screening mechanism to determine which policies require a full impact assessment. Provision has been made for consultation and for monitoring the policy effect. A summary of each poverty impact assessment or screening exercise performed will be forwarded to OSI under the new arrangements.

These guidelines were presented at a national seminar in October 2005, organised by OSI, and discussed there by policy makers and other key stakeholders. Over 40 representatives from a wide variety of organisations participated at the

seminar. During 2006 the new guidelines will be rolled out to government departments and can be modified, as appropriate, in the light of experience of their application. Training will also be provided for policy makers in the use of the new guidelines. After this initial phase, use of the guidelines will be extended to the wider public service. The guidelines are currently available on the OSI website www.socialinclusion.ie

→ NAPS Communication Strategy

The National Action Plan against Poverty and Social Exclusion recognises that there is a need for effective ongoing communication on the trends and challenges in relation to poverty and on the ongoing process for tackling it.

A key element of the work of the Office for Social Inclusion during 2005 related to the development and implementation of a social inclusion communications strategy.

The OSI website - www.socialinclusion.ie was launched by the Minister at the end of 2004. During the twelve months since its launch, the website has been widely used [322,585 hits]. It has also been further developed during this period to reflect the growing emphasis at national, regional and local level on social inclusion. It contains links with a broad range of organisations and bodies in Ireland and internationally.

Other important developments during 2005 include the introduction of a recognisable brand for the Office for Social Inclusion and the strengthening of monitoring and evaluation procedures and NAPS institutional structures, which provided valuable opportunities for OSI to communicate with stakeholders including policy owners in key government departments, social partners, representatives of the voluntary and community sector and people experiencing poverty.

→ OBJECTIVE 3

Develop the next National Action Plan 2006-2009.

→ Next National Action Plan (NAP)/inclusion

The preparation by European Union Member States of national action plans against poverty and social exclusion is part of an EU wide drive to meet the objective set by the European Council at Lisbon in 2000 to 'make a decisive impact on the eradication of poverty and social exclusion by 2010'. The preparation and evaluation of the national action plans, under what is termed the Open Method of Co-Ordination, facilitates the exchange of good practice and provides a basis for exchanges with the EU Commission and Member States in devising the best way to meet common objectives in the area of social inclusion.

The next round of plans to combat poverty and social exclusion, to cover the period 2006-2008, are to be submitted in September 2006. Under a new streamlined process agreed at EU level, Member States will report on pensions and health care in addition to social inclusion.



Some of the attendance at the NAP/inclusion Consultative Seminars in 2005

→ 2006-2008 NAP/inclusion Consultation Process - national level

In September 2005, the Office for Social Inclusion embarked on an extensive consultation process

with stakeholders, including people who are experiencing poverty and social exclusion and those who work to support them, to inform the development of the social inclusion element of Ireland's next Plan. The objective of the consultation process was to avail first hand of their knowledge, experience and expertise on how best to combat poverty and social exclusion in Ireland today and on the priorities for the period of the next plan from 2006-2008. The process commenced with advertisements in the national media inviting written submissions regarding the plan. In total 81 submissions were received from individuals and organisations.

This was followed by a series of national and regional consultation seminars hosted by OSI in November and December 2005. Seven seminars were held throughout a variety of locations throughout the country which included Dublin, Carlow, Cork, Limerick, Mullingar, Carrick-on-Shannon and Donegal. These seminars sought to obtain views and feedback, in particular, on the issues and priorities of the different regions. Policy areas covered included employment, education and training, health and care, housing and income supports. Seminars also sought to explore the urban and rural dimensions of poverty and gender issues.

A report of both stages of the consultation process was prepared which formed an important input to the third NAPS Social Inclusion Forum to be held in early 2006. Copies are available from the Office or online at www.socialinclusion.ie

Consultation process - transnational level
During 2005 the Office for Social Inclusion was represented on the Social Protection Committee Indicators' Sub Group (ISG) in relation to the formulation and definition of agreed common indicators for monitoring poverty and social exclusion. OSI was also actively involved in the European Union Community Action Programme to Combat Social Exclusion 2002-2006. The programme, which is part of the open method of co-ordination, aims at supporting co-operation between member states on combating poverty and social exclusion.

→ British-Irish Council

The British Irish Council was established under the Belfast Agreement and works as a forum within which Member Administrations' consult and exchange information with a view to co-operating on issues of mutual interest. One such issue is social inclusion and the Office for Social Inclusion co-ordinated Irish involvement in this strand of work during 2005.

→ OBJECTIVE 4

Develop a strategic process to facilitate the development of integrated policies to meet the needs of families in a changing society.

→ Strategic approach to supporting families

Proposals for an integrated strategic approach to supporting families are being prepared. These take account of the role of families and the impact on families and family life of the demographic, social and economic changes taking place in society and what changes might be necessary in current policies and programmes in response to these changes.

During 2005, departments were consulted and a background paper was completed. It outlined the key demographic, economic, social and other relevant changes taking place which are impacting on families and family life, the likely future trends in relation to family change and the challenges these pose for current policies and programmes. These documents will form the basis of discussions on the strategic approach to be developed. It is anticipated that conclusions arising from the current examination will be brought forward in 2006.

→ OBJECTIVE 5

Ensure that the Family Support Agency (FSA) receives the necessary support and resources to enable it carry out its functions and implement its strategy in relation to supports for families.

→ Family Support Agency

The Family Support Agency was allocated a budget of €24.46m in 2005, an increase of 21% on the budget in 2004. This level of funding allowed the Agency to deliver on its Strategic Plan commitments in 2005 which include the provision of support services and related information for families, the continued development of the Family Resource Centre Programme, further expansion of the national Family Mediation Service (FMS) and the launch of the second phase of the Families Research Programme.

The Agency appointed a dedicated Information Officer in January 2005. The Information Officer has since developed a programme which allows for the development of the Agency's statutory information role in 2005 and 2006, taking account of commitments in their 2004 2006 Strategic Plan.

A major upgrade of the Family Mediation Service (FMS) computer system was completed and ready for roll out in early 2006. Support was provided for opening of new FMS Offices.

→ OBJECTIVE 6

Complete the development of policies to provide a more effective and integrated range of income and other supports for families at risk of poverty, particularly lone parents and large families, designed to enable them achieve greater self-sufficiency and social inclusion.

Income Support for Lone Parents: See Goal 2, pp24-25.

→ Special and Family Support Services

The Employment and Family Support Service (E&FSS) continues to provide a service to customers and their families on the range of employment and social supports available. Some of these supports are routed through funding of local initiatives and the spend in this area for 2005 was €2.1m across 200 projects.

¹ Irish & British Governments, Northern Ireland, Scotland, Wales, Isle of Man, Guernsey, Jersey

The projects funded included courses on parenting skills, personal development and guidance and counselling for those most distant from the labour market, most disadvantaged or those whose needs are complex. Thirteen of the projects catered exclusively for people with disabilities while the majority catered for lone parents and their families.

→ OBJECTIVE 7

Ensure that no person experiences hardship for want of basic necessities, because they have exceptional needs or because they have difficulties accessing relevant services.

→ Improving access to housing

The Department continued to assist the Department of Environment, Heritage & Local Government with plans to transfer responsibility for meeting long-term housing needs of those dependent on rent supplement for 18 months or longer to local authorities.

→ OBJECTIVE 8

Support, through a nationwide Money Advice and Budgeting Service, families and individuals identified as having problems with debt and moneylending.

→ Restructuring of the Money Advice and Budgeting Service (MABS)

The nationwide MABS continues to provide an important source of advice to people with money management and debt problems. Arrangements commenced for a review of the service and stakeholders were invited to submit proposals for new legislation in this area.

→ Information Technology

A new software application Money Advice and Budgeting Service Integrated System (MABSIS) was rolled out in 2005. This system facilitates the entry and management of a range of data

relevant to the work of MABS. MABSIS went live in July 2005 on a phased basis.

In 2005 the MABS website www.mabs.ie was redesigned and it was decided to establish a MABS Helpline as part of the strategy to improve access to money management and budgeting information.

→ Community Education

MABS continued its preventative work through its community education initiatives in 2005. Services nationwide made educational inputs to groups in their communities, while two MABS publications for use in education - *Let's Talk Money* by Finglas/Cabra MABS, and *Cash Conscious* by Limerick MABS were launched. MABS continued its programme of resource development with other agencies including Department of Education and Science, the National Adult Literacy Agency (NALA) and the Financial Regulator.

→ Social Policy

MABS made submissions to the Courts Service, Legal Aid Board, Energy and Financial Regulators and the Office of Social Inclusion on a range of policy issues.

MABS was involved in the One Parent Exchange Network (OPEN) research *Do the Poor Pay More* and the Vincentian Partnership's research on *Low Cost But Acceptable Budgets*.

In addition, it collaborated closely in 2005 with organisations including Society of Saint Vincent de Paul, NALA, the Residential Institutions Redress Board, OPEN, Woman's Health Council, Free Legal Advice Centres, Irish League of Credit Unions, Irish Bankers' Federation and other organisations in endeavouring to increase understanding of the causes and consequences of over-indebtedness and improving access to financial services for people on low income.

CHAPTER 09

GOAL 6: THE DEPARTMENT AND ITS STAFF

- HUMAN RESOURCE MANAGEMENT AND ORGANISATIONAL DEVELOPMENT
- INFORMATION AND COMMUNICATIONS TECHNOLOGY
- GOVERNANCE AND MANAGEMENT OF RESOURCES
- SAFE AND HEALTHY WORKING ENVIRONMENT
- POLICY DEVELOPMENT AND PLANNING

GOAL 6: THE DEPARTMENT AND ITS STAFF

To develop an effective, adaptable and capable organisation and a culture of pride, innovation and performance with a high level of involvement by people at all levels and a climate which fosters personal and career development

Continuing to provide a quality service in an expanding business presents a considerable challenge for the Department. The support for, and involvement of, staff throughout the organisation, both those working in the front line of service delivery and those providing essential support services, is a key priority for the Department. The following are the main developments in those areas in 2005:

Human Resource Management and Organisational Development

→ OBJECTIVE 1

Implement our Human Resource Strategy 2003-2005.

The purpose of the Department's Human Resource Strategy (HRS) is to bring together various HR policies, integrate them within the overall organisational strategy and thereby place Human Resources at the centre of the Department's decision-making. The implementation of the Strategy is being monitored via the Management Committee and the Department's Partnership process. A mid-term review of the Strategy was initiated in 2004. The process involved updates from a range of support areas in the Department. The Department's Partnership process also contributed to the preparation of the review which was finalised and circulated to all staff in April 2005.

→ Devolution of responsibility to line managers

As part of the preparations for devolution of greater responsibility and authority to line managers, sources of information and advice for managers continue to be developed, including a support pack for Managers that was circulated to

every member of staff at HEO level and above during the year. The support pack contains key information on a range of aspects of the manager's role e.g. management of performance, office/sectional management, training and development, departmental strategies and policies.

→ Attendance Management Policy

The Department published its Attendance Management Policy in June 2005. Copies were sent to every member of staff. The Policy was prepared following a comprehensive programme of consultation and research into best practice. The main objectives of the Policy are to:

- incorporate the existing procedures regarding attendance in one document and
- set out a range of practical and balanced approaches aimed at fostering a high level of attendance in the Department.

→ Exploiting technology options

In keeping with the Department's aim of exploiting technology options to support efficient and effective achievement of departmental human resource objectives and following the successful upgrade of the HRM computer system in early 2004 the post-implementation phase of the upgrade was completed in 2005. In 2005 the Centre for Management and Organisational Development (CMOD), Department of Finance engaged consultants to provide managed services to provide for the future support and development of the HRM system. In late 2005 the Department decided to participate in managed services and this move is envisaged to commence in mid-2006, in conjunction with a further upgrade of the HRM system.

