Value for Money Review of the Disability Allowance Scheme

PRN number: A10/1615
Chapter 1: Introduction ............................................................ 5
  1.1 Role of the Department & VFM ........................................... 5
  1.2 Background to this Review ................................................ 5
  1.3 Purpose and Scope of this Review ....................................... 6
  1.4 Terms of Reference ......................................................... 6
  1.5 Methodology & Consultation Process .................................. 8
  1.6 Outline of the Review ....................................................... 8

Chapter 2: Objectives of the DA Scheme................................. 10
  2.1 History and Development of DA ........................................ 10
    2.1.1 Poor Law and Public Assistance ................................... 10
    2.1.2 Disabled Persons Maintenance Allowance ....................... 10
    2.1.3 Disability Allowance .................................................. 12
    2.1.4 Development of Disability Allowance since 1996 ............. 13
  2.2 Objectives of the Disability Allowance Scheme .................... 15
  2.3 Compatibility of the Scheme Objectives with Departmental strategies ..... 17
    2.3.1 Overview ............................................................... 17
    2.3.2 Department’s Mission and High Level Goals .................... 17
    2.3.3 National Disability Strategy and the Disability Sectoral Plan ... 19
    2.3.4 Towards 2016 .......................................................... 20
    2.3.5 The National Action Plan for Social Inclusion 2007 - 2016 .... 21
    2.3.6 The National Development Plan (NDP) .......................... 25
    2.3.7 Renewed Programme for Government ............................. 26
    2.3.8 Continued Compatibility of the Objectives of DA with overall Departmental Strategy .............................................. 26

Chapter 3: Development of Disability Allowance .................... 28
  3.1 Introduction ................................................................. 28
  3.2 Trends in Disability Allowance .......................................... 28
    3.2.1 Numbers Availing of Disability Allowance ....................... 28
    3.2.2 Information on DA from DSP Data Sources ..................... 30
    3.2.3 Comparison of Disability Allowance with Other Long-Term Illness Schemes ......................................................... 31
    3.2.4 Comparison of DA increases and Labour Force Participation rates ... 34
  3.3 Rationale for Increasing Numbers on the DA Scheme ............ 35
  3.4 Summary ............................................................................ 42

Chapter 4: Disability Surveys and Data .................................... 44
  4.1 Introduction ........................................................................ 44
  4.2 National Disability Survey 2006 ............................................ 44
4.2.1 Overview of National Disability Survey 2006 ........................................44
4.2.2 Demographic Statistics from the NDS ..............................................45
4.2.3 Statistics on Disabilities arising from the NDS ..................................46
4.3 Review of Disability Allowance Claimants Files 2009 ...........................48
4.4 Conclusions and Recommendations ..................................................56

Chapter 5: Disability Allowance and Employment ........................................58
5.1 Introduction ..........................................................................................58
5.2 Labour Market Activity for Individuals with a Disability .........................60
5.3 Current Employment Supports in Place ..............................................65
  5.3.1 Educational Supports ........................................................................66
  5.3.2 Fás Training Supports .......................................................................66
  5.3.3 Rehabilitative Employment ...............................................................67
5.4 Analysis of Live DA Recipient Files (in employment) ...............................69
  5.4.1 Survey Data Results ..........................................................................69
  5.4.2 Earnings data from Survey .................................................................73
  5.4.3 Earnings & Medical Condition ...........................................................74
  5.4.4 Earnings & Employment Type from Survey .......................................76
5.5 DA Claimants Participating on Community Employment Schemes ..........78
5.6 Conclusions & Recommendations .......................................................80

Chapter 6: Contingency Nature of DA & Structure of the Scheme ..................84
6.1 Contingency Nature of Disability Allowance .........................................84
6.2 Structure of DA .....................................................................................86
  6.2.1 Income Disregard .............................................................................86
  6.2.2 Age of Payment ...............................................................................86
  6.3 Recommendations ...............................................................................88

