

Department of Social Protection

Statement of Strategy 2011 to 2014

*To promote active participation in society
through the provision of income supports,
employment services and other services.*



Contents

Foreword from the Minister	2
Preface from the Secretary General.....	3
Our Mission and Mandate	4
Our Guiding Principles	6
Environmental Analysis.....	7
Our Strategic Objectives	11
Objective 1: Put the Client at the Centre of Services and Policies	12
Objective 2: Drive Cost Efficiency and Effectiveness	13
Objective 3: Develop Staff, Structures and Processes.....	14
Monitoring and reporting on the progress of the Statement of Strategy	15
Appendix 1 Commitments in the <i>Programme for Government</i> for which the Department of Social Protection is the lead Department.....	16
Appendix 2 – Organisation structure - 2012	18



Foreword from the Minister

This Statement of Strategy provides a transformational framework for the business and actions of my Department over the next three years. The Department is going through a period of rapid and deep structural change which will result in an organisation which is clearly and closely focused on addressing the needs of our clients in a way that will promote a working culture and active and sustained participation in society.

In co-operation with a range of other Departments and Agencies, we are actively engaged in supporting people of working age to avail of opportunities to get back to work, education or training, to help them provide for themselves and their families and participate in society. Central to this is the ongoing transfer of functions from the Community Welfare Services and FÁS into the Department, leading to a more focused and integrated activation service on a case management basis for our clients. A 'social contract' will be created, between the person applying for a payment and the State, which will set out the rights and responsibilities of each party. Under this agreement, the individual must commit to engage with the employment advice, placement and training referral services provided by the Department.

The work of the Department impacts on almost everyone in the State. The staff administer over 70 different schemes and services with over 2.1 million people benefiting from weekly payments and over 600,000 families receiving child benefit in respect of 1.2 million children each month. Given the importance and scale of our business it is essential that the programme of work for the next three years will achieve the desired objectives and is fully reflective of Government policy.

I look forward to working with the staff of the Department to ensure that together we build on what has already been accomplished and to achieve our mission of ***promoting active participation in society through the provision of income supports, employment services and other services.***

A handwritten signature in black ink that reads "Joan Burton". The signature is written in a cursive, flowing style.

Joan Burton T.D.
Minister for Social Protection



Preface from the Secretary General

The Department of Social Protection's eighth Statement of Strategy sets out the mission, high-level objectives and key actions which we will pursue in delivering the policies and priorities as set down by the Minister and the Government.

Over the next three years the Department will undergo fundamental organisational and structural change unlike any before in its history. Services, processes and staff from a range of organisations are coming together to form a new entity that will be greater than the sum of its individual parts in providing a transformed model of services to our clients. This will involve changes for staff at all levels, in all areas and will require all of the flexibility, adaptability and agility that has traditionally been the fundamental strength of the Department.

This statement of strategy sets out the framework we will be using in transforming the Department into an integrated, activation focused service provider which puts our clients at the centre of all our operations. At all times we will continue to deliver our policies and services efficiently and effectively and to the highest standards.

I look forward to working with the Minister, Joan Burton T.D., the staff of the Department and other stakeholders in transforming the Department to meet the challenges that face us over the next three years.

A handwritten signature in black ink that reads "Niamh O'Donoghue". The signature is written in a cursive, flowing style.

Niamh O'Donoghue
Secretary General

Our Mission and Mandate

Our mission statement

To promote active participation in society through the provision of income supports, employment services and other services.

Our main functions

The Department supports the Minister for Social Protection in the discharge of governmental, parliamentary and departmental duties. Our main functions are to:

- advise Government and formulate appropriate social protection and social inclusion policies;
- design, develop and deliver effective and cost efficient income supports, activation and employment services, advice to clients and other related services; and
- work towards providing seamless delivery of services in conjunction with other Departments, Agencies and bodies.