→ Time & Attendance System

An analysis of requirements for a new Time & Attendance System was completed and a tender seeking the provision of such a system was finalised in late 2005. It is hoped to procure a new Time & Attendance system in 2006.

→ Staff merit awards

There are two such award systems in the Department at present:

a) Fiúntas - Employee Recognition Scheme

The Fiúntas Scheme is an exceptional performance award scheme whose purpose is to increase staff motivation, to recognise exceptional performance and to encourage fresh input and foster a climate of change. In 2005 a total of 138 awards were made to 73 individuals and 65 teams across a wide number of areas of the Department.



John Hynes, Secretary General presenting Leo Reynolds with the INPUT Idea of the Year Award 2005

b) Input Award Scheme

In 2005, a total of 280 suggestions were received from staff members under the Input Staff Suggestion Scheme. This is a civil service-wide scheme for staff suggestions on the improvement of the operation of a department's office or service. The number of suggestions received in 2005 represents an increase of 98% over the total number of suggestions received in 2004. Forty-

two new awards were made totalling €18,300.

In November 2005, a team suggestion, submitted by the Pension Services Office, won the "Public Sector Idea of the Year" category award at the Ideas UK "Idea of the Year 2005 Competition". The idea proposed "the design of an Information Booklet to enable customers to work out their future entitlement to Retirement and Old Age Contributory Pensions". This resulted in the drafting of an easy to understand step-by-step book covering the qualifying conditions for Retirement and Old age pensions.



Olive Candon and Caroline Conlon who accepted the UK Idea of the Year Award on behalf of a team in PSO, Sligo.

→ OBJECTIVE 2

Provide a positive working environment and, in line with equality legislation, promote equality of opportunity for all employees of the Department.

→ The Employee Assistance Service (EAS)

The Employee Assistance Service has an important role in HR management. It enables the Department to respond appropriately to situations that may involve employees with personal difficulties and, more broadly, provides an employee support service. The usage of the service increased in 2005 and this can be accounted for by the proactive promotion of the Service, particularly in the local offices. In 2005 also, the Service has focused on promoting its role in supporting management in dealing with staff issues. Managers can use the EAS for advice,

information and support where work related or personal difficulties are affecting staff health, wellbeing and/or performance.

→ Anti-harassment, sexual-harassment and bullying policy

A Positive Working Environment is the Civil Service policy for dealing with harassment, sexual harassment and bullying in the workplace. It applies to all staff working in Departments and Offices, including staff on contract. The original policy was introduced in July 2000. A revised version of the Policy was published in September 2005. The Policy was revised to reflect subsequent developments at national and EU level as well as taking on board the experience gained in the civil service in the operation of the policy. The review of the policy was carried out by the Department of Finance Equality Unit and involved discussions with Personnel Officers, Investigators, the Staff Panel of the Civil Service General Council and representatives of the Employee Assistance Service. A copy of the revised policy was issued to all staff in September 2005. The revised policy places a greater emphasis on formal mediation as the preferred means of resolving allegations of this nature rather than immediately going into the full investigation process, and the Department is in the process of having a number of mediators trained to assist in this. Awareness information on dealing with allegations of bullying and harassment is given on departmental management training courses. Seminars to raise awareness and knowledge of the area of bullying and harassment have been held for staff.

→ Health Promotion Programme

During the year the Department developed and introduced a number of health promotion initiatives. This involved the provision of information about health and lifestyle issues. The Department also provided information and advice on stress management through a number of channels; training programmes, information talks and related material. A health screening programme is in development.

→ Promotion of work-life balance for employees

The continued support of work/life balance initiatives in the Department, has proven to be a very positive factor in the overall retention policy. The Department has implemented a range of work-life balance arrangements that allow people to balance work and other responsibilities in a way that suits their circumstances. At the end of 2005 more than 22% of staff were worksharing and more than 350 staff availed of the term time scheme during the summer.

→ Equality and diversity policies

In line with the Civil Service Gender and Diversity Policies and its own published commitments the Department is developing a range of initiatives aimed at increasing staff awareness of equality issues as they apply across the broad HR agenda. The implementation of the Department's Gender Equality Action Plan 2003-2005 (based on the Civil Service Gender Equality Policy) continued during the year. A review of the implementation of the Plan will be produced in 2006.

→ Supports for staff with disabilities.

The HR Strategy 2003-2005 included a commitment to progress initiatives aimed at addressing issues affecting staff with disabilities and, specifically, to strengthen the role of the Department's Disability Liaison Officer (DLO). The DLO is based within the Personnel Unit and has responsibility to promote the interests of staff with disabilities and co-ordinate the achievement of the Department's objective of ensuring a working environment that meets the particular needs of these employees. Key elements of the role are:

- liaison and co-operation with external and internal service providers to ensure specific needs are met
- raising awareness of disability issues in the Department
- research into best practice in this area.

Self-disclosure of a disability has been encouraged via various channels, e.g., internal circulars and

staff magazines with the objective that any particular needs can be met. All such information is kept strictly confidential. The needs assessment procedure is ongoing. The process now includes on-site visits by the Disability Liaison Officer, Health & Safety Officer and a representative from Information Systems Division in which physical access, IT and HR requirements are discussed with the staff member and their line manager. Following the completion of the review of outstanding Assistive Technology requirements for staff with visual & hearing impairments, research is currently underway into technology available for those with physical & cognitive disabilities.

Disability Awareness Guidelines were issued to all members of staff in 2005. These guidelines were developed in consultation with members of staff with disabilities and particularly emphasise communication with people with disabilities.

→ OBJECTIVE 3

Foster good industrial and employee relations throughout the Department Industrial relations and communications mechanisms effectively employed to minimise potential for industrial action.

A stable industrial relations climate was maintained in 2005 through the operation of the formal industrial relations machinery and through continuous communication and consultation with staff unions and associations.

→ OBJECTIVE 4

Ensure that each staff member has the knowledge, skills and competencies to contribute effectively to achieving the business goals of the Department and develop the role of the manager as the key facilitator in implementing change and improvement.

→ Integration of Performance Management and Development System (PMDS)

In June 2005, under the Civil Service Conciliation and Arbitration Scheme, a report was agreed by Civil

Service trade unions and management representatives (General Council Report 1452). It set out how PMDS would be integrated with the increments, promotions and higher scales HR processes and how it would also have linkages with the probations process. The integration will be come into operation in 2007. The Department commenced a range of preparatory measures and communication/consultation processes to ensure that the new arrangements are operated effectively.

→ Training & Development Strategy

The Department's first Training and Development Strategy was published in 2005. The Training & Development Strategy (2005 - 2008) defines the scope and responsibility of training and development over the next three years, taking into account the overall goals of the organisation. It also outlines the Department's training and development commitments to support the Government's Decentralisation programme. The Strategy was prepared in consultation with Partnership committees and representative groups across the organisation. Progress on the implementation of the Strategy will be monitored via Partnership and will be communicated to all via various channels.

→ Training Delivery

The Department's Staff Development Unit (SDU) provides a range of training and development services for staff of the Department. During 2005, it delivered a total of 258 courses to 2,308 staff. In addition to formal training courses, SDU continued to actively promote on-the-job training and coaching, and to make available self-managed learning options through our Learning Centre; the latter dealt with 590 requests during the year.

→ PMDS Training

The PMDS process plays a key role in ensuring that all staff receive the appropriate training and development for their roles. During 2005, training for PMDS continued, including preparation and piloting of training for visually impaired staff, using assistive technology.

→ Excellence Through People (ETP)

Excellence Through People - formerly Ireland's National Standard for Human Resource Development was revised in 2005 to become the National Standard for Human Resource Management. The Department's Staff Development Unit was assessed and accredited in November 2005.

→ Refund of Fees

During 2004/2005, 162 staff availed of the Refund of Fees scheme.

→ Other training initiatives

In addition to training organised and provided by SDU throughout the Department, the Regional Director's Office (RDO) was involved in a number of new training initiatives for regional staff during 2005. Examples of the RDO's main achievements on this front included Advanced Deciding Officer courses for experienced local office staff; courses on the interpretation of accounts for social welfare inspectors experienced in PRSI work who interpret business accounts in the course of their duties; PRSI work for inspectors and managers and communications courses for staff dealing with non-native English speakers.

→ OBJECTIVE 5

Ensure a working environment which is based on co-operation, participation and mutual support.

→ Partnership

A key guiding principle of the Department is the recognition that effective delivery of our services and management of our work requires a partnership approach between management, unions and staff.

The Department's Partnership Steering Committee is supported by five regional partnerships and 36 local partnership committees. In addition, there are specialist

partnership committees, which include the Fiúntas Committee and the PMDS board.

The Department's Partnership Steering Committee met on seven occasions in 2005, including one two-day meeting. Some of the key issues addressed by the Committee in 2005 include:

- The Department's Modernisation Action Plan updates (see p.59 for details of the Modernisation Action Plan)
- Internal Customer Service
- Review of HR Strategy (with the Central Regional Partnership Committee)
- Attendance Management.

During 2005 a review of Communication in the Department's Regional structure was undertaken. A report was produced in late 2005.

Implementation of the agreed recommendations will commence in 2006.

→ Internal Customer Service

The Department is committed to providing first class customer service and to ensuring continuous quality improvement in that service. The first Internal Customer Plan - Supporting Each Other - was published in 2001 and set out the principles of good customer service and the types of support services different areas of the Department was committed to provide.

The latest Internal Customer Service plan was published in November 2005 entitled Working Together the objective of which is to build on the foundations laid by the first plan and to contribute to an even greater understanding of the benefits of first class internal customer service on a continual basis.

The Internal Customer Service Monitoring Committee will monitor and report on progress and implementation.

Information and Communications Technology

→ OBJECTIVE 1

Operate, maintain and enhance the Department's Information Technology production systems.

A programme, in conjunction with Information Services Division, for the provision of appropriate Information and Communications Technology facilities to Field Services Staff was successfully completed.

→ OBJECTIVE 2

Develop and enhance ICT systems to respond to the requirements of the Department's change agenda.

See Goal 4, pp 36-44.

Governance and Management of Resources

→ OBJECTIVE 1

Ensure the governance arrangements of the Department and its agencies are appropriate to achieve the task which must be undertaken.

The Department's agencies are:

- The Pensions Board
- The Family Support Agency
- Combat Poverty Agency
- Comhairle
- Pensions Ombudsman

See Chapter 1, p6 for details of the functions of these agencies.

The Department liaises regularly with all its agencies and participates in the work of various committees as appropriate. It is represented on the Pensions Board and on the boards of the

Family Support Agency, Combat Poverty Agency and Comhairle.

→ DSFA Audit Committee

The DSFA Audit Committee, which operates under a written charter and whose membership of six includes three external members (including the Chairperson), is an integral part of the Department's corporate governance processes. During the year, the Committee met on four occasions and provided advice and guidance to the Department in relation to business control, internal audit, risk management, its relationship with external audit and other governance issues.

→ OBJECTIVE 2

Ensure the Strategic Management Initiative (SMI) is implemented in the Department.

In line with procedures under the National Partnership Agreement: *Sustaining Progress*, the Department's Modernisation Action Plan was substantially updated at the end of 2004. The revised Plan set out the Department's modernisation priorities for 2005 and 2006, as follows:

- New Technology and eGovernment and delivery of consequent efficiencies and flexibilities;
- Continuing the programme of process improvements and localisation of services;
- Maintaining business continuity in the context of, in particular, preparations for decentralisation;
- Effective implementation of PMDS and, in particular, addressing issues raised in the staff attitude survey; and
- Continued progress on the Management Information Framework (MIF) project and related initiatives.