Chapter 7: Interaction with other schemes and administrative Issues ............89
7.1 Blind Person’s Pension ..........................................................................89
  7.1.1 History of the Blind Person’s Pension ...............................................89
  7.1.2 Similarities & Differences between BPP & DA .................................92
  7.1.3 Rationale for Transfer of BPP to DA ..............................................93
  7.1.4 Blind Welfare Allowance .................................................................97
  7.1.5 Conclusions on BPP & DA ...............................................................99
7.2 Agency Arrangements ..........................................................................100
  7.2.1 Legislative Requirements ...............................................................100
  7.2.2 Internal Review of DA Personal Expenses Payment .......................101
  7.2.3 Submissions on Agency Arrangements .........................................101
7.3 Staffing Issues .....................................................................................105
7.4 Control Issues..................................................................................................................... 108
    7.4.1 Introduction................................................................................................................. 108
    7.4.2 Relevant Reports & Developments.............................................................................. 108
    7.4.3 Revised Control Policy ............................................................................................. 111
7.5 Recommendations............................................................................................................. 113

Chapter 8: Conclusions and Recommendations ................................................................. 115
    8.1 Overall Conclusions...................................................................................................... 115
    8.2 Level of take-up of DA ............................................................................................... 115
    8.3 Activation..................................................................................................................... 116
    8.4 Data issues ................................................................................................................ 120
    8.5 Employment............................................................................................................... 121
    8.6 Scheme structure....................................................................................................... 123

Appendix 1: Performance Indicators .................................................................................. 124
Appendix 2: Submissions to the Review ............................................................................ 126
Appendix 3: Data Tables...................................................................................................... 131
Appendix 4: Employment Codes Used in Review of DA Files ......................................... 135
Appendix 5: Rates of Payment of DA Since 1997............................................................. 136
Appendix 6: Table of the Similarities & Differences between BPP & DA ................. 137
Appendix 7: Text from SI 378 of 2009 .............................................................................. 140
Appendix 8: Membership of Steering Group .................................................................... 142
Appendix 9: Poverty Impact Assessment ............................................................................ 143
Chapter 1: Introduction

1.1 Role of the Department & VFM
The role of the Department of Social Protection (DSP) is to formulate appropriate social protection policies and it administers and manages the delivery of statutory and non-statutory schemes and services.

The Department is responsible for the delivery of a range of social insurance and social assistance schemes including provision for:
- Retirement and Old Age
- Widow/ers
- Child Related Issues
- Illness, Disability and Caring
- Jobseekers and Employment Supports

In the Department of Social Protection the VFM reviews are undertaken by working groups chaired at Principal Officer level and made up of officers from the policy and executive sections, other Departments as appropriate, and the Department of Finance.

1.2 Background to this Review
In 1996 responsibility for the Disabled Person’s Maintenance Allowance (DPMA) was transferred from the Department of Health & Children to the DSP. When transferred to the DSP, the DPMA was replaced by the Disability Allowance scheme which was a contingency based scheme rather than a budget-led scheme. Since the introduction of the scheme in 1996 there have been many changes to the structure of the scheme. In addition the number of individuals claiming Disability Allowance (DA) has increased significantly since its introduction.

1 For ease of reference, the term DSP (Department of Social Protection) is used throughout this report, notwithstanding the fact that the Department has undergone a number of name changes in the period under review.
1.3 Purpose and Scope of this Review

The purpose of this review is to examine and report on the development of the DA scheme. It is necessary to examine the validity of the objectives of the scheme and to examine in particular the interaction of DA recipients and employment supports. There have been amendments to the DA scheme over time which have encouraged people to participate in employment whilst in receipt of the payment with the intended outcome of moving people off DA and back into employment where appropriate.

It was intended that this review would incorporate and reflect the findings of the National Disability Survey, which would have provided valuable information on such issues as employment rates, participation levels and educational attainments etc. Given that the second module of the NDS was not published until February 2010 (having originally been scheduled for publication in 2008), its findings could not be substantially included in this review. Specific surveys of samples of DA claims have however been undertaken which provide a rich source of data on the characteristics of claimants of DA.