Our Services

The Department administers over 70 separate schemes and services which impact on the lives of almost every person in the State. We play a key role in supporting those most in need, including children and their parents, people who are unemployed and sick, carers, people with disabilities and older people. Services include:

- the development of social protection and social inclusion policy;
- promoting and supporting the incorporation of anti-poverty and social inclusion objectives in public policy development and monitoring the implementation of these strategies;
- administration of a wide range of social insurance and social assistance schemes for children, people of working age, carers, people with disabilities and pensioners;
- activation, employment and community services and programmes to promote development, progression, participation and social involvement of our clients;
- administration of, and ensuring compliance with, the social insurance scheme;
- provision of social welfare information, directly and through the Citizens Information Board (CIB) and the Money Advice and Budgeting Service (MABS);
- regulation of occupational and private pensions through the Pensions Board;
- investigation of complaints of maladministration of pension schemes through the independent Office of the Pensions Ombudsman;
- provision of an independent redress system through the Social Welfare Appeals Office and the Social Welfare Tribunal; and
- administration by the General Register Office (GRO) of the Civil Registration Service (for the registration of births, adoptions, marriages, civil partnerships and deaths in the State).

Scale of our business

Each week approximately 1.4 million people receive a social welfare payment and, when qualified adults and children are included, a total of 2.1 million people benefit from weekly payments. More than 600,000 families receive child benefit payments in respect of over 1.2 million children each month.

In 2010 the activities of the Department included:

- 2.5 million applications processed;
- almost 85 million payments made;
- 450,000 assessments conducted by inspectors;

- over 900,000 control reviews;
- 6.5 million telephone calls answered;
- over 28,000 social welfare appeals finalised; and
- over 200,000 applications for Personal Public Service (PPS) numbers for clients from 200 countries processed.

Expenditure on schemes and services provided by the Department accounts for almost 40% of gross voted Government current expenditure. The projected expenditure for the Department in 2012 is €20.55 billion.

Organisation of the Department

The high level organisation structure is set out in **Appendix 2**.

The Department has:

- in the region of 7,000 staff;
- headquarter offices located in Buncrana, Carrick-on-Shannon, Dublin, Dundalk, Letterkenny, Longford, Roscommon, Sligo, Tubbercurry and Waterford; and
- 7 regional offices - in Cork, Dublin (2), Galway, Longford, Sligo and Waterford and a supporting network of over 120 Social Welfare Local and Branch Offices, 850 former Community Welfare Offices and clinics and 60 former FÁS Employment Services Offices.

The **General Register Office (GRO)** manages the Civil Registration Service which provides for the registrations of births, stillbirths, adoptions, marriages, civil partnerships and deaths in the State. Registration services are provided by registrars appointed by the Health Service Executive at various locations across the State. The GRO also operates a genealogical research facility.

The **Social Welfare Appeals Office** is independently responsible for determining appeals against decisions on social welfare entitlements (including Supplementary Welfare Allowance Schemes) and insurability of employment.

The **Social Welfare Tribunal** is a statutory body set up in 1982 to deal with cases where entitlement to Jobseeker's Benefit or Jobseeker's Allowance is refused due to an involvement in a trade dispute.

A number of Agencies operate under the aegis of the Department:

- the **Citizens Information Board (CIB)** is the national agency responsible for supporting the provision of information, advice and advocacy on social services and for the provision of the **Money Advice and Budgeting Service (MABS)**;
- The **Pensions Board** is responsible for overseeing the implementation of the Pensions Act which provides for the regulation of occupational pensions and Personal Retirement Savings Accounts. The Board also advises the Minister in relation to pension policy; and
- The **Office of the Pensions Ombudsman** investigates complaints of financial losses due to maladministration and disputes of fact or law, in relation to occupational pension schemes and Personal Retirement Savings Accounts. The Pensions Ombudsman is a statutory officer and exercises his functions independently.

Our Guiding Principles

In carrying out our work we are guided by four key values and principles:

1. Excellent customer service

We are committed to providing a professional, inclusive and timely service that is responsive to the needs of our clients. We will conduct our business in an impartial, open and transparent manner and will treat people fairly, with dignity and respect. We will keep personal data confidential.

2. Value for money

We will deliver all of our services in an effective and efficient way. We will strive to minimise the levels of fraud and error in the social welfare system.

3. Flexibility, innovation and responsiveness

We will seek to anticipate and respond to challenges and societal change in a flexible and innovative manner.

