

Department of Social Protection



Presentation to

**Members of the Joint Oireachtas
Committee on Jobs, Social Protection
and Education**

Members of the DSP Management Team
27th July 2011

www.welfare.ie



Agenda

1. Introductions

2. Presentations

- Overview
 - Priorities
 - Structures
 - Facts & Figures
 - Finance
 - System profile
 - Control of Fraud and Abuse
- Claim Processing
- ICT
- Appeals
- Transformation Agenda

3. Discussion



Minister's Priorities

- ❖ Improve service levels
- ❖ Economic stabilisation and recovery, including meeting commitments to EU/IMF
- ❖ Activation
- ❖ Tackling fraud & abuse
- ❖ Housing supplements, pensions & other commitments from the Programme for Government



Overview of Department

1. Organisation Structure

- Management Board: 11 members
 - Secretary-General: Niamh O Donoghue
 - Deputy-Secretary: Anne Vaughan
 - Assistant Secretary: Niall Barry
 - Assistant Secretary: Helen Faughnan
 - Assistant Secretary: John McKeon
 - Assistant Secretary: Orlaigh Quinn
 - Assistant Secretary: Alice O Flynn
 - Assistant Secretary: Brian O Raghallaigh
 - Assistant Secretary: Kathleen Stack
 - Chief Appeals Officer: Geraldine Gleeson
 - Chief Medical Adviser: Clem Leech



Some facts & figures

- ❖ **4,900 staff**
 - ❖ Almost 7,000 when the Community Welfare Service transfers from HSE and Employment and Community Services transfer from FÁS
- ❖ **85m. payments** made each year
- ❖ **40,000 claims** dealt with each week
- ❖ 1,400,000 weekly payment recipients
- ❖ 600,000 Child Benefit recipients



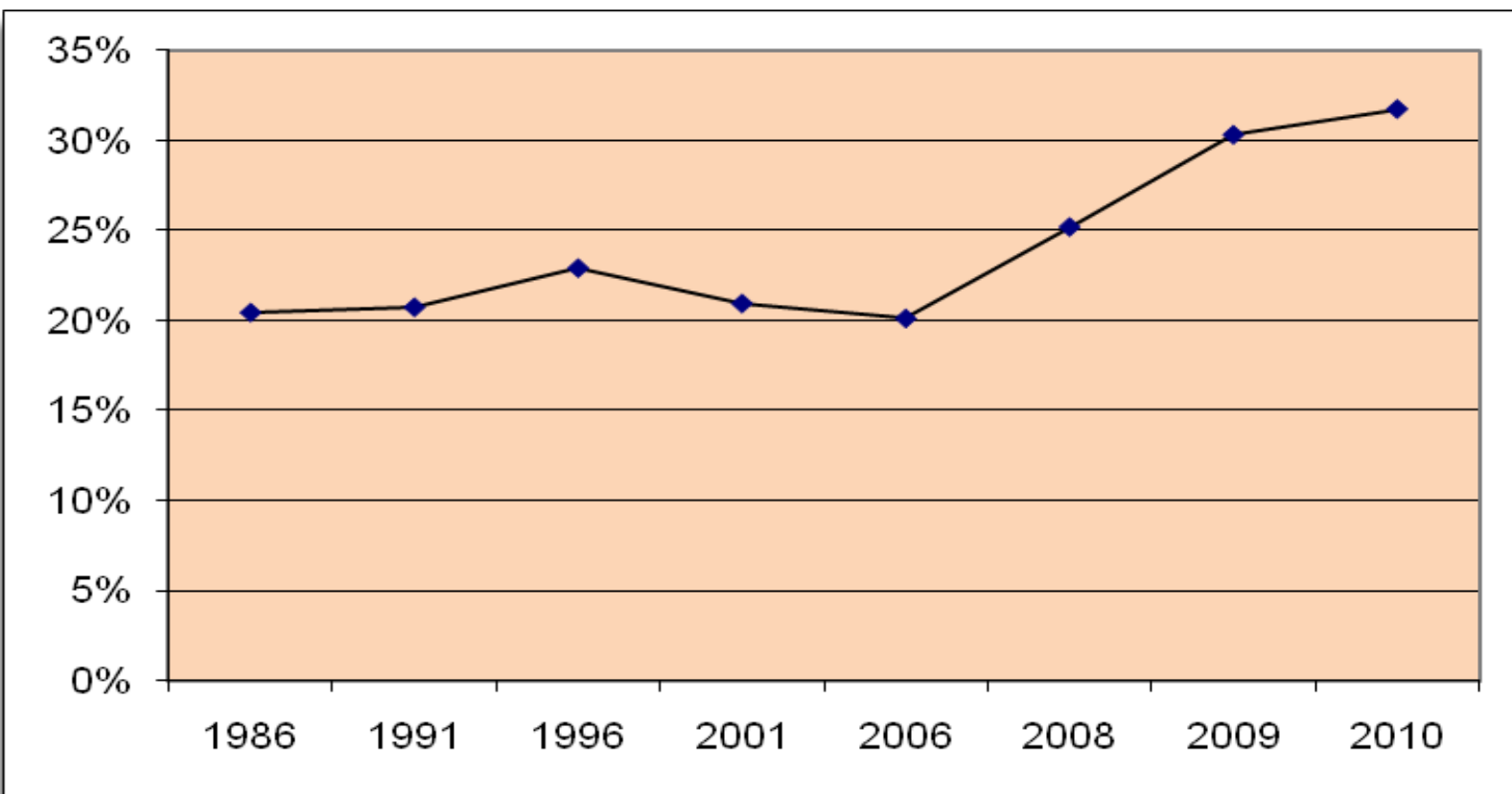
Some facts & figures

- ❖ 11 HQ buildings in Dublin
- ❖ 9 decentralised offices
- ❖ 64 Local Offices
- ❖ 62 Branch Offices
- ❖ 102 other offices