Good progress was achieved on all of these priorities in 2005. Much of this is reported on elsewhere: see Goal 4, pp 36-44 in relation to **eGovernment and New Technology**. Progress on the **MIF** and on **Decentralisation** is reported on pages 60-61.

Process improvements and localisation of services continued throughout the year. In Disability Benefits Branch revised processing procedures were designed to achieve faster processing of certain claims, and led to a considerable increase in the number of cases processed in 3 days - from 3% in November 2003 to 32.5% in three days at the end of 2005 (target for 2005 was 30%)

At local office level, there was progress on the localisation of one parent family payments, alternative arrangements were introduced for customers following the abolition of signing in Garda stations and lunchtime service was extended to a further eight local offices, bringing the total to 41. (See Goal 2, Objective 1, p22, for more details of these measures).

In relation to **PMDS**, 2005 saw the introduction of upward feedback. As part of the preparations for upward feedback, a staff climate survey had been completed in 2004. During 2005, in consultation with the Department's partnership committees, work began on an action plan to address the issues raised by the climate survey.

→ OBJECTIVE 3

Ensure that the Department maintains a robust system of internal control and arrangements to evaluate same and that the principles of efficiency, effectiveness and economy are applied in all the Department's activities.

→ Internal Audit of control processes

As a key element of the governance processes within the Department, the robustness of its internal control processes was subjected to continuous review, audit and enhancement during the year. All significant control and governance issues and recommendations brought to attention by internal and external audit and by other review areas were responded to by management and enhancements actioned as appropriate. During 2005, the DSFA Internal Audit Unit - which is an independent, objective, assurance and consulting activity, provided audit reports,

reviews, questionnaires and other audit activities in respect of many aspects of the Department's business environment including social welfare schemes, head office areas, computer areas and local offices and branch offices.

→ Payment and Agency Reconciliation Project (PARP)

A major project, the Payment and Agency Reconciliation Project (PARP) is currently underway. The objective of PARP is to provide an integrated reconciliation solution which will reconcile all the Department's payment instruments and associated agency accounts, and will integrate with the Department's financial and payment systems. The projected completion date for PARP is end December 2007.

→ Projects Governance

A Projects Governance Process is in place to ensure that a corporate view is taken of competing requirements for change projects and that resource decisions are soundly based. The Projects Governance Committee meets on a monthly basis to monitor progress with projects and to review, where necessary, resource requirements, including allocations for consultancy funding. Structures and processes to ensure effective governance are continually reviewed.

→ Management Information Framework (MIF)

Work continued on the development of the Department's Management Information Framework project which aims to facilitate the provision of integrated financial and management information.

→ Procurement Services

Work in preparation of a Procurement Strategy for the Department started in 2005. A key component of which will be an Annual Procurement plan. This plan will support the Procurement Strategy to ensure the Department continues to maximise

the potential to deliver value for money in the area of procurement.

→ OBJECTIVE 4

Promote and develop a risk awareness and management culture which will complement and underpin the Department's corporate governance process.

As an integral part of the implementation in full and on time of the recommendations of the Report of the Working Group on the Accountability of Secretaries General and Accounting Officers, the Department's Risk Assessment and Management system was rolled out on a phased basis throughout the Department during 2005. Risk Management is now embedded into the business planning processes of each Division and is reviewed - and updated as appropriate - at least once a quarter.

→ OBJECTIVE 5

Design, develop and implement document and data management strategies for the Department.

→ Document and records handling unit

A unit was set up, in 2005, to develop an enterprise-wide strategy for document, records and information management throughout the Department.

A request for tender was issued in quarter 4, 2005 seeking consultancy support in developing the Department's strategy.

In tandem with the development of the strategy, point solutions to support key business needs have been identified, and projects were initiated in 2005 in the following areas: Contributory Pension/Retirement Pensions, One-Parent Family Payment, and Client Eligibility Services.

→ OBJECTIVE 6

Deliver, in accordance with the timeframe approved by Government, on decentralisation programme.

→ Implementation Plan for decentralisation

The Department's revised Implementation Plan was submitted to the Decentralisation Implementation Group in July 2005. The Department continued to liaise with the other Departments involved in the Decentralisation Programme and provides the information and support necessary, in an efficient manner.

→ Staff Movement Plans

During 2005, meetings were held with management and staff in those areas identified to relocate to Carrick-on-Shannon and Sligo and project teams have been established in each section. The transfer of staff into the Department in preparation for the move to Sligo began. Fourteen staff in the Supplementary Welfare Allowance area were moved to Sligo in July 2005, as part of the programme. Offers of transfer have issued in relation to Carrick-on-Shannon.

A relocation guide was prepared by the Decentralisation Implementation Unit to support the sections due to move and Staff Development Unit are liaising with local management regarding the training requirements in each area. Meetings continue to be held on an on-going basis with other areas of the Department which are impacted by the Decentralisation Programme. Staff were updated on decentralisation by newsletter and through the Department's internal communications system.

Work continued on progressing new accommodation in all the decentralisation locations.

Safe and Healthy Working Environment

→ OBJECTIVE 1

Ensure quality accommodation is provided and is maintained to the highest standard to enable customers/staff to have a clean, comfortable and safe environment.

→ Health & Safety

In light of new Health & Safety regulation, the Department carried out a consultancy review of health and safety matters.

→ Accommodation

In association with the Office of Public Works, work continued on progressing the Department's accommodation improvement programme. This included the provision of new office accommodation in Drogheda, Enniscorthy, Roscommon, and Tubbercurry.

Policy Development and Planning

→ OBJECTIVE 1

Promote and support an effective, inclusive and consultative policy making process.

Consultation with stakeholders is a key element of the policy making process within the Department. It is an essential element in addressing policy issues and in determining an effective response to the needs of customers in the context of a changing economic and social environment. Such consultation and the development of participative structures where customer representative organisations and stakeholders generally can express views, provide feedback on services delivered and input into policy making is necessary in order to ensure that income support

programmes and associated supports continue to be relevant and effective.

The Department facilitates this participative structure through various fora including the annual pre- and post- Budget fora, though submissions to working groups and through engagement with various customer representative groups.

→ Pre- and post-Budget 2006 Fora

The 2005 Pre-Budget Forum took place in October. The purpose of this Forum is to give voluntary organisations operating in the social services area an opportunity to express their views, concerns and priorities with regard to social welfare improvements in the run-up to the Budget. Thirty two organisations were invited to attend the Forum. Representatives from the Combat Poverty Agency, the Family Support Agency, the National Disability Authority and the Department of Finance also attended as observers. A representative from each organisation was also invited to attend the Post-Budget Forum which was held on the evening of Budget Day in December 2005.

→ Developing the National Action Plan Against Poverty and Social Exclusion (NAP Inclusion)

As the government agency with overall responsibility for developing, co-ordinating and monitoring Ireland's NAP Inclusion, the Office for Social Inclusion (OSI) undertook an extensive consultation process during the second half of 2005 aimed at informing the development of Ireland's next Plan.

The consultation process commenced in September with a request for written submissions from organisations and individuals on the broad objectives and policy measures to be reflected in the Plan. In total, eighty one submissions were received from individuals and organisations. This was followed by a series of seven regional and national seminars organised by the OSI in Dublin, Carlow, Cork, Limerick, Mullingar, Carrick on Shannon and Donegal. The seminars were designed to facilitate the participation within the

NAP Inclusion process of people with direct experience of poverty and social exclusion and those who work with them. A total of five hundred and twelve people attended the seminars countrywide.

A written report of both stages of the consultation process was prepared, and will form an important input to the 3rd NAPS Social Inclusion Forum (SIF) to be held in the Royal Hospital Kilmainham in February 2006. The annual SIF, which will be jointly organised by the OSI and the NESF, will in itself be another important element of the NAP Inclusion consultation process, targeting, among others, policy makers, people experiencing poverty and their representative organisations. The NAP Inclusion consultation report will also feed into negotiations on the social inclusion aspects of the new National Partnership process. Copies of the consultation report are available from the OSI or online at www.socialinclusion.ie

The Department is conscious of the need to maintain and develop skills in policy analysis. In this regard, staff from the Department are supported in the development of these skills through participation in relevant full and part-time courses at both higher diploma and masters level.

→ OBJECTIVE 2

Support the development and implementation of responses to cross-departmental issues.

The Development of policy requires close co-operation with other departments where a particular policy initiative is shared across departments. This co-operation is critical to the achievement of many of the department's objectives and is manifest in many areas of the Department's activities including the Department's central co-ordinating role in the implementation of the National Anti-Poverty Strategy (see Goal 5, pp 46-51), in the developing of the Reach project (see Goal 4, p. 40) and in the ongoing programme of expenditure reviews (see Objective 3 below) In other areas, departmental personnel cooperated with staff of other departments as evidenced in the RAPID project

and the School Meals Project and in the Expenditure review initiative.

→ OBJECTIVE 3

Monitor and evaluate the performance of schemes in meeting their desired objectives.

The expenditure review process provides a basis for a systematic analysis of what is being achieved by expenditure in each programme area. Since the launch of the expenditure initiative in 1997, the Department has carried out 20 expenditure reviews. The review of the Back to Education scheme and the review of Supports to Lone Parents were completed in 2005, as follows:

a) Back to Education

The review of the Back to Education scheme was carried out by a working group led by the Department and with representatives from the Department of Finance, Department of Education and Science, Department of Enterprise and Employment and An FÁS. The working group considered all aspects of the scheme and put forward proposals which will secure a more streamlined and joined up approach to the delivery of supports provided by the scheme. The report is available at www.welfare.ie/publications/exp_rev/btea.pdf

b) Support for Lone Parents

The review of the One Parent Family Payment was carried out by a working group led by the Department with representatives from the Department of Finance. The working group considered issues including the contingency basis of the one parent family payment, cohabitation, maintenance and secondary benefits. A consultation process with social partners and other interested parties was also undertaken to inform the work of the group. The working group put forward proposals to reform the income support arrangements for lone parents and families on low income. These have been published as part of the Government discussion paper *Proposals for supporting Lone Parents* and is available at www.welfare.ie/publications/prop_lp.pdf

The recommendations arising from the expenditure review process are considered and progressed through the Department's Policy Committee

→ OBJECTIVE 4

Develop DSFA data holdings as a resource supporting policy development and programme evaluation and ensure that our data sources facilitate national developments in social and equality statistics.

In recognition of the need to maximise the potential of data available to and required to inform both policy and executive functions, the Department launched a Data and Statistics Strategy in 2005. The main objectives of this strategy are to;

- Meet our international and national requirements for high level policy indicators, e.g., the National Anti-Poverty (NAPS) consistent poverty indicators and data on supplementary pension coverage.
- Develop the Department's data holdings as a resource supporting policy development and programme evaluation, e.g., measuring the impact of policy change options.
- Ensure that our data sources facilitate national developments in social and equality statistics, e.g., allowing integration of data using Personal Public service(PPS) Number.
- Meet the wider public information needs regarding our schemes, e.g., the annual Statistical Information on Social Welfare Services report.

This strategy is being progressed through a range of activities across the Department.