These surveys were undertaken in 2009 and the analysis finalised early in 2010. While this report makes reference to more recent developments, the period covered generally is to the end of 2009.

1.4 Terms of Reference

The agreed terms of reference for this review are:

1. Identify the scheme objectives;

2. Examine the current validity of the objectives and their compatibility with the overall strategy of the Department, in particular the policy objective of supporting people of working age into employment;
3. Define the outputs associated with the scheme and identify the level and trend of those outputs, with particular regard to the number of recipients of the scheme, and identify any information gaps that emerge.

4. Examine the extent to which the scheme's objectives have been achieved and comment on the effectiveness with which they have been achieved.

5. Examine the level and trend of coverage of the scheme with particular reference to forthcoming CSO National Disability Survey;

6. Identify the level and trend of costs associated with disability allowance, discuss staffing resources associated with the scheme and comment on the efficiency with which the scheme is achieving its objectives;

7. Examine the interaction with other income maintenance schemes, including Blind Pension;

8. Evaluate the degree to which the objectives warrant the allocation of public funding on a current and ongoing basis and examine the scope for alternative policy or organisational approaches to achieving these objectives on a more efficient and/or effective basis;

9. Specify potential future performance indicators that might be used to better monitor the performance of Disability Allowance.
1.5 Methodology & Consultation Process

In order to identify and examine the objectives of the DA scheme the following methods were utilised:

An historical analysis of the scheme was carried out based on Departmental files, Dáil and Seanad debates and other relevant literature.

Statistical analysis was provided by the CSO for the first module of the National Disability Survey and by the Statistics staff of the DSP to identify how trends in the DA scheme have changed over time.

Submissions were invited from a number of organisations across the Disability Sector. A summary of these submissions is provided in Appendix 2.

Surveys of DA claimant files were undertaken by staff of the DSP. These surveys were drawn from two separate streams of DA claims. In the first instance, a randomised sample of 1,000 claims was drawn from the general population of DA claims and sought to identify key data in relation to age, gender, claim duration, age of entry into the scheme and the medical conditions which gave rise to the claims etc. The second survey, again involving 1,000 claims, was drawn at random from amongst the smaller subset of DA claimants who were also engaged in employment. Along with gathering data similar to that identified in the wider general sample, it focussed in particular on gathering data on earnings levels and the types of employment engaged in.

1.6 Outline of the Review

Chapter 2 sets out the background to the introduction of the DA scheme in 1996 and sets out the key developments of the scheme in the interim. It describes the objectives of the scheme and assesses their compatibility with the wider objectives of the Department and with other key strategic
documents such as the National Disability Strategy, the National Action Plan for Social Inclusion and the social partnership agreement, ‘Towards 2016’.

With the numbers availing of DA having risen from some 34,000 in 1996 to almost 100,000 in 2009, Chapter 3 seeks to establish the range of factors which have contributed to this sustained increase.

Data on disability, including the outcomes of the survey of claims, are set out and analysed in Chapter 4.

Chapter 5 examines the effectiveness of the mechanisms within the Disability Allowance scheme to support employment, drawing in particular on the survey of claims of those engaged in employment while in receipt of payment.

Chapter 6 examines the contingency basis of the Disability Allowance scheme and a number of structural issues associated with the scheme.

Chapter 7 examines administrative issues that arise with the delivery of the DA Scheme and also reviews some of the issues that were cited in the submissions by the relevant stakeholders.

Chapter 8 sets out the conclusions and recommendations arising from this review.
Chapter 2: Objectives of the DA Scheme

2.1 History and Development of DA

2.1.1 Poor Law and Public Assistance
While DA is a relatively new scheme to the Department of Social Protection, its origins go back much further to the poor law system of the 1800s. Workhouses were introduced to Ireland under the poor law system from 1838 but it was only after the beginning of the famine that the system of outdoor relief was introduced in 1847. There were many restrictions on this relief in the beginning - for instance, relief was not available to a person owning more than a quarter acre of land. These restrictions were gradually relaxed as a result of various amendments over the years. For example, outdoor relief was extended to all destitute persons in 1880 while the Local Government Act, 1898, made the first statutory provision for the relief of ‘exceptional distress’.