Some facts & figures

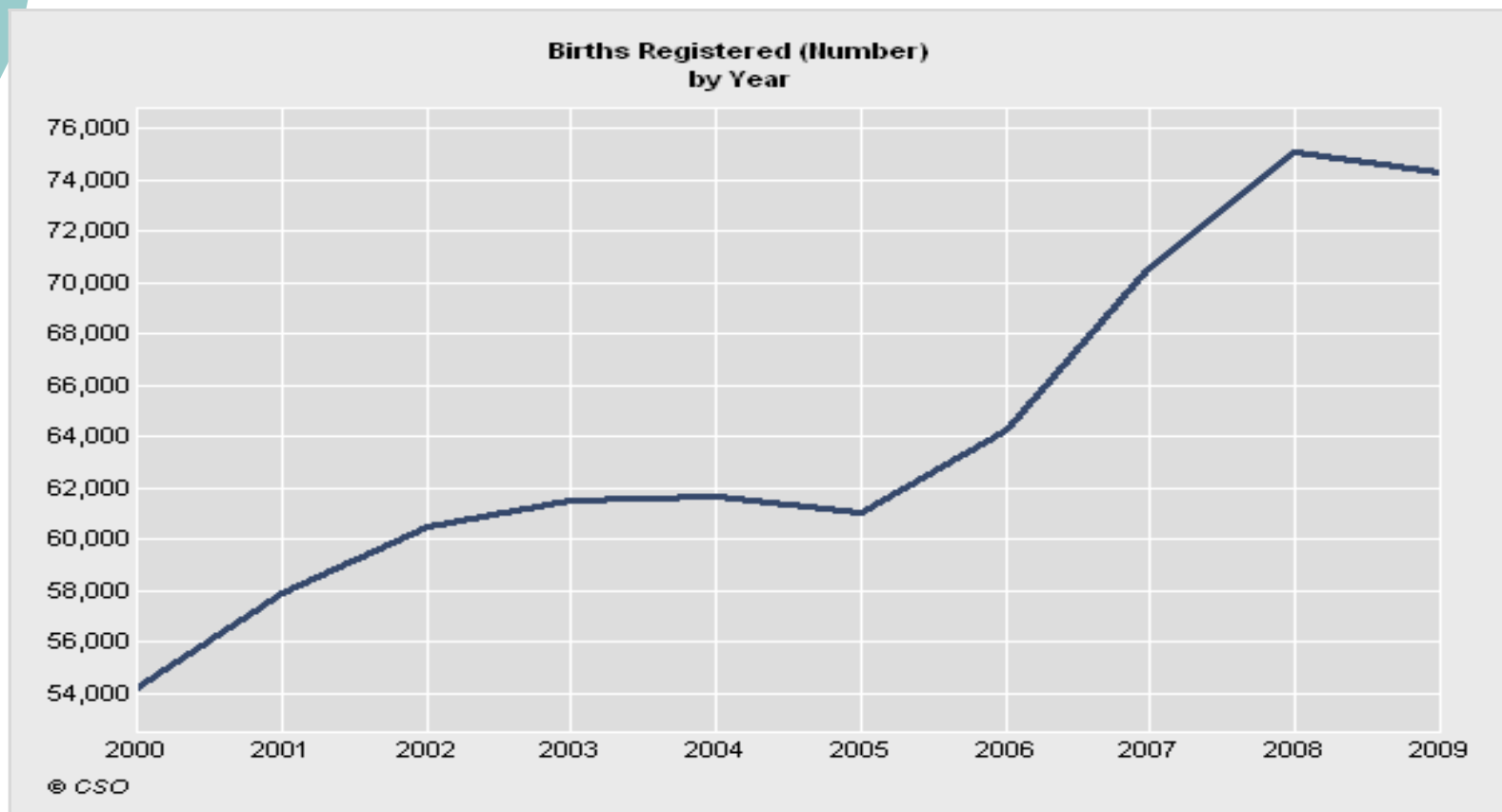
Working Age Social Welfare recipients as % of the overall working age population





Some facts & figures

Almost all children benefit from CB and approximately 41% are dependants on weekly benefit claims





Finance

- ❖ 2011 allocation: €20.6bn
 - ❖ 16% of GNP
 - ❖ 39% of gross current government expenditure (tax + PRSI)
 - ❖ 49% of government income (tax + PRSI)
- ❖ €11.5bn in Social Assistance, Child Benefit etc.
- ❖ €9.1bn. In Social Insurance
- ❖ Total administration < €600m. (<3% of total allocation)



Finance

- ❖ 2011 funding:
 - ❖ €13.4bn in Vote 38
 - ❖ Includes €1.9bn exchequer subvention to Social Insurance Fund
 - ❖ €7.2bn in PRSI