4. Partnership and consultation

We recognise that effective delivery of our services and management of our work requires a partnership approach with staff, clients and other agencies. We believe in continuous and effective consultation with all stakeholders and developing relationships built on trust and mutual respect.

Environmental Analysis

This environmental analysis reviews the political, economic, social and operational environment in which the Department operates and highlights factors and issues which must be taken into account in the Department's strategy for the next three years.

Political, Social and Economic Context

Ireland is currently in an extended period of economic and financial difficulty and the public finances are under pressure. The Department accounts for almost 40% of the gross current (2011) expenditure, equivalent to 16% of GDP. Social policy and income support have an important role to play in mitigating the effects of any economic crisis. The Irish social protection system and the availability of income supports has a stabilising effect on the social and economic impact of recession. It provides an economic stimulus by supporting the overall demand for goods and services in the domestic economy. This has been borne out by recent studies¹.

The EU/IMF Programme of Financial Support for Ireland has set out challenging debt repayment targets and commitments in relation to the reduction of public expenditure. In this context, it is likely that the financial resources available to the Department during the lifetime of this strategy will reduce and savings on expenditure will have to be found while focusing expenditure on those who need it most and who will benefit most from our services.

The general election of March 2011 brought about a change in the political parties involved in Government and a new programme for government. The *Programme for Government – Statement of Common Purpose* (March 2011) sets out the Government's plan to restore the country's finances, remediate the banking system, revive the economy and support the protection and creation of jobs. The imperative is to restore financial stability and accelerate the return to sustainable growth as quickly as possible.

The *Programme for Government* commits to implementing a fundamental programme of reform of the system of social protection. Government policies are driving the move from a passive model of income support to a proactive model which is clearly focused on progressing people to social and economic participation. This will be supported by the establishment of the National Employment and Entitlement Services (NEES) which will integrate benefit payment and employment services within the Department. A focus on rights and responsibilities will be a key feature of the new model. To assist clients reduce dependence on income support, the continued receipt of a particular level of benefit will be conditional on engagement with training, education and employment opportunities offered. People must contribute to the system, during their working lives, to qualify for benefits when contingencies arise and also to attain the income they expect when older.

The *Programme for Government* identifies the need for a significant reduction in public expenditure. The projected expenditure for the Department in 2012 is €20.55 billion, which is funded by contributions from employees and employers (via the Social Insurance Fund) and by the Exchequer. The downturn has impacted on the income derived from social insurance and the Social Insurance Fund is now running a deficit. The 2011 operating deficit to be funded from the Exchequer is projected to be in the region of €1.48 billion. The prospect that expenditure will continue to exceed income over the lifetime of this strategy, presents challenges for the SIF in meeting commitments to provide social insurance benefits.

¹ (ZA Research Report, 2010.)

Meeting client and stakeholder interests and needs

The downward adjustment in the economy has resulted in a considerable increase in demand for the Department's services, particularly those for the unemployed. The number of people unemployed is at historically high levels with over 470,000 on the Live Register in July 2011. As well as increasing in numbers the client base of the Department has changed greatly in recent years in the way in which they wish to engage with the Department. A case management approach is required which will work across the full range of services, with a focus on working with the person rather than the claim. Working age clients require case managers to work with them to ensure that they not only receive the appropriate income supports but are also helped to find a way in which they can participate, to the fullest extent possible, in the community, economy and workforce.

Clients and other stakeholders also require a reduction in the complexity of the system and in the myriad of schemes, entitlements and rules. A key part of satisfying this need will be to replace the existing social assistance payments for people of working age with a single payment. Income supports must be integrated with activation measures, i.e. a range of supports and policies with the objective of assisting social welfare recipients to improve their life chances by facilitating access to employment, work experience, education and training.

EU and international developments

Recession in other countries and instability in European and global marketplaces is also affecting the Irish economy and the potential for recovery. As exports play an important role in the economy a prolonged or double-dip recession internationally will have a significant effect on Ireland's recovery and local job opportunities. International recession reduces the level of available employment outside Ireland and limits opportunities for jobseekers.