APPENDICES

APPENDICES

Appendix 1: Status Report on Organisational Targets for 2005

| Activity | Performance Standard (1) | Performance Achieved |
|--|------------------------------------|----------------------|
| New Claims | | |
| Old Age Contributory Pension | 55% in 6 weeks | 51% Achieved |
| Retirement Pension | 80% in 5 weeks | 51% Achieved |
| Widow(er)'s Contributory Pension | 80% in 5 weeks | 82% Achieved |
| Old Age (Non-Contributory) Pension | 65% in 8 weeks | 57% Achieved |
| Widow(er)'s (Non-Contributory) Pension & One Parent Family Payment (Widow) | 75% in 8 weeks | 73% Achieved |
| One-Parent Family - (Unmarried Parent) | 55% in 8 weeks | 55% Achieved |
| One-Parent Family - (Separated Spouse) | 65% in 13 weeks | 53% Achieved |
| One-Parent Family - (Local Office based) | 85% in 9 weeks | 61% Achieved |
| Free Electricity/Gas Allowance | 70% in 7 weeks | 70% Achieved |
| Free Telephone Allowance | 70% in 7 weeks | 70% Achieved |
| Bereavement (PSO) | 80% in 3 weeks | 69% Achieved |
| Bereavement (Longford) | 80% in 3 weeks | 81% Achieved |
| Invalidity Pension | 70% in 9 weeks | 71% Achieved |
| Family Income Supplement | 70% in 3 weeks | 56% Achieved |
| Disability Allowance | 70% in 9 weeks | 45% Achieved |
| Carers Allowance | 70% in 9 weeks | 54% Achieved |
| Unemployment Benefit | 85% in 2 weeks | 65% Achieved |
| Unemployment Assistance | 70% in 2 weeks | 50% Achieved |
| Disability Benefit | 90% in 1 week | 79% Achieved |
| Occupational Injury Benefit - Interim Disability Benefit | 85% in 1 week | 89% Achieved |
| Maternity | 80% before commencement of benefit | 74% Achieved |
| Treatment Benefit | 90% in 2 weeks | 80% Achieved |
| Child Benefit | 90% in 1 week | 74% Achieved |
| Arrears | | |
| PSO (Sligo) | 80% in 3 weeks | 90% Achieved |
| Longford SWS | 80% in 3 weeks | 77% Achieved |

(1) Performance target to clear new claims from date of receipt to date of award

Appendix 2: Summary of Budget Package 2006

| | COST | |
|--|------------------|-----------------|
| | First Year €m | Full Year €m |
| 1 Income Support Package | 808.18 | 808.18 |
| 2 Child and Family Poverty Package | 121.84 | 154.22 |
| 3 Retired and Older People | 35.66 | 50.20 |
| 4 Fuel Poverty | 42.55 | 42.50 |
| 5 Supporting Carers | 27.10 | 29.79 |
| 6 Enhancing Employment Opportunities | 22.48 | 27.49 |
| 7 Improved Services and Communications | 7.62 | 7.62 |
| Total | 1,065.43 | 1,120.00 |

DETAILS OF DSFA BUDGET PACKAGE 2006

| Proposal | COST | |
|--|------------------|-----------------|
| | First Year €m | Full Year €m |
| 1. Income Support Package | | |
| Personal Rates of Payment | | |
| €14 increase in the personal rate of payment for all pensioners aged 66 or over (65 in the case of Retirement and Invalidation Pension); special €17 increase in the personal rate of all lower payments. Proportionate increases for all persons in receipt of reduced rates. [January 2006] | | |
| QAA Rates of Payment | | |
| €10.80 per week increase for OACP, Retirement Pension and Invalidation Pension QAs aged 66 and over; €12.10 per week increase for Invalidation Pension QA aged under 66; €9.30 per week increase for OACP and Retirement Pension QAs aged under 66; €10.60 per week increase for OAP QAs aged under 66 and 66 and over and Blind Persons Pension QAs aged under 66 and a €11.30 per week increase for all other QAs. Proportionate increases for all persons in receipt of reduced rates. [January 2006] | | |
| Maternity and Adoptive Benefits | | |
| €17 increase in the minimum rate of Maternity and Adoptive from €165.60 to €182.60 per week. [January 2006] | | |
| | 808.18 | 808.18 |

Appendix 2: Summary of Budget Package 2006 (continued)

| | COST | |
|---|------------------|-----------------|
| | First Year €m | Full Year €m |
| 2. Child and Family Poverty Package | | |
| Child Benefit | | |
| Increase the Child Benefit Lower Rate by €8.40 and the Higher Rate by €7.70 per month. New monthly rates are €150 and €185 per month, respectively. [April 2006] | | |
| Family Income Supplement (FIS) | | |
| Increase all FIS earnings thresholds by amounts ranging from €19 to €282 per week, depending on family size. [January 2006] | | |
| Back to School Clothing & Footwear Allowance | | |
| Increase the rate of payment of Back to School Clothing & Footwear Allowance by €40 per child; New rates are €120 for children aged 2 to 11 years old and €190 for children aged 12 to 22. [June 2006] | | |
| Increase the additional income disregard, by €50 per week, from €50 to €100 per week for entitlement to Back to School Clothing & Footwear Allowance. [June 2006] | | |
| Extend entitlement to Back to School Clothing & Footwear Allowance to persons in receipt of Orphan's Contributory Allowance and Orphan's Pension. [June 2006] | | |
| School Meals | | |
| Additional funding for School Meals Scheme. [2006] | | |
| One Parent Family Payment | | |
| Increase the upper income threshold by €82 per week, to €375 per week. [July 2006] | | |
| | 121.84 | 154.22 |

Appendix 2: Summary of Budget Package 2006 (continued)

| | COST | |
|--|------------------|-----------------|
| | First Year €m | Full Year €m |
| 5. Supporting Carers | | |
| Respite Care Grant Increase the rate of Respite Care Grant by €200, from €1,000 to €1,200 for each care recipient. [June 2006] | | |
| Carer's Allowance Increase the income disregard from €270 (single)/€540 (couple) per week to €290 (single)/€580 (couple) per week; increases of €20 and €40 per week, respectively. [April 2006] | | |
| Special increase for Carer's Allowance recipients so as to bring the over 66 rate to €200 per week and the under 66 rate to €180. [January 2006] | | |
| Carer's Benefit Extend the duration of Carer's Benefit by 9 months, to 24 months. [May 2006] | | |
| Carer's Allowance/Carer's Benefit/Respite Care Grant Increase the number of hours that recipients of Carer's Allowance, Carer's Benefit and Respite Care Grant, are entitled to engage in employment inside and outside the home and in self-employment, from 10 hours per week to 15 hours per week. [June 2006] | | |
| | 27.10 | 29.79 |

Appendix 2: Summary of Budget Package 2006 (continued)

| 6. Enhancing Employment Opportunities | COST | |
|---|------------------|-----------------|
| | First Year €m | Full Year €m |
| <p>Disability Allowance/Blind Pension Introduce a tapered 50% withdrawal rate where a Disability Allowance or Blind Pension recipient engages in rehabilitative employment or self-employment and has a weekly income above the current disregard of €120 per week and below €350 per week. [June 2006]</p> | | |
| <p>Qualified Adult Allowances (QAAs) Increase the upper ceiling for entitlement to tapered QAA payments by €20, from €220 to €240 per week. [January 2006]</p> <p>Increase the threshold for entitlement to full rate QAA payment by €11.12 per week, from €88.88 per week to €100, increase the upper ceiling threshold for entitlement to full rate QAA by €10, from €240 to €250. Reduce the number of tapered QAA bands. [May, July and September 2006]</p> <p>Increase the spouse's earnings disregard, as appropriate by €11.12 per week, from €88.88 to €100 per week and by €11.91, from €38.09 to €50 per week for UA, PRETA, Farm Assist and DA. [May and September 2006]</p> | | |
| <p>Maternity & Adoptive Benefit Increase the rate of Maternity Benefit from 75% to 80% of reckonable weekly earnings. [January 2006]</p> | | |
| <p>Rent & Mortgage Interest Supplement Introduce a 50% tapered withdrawal of earnings between €60 per week and €90 per week for Rent & Mortgage Interest Supplement purposes. [January 2006]</p> | | |
| <p>Back to Work Allowance/Self-employed Reduce the qualifying period for access to the self-employed strand of Back to Work Allowance from 3 years on the Live Register to 2 years. [March 2006]</p> | | |
| <p>Secondary Benefits Extend entitlement to the retention of social welfare secondary benefits for participants in the Rural Social Scheme. [January 2006]</p> | | |
| <p>Personal Retirement Savings Accounts (PRSAs) Disregard contributions to PRSAs from assessment in all means/income tested social welfare schemes. [April 2006]</p> | | |
| <p>Back to Work Allowance Allow periods spent on Supplementary Welfare Allowance or Direct Provision Allowance, to count towards the qualifying period for eligibility for Back to Work Allowance. [March 2006]</p> | | |

Appendix 2: Summary of Budget Package 2006 (continued)

| | COST | |
|--|------------------|-----------------|
| | First Year €m | Full Year €m |
| 6. Enhancing Employment Opportunities (continued) | | |
| Back to Education Allowance Allow periods spent on Supplementary Welfare Allowance or Direct Provision Allowance to count towards the qualifying period for eligibility for Back to Education Allowance. [September 2006] | | |
| Rent and Mortgage Interest Supplement Disregard childcare allowances for persons participating in approved training courses for the purposes of Rent and Mortgage Interest Supplements. [January 2006] | | |
| Secondary Benefits Disregard childcare allowances for persons participating in approved training courses for the purposes retention of entitlement to secondary benefits. [January 2006] | | |
| Treatment Benefit Introduce alternative contribution condition for entitlement to Treatment benefit to facilitate atypical workers. Alternative condition of 26 paid contributions in both the current Relevant Tax Year and the last Relevant Tax Year. [May 2006] | | |
| Unemployment Assistance Abolish the assessment of Benefit and Privilege for persons aged 25. [February 2006] | | |
| Supplementary Welfare Allowance Abolish assessment of Benefit and Privilege for all persons aged 25 or over, thereby bringing those arrangements into line with those applying to Unemployment Assistance. [May 2006] | | |
| Back to Work Allowance/Employee Reduce the qualifying period for access to the employee strand of Back to Work Allowance from 5 years on the Live Register to 2 years. [March 2006] | | |
| | 22.48 | 27.49 |

Appendix 2: Summary of Budget Package 2006 (continued)

| | COST | |
|--|-------------------------|-------------------------|
| | First Year €m | Full Year €m |
| 7. Improved Services and Communications | | |
| MABS | | |
| Additional funding for the Money Advice & Budgeting Service. [2006] | | |
| Family Support Agency | | |
| Additional funding for the FSA to :- | | |
| * establish two new Family Mediation Service offices in Portlaoise and Letterkenny and conduct a review of Family Mediation Service accomodation nationally. | | |
| * increase Grants for Marriage, Child and Bereavement Counselling Services | | |
| * expand the Family and Resource Centre Program | | |
| * enable once-off special funding for Treoir to undertake awareness campaign in relation to the role of both parents in the lives of children. [2006] | | |
| Comhairle | | |
| Additional funding for Comhairle to continue the development of Citizen Information Centres.[2006] | | |
| Northside Community Law Centre | | |
| Once off additional funding for Centre. [2006] | | |
| Advocacy Service for People with Disabilities | | |
| Additional funding for Comhairle for the establishment of a personal advocacy service for persons with disabilities. [2006] | | |
| National Pensions Awareness Campaign | | |
| Additional funding for the National Pensions Awareness Campaign [2006] | | |
| Combat Poverty Agency | | |
| Additional funding for the Combat Poverty Agency [2006] | | |
| Entitlements Awareness Campaign | | |
| New communications initiative to improve take-up of Social Welfare entitlements. [2006] | | |
| Total: | 7.62 1065.43 | 7.62 1120.00 |