Profile of System

- ❖ Contingency based
 - ❖ In general, to receive a payment one must experience a specified contingency and pass either a means test or an insurance test
- ❖ Mainly statutory schemes but some administrative schemes
- ❖ Funded 60:40 through taxation and PRSI
- ❖ Most typical payment rate is €188 per week
- ❖ 4 scheme areas account for half of all spending
 - ❖ Top 9 account for 75%
 - ❖ Top 20 account for 95%

Top Scheme areas



	Scheme	2011 REV	Cumulative	
		€000	%	€
1	State Pension (Con)/State Pension (Transition)	3,681,080	17.9%	3,681,080
2	Jobseeker's Allowance/Jobseeker's Benefit	3,671,680	35.7%	7,352,760
3	Child Benefit	2,066,780	45.7%	9,419,540
4	Widow(er)s' and Surviving Civil Partners' Pension (Contrib)	1,304,210	52.0%	10,723,750
5	One-Parent Family Payment	1,111,710	57.4%	11,835,460
6	Disability Allowance	1,066,220	62.6%	12,901,680
7	State Pension (Non-Contributory)	951,150	67.2%	13,852,830
8	Illness Benefit	854,730	71.3%	14,707,560
9	Carers (Incl Carer's Allowance, Carer's Benefit, Respite Care Grant & DCA)	762,615	75.0%	15,470,175



Profile of Live Register

- ❖ Single biggest scheme area (by claim numbers) is the Live Register (JA & JB)
- ❖ 50% of people on the Live Register (225,000) receive less than the maximum personal weekly rate of €188 per week
 - ❖ 20% (90,000) receive no payment
 - ❖ 15% (70,000) receive payment for part of the week only
 - ❖ Another 15% receive less than the max personal rate
- ❖ 88% do NOT get either Rent Supplement or Mortgage Interest Supplement
 - ❖ 10% get Rent Supplement
 - ❖ 2% get Mortgage Interest Supplement



Profile of Live Register

- While unemployment remains very high and the Live Register is at an historically high level, significant numbers of people leave the Register for work and for other reasons:
 - 223,091 people left the Register over Jan-June 2011;
 - 73,000 or 33% of these left to take up employment;
 - 78% of people who left had been signing on for twelve months or less.



Profile of Live Register

- The average number of people on the Live Register over the first six months of 2011 was **442,600**
- The Register rose by 20,869 during that time.
- However, there were 243,960 inflows and 223,091 outflows in Jan-June 2011;
 - All of these inflows and outflows required action to be taken by the Department's staff;
 - The stock of claims also required staff time:
 - To assess continuing eligibility
 - To deal with changes in circumstances (e.g. changes in means, additional children, change of address etc.)



Control of Fraud & Abuse

- Our Approach
 - Prevention
 - Detection
 - Deterrence / Sanctions
 - Debt Management