EU social policy has a significant impact on the work and policies of the Department. These include:

- The *'Horizontal Social Clause'² in the Treaty of Lisbon.*
- *Europe 2020* strategy for jobs and smart, sustainable and inclusive growth. The Council adopted a guideline specifically aimed at poverty reduction, and highlighted poverty reduction as one of the key targets in the overall process. The Department has the lead role on issues around the national poverty target.
- *Single Market developments* which emphasise the need for measures to realise a true free market for workers, including the co-ordination of social security for highly mobile workers, and in the area of private pensions.
- The *EU White Paper on Pensions* (due in the first quarter of 2012) is likely to contain legislative proposals in the pension area.
- Progress on modernisation of Regulations on Co-Ordination of Social Security. The *Electronic Exchange of Social Security Information (EESSI)* requires that current systems of exchange of information by paper forms be replaced by a system of electronic exchange of data by mid 2014.

Ireland will hold the Presidency of the EU Council in the first half of 2013 which will require all Departments to play their part through chairing of meetings, hosting of conferences, developing legislation and liaising with the European Parliament.

² *'In defining and implementing its policies and actions, the Union shall take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health.'*

Other international commitments

Ireland is party to a number of international conventions in the social field, such as the Council of Europe European Code of Social Security and the International Labour Office Social Security (Minimum Standards) Convention, and will be required to continue meeting our commitments under these.

Operational capabilities context

The demand for the Department's services has increased significantly over recent years while at the same time there is strong pressure to reduce administrative costs. As well as the scale of business increasing, the Department's organisation and structure is changing in a very fundamental way with the integration of staff and services from other organisations. The establishment of the National Employment and Entitlements Service (NEES) is a major task. These changes require extensive planning, monitoring and continuous review to get the most benefit from the synergies created by merging parts of other organisations into a new entity. Staff will require time to assimilate the changes and cultural change will be a challenge for the people working in the Department.

The Department must reconfigure its structure and operations by;

- changing the business model;
- building capability;
- moving from a transaction based focus in our operations to a pro-active, individualised client focused approach;
- using modern technology in an innovative way to maximise efficiency and effectiveness in the use of resources; and
- collaborating with other agencies to achieve shared objectives.

Human resource management

The Department is one of the largest employers in the civil service with staff working in a very extensive and geographically dispersed office network. The rapid deterioration in the public finances has resulted in increasing service demands being put on the Department's staff. There are considerable human resource challenges including:

- managing the integration of new staff and services and the cultural challenges arising;
- reducing duplication between services and agencies and gaining synergies from the integration of the organisations;
- continuing to provide a high quality service to a growing client base with less human resources;
- developing the capacity, competence, knowledge and leadership skills of staff;
- taking measures to tackle under performance and reduce absenteeism; and
- leveraging skills.

The Public Service Agreement 2010-2014 (PSA), between the Government and trade unions representing public service workers, is designed to support the continued delivery of high quality public services in a climate of reducing resources and staff numbers. Savings and efficiencies are to be achieved through revised work practices, organisational re-structuring, innovations and other initiatives. The Department's Action Plan for Change is being implemented to secure these service improvements and efficiencies.

Conclusion

The environment within which the Department is operating is extremely challenging. There are many priorities and conflicting demands from stakeholders which have to be balanced to

Statement of Strategy 2011 to 2014

provide an equitable, efficient and effective service.

The Department is in the process of a major transformation programme which will continue throughout the lifetime of this Statement of Strategy. In a climate of increased demands, we must look for ways to improve how we deliver our social welfare services and make the best use of limited resources. We need to meet the challenges ahead and develop suitable policies and strategies to deal with them.

Employment has proven to be a major factor for people exiting poverty and also influences quality of life and social well-being. Therefore, while social welfare income support remains crucial and must be adequate to meet needs, passive income support alone is not sufficient if poverty and social exclusion are to be comprehensively addressed and people are to achieve financial independence and reach their potential.

The Department will be flexible, adaptable and visionary in its approach to the current and future challenges.

Our Strategic Objectives

In this Statement of Strategy the Department's overall objective is for the transformation of the Department into an integrated, activation focused service provider which puts our clients at the centre of all our operations.



We have identified the following three strategic objectives for the Department over the next three years in order to achieve our overall objective.