Appendix 3: Expenditure on Social Welfare by Payment Type, 2004 and 2005

| Type of Payment | 2004 €000 | 2005 Provisional €000 | Change % |
|---|------------------|-----------------------------|---------------|
| Old Age (Contributory) Pension | 1,050,348 | 1,152,894 | 9.76% |
| Retirement Pension | 983,706 | 1,059,992 | 7.75% |
| Old Age (Non-Contributory) Pension | 599,988 | 631,299 | 5.22 |
| Pre-Retirement Allowance | 94,726 | 102,879 | 8.61 |
| Total Old Age | 2,728,768 | 2,947,064 | 8.00% |
| Widow/er's (Contributory) Pension | 906,449 | 998,502 | 10.16% |
| Widow/er's (Non-Contributory) Pension | 122,300 | 126,944 | 3.80% |
| Deserted Wife's Benefit | 89,749 | 90,624 | 0.97% |
| Deserted Wife's Allowance | 10,967 | 11,468 | 4.57% |
| Prisoner's Wife's Allowance | 15 | 14 | -6.67% |
| One Parent Family Payment | 694,835 | 751,102 | 8.1% |
| Widowed Parent Grant (Contributory) | 3,068 | 3,304 | 7.69% |
| Widowed Parent Grant (Non-Contributory) | 323 | 269 | -16.72% |
| Total Widows, Widowers and One Parent Families | 1,827,706 | 1,982,227 | 8.4% |
| Maternity Benefit | 121,571 | 132,412 | 8.92% |
| Health and Safety Benefit | 143 | 293 | 104.9% |
| Adoptive Benefit | 609 | 709 | 16.42% |
| Orphan's (Contributory) Allowance | 9,659 | 7,516 | -22.2% |
| Orphan's (Non-Contributory) Pension | 6,223 | 4,096 | -34.18% |
| Child Benefit | 1,765,117 | 1,899,936 | 7.64% |
| Total Child Related Payments | 1,903,322 | 2,044,962 | 7.44% |
| Disability Benefit | 479,611 | 540,957 | 12.79% |
| Invalidity Pension | 487,375 | 548,224 | 12.49% |
| Injury Benefit | 13,598 | 14,220 | 4.57% |
| Disablement Benefit | 62,599 | 67,016 | 7.06% |
| Death Benefit | 6,185 | 6,523 | 5.46% |
| Disability Allowance | 544,489 | 630,728 | 15.84% |
| Medical Care | 275 | 298 | 8.36% |
| Carer's Allowance | 210,277 | 257,360 | 22.39% |
| Carer's Benefit | 7,698 | 9,589 | 24.56% |
| Blind Person's Pension | 15,868 | 16,661 | 5.00% |
| Total Illness, Disability and Caring | 1,827,975 | 2,091,576 | 14.42% |

Appendix 3: Expenditure on Social Welfare by Payment Type, 2004 and 2005

| Type of Payment | 2004 €000 | 2005 Provisional €000 | Change % |
|--|-------------------|-----------------------------|--------------|
| Unemployment Benefit | 455,586 | 418,560 | -8.13% |
| Unemployment Assistance | 613,817 | 667,483 | 8.74% |
| Total Unemployment Supports | 1,069,403 | 1,086,043 | 1.56% |
| Family Income Supplement | 55,812 | 72,152 | 29.28% |
| Employment Support Services | 115,956 | 106,613 | -8.06% |
| Farm Assist | 66,343 | 67,284 | 1.42% |
| Total Employment Supports | 238,111 | 246,049 | 3.33% |
| Supplementary Welfare Allowance | 601,582 | 624,029 | 3.73% |
| Total Supplementary Welfare Allowance | 601,582 | 624,029 | 3.73% |
| Treatment Benefits | 70,454 | 65,497 | -7.04% |
| Rent Allowance | 754 | 855 | 13.4% |
| Free Schemes | 364,272 | 383,381 | 5.25% |
| Miscellaneous | 76,767 | 89,748 | 16.91% |
| Equal Treatment - Insurance payments | 1 | 0 | -100% |
| Equal Treatment- Assistance payments | 0 | 0 | 0 |
| Redundancy and Insolvency (1) | 147,643 | 148,147 | 0.34% |
| Total Miscellaneous Payments and Grants | 659,891 | 687,628 | 4.20% |
| Administration - Insurance Schemes | 191,313 | 202,577 | 5.89% |
| Administration - Assistance Schemes | 243,566 | 256,331 | 5.24% |
| Total Administration | 434,879 | 458,908 | 5.53% |
| Grand Total | 11,291,637 | 12,168,486 | 7.76% |

(1) These schemes are administered by the Department of Enterprise, Trade and Employment.

APPENDIX 4: LEGISLATION ENACTED IN 2004

The Department's Legislation Programme for 2005 encompassed the enactment of 3 pieces of primary legislation, that is:

- the Social Welfare and Pensions Act 2005,
- the Social Welfare Consolidation Act 2005, and
- the Social Welfare Act 2005.

The programme also entailed the promulgation of 35 Statutory Instruments.

Details of primary and secondary legislation are as follows:

SOCIAL WELFARE AND PENSIONS ACT 2005 (No. 4 of 2005 enacted 14 March 2005)

This Act provides for a number of measures announced in Budget 2005, including increases in Child Benefit, an increase in the amount of capital disregarded for the purposes of certain means tested schemes, improvements in the Carer's Benefit and the Respite Care Grant schemes and enhancement of the Disability payment schemes including the introduction of a weekly payment for persons who do not qualify for Disability Allowance solely due to their being resident in an institution.

The Act also provides for a number of amendments to the Pensions Act, 1990, to implement the EU Directive (2003/41/EC) on the activities and supervision of the Institutions for Occupational Retirement Provision (IORPs), and to provide for the implementation of the Pension Board's recommendations on funding standards and a number of minor miscellaneous amendments.

The Act also provides for a number of other amendments to the Social Welfare (Consolidation) Act, 1993 including those required in advance of consolidation, and the Pensions Act, 1990.

THE SOCIAL WELFARE CONSOLIDATION ACT 2005 (No. 26 of 2005 enacted 27 November 2005)

This Act consolidates all of the enactments relating to Social Welfare, which comprises the Social Welfare (Consolidation) Act, 1993 together with all of the Acts which amend that legislation, enacted from 1993 to 2005 inclusive.

A Consolidation Act is an Act designed to consolidate existing statute law on a particular subject matter. Substantive amendments of the statute law are not permissible. However, amendments solely designed to remove ambiguities or inconsistencies, substitute modern for archaic language and to achieve uniformity of expression are permissible.

This Act replaces the provisions of the Social Welfare (Consolidation) Act, 1993, and the 18 subsequent amending Social Welfare Acts, and those amendments effected in other legislation.

To further support the Department's commitment to improving the accessibility of the social welfare code, an Explanatory Guide, detailing the provisions of the Consolidation Act, was published in conjunction with the Act.

THE SOCIAL WELFARE ACT 2005 (No. 30 of 2005 enacted 16 December 2005)

This Act provides for increases in the rates of social insurance and social assistance payments and improvements in the Family Income Supplement, Maternity and Adoptive Benefit and Supplementary Welfare Allowance schemes announced in Budget 2006.

It also provides for an increase in the weekly earnings limit below which PRSI is not payable, an increase in the income ceiling above which PRSI contributions are not payable by employed or optional contributors, as announced in the Budget, in addition to changes to the Health Contributions Act 1979 to provide for an increase in the weekly and annual exemption thresholds for the Health Contribution Levy.

**S.I. No. 16 of 2005
SOCIAL WELFARE (MISCELLANEOUS PROVISIONS)
ACT 2002 (SECTION 16) (COMMENCEMENT) ORDER
2005**

This Order provides for the commencement of the following items of the Schedule to the Social Welfare (Miscellaneous Provisions) Act 2002 in so far as it relates to the Districts of Clonmel, Cashel, Tipperary, Gorey, New Ross, Enniscorthy, Carlow and Kilkenny: Item 3 of Part 4, Items 1, 2, 5, 6, 8 and 9 of Part 5 and Item 2 of Part 6.

These items provide for amendments to the Registration of Births and Deaths (Ireland) Acts and the Marriages (Ireland) Acts.

The commencement of these provisions is necessary to enable the electronic registration of births and deaths in the Civil Registration Office in the District of Clonmel from 17 January 2005, in the Districts of Cashel, Tipperary, Gorey, New Ross and Enniscorthy from 18 January 2005, and in the Districts of Carlow and Kilkenny from 20 January 2005. It also allows for the capture of additional information at the time of registration.

**S.I. No. 53 of 2005
SOCIAL WELFARE (MISCELLANEOUS PROVISIONS)
ACT 2002 (SECTION 16) (NO. 1) (COMMENCEMENT)
ORDER 2005**

This Order provides for the commencement of the following items of the Schedule to the Social Welfare (Miscellaneous Provisions) Act 2002 in so far as it relates to the Districts of Tullamore and Longford: Item 3 of Part 4, Items 1, 2, 5, 6, 8 and 9 of Part 5 and Item 2 of Part 6.

These items provide for amendments to the Registration of Births and Deaths (Ireland) Acts and the Marriages (Ireland) Acts.

The commencement of these provisions is necessary to enable the electronic registration of births and deaths in the Civil Registration Office in the District of Tullamore from 2 February 2005, and in the District of Longford from 7 February 2005. It also allows for the capture of additional information at the time of registration.

**S.I. No. 54 of 2005
SOCIAL WELFARE (CONSOLIDATED
SUPPLEMENTARY WELFARE (ALLOWANCE)
(AMENDMENT) REGULATIONS 2005**

These Regulations provide for amendments to the conditions for entitlement to Supplementary Welfare Allowance Rent Supplement.

They provide for payment of rent supplement in cases where a person is:

- (i) assessed as having a housing need by a local authority
- (ii) homeless (in accordance with the Housing Act 1988);
- (iii) a tenant in accommodation provided by a voluntary housing body;
- (iv) aged 65 years or over;
- (v) in receipt of disability allowance, invalidity pension or blind pension;
- (vi) subject to any other circumstance or exceptional need, in the opinion of the Health Service Executive, to which the provisions of Article 31 of the Consolidated Supplementary Welfare Allowance Regulations apply, to allow a supplement to be paid.

These Regulations abolish the requirement that a person who is not in one of the above categories must have been in rented accommodation, accommodation for homeless persons or an institution (including a prison or place of detention) for not less than 183 days (6 months) in the 12 month period immediately preceding the date of application in order to be entitled to rent supplement.

These Regulations further provide that payment of rent supplement to persons who are not in one of the above categories can be made only if the Health Service Executive is satisfied that:

- (i) in all the circumstances he or she could reasonably have afforded the rent at the commencement of the tenancy;
- (ii) in so far as was reasonable in all the circumstances had an expectation that he or she would be able to afford the rent into the future; and

- (iii) has experienced a substantial change in his or her circumstances leading to an inability to pay the rent.

These Regulations also amend the rule that rent supplement is not payable for 12 months, after a second offer of accommodation by a local authority had been refused in any 12 month period, so that the supplement does not become forfeit until after a third refusal in a continuous 18 month period (from the 31 January 2004). Such refusal includes any offer made to a person under the new Rental Accommodation Scheme managed by local authorities.

These Regulations also make a technical correction to the numbering of the subsections of Article 9 of the Principal Regulations by the addition of a new sub article 9(4).

The earned income disregard for rent supplement is raised from €50 to €60. The same disregard of €60 is also being applied to income from attendance at a range of approved training courses. The Regulations also specify that the same disregard of up to €60 per week (€3,120 per annum) shall be applied to the net cash value of maintenance paid by way of rent or mortgage interest directly by a liable relative of an applicant, taking account of amounts of such maintenance already disregarded in means assessments for his or her basic social assistance payments.

These Regulations came into operation on 31 January 2005.