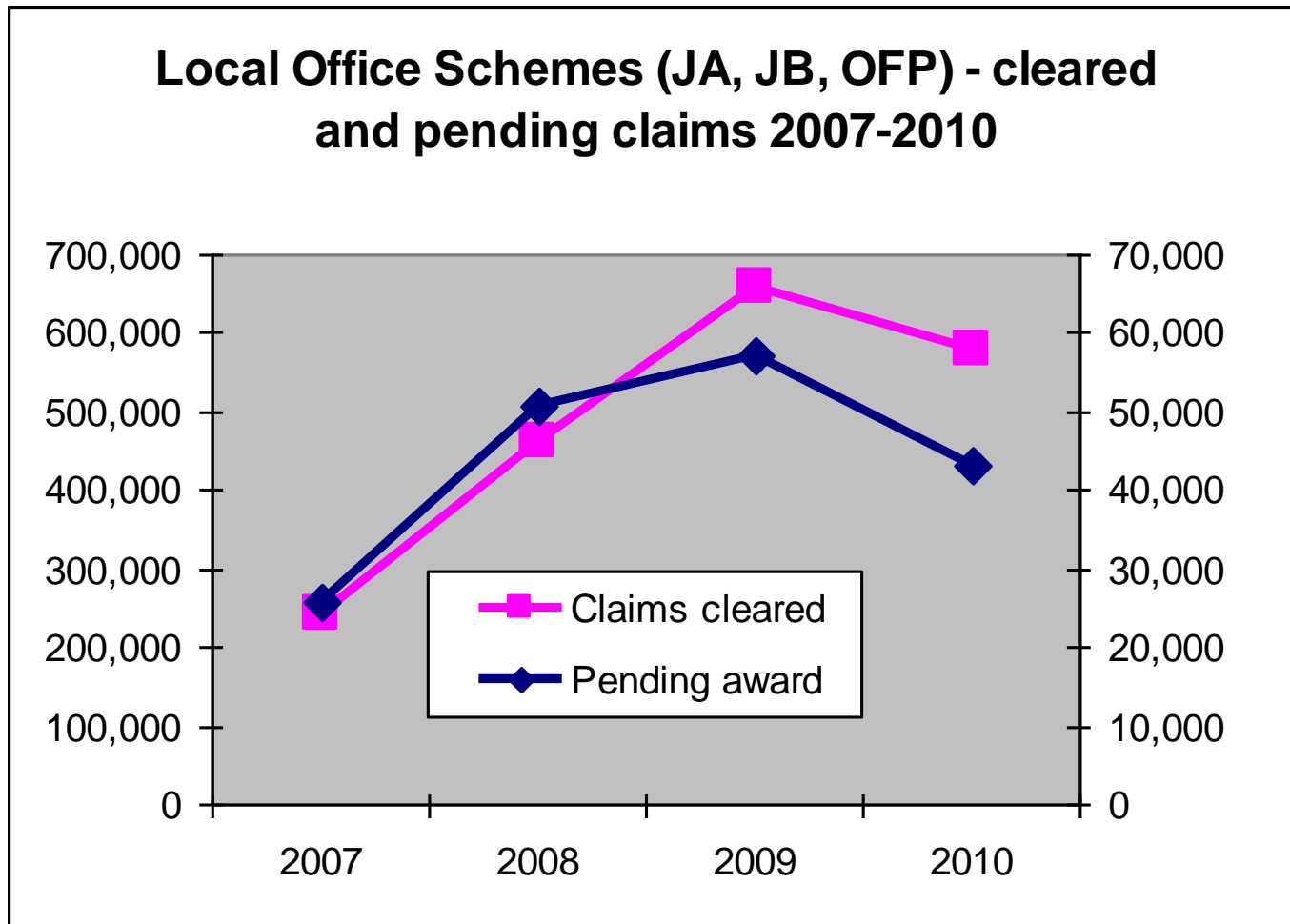
- Your Views



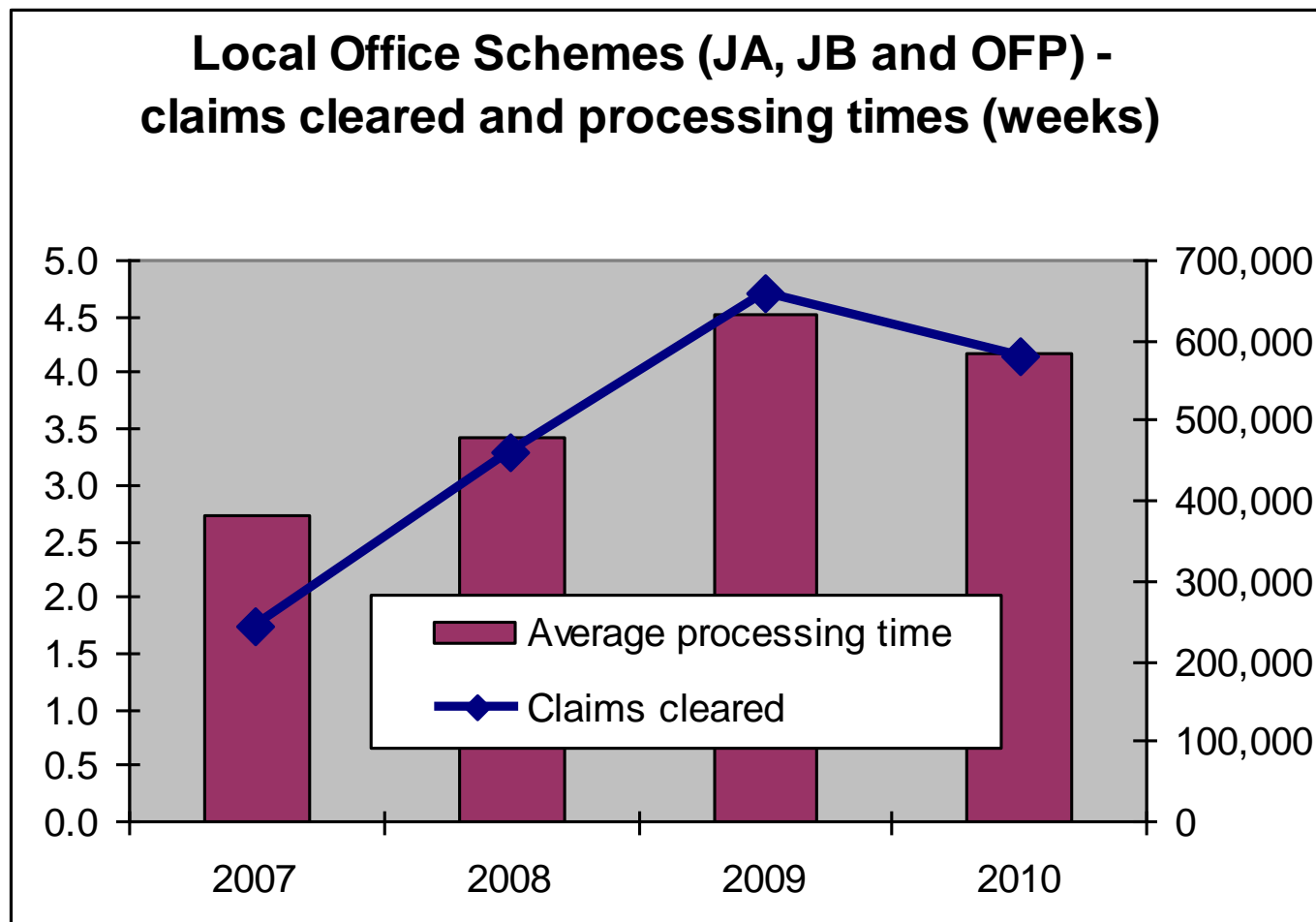
Claim processing

- ❖ Statistics available at scheme level on a monthly basis
- ❖ Main measures used are;
 - ❖ Monthly processing volumes
 - ❖ Average time to award/'weeks to award 90%'
 - ❖ Backlogs or 'pending claims'
- ❖ Monthly statistics also available for processing in local/branch offices