Objective 1: Put the Client at the Centre of Services and Policies

Objective 2: Drive Cost Efficiency and Effectiveness

Objective 3: Develop Staff, Structures and Processes

For each objective we have identified the high level indicators which will be used to measure the achievement of these objectives. We have also identified the priority actions, required to achieve the objective, and the performance indicators which will be used to measure the achievement of these actions.

Department Services and Policies

Objective 1: Put the Client at the Centre of Services and Policies

High-level strategy:

- Place the client at the centre of all the Department's activities in line with commitments in the *Programme for Government*.
- Ensure speedy access to decisions, payments and reviews for all schemes and services.
- Focus on maximising employability by providing targeted income support, training referral, development and employment services, based on individual needs and circumstances.
- Attain better outcomes in tackling poverty for children and families, people of working age and older people.
- Achieve a more inclusive society through the provision of income and other support services and co-ordinating implementation of Government strategies for social inclusion.
- Work with other Departments/Offices, agencies (both national and international), employers and stakeholders in providing client centred services.

Key outcomes:

- Client centred services.
- Reduced poverty rates.
- Improvement in employability and engagement with employers.
- Reduction in welfare dependency.

High-level indicators:

- Adherence to processing standards and achievement of processing targets.
- Reduction in consistent poverty rates.
- EU social inclusion indicators (as set out in the *National Action Plan for Social Inclusion*).
- Numbers being referred to employment, training or work experience and improvement in employability measures.
- Numbers who leave the Live Register after activation interventions.
- Numbers who remain off the Live Register for more than one year after activation.
- Level of progress in the implementation of the commitments in the *Programme for Government*.

Efficiency and Effectiveness

Objective 2: Drive Cost Efficiency and Effectiveness

High-level strategy:

- Improve cost-effectiveness in all areas of expenditure in line with commitments in the *Programme for Government*.
- Improve control across all schemes and reduce fraud.
- Enhance corporate governance and maintain robust financial management and reporting systems.
- Develop and implement a programme of reform to underpin the sustainability of the welfare system into the future.
- Exchange information with other agencies to minimise duplication and delay and to enhance control measures.
- Work with other Departments/Offices, agencies (both national and international), employers and stakeholders to address cross-cutting issues for the benefit of all stakeholders.

Key outcomes:

- Achieving value for money.
- Improved processes and procedures.
- Reduction of fraud.
- Appropriate sanctions and penalties in place where fraud is detected.
- Timely recovery of overpayments.
- Enhanced corporate governance.
- Greater public confidence in social welfare system.

High-level indicators

- Level of progress in the implementation of the commitments in the *Programme for Government*, including adherence to the Government's fiscal consolidation targets.
- Level of control activity against targets.

Operational Capabilities

Objective 3: Develop Staff, Structures and Processes

High-level strategy:

- Develop the appropriate capacity to deliver on the Department's mandate from Government including implementing the commitments of the *Programme for Government*
- Implement the commitments of the Public Service Reform Programme, including the Action Plan under the Public Services Agreement
- Work with other Departments on the implementation of shared commitments in the *Programme for Government*.
- Foster an environment that will encourage motivation, flexibility and up-skilling of staff.
- Deliver seamless services to clients by streamlining processes and procedures.
- Engage staff in the transformation programme, developing a shared corporate culture.
- Provide high quality training tailored to role requirements and providing appropriate technological and organisational supports.

Key outcomes:

- An organisation that can deliver seamless services to clients in a pro-active, efficient and effective manner.

High-level indicators

- Level of progress in the implementation of the commitments in the *Programme for Government* in relation to the development of operational capabilities.
- Level of progress in the achievement of the Public Service Reform Programme
- Implementation of structural, technological and organisational changes.
- Establishment of the National Employment and Entitlement Service within timeframes agreed by Government.

Monitoring and reporting on the progress of the Statement of Strategy

The strategic objectives and actions outlined in this Statement of Strategy will inform and be reflected in the annual business and risk management plans produced by each business area across the Department. These will contain specific targets which each business area will be expected to deliver on each year, the aggregation of which should ensure that the commitments outlined in the Statement are met.

The work programme outlined in these business plans will be similarly reflected in the role profile of each member of staff and will be encompassed within the Performance Management and Development System (PMDS).

The business planning process and PMDS process involve consultation between management and staff to ensure that everyone in the organisation is aware of their role in the attainment of the Department's strategic objectives.

