

Screening Regulatory Impact Analysis – Supplementary Welfare Allowance

1. Introduction

The Bill provides for a number of amendments to existing provision relating to the Supplementary Welfare Allowance Scheme including –

- Provision to withhold payment of rent supplement in areas of regeneration;
- A provision to refuse rent supplement in respect of private rental accommodation which fails to meet accepted local authority standards; and
- Changes to the provisions relating to supplementary welfare allowance scheme to give effect to the government decision to transfer the scheme from the community welfare service of the Health Service Executive to the Department of Social and Family Affairs.

2. Policy Objectives

2.1 Rent Supplement in Areas of Regeneration

The proposal to allow for the withholding of rent supplement in areas of regeneration is aimed at supporting the housing policy objectives of investment by the Government in areas of regeneration through achieving a sustainable community which comprises an adequate social mix of housing. The particular provision in the Bill will initially apply in the case of the Ballymun regeneration area. Those currently in receipt of welfare payments may reside in this area but may do so by availing of a social housing option. Should they wish to avail of private rental accommodation they may do so but outside of the Ballymun regeneration area. Not to apply the restriction could see an influx of a high level of private rented accommodation attracting rent supplementation which would have adverse affect on achieving the required social mix and efforts at regeneration in the area. Recipients of rent supplement already in accommodation in the regeneration area will not be affected as will be the case of those living in private rented accommodation in the area who in the future may have a need of rent supplementation.

2.2. Standards

One of the conditions for rent supplement is that the accommodation is suitable to the need and circumstances of the tenant. While an accommodation may be considered suitable, it can be the case that the accommodation may fall short of statutory local authority standards. The Bill provides that where a local authority notifies the HSE of an accommodation that fails to meet standards requirements, then rent supplement may be refused in respect of it. The aim is to prevent sub-standard accommodation coming into the area of rent supplementation. Over time

it is envisaged that a list of sub-standard accommodation will be in place which those administering the rent supplement scheme can refer to at the time an application for payment of the supplement is made. In the case of existing recipients, the provisions will not result in loss of payment. Rather, the tenant would be advised to seek alternative accommodation, or it can be the case that the landlord will, on foot of a notice from the local authority, bring the accommodation up to standard. The provision supports enhancements in the area of standards of accommodation currently being undertaken by the Department of the Environment, Heritage and Local Government.

2.2 Transfer of Functions

On 28th February 2006, the Government decided to implement the recommendations of the Core Functions of the Health Service Report (Uimhir Thagartha S224851). This provided for the transfer of certain functions, mainly from the Health Service Executive (HSE) to the Department of Social and Family Affairs (DSFA). The main element of the decision was that income support and maintenance schemes, including the supplementary welfare allowance scheme (SWA) and other cost of disability and caring payments, together with the associated resources should be transferred from the HSE to DSFA.

The Bill provides for enabling legislation to give effect to this decision as regards the administration of the SWA scheme. Under existing legislation, the HSE delivers the SWA scheme under the general direction and control of the Minister for Social and Family Affairs. The Bill removes the HSE from this function and provides for a number of consequential amendments arising from this relating to the administration of the scheme.

The transfer of functions presents a major programme of change for the Department. A number of implementation groups have been established of which one group is dedicated to the transfer of the SWA scheme. The programme of change which is underway will involve extensive consultation with all of the relevant stakeholders affected by the transfer of functions over the coming months. The transfer however presents fundamental reform and developmental opportunities for a fully integrated and enhanced income support including a restructuring and integration of income and wider support services within one entity, namely DSFA.