Claim processing – local office schemes



Claim processing – local office schemes





Claim processing – HQ schemes

- LR schemes accounted for 50% of weekly claims received in 2010
- Illness Benefit is another 25% - average time to process is c. 1 week
- Maternity Benefit and Contributory Pensions (SPC/T) account for 10% in total
- 96% of Maternity claims and 91% of SPC claims paid by due date
- Pension processing times are improving e.g. 6 weeks in June 2011 vs. 8 in 2010



Processing times – HQ schemes

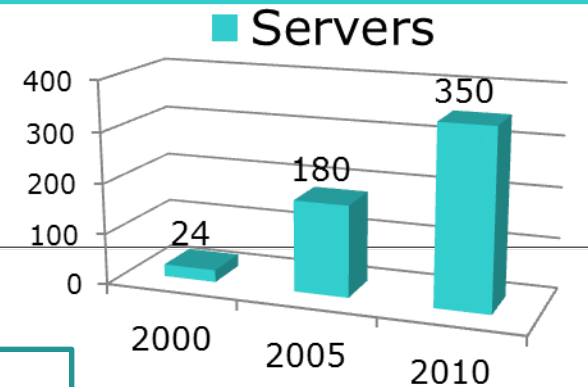
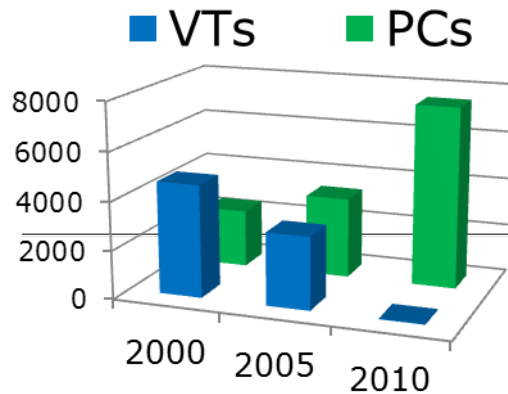
- FIS - 5% of new claims (inc. renewals)
 - average processing time was 10 weeks in 2010
 - 15 weeks in June 2011
- Disability Allowance – 2% of claims
 - 14 weeks in 2010
 - 17 weeks in June 2011
- Also some low volume schemes – e.g.,
State Pension (Non-Con) 9 vs. 15 weeks



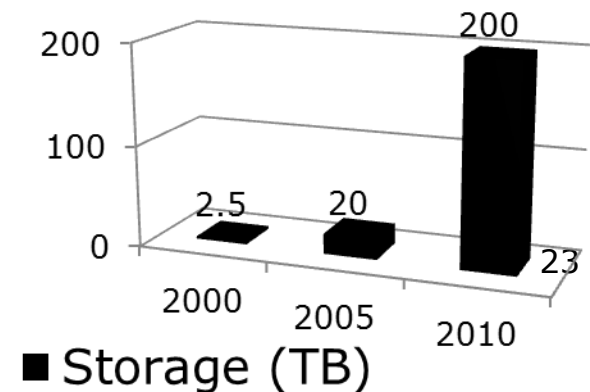
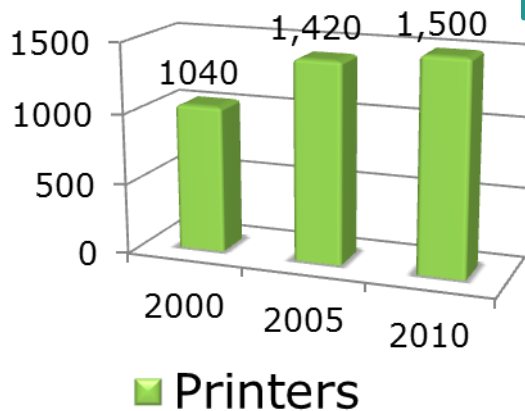
ICT

- ❖ One of the largest ICT operations in the state
- ❖ Multiple 'production platforms' (generations of systems)
- ❖ Major development focus is on modernisation of service delivery
- ❖ Major 'services' focus is on operations and extension of infrastructure to new organisation