Heads of business are required to report progress on unit business plans on a quarterly basis and at the end of each year. These are aggregated and summarised in the Department's Annual Report. The Annual Report will, therefore, detail the progress achieved each year on the strategic objectives and actions contained in this Statement of Strategy.

The Department's Annual Output Statement will identify annual expenditure against the high-level objectives in the Statement of Strategy and key outputs of the business planning process.

Appendix 1 Commitments in the *Programme for Government* for which the Department of Social Protection is the lead Department

Commitment
Halve the lower 8.5% rate of PRSI up to end 2013 on jobs paying up to €356 per week – announced in the Jobs Initiative
Expand eligibility for the back to education allowance
The development of a new graduate and apprentice internship scheme, work placement programmes and further education opportunities for our young unemployed providing an additional 60,000 places across a range of schemes and initiatives – announced in the Jobs Initiative.
<p>Replacing FÁS with a new National Employment and Entitlements Service (NEES) so that all employment and benefit support services will be integrated in a single delivery unit managed by the Department of Social Protection. This integrated service would provide a ‘one stop shop’ for people seeking to establish their benefit entitlements; looking for a job; and seeking advice about their training options.</p> <p>The NEES will process citizen entitlements such as supplementary welfare allowances, higher education grants and welfare allowances. It will manage as much as possible means testing for State entitlements. It will also be responsible for employment referral and training supports provided by FÁS. This service will offer users a higher level of personalised employment counselling, with more frequent face-to-face interviews. Those on the live register who are identified as being most at risk of long-term unemployment will receive priority treatment for more intensive support. It will ensure active case management for people in need of assistance.</p>
Maintain the standard 10.75% rate of employers PRSI
Introduce a range of measures to tackle the problem of welfare fraud
<p>Establish a Tax and Social Welfare Commission to examine entitlements of self employed and the elimination of disincentives to employment.</p> <p>The Commission will examine the interaction between the taxation and the welfare systems to ensure that work is worthwhile. In particular, it will examine family and child income supports, and a means by which self-employed people can be insured against unemployment and sickness</p>
Convert the Money Advice and Budgeting Service into a strengthened Personal Debt Management Agency with strong legal powers
Make greater use of Mortgage Interest Supplement to support families who cannot meet their mortgage payments
Maintain Social Welfare rates

Statement of Strategy 2011 to 2014

Committed to achieving the targets in the National Action Plan for Social Inclusion to reduce the number of people experiencing poverty
We will examine the social protection system with a view to identifying and eliminating poverty traps including: Amending the 30 hour rule for Rent Supplement and Mortgage Interest Supplement for people moving from welfare to work Activating people on a reduced week who refuse extra day(s) employment Over time, One Parent Family Payment will be replaced with a parental allowance that does not discourage marriage, cohabitation or work
A zero tolerance approach to welfare fraud, underpinned by a major anti-fraud enforcement drive.
As well as more regular face-to-face interviews with an integrated employment and entitlements service for those of working age, other anti-fraud measures will be undertaken using latest available technology and better sharing of data across government departments and agencies
Progressively reduce reliance on Rent Supplement, with eligible recipients moving to the Rental Accommodation Scheme
Review the operation of the Rent Supplement Scheme and introduce a code of conduct for rent supplement eligibility similar to that which operates for local authority tenants
Pay rent supplement to tax-compliant landlords registered with the Private Residential Tenancies Board (PRTB) and offering decent quality accommodation, to root out fraud
Divert staff from elsewhere in public service to clear the social welfare appeals backlog, and introduce a consolidated appeals process
Put the household benefits packages out to tender, so that the Exchequer benefits from reduced prices
Raise the issue of payment of Child Benefit in respect of non-resident children at EU level, and seek to have the entitlement modified to reflect the cost of living where a child is resident. We will examine all possible flexibility within European legislation to reduce the cost of this payment
Reform the pension system to progressively achieve universal coverage, with particular focus on lower-paid workers, to achieve better risk sharing, and to provide for greater flexibility for those who wish to retire on a phased basis.

Appendix 2 – Organisation structure - 2012

Department of Social Protection Organisation Structure - January 2012