S.I. No. 58 of 2005
SOCIAL WELFARE (MISCELLANEOUS PROVISIONS) ACT 2002 (SECTION 16) (NO. 2) (COMMENCEMENT) ORDER 2005

This Order provides for the commencement of the following items of the Schedule to the Social Welfare (Miscellaneous Provisions) Act 2002 in so far as it relates to the District of Ballinasloe: Item 3 of Part 4, Items 1, 2, 5, 6, 8 and 9 of Part 5 and Item 2 of Part 6.

These items provide for amendments to the Registration of Births and Deaths (Ireland) Acts and the Marriages (Ireland) Acts.

The commencement of these provisions is necessary to enable the electronic registration of births and deaths in the Civil Registration Office in the District of Ballinasloe from 8 February 2005. It also allows for the capture of additional information at the time of registration.

S.I. No. 74 of 2005
OCCUPATIONAL PENSION SCHEMES (REVALUATION) REGULATIONS 2005

Section 33 of the Pensions Act, 1990 (as amended by Section 21 of the Pensions (Amendment) Act, 2002), provides that the Minister for Social and Family Affairs, after consultation with the Minister for Finance, shall, in respect of each revaluation year, make Regulations specifying the percentage which shall determine the amount by which the preserved benefit is to be increased by in that year. This Regulation provides for a revaluation percentage of 2.2% for 2004.

S.I. No. 106 of 2005
SOCIAL WELFARE (MISCELLANEOUS PROVISIONS) ACT 2002 (SECTION 16) (NO. 3) (COMMENCEMENT) ORDER 2005

This Order provides for the commencement of the following items of the Schedule to the Social Welfare (Miscellaneous Provisions) Act 2002 in so far as it relates to the Districts of Cahir and Listowel: Item 3 of Part 4, Items 1, 2, 5, 6, 8 and 9 of Part 5 and Item 2 of Part 6.

These items provide for amendments to the Registration of Births and Deaths (Ireland) Acts and the Marriages (Ireland) Acts.

The commencement of these provisions is necessary to enable the electronic registration of births and deaths in the Civil Registration Office in the Districts of Cahir and Listowel from 1 March 2005. It also allows for the capture of additional information at the time of registration.

**S.I. No. 182 of 2005
SOCIAL WELFARE AND PENSIONS ACT 2005
(SECTIONS 16, 24, 25 and 26) (COMMENCEMENT)
ORDER 2005**

This Order provides for the commencement of Sections 16, 24, 25 and 26 of the Social Welfare and Pensions Act, 2005.

Section 16 provides for the automatic award of Bereavement Grant and the application of the six weeks' after death payment arrangements without the necessity for referral to a Deciding Officer.

Section 24 provides for the substitution of the Third Schedule to the Social Welfare (Consolidation) Act 1993, which contains the rules governing the calculation of means, with a re organised, accessible version of the text.

Section 25 provides for further amendments which are required on foot of the revised Third Schedule.

Section 26 provides for a number of technical and textual amendments to the Social Welfare (Consolidation) Act 1993 which are required in advance of the proposed consolidation of Social Welfare primary legislation.

**S.I. No. 183 of 2005
SOCIAL WELFARE (OCCUPATIONAL INJURIES)
(PRESCRIBED DISEASES) (AMENDMENT)
REGULATIONS 2005**

These Regulations provide for the introduction of an Individual Proof system for the Occupational Injuries Benefit scheme.

Hitherto, a person suffering from an occupational disease was not entitled to occupational injuries benefit if:

- (i) the disease was not prescribed, or
- (ii) the disease was prescribed but the person was not working in an occupation prescribed in respect of that disease.

Under these Regulations, insured persons may claim benefit under the Occupational Injuries Benefit scheme where the person has developed a prescribed disease (other than deafness) from an occupation that is not prescribed in respect of that disease, and can furnish evidence, as requested, that the disease developed as a consequence of the occupation.

**S.I. No. 184 of 2005
SOCIAL WELFARE (CONSOLIDATED PAYMENTS
PROVISIONS) (AMENDMENT) (CAPITAL
ASSESSMENT AND CARERS) REGULATIONS 2005**

These Regulations provide for the following:

1. An improvement in the existing method of assessing capital, for the purposes of calculating a spouse's weekly income, in order to determine whether a qualified adult allowance is payable.

The new method of assessment calculates the capital value of property on a weekly basis as follows:

the first €20,000 is disregarded;

capital between €20,000 and €30,000 is assessed at €1 weekly means for each €1,000;

capital between €30,000 and €40,000 is assessed at €2 weekly means per each €1,000;

capital above €40,000 is assessed at €4 weekly means per each €1,000.

2. Social Welfare legislation currently provides that a person in receipt of Carer's Benefit may engage in employment or self employment outside the home, subject to a maximum of ten hours per week and an income ceiling of €150. **Article 5(a)** of these regulations increases the income ceiling to €270 per week, effective from 7 April, 2005.

3. **Article 5(b)** of these regulations provides for an increase in the income disregarded for the purposes of Carer's Allowance. In the case of a single person, the increase is €120 per week, bringing the total amount of the disregard to €270. In the case of a married person, the disregard is increased by €40 per week, to a new total of €540. These changes take effect from 7 April, 2005.
4. In addition, **Article 6** of the regulations provides for rounding up the disregard in respect of the sale of a principal residence to €190,500.
5. **Article 7** of the Regulations provides for an improvement in the assessment of benefit and privilege for Unemployment Assistance and Pre Retirement Allowance. The assessment of benefit and privilege is abolished for those aged 26 years and over living in the parental home with effect from 13 April 2005.

**S.I. No. 185 of 2005
SOCIAL WELFARE (CONSOLIDATED PAYMENTS PROVISIONS) (AMENDMENT)
(NO.1) (TREATMENT BENEFIT) REGULATIONS 2005**

These Regulations consolidate all existing provisions relating to Treatment Benefit in addition to facilitating the extension of the current Treatment Benefit Scheme to provide a system of reimbursement to customers who receive treatment in another EU Member State.

Under the Treatment Benefit Scheme a person may qualify for:

Dental Benefit,

Optical Benefit (including Contact Lenses), and

Medical Appliance Benefit, (i.e., Hearing Aids).

A person may qualify for these benefits if he/she:

- (i) satisfies the PRSI contribution conditions,
- (ii) is a spouse of an insured person, or

- (iii) is a widow/widower whose spouse at the time of death was qualified for Treatment Benefit.

Contributions paid at PRSI Classes A, E, H and P count towards qualifying for Treatment Benefit. A person must have been in insurable employment and paid the appropriate rate of PRSI for a defined period of time.

The PRSI contribution conditions relating to entitlement under the Treatment Benefit Scheme, vary depending on the age of the insured person:

Persons aged under 21 years of age must have at least 39 weeks PRSI paid since first starting work in order to qualify,

Persons aged from 21 to 24 years of age must have at least 39 weeks PRSI paid since first starting work and 39 weeks paid or credited in the relevant tax year of which a minimum of 13 weeks must be paid contributions, and

Persons aged from 25 to 65 years of age must have at least 260 weeks PRSI paid since first starting work and 39 weeks PRSI paid or credited in the relevant tax year of which a minimum of 13 weeks must be paid contributions.

In addition, there are a number of exceptions to the 13 week rule and these are specified in the Regulations.

These Regulations also include a number of technical amendments and corrections in the definitions and terms used.

**S.I. No. 186 of 2005
SOCIAL WELFARE (CONSOLIDATED PAYMENTS PROVISIONS) (AMENDMENT) (NO.2)
(HOMEMAKERS) REGULATIONS 2005**

These Regulations detail the conditions to be satisfied by non resident homemakers.

These Regulations extend the time limit within which an application to become a Homemaker for the purposes of Old Age (Contributory) Pension may be made. The new registration deadline for an applicant who commenced homemaking

during the period 6th April 1994 to 31 December 2004, is 31 December 2005.

**S.I. No. 187 of 2005
SOCIAL WELFARE AND PENSIONS ACT 2005
(SECTIONS 38 AND 39) (COMMENCEMENT) ORDER
2005**

This Order provides for the commencement of sections 38 and 39 of the Social Welfare and Pensions Act 2005 with effect from 11th April 2005.

Section 38 extends, from 15 to 30 days, the period from the initiation of a Personal Retirement Savings Account (PRSA) contract to the date on which it becomes enforceable. This is in line with the waiting period imposed on foot of Directive 2002/65/EC in relation to distance marketing of consumer financial services.

In cases of transfers from an Occupational Pension Scheme to a PRSA, members must be provided with a certificate comparing potential benefits from the occupational pension scheme to those from the PRSA, other than in cases where the transfer value is less than €4,000. Section 39 increases this limit from €4,000 to €10,000.

**S.I. 188 of 2005
OCCUPATIONAL PENSION SCHEMES
(PRESERVATION OF BENEFITS)
(AMENDMENT) REGULATIONS 2005**

Article 3 of the Occupational Pension Schemes (Preservation of Benefits) Regulations, 2002 (S.I. 279 of 2002) provides that for the purposes of section 35 of the Pensions Act 1990, the trustees of an occupational pension scheme may effect a transfer payment from the scheme, without the consent of the member concerned, where the total amount of the transfer payment from the scheme in respect of that member is less than €3,800. These Regulations increase that amount to €10,000.

**S.I. No. 230 of 2005
SOCIAL WELFARE AND PENSIONS ACT 2005
(SECTION 7(1))(COMMENCEMENT) ORDER 2005**

This Order provides for the commencement of Section 7(1) of the Social Welfare and Pensions Act, 2005.

Section 7(1) provides for increased availability of the annual Respite Care Grant scheme, and an increase in its amount.

At present, the legislation provides that the Grant is payable to persons who are in receipt of Carer's Benefit or Carer's Allowance. Section 7 amends the scheme by providing for the extension of the Grant, subject to certain employment related conditions, to all persons providing full time care and attention to an older person or a person with a disability.

Section 7 also provides for increasing the Grant from €835 to €1,000 in respect of each person receiving full time care and attention.

**S.I. No. 231 of 2005
SOCIAL WELFARE (CONSOLIDATED PAYMENTS
PROVISIONS) (AMENDMENT)(NO. 3) (RESPITE CARE
GRANT) REGULATIONS 2005**

These Regulations are made on foot of the new Respite Care Grant arrangements provided for by the Social Welfare and Pensions Act, 2005.

For the purposes of the Respite Care Grant, these Regulations provide for the following:

- the date on which the Grant is payable;
- the period for which the carer must provide full time care and attention to the care recipient;
- certain circumstances in which a carer is to be regarded as continuing to provide full time care and attention;
- the conditions to be satisfied by a non resident carer;
- the conditions under which a carer may engage in employment or self employment while continuing to be regarded as providing full time care and attention;

- the manner of certification by a medical practitioner of the incapacity of the person receiving the care which shall be in such form as the Minister approves;
- the medical examination of the care recipient, and for disqualification in cases where there is failure to co operate with this requirement;
- the time period within which claims for the Grant may be made; and
- certain other ancillary matters.

**S.I. No. 349 of 2005
SOCIAL WELFARE (RECOVERY OF OVERPAYMENTS)
REGULATIONS 2005**

These Regulations set out the conditions governing the recovery of all overpayments in respect of Social Welfare schemes, including Supplementary Welfare Allowance, which a person is liable to repay under the Social Welfare Acts.

The Regulations specify the information to be made available to an individual assessed with an overpayment, the various methods of recovery and the requirement to have regard to the person's ability to repay the overpayment. Provision is also made in these Regulations to seek the agreement of the customer in instances where the amount to be repaid would bring the customer's weekly payment rate below the supplementary welfare allowance rate appropriate to the person's family circumstances.

The Regulations also provide for circumstances in which the reduction or cancellation of the recovery of the overpayment in question may be considered.