Infrastructure Profile

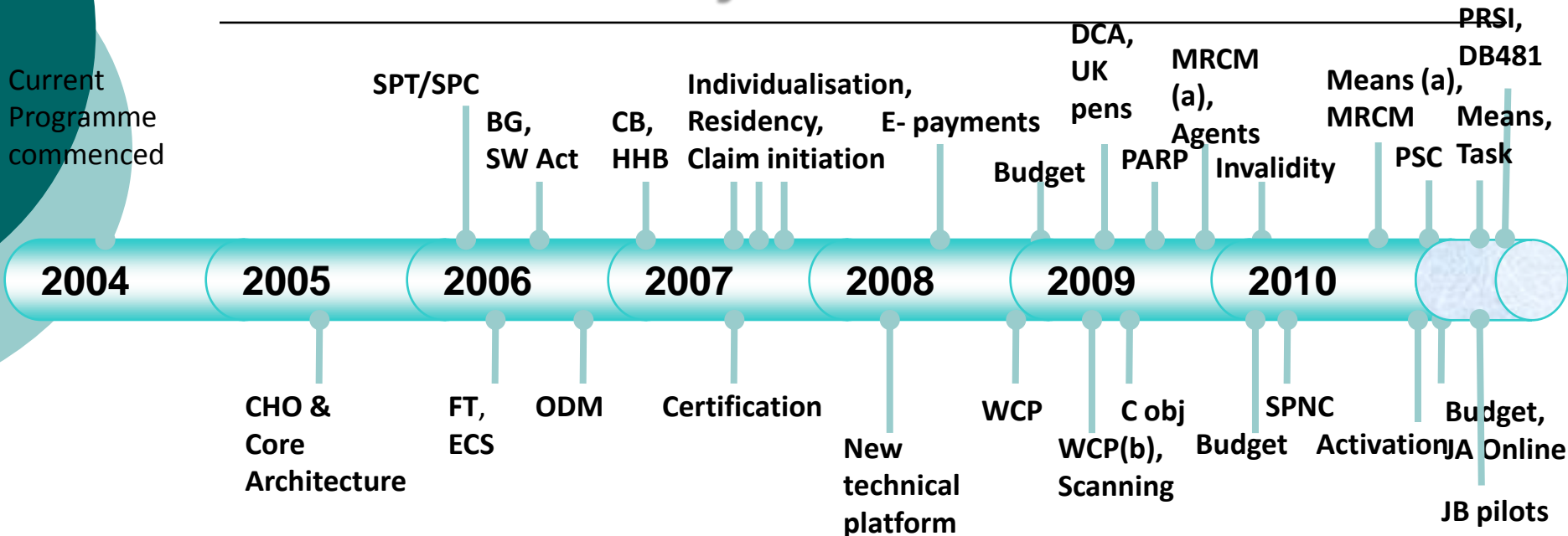


Communications
2 Data Centres
Nationwide networks
200+ offices
4,500 phones...