With the abolition of the Workhouse system and the enactment of the Local Government Act, 1923, outdoor relief was renamed Home Assistance and was administered by the County Councils. In 1939, Home Assistance and Medical Assistance were brought under the umbrella of the Public Assistance Act, which stated that where a person was unable by his own industry or other lawful means to provide the necessities of life for himself and his dependents, they would be eligible for assistance in the form of maintenance in an institution or the Home Assistance cash payment, to be administered by the Department of Local Government and Public Health.

2.1.2 Disabled Persons Maintenance Allowance
With the establishment of the Department of Health in 1947 and the subsequent introduction of the Health Act, 1953, responsibility for medical and institutional assistance was transferred to the new Department. The 1953 Act also provided for the Disabled Person’s Maintenance Allowance (DPMA) which was to be paid to “disabled persons over sixteen years of age who are
unable to provide for their own maintenance and whose relatives\textsuperscript{2} within the meaning of this subsection are unable to provide maintenance for them\textsuperscript{3}. This was the first attempt by Government, other than the Blind Persons Pension, to introduce specific measures for people with disabilities and was intended to give protection to people ‘who were not insured, who had no means and who were incapacitated from earning a living and who should be covered by some scheme\textsuperscript{4}. The scheme was seen as an extension of the provisions of the Infectious Disease Maintenance Allowance to individuals in the population with a disability who were unable to support themselves.

Most of the specific provisions in relation to DPMA were set down in Regulations, including the rates of payment of the allowance and the qualifying conditions which applied. The Disabled Persons (Maintenance Allowances) Regulations (1954) specified that the allowance would only be paid to a person with an ‘injury, disease, congenital deformity, or physical or mental illness or defect which has continued or may reasonably be expected to continue for at least one year’, who is ‘substantially handicapped in undertaking work of a kind which, if he were not suffering from that injury, disease, congenital deformity or physical or mental illness or defect, would be suited to his age, experience and qualifications’. The Regulations also stipulated that the person must not be maintained in an institution by or at the expense of a local authority and set down the medical certificate that the claimant would have to produce from their General Practitioner.

The Health Act, 1970, transferred responsibility for the payment of the allowance to the newly formed Health Boards while the conditions for receipt of the allowance were once again set out in regulations. The Disabled Persons (Maintenance Allowance) Regulations, 1973, carried over many of the provisions from earlier regulations, such as the definition of a specified disability and its effect on the work capacity of the claimant. While the provisions relating to medical certification and maintenance in an institution

\textsuperscript{2} A relative was defined in the Act as a spouse, son, daughter or parent of a person, or any brother or sister of a person normally resident with that person.

\textsuperscript{3} Sections 50(5) & 50 (6) of the Health Act, 1953.

\textsuperscript{4} Ryan, Eamonn – Minister for Health and Social Welfare during speech to Dail Eireann in June 1953
were retained, a new provision was inserted stating that, where a claimant already in receipt of the allowance was admitted to an institution, they could keep the allowance for a maximum period of eight weeks. One consequence of the administration of the DPMA was that the regulations were open to varied interpretation and application.

2.1.3 Disability Allowance
The Social Welfare Act, 1996, provided for the transfer of responsibility for the Disabled Persons Maintenance Allowance to the DSP. In October 1996, DA was introduced to replace the DPMA and existing DPMA recipients were automatically switched to the new allowance. Amongst the key reasons underlying the transfer were that such an income support payment to people with disabilities should be integrated with the wider income support services of the DSP. Introducing a social welfare scheme also ensured that a greater level of consistency was brought to the administration of a nation-wide scheme by contrast with the varied interpretation and application of the regulations which had been effected by the various Health Boards. The new scheme also represented a move away from the medical model of disability towards a social model. Finally, a key aim was that claimants would benefit from the