**S.I. No. 350 of 2005
SOCIAL WELFARE (CONSOLIDATED PAYMENTS
PROVISIONS) (AMENDMENT)(No. 4) (FAMILY
INCOME SUPPLEMENT) REGULATIONS 2005**

These Regulations provide for including benefit in kind in the calculation of earnings from employment for the purposes of Family Income Supplement.

In addition, these Regulations also provide that where a person is employed under the Rural Social

Scheme he or she will not be entitled to receive Family Income Supplement.

**S.I. No. 351 of 2005
SOCIAL WELFARE (CONSOLIDATED PAYMENTS
PROVISIONS) (AMENDMENT (No. 5) (ISLAND
ALLOWANCE) REGULATIONS 2005**

These Regulations provide for the addition of Claggan island in Co. Mayo to the list of prescribed islands for the purposes of the Island Allowance payable to pensioners over age 66 who are normally resident on those islands.

**S.I. No. 352 of 2005
SOCIAL WELFARE (RENT
ALLOWANCE)(AMENDMENT) REGULATIONS 2005**

These Regulations provide for an improvement in the method of assessing the value of property for the purposes of the means test for the Rent Allowance scheme.

The new method of assessment provides for the calculation of the capital value of property on a weekly basis as follows:

- the first €20,000 is disregarded;
- capital between €20,000 and €30,000 is assessed at €1 weekly means for each €1,000;
- capital between €30,000 and €40,000 is assessed at €2 weekly means per each €1,000;
- capital above €40,000 is assessed at €4 weekly means per each €1,000.

**S.I. No. 386 of 2005
SOCIAL WELFARE (CONSOLIDATED
SUPPLEMENTARY WELFARE ALLOWANCE)
(AMENDMENT) (NO. 1) REGULATIONS 2005**

These Regulations provide for the continuation until 31 December 2006 of the levels of maximum rent, as set out in Schedule C, in respect of which rent supplement is paid. The Health Service Executive may, in respect of sub divisions of its functional areas set levels below that provided for in these Regulations.

In addition, these Regulations provide for an increase in the maximum amount of Rent Supplement payable to tenants in voluntary housing developments funded through the local authority Capital Assistance Scheme. The maximum amounts are being increased to €50.00 (from €40.00) for a single person and to €55.00 (from €45.00) for a couple.

**S.I. 559 of 2005
OCCUPATIONAL PENSION SCHEMES (FEES)
(AMENDMENT) REGULATIONS 2005**

In accordance with the Occupational Pension Scheme (Fees) (Amendment) Regulations 2002, fees payable to the Pensions Board are in respect of members, resident in the State, who are in reckonable service at the commencement date of the relevant scheme year. This regulation establishes different criteria in relation to schemes for staff of implementation bodies (north south schemes) established pursuant to the Agreement between the Government of Ireland and Government of the United Kingdom of Great Britain and Northern Ireland done at Dublin on the 8th day of March 1999.

As the scheme is established in this country and in the United Kingdom, there is a need to clarify arrangements for the payment of fees to the appropriate regulatory bodies. For consistency it was decided to mirror the arrangements entered into by the Revenue Authorities in both jurisdictions who have agreed a position on the taxation of benefits and contributions the tax jurisdiction is determined by where the individual's employment is based. This regulation provides therefore that fees are payable to the Pensions Board in respect of members who are in reckonable service in employment in this State at the commencement date of the relevant scheme year.

**S.I. 590 of 2005
PENSIONS (AMENDMENT) ACT 2005 (SECTION 42)
(COMMENCEMENT) ORDER 2005**

This Order provides for the commencement of section 42 of the Pensions (Amendment) Act 2002 with effect from 23rd September 2005 in so far as it inserts section 59(2) into the Pensions Act 1990.

**S.I. 591 of 2005
SOCIAL WELFARE AND PENSIONS ACT 2005 (PART
3) (COMMENCEMENT) ORDER 2005**

This Order provides for the commencement of Part 3, other than sections 38 and 39, of the Social Welfare and Pensions Act 2005 with effect from 23rd September 2005.

Part 3 of the Social Welfare and Pensions Act, sections 27 to 37, provides for amendments to the Pensions Act 1990 which are necessary to provide for the transposition of EC Council Directive 2003/41/EC of the European Parliament and of Council of 3 June 2003 on the activities and supervision of Institutions for Occupational Retirement Provision (IORPs) and generally referred to as the IORPs Directive. The IORPs Directive provides a framework for the operation and supervision of occupational pension schemes and allows IORPs established in one EU Member State to be sponsored by employers in another Member State.

Part 3 also provides for additional amendments to the Pensions Act 1990 to implement the recommendations from the Pensions Board to the Minister for Social and Family Affairs on foot of a review of the Funding Standard together with other miscellaneous amendments to the Pensions Act 1990.

**S.I. 592 of 2005
OCCUPATIONAL PENSION SCHEMES (CROSS-
BORDER) REGULATIONS 2005**

Under the terms of Article 20 of Directive 2003/41/EC on the activities and supervision of occupational pensions, employers based in Ireland must be allowed to make contributions to pension institutions based in other European States and equally occupational pension schemes registered in Ireland must be allowed to accept contributions from employers located in other European States.

Section 37 of the Social Welfare and Pensions Act 2005 inserted a new Part XII into the Pensions Act to deal with such cross border schemes. Part XII deals with conditions for prior authorisation to operate as a cross border scheme and the

conditions for approval to accept contributions when authorised to operate as a cross border scheme.

These regulations provide for -

- the member protection provisions of the Pensions Act, to be applied to Irish-based members of overseas schemes. The main elements of social and labour law are preservation requirements and the jurisdiction of the Pensions Ombudsman.
- the information required when an application for authorisation to operate cross-border is submitted to the Board.
- additional conditions of authorisation.
- the information required to be submitted to the Pensions Board once a scheme proposes to accept contributions from a foreign employer.

S.I. 593 of 2005

OCCUPATIONAL PENSION SCHEMES (INVESTMENT) REGULATIONS 2005

Article 18 of Directive 2003/41/EC on the activities and supervision of Occupational Pension Schemes requires that the resources of a scheme must be invested in accordance with the prudent person rule and in particular in accordance with certain investment rules.

Article 18(2) of the Directive also prohibits schemes from borrowing for investment purposes other than in certain prescribed circumstances. Section 36 of the Social Welfare and Pensions Act 2005 prohibits such borrowing other than in circumstances which may be provided for by way of regulations. Article 5 of these regulations provides that trustees may borrow money for liquidity purposes and only on a temporary basis. Article 5 also provides that the trustees of a one member arrangement may borrow money.

Article 12 of the Directive provides that every scheme should have and keep up to date a statement of investment policy principles. Section 33 of the Social Welfare and Pensions Act provides that trustees of a scheme, other than a small scheme shall prepare and maintain the statement and that it shall include such matters as may be

prescribed. Article 6 of the Regulations sets out those matters.

Article 18(1) of the Directive sets out the rules which comprise the prudent person principle with regard to the investment of the resources of a scheme. Section 33 of the Social Welfare and Pensions Act 2005 provides that these rules will be set out in regulations. Article 7 of these regulations set out those rules. Article 7(7) provides that in relation to a collective investment undertaking and a unit linked insurance policy, the rules will be applied on "look through" basis. Article 7(7)(c) and (d) provide that investment in an insurance policy which guarantees at maturity a return at least equal to the investment over the term of the policy, or in an annuity shall be regarded as an investment on a regulated market and as diversified. Article 7(7) (e) provides that investment in Government Bonds will be regarded as diversified.

S.I. 594 of 2005

OCCUPATIONAL PENSION SCHEMES (TRUSTEE) REGULATIONS 2005

Article 9 of Directive 2003/41/EC on the activities and supervision of Institutions for Occupational Retirement Provision (IORPs), requires that IORPs registered in Ireland must fulfil a number of minimum conditions, such as being run by people of good repute who have appropriate qualifications, experience and properly constituted rules.

Section 59A of the Pensions Act, 1990, (inserted by section 34 of the Social Welfare and Pensions Act, 2005) specifies what constitutes good repute and requires that trustees of pension schemes either possess certain experience and qualifications or enter into arrangements with advisers who possess the qualifications and experience specified. These regulations provide that the experience and qualifications necessary relate to the investment of the resources of the scheme and determine that only one trustee of a relevant scheme need possess such experience and qualifications to satisfy the requirements for all trustees of that scheme.

**S.I. 595 of 2005
OCCUPATIONAL PENSION SCHEMES (FUNDING
STANDARD) (AMENDMENT) REGULATIONS 2005**

Following a review of the Funding Standard by the Pensions Board, one of the recommendations was that the grounds on which extensions can be allowed should be expanded to encompass difficulties arising from increased liabilities. These regulations provide for the additional grounds under which an extended funding period may be allowed, i.e. -

- adverse experience relating to price inflation or rates of interest underlying the actuarial values;
- adverse experience relating to increases in pensionable earnings;
- adverse experience relating to the payment of benefits other than long service benefits.

In addition, these regulations also provide -

- that in completing an Actuarial Funding Certificate or a funding proposal where a scheme fails to satisfy the funding standard, the scheme actuary must comply with the guidance notes issued by the Society of Actuaries in Ireland, and
- for an amendment to the content of the Actuarial Funding Certificate to require disclosure of the assets and liabilities of the scheme.

**S.I. 603 of 2005
OCCUPATIONAL PENSION SCHEMES
(PROFESSIONAL GUIDANCE) REGULATIONS 2005**

Section 29 of the Social Welfare and Pensions Act 2005 amended section 7A of the Pensions Act to ensure that, where guidance, as specified in Regulations, is issued by the Society of Actuaries in Ireland, it may not be altered by the Society without Ministerial Consent. These regulations specify the provisions of the Pensions Act in relation to which such guidance, as issued, may not be altered. These are -

- the preparation of Actuarial Funding Certificates

- the certification of funding proposals, and
- the calculation of transfer values.

**S.I. 604 of 2005
OCCUPATIONAL PENSION SCHEMES
(PRESERVATION OF BENEFITS) REGULATIONS 2005**

Section 34 of the Pensions Act provides that a member of a funded scheme who is entitled to a preserved benefit, shall be entitled to the transfer of an amount of money from the scheme by making an application in writing to the trustees of the scheme. These regulations provide that such transfer payment shall be calculated in accordance with the guidance note issued by the Society of Actuaries in Ireland in relation to transfer payments.

**S.I. 633 of 2005
OCCUPATIONAL PENSION SCHEMES (DISCLOSURE
OF INFORMATION) REGULATIONS 2005**

These Regulations revoke, on a phased basis, the existing regulations relating to disclosure of information and replace them, again on a phased basis, with these Regulations.

The Regulations regulate the disclosure of financial and other information by occupational pension schemes. Under the Regulations the trustees of schemes are required to obtain annual audited accounts and reports containing specified financial information, prepared by an auditor who fulfils certain requirements. The trustees must also obtain an actuarial valuation of the scheme at specified intervals, which, in the case of a defined benefits scheme, must be prepared by a qualified actuary (who is defined in the Regulations).

In addition, trustees of schemes must provide an annual report containing, inter alia, where applicable, a copy of the annual audited accounts for the scheme year, a copy of the latest actuarial funding certificate, a trustees' financial review of the scheme and an investment report. For schemes with less than 100 members (which includes active and deferred members but not pensioners) schemes, in place of the full requirements for audited accounts and reports, have the option of issuing a shortened annual

report prepared by a qualified auditor or, where the benefits are secured under an insurance contract, a person designated by the insurance company.

The Regulations also provide for the trustees to make available documents containing information about the constitution of the scheme for inspection by specified persons, and for copies to be furnished on request on payment of a reasonable charge. Certain basic information mainly about the contribution and benefit structure of the scheme must be given by the trustees to every member on joining the scheme and to members and other specified persons on request, and for material alterations to be drawn to the attention of members.