Results – Projects Delivered

Current
Programme
commenced



Customer

Faster Service
Less paper
Better comms

Benefits

Department

Control savings
Productivity
Staff savings

Public Service

Identity Services
Event publishing

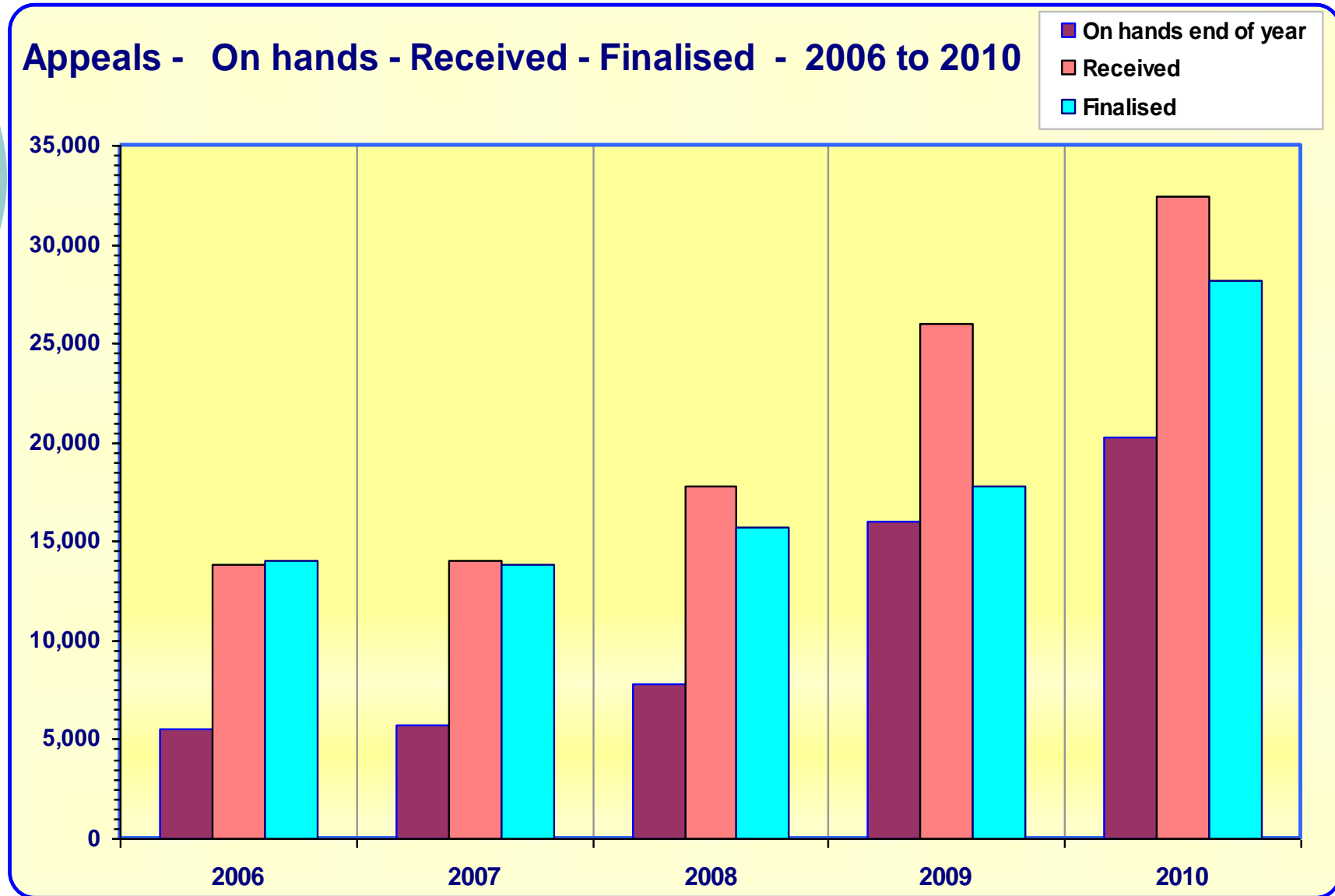
Major development areas – 2011+

- CA, DA
- LO Modernisation
 - Certification
 - Communications
 - Registration
- Activation
- Means
- EESSI
- Public Service Card
- Single Working Age
- Child Income Support
- Security
- Homemakers
- Eligibility
- Generic scheme / payment
- Red. & Insolvency
- Accounting systems
- Partial capacity
- Website upgrades
- Office Systems Modernisation
- ISTS

APPEALS STATISTICS 2004 - 2010

Year	On hands at start of year	Received	Workload	Finalised	On hands at end of year
2004	5,331	14,083	19,414	14,089	5,325
2005	5,325	13,797	19,122	13,419	5,703
2006	5,704	13,800	19,504	14,006	5,498
2007	5,498	14,070	19,568	13,845	5,723
2008	5,723	17,833	23,556	15,724	7,832
2009	7,832	25,963	33,795	17,787	16,008
2010	16,008	32,432	48,440	28,166	20,724

SWAO - Workload





SWAO – Initiatives to increase capacity

2010

- **Additional Appeals Officers (3 + Retired)**
- **Increased workload/ productivity**
- **Vetting**
- **Satellite office**
- **Business Process Improvement**
- **Recording decisions and reports**
- **Task force**



SWAO – Initiatives to increase capacity

2011

- **Additional Appeals Officers (9)**
- **New model of working/ increased productivity**
- **Synergies with CWS appeals service**
- **Other initiatives**



SWAO – Progress to date

- Receipts 2010 – 116% ahead of average
- Decisions 2010 - 101% ahead of average
- Receipts 2011 - 87% of 2010
- Decisions 2011 - 123% of 2010
- Backlog - Now reducing for first time (18,800)

Transformation Agenda



The development of the National
Employment and Entitlements Service



from the merger of:



Department of
Social Protection



Community Welfare
Service



Employment and Community Employment Services

Ireland out of step with some other countries



Established by the Department of Work and Pensions in 2005



Established in 2008 through merger of state welfare and employment agencies



Established through merger of state welfare and employment services - 1997



Established in 2006 through merger of state welfare and employment agencies



...This will change under NEES.