Also, information about individual benefit entitlements must be furnished by the trustees to specified persons in specified circumstances.

S.I. No. 684 of 2005
SOCIAL WELFARE (TEMPORARY PROVISIONS)
REGULATIONS 2005

These Regulations provide for the payment of a Christmas Bonus to long term social welfare recipients, equivalent to 100% of their normal weekly payments, subject to a minimum payment of €30.

The bonus payment applies to recipients of:

- Disablement Pension,
- Death Benefit by way of pension,
- Old Age (Contributory and Non Contributory) Pension,
- Retirement Pension,
- Invalidity Pension,
- Widow's and Widower's (Non Contributory) Pension,
- Widow's and Widower's (Contributory) Pension,
- Orphan's (Contributory and Non Contributory) Pension,
- Pre Retirement Allowance,
- Blind Pension,
- Carer's Allowance,
- One Parent Family Payment, relevant payments under section 18(1) of the Social

Welfare Act, 1996 (formerly Deserted Wife's Benefit and Allowance and Prisoner's Wife's Allowance),

- Unemployment Assistance at the long term rate,
- Disability Allowance, and
- Farm Assist.

S.I. No. 685 of 2005.
EUROPEAN COMMUNITIES (SOCIAL WELFARE)
(CONSOLIDATED CONTRIBUTIONS AND
INSURABILITY) (AMENDMENT) (PARENTAL LEAVE
CREDITED CONTRIBUTIONS) REGULATIONS 2005.

These Regulations provide that an employment contribution will be credited to an insured person for each week during which he or she avails of parental leave or force majeure leave under the terms of the Parental Leave Act, 1998. These Regulations correct a minor technicality in S.I. No. 569 of 1998 which originally provided for same. Credits awarded under the 1998 regulations will not be affected.

S.I. No. 879 of 2005
SOCIAL WELFARE (RENT ALLOWANCE)
(AMENDMENT) REGULATIONS 2005

These Regulations provide for increases in the amount of means disregarded for people affected by the decontrol of rents and the minimum rent for the purposes of the Rent Allowance scheme with effect from 5 January 2006.

S.I. No. 880 of 2005
SOCIAL WELFARE (CONSOLIDATED PAYMENTS
PROVISIONS) (AMENDMENT)
(No. 6) (INCREASE IN RATES) REGULATIONS 2005

The Social Welfare Act 2005 provides for increases in the maximum rates of social insurance payments arising from Budget 2006.

These Regulations provide for increases in the reduced rates of Disability Benefit, Unemployment Benefit, Health and Safety Benefit, Old Age (Contributory) Pension, Retirement Pension, Widow's and Widower's (Contributory) Pension, Deserted Wife's Benefit, and also provides for increases in the rates of tapered increases in respect of Qualified Adults.

All of these increases are effective from the first week in January 2006.

The Regulations also provide for increases in the minimum weekly rate of Maternity Benefit and Adoptive Benefit with effect from January 2006.

S.I. No. 881 of 2005
SOCIAL WELFARE (OCCUPATIONAL INJURIES)
(AMENDMENT) (No. 1) REGULATIONS 2005

The Social Welfare Act 2005 provides for increases in the maximum rates of benefits payable under the Occupational Injuries Benefits Scheme arising from the Budget. These Regulations provide for increases in the reduced rates of the following Occupational Injuries benefits:

- in respect of Disablement Gratuities appropriate to degrees of disablement assessed at 19% or less with effect from 2 January 2006,
- in respect of Disablement Pension payable in lieu of such Gratuities, with effect from 6 January 2006, and
- in respect of Injury Benefit payable to persons under the age of sixteen with effect from 2 January 2006.

APPENDIX 5: PERFORMANCE AGAINST CUSTOMER CHARTER STANDARDS

Access to our Services

Making our offices accessible for all including people with disabilities

85% of our offices now have basic disabled access. Accommodation standards have been improved in a number of Branch Offices resulting in more space for privacy etc. 95% of Branch Offices satisfy disability access.

All new/refurbished offices facilitate access/movement by people with disabilities. Programme of improvements (managed by the Office of Public Works) to make existing offices accessible is ongoing.

Extending our opening hours in many of our Local Offices

At the end of 2005 a total of 41 local offices were providing a service throughout lunch hour. The situation at other offices will be kept under review.

Respecting your privacy needs if calling to our offices

This service is being provided, where facilities permit to those who require it. Greater emphasis on conducting business in private is now standard in designing new/renovated offices.

Improving our services for visually impaired customers

A braille printer was provided to Blind Pension section in order to communicate with our visually impaired clients.

Improving our telephone answering service by aiming towards a target of answering all telephone calls within 30 seconds

Reviews of telephone responses were carried out in a number of key business areas in order to further improve our performance in this area

Phoning you back if you ask us to

This service is provided by all scheme areas

Provision of Information

Providing you with full, clear and correct information on our schemes and services when required. You can request claim forms and information leaflets by telephoning LoCall 1890 20 23 25 or you can download them from our website at www.welfare.ie

A three day target is aimed at for all requests to the LoCall leaflet line

The main information booklet on all social welfare schemes and services was up-dated in June 2005 and has been written in 'Plain English'.

Ensuring our forms and leaflets are simple and easy to understand

All forms and leaflets have been prepared with reference to 'Plain English' guidelines.

Providing help with filling in forms at your local Social Welfare Office or your local Citizens Information Centre (CIC). (contact LoCall 1890 777 121)

This service is provided as required on an ongoing basis in all Social Welfare Local Offices. Staff are available in our Public Office and all CICs to provide help to customers with filling in forms.

Supporting employers in the operation of the PRSI contribution system

A pro-active approach is maintained with Special Collection Employers who deal with the Department. PRSI updates and changes are issued by annual mailshot. Since 2005 this mailshot has issued via e-mail resulting in material being received by the Employers in a more timely manner, thus improving turnaround times for returns.

Your Claim

Letting you know how soon you may expect a decision on your claim

Scheme areas notify customers if there will be a likely delay in processing a claim.

Advising you how to get financial or other help in the meantime, if necessary

This is standard practice across all scheme areas

Letting you know the different payment options available

This is standard procedure across all scheme areas

Informing you of the reasons for the decision on your claim

This is standard practice across all scheme areas

Informing you of your right to appeal that decision and how to make an appeal

This is standard practice across scheme areas where such a right exists

Letting you know that you also have access to the Ombudsman's Office

This is normal practice where occasion demands.

Comments and Complaints

Promoting and developing our existing Comment and Complaint System

Posters and leaflets are available in all our offices promoting the Comment and Complaint System. Customers can also access our website for this facility

Answering any complaint within 15 working days

This standard is being met across all scheme areas

Guaranteeing that your complaint will not affect how we treat you in the future

To ensure impartiality, complaints are dealt with by designated complaints officers. Training is provided to staff to ensure this standard is met.

e-Government Services

Using modern technology to significantly improve the service we give

The modernisation of the General Register Office (GRO) has led to improved services in the Child Benefit and General Benefits areas.

There is increased use of email services for contact with customers and for distributing information to employers.

Benefits have introduced a number of PC-based initiatives to improve service to the public while the Branch can be contacted directly by external e-mail facility at benefits@welfare.ie where a speedy response is provided.

In 2005 PRSI Ready Reckoners were issued to over 400 employers by e mail (distribution lists) rather than the traditional postage method

Providing an improved range of services through our website

All suitable primary booklets and application forms available for download from our website.

Continuing to support Reach (an agency set up by the Government to develop electronic ways of linking people and the public service)

This is ongoing.

Treating You Fairly

Serving all our customers in an equal, fair and courteous manner

Customer service training is provided to staff to ensure this standard is maintained

Applying the law consistently and fairly in relation to your entitlements and obligations

This is standard practice across all scheme areas. Staff are reminded on a frequent basis of the best practice dealing with members of the public, both in person and over the phone. Staff Instructions issue when anything is changed which might impact on how a claim is authorised/maintained.

Security and Confidentiality

Keeping your personal information safe

This is treated as a priority standard across all areas of the Department

Using that information only for social welfare purposes and as permitted by law

This is treated as a priority standard across all areas of the Department

Service Through Irish

Providing quality services through Irish and English if required

It is our policy to provide this service as required. Irish language training is provided for staff to conduct business through the medium of Irish.

Appendix 6: Reach Unit

Reach arose out of proposals by the Department for a cross-departmental unit to pursue a number of aspects of integrated delivery of Government services. The proposals originally approved in 1999 included:

- establishment of the PPSN as a common identifier,
- preparation of proposals for public service cards,
- establishment of a common means database,
- customer identity validation,
- integration of PPSN allocation and birth registration.

In 2000 the Government decided that the Public Service Broker would be the framework within which integrated electronic services should be delivered.

Reach has developed since then through a number of separate projects. The underlying approach has also been modified in line with changing technology and related developments.

The individual projects included:

- development and deployment of the Public Service Broker,
- development of an inter-agency messaging service (IAMS),
- a death event publication system for use by public service agencies,
- public service identity service provided through the Department,
- support for Revenue PAYE online service.

Currently Reach is supporting the introduction of the PAYE online service which is expected to be fully operational later this year.

While none of the individual projects involved costs over €30million, expenditure on Reach-related projects in total has been in the region of €38million.

The successful completion of the current phase will mean that the infrastructure will be in place to support online delivery of a range of public services. Discussions are commencing with

departments and agencies to identify the possibilities for early access to other services via the Broker. The intention will be to develop a programme of future work in this area and an assessment of the costs involved so that the necessary decisions can be taken as to the future development of the project.

Appendix 7: Ministers in Charge of the Department since 1947

| | From | To |
|--------------------|-------------------|-------------------|
| James Ryan | 22 January 1947 | 18 February 1948 |
| William Norton | 18 February 1948 | 14 June 1951 |
| James Ryan | 14 June 1951 | 2 June 1954 |
| Brendan Corish | 2 June 1954 | 20 March 1957 |
| Patrick Smyth | 20 March 1957 | 27 November 1957 |
| Sean McEntee | 27 November 1957 | 24 June 1959 |
| Sean McEntee | 24 June 1959 | 12 October 1961 |
| Kevin Boland | 12 October 1961 | 21 April 1965 |
| Kevin Boland | 21 April 1965 | 16 November 1966 |
| Joseph Brennan | 16 November 1966 | 2 July 1969 |
| Kevin Boland | 2 July 1969 | 6 May 1970 |
| Joseph Brennan | 6 May 1970 | 14 March 1973 |
| Brendan Corish | 14 March 1973 | 5 July 1977 |
| Charles J Haughey | 5 July 1977 | 12 December 1979 |
| Michael Woods | 12 December 1979 | 30 June 1981 |
| Eileen Desmond | 30 June 1981 | 9 March 1982 |
| Michael Woods | 9 March 1982 | 14 December 1982 |
| Barry Desmond | 14 December 1982 | 14 February 1986 |
| Gemma Hussey | 14 February 1986 | 10 March 1987 |
| Michael Woods | 10 March 1987 | 18 July 1989 |
| Michael Woods | 18 July 1989 | 13 November 1991 |
| Brendan Daly | 13 November 1991 | 11 February 1992 |
| Charlie McCreevy | 11 February 1992 | 12 January 1993 |
| Michael Woods | 12 January 1993 | 15 December 1994 |
| Proinsias De Rossa | 15 December 1994 | 26 June 1997 |
| Dermot Ahern | 26 June 1997 | 17 June 2002 |
| Mary Coughlan | 17 June 2002 | 29 September 2004 |
| Seamus Brennan | 29 September 2004 | |