Access

Case Management

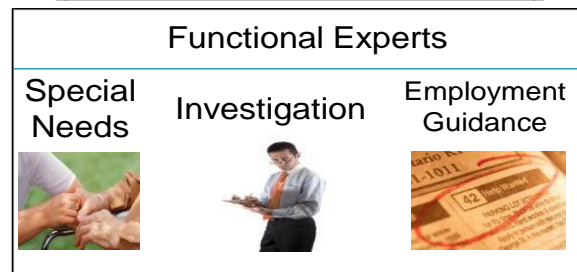
Outcomes



Multiple Access Channels



Integrated View of Customer



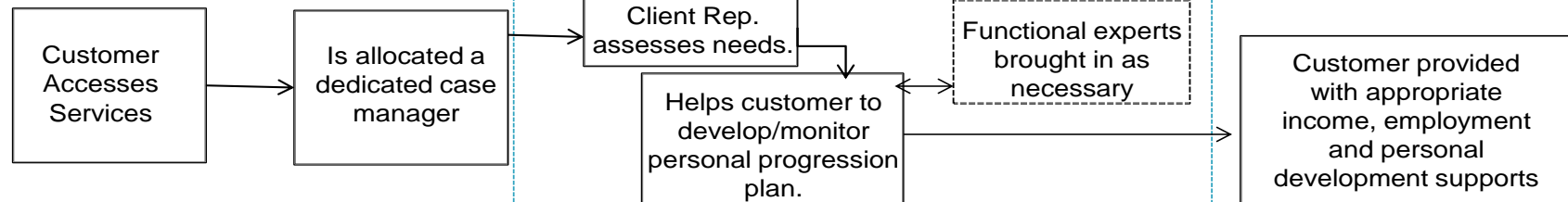
Immediate Needs



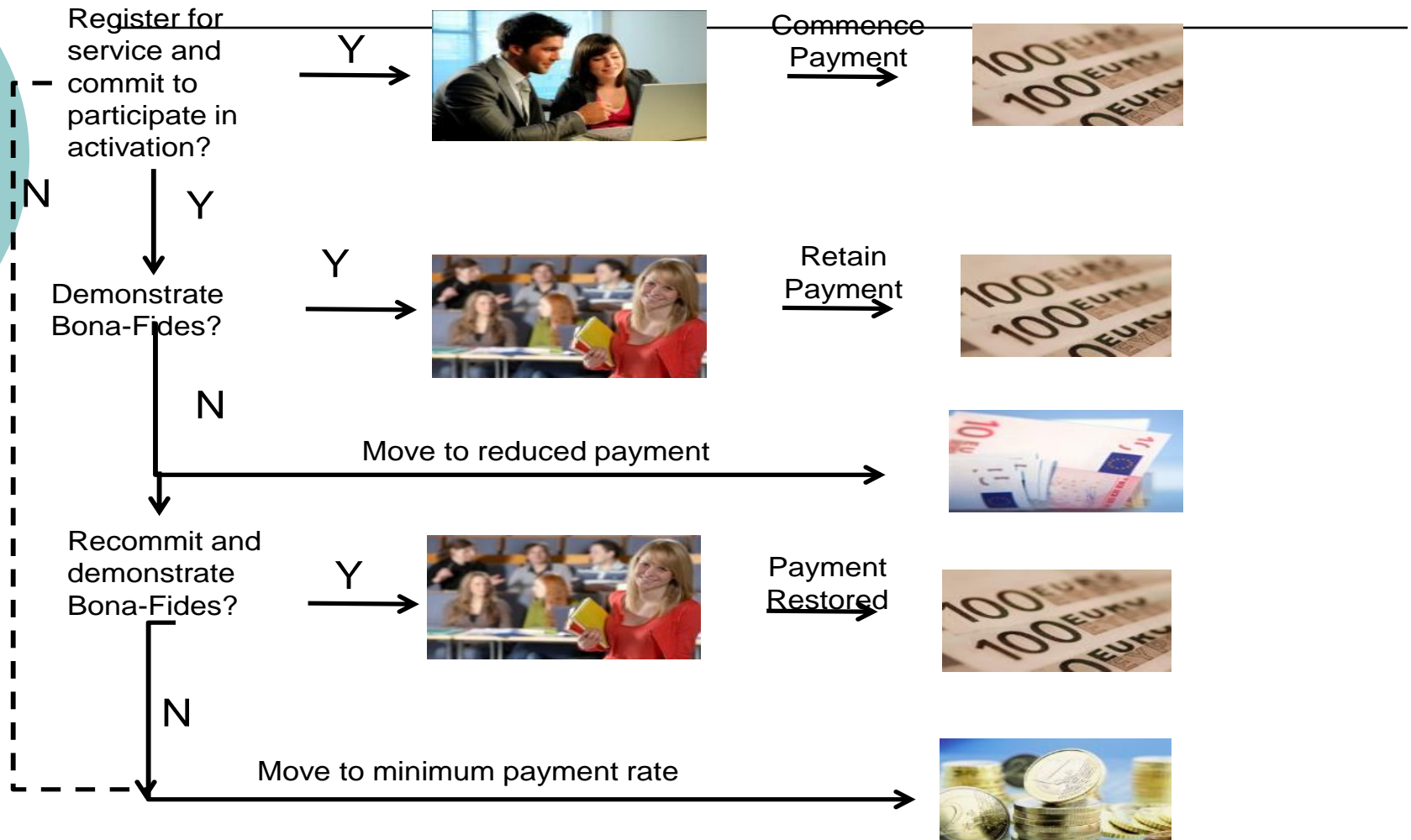
Job Placement



Referral to Personal Development



Under NEES payment of benefit will be linked to participation in activation programmes...



We have already made good progress

Action	Description	Status
Development of Activation capability	Development and implementation of process and system capability to profile citizens on the live register and engage with them to facilitate and encourage a return to the employment.	<ol style="list-style-type: none"> 1. Client profiling tool developed and deployed on pilot basis. 2. Case management system developed and deployed on pilot basis 3. New Employment Action Plan (EAP) referral tool/system developed and in pilot. 4. Benefit sanctions introduced to people not engaging with activation process.
Organisation Mergers	Community Welfare Service transferred to the DSP	<ol style="list-style-type: none"> 1. Legislation in place 2. Transfer on a secondment basis complete on 1/1/2011. 3. Management reporting in place 4. Union discussions on-going 5. On target of full transfer by 1/10/11
	FÁS Employment Services and Community Employment services transferred to DSP	<ol style="list-style-type: none"> 1. Legislation in place 2. Funding and policy authority now with DSP. 3. Management separation and reporting in place 4. Union discussions on-going 5. On target for a full transfer by 1/1/2012
Integration of services	Integration of business activities to improve efficiency and effectiveness of operations	<ol style="list-style-type: none"> 1. CWS Back to School scheme integrated into DSP- savings of c €2m. 2. JobBridge – The National Internship Scheme developed on integrated basis by DSP/FÁS. 3. Revised approach to employment referral implemented on integrated basis by DSP and FÁS. – Increasing throughput and participation.

Critical milestones identified for the year ahead.

Milestone	Target Date	Status
Approval of proposed NEES Scope and project plan proposal by Minister and Government	July 26 2011	On target
Establishment of Project Governance Board	July 27 2011	On target
Detailed Project planning completed	Sept 30, 2011	On Target
Transfer of CWS completed	October 1 2011	On target
Transfer of FÁS completed	January 1 2012	On target
Financial provisions included in 2012 Revised Estimates Volume	February 2012	On target
'One stop shop' trial commenced	April 1 2012	On target
First phase 'one stop shop' roll-out commenced	Sept 1 2012	On target



And finally

- ❖ Standing work items:
 - ❖ Legislation
 - ❖ Next Bill will be introduced at the end of this year, to implement the social welfare provisions of Budget 2012
 - ❖ A further Bill will be introduced Spring 2012, dealing with matters other than Budget 2012
 - ❖ Approval of financial estimates
 - ❖ Topics identified by committee members
- ❖ Discussion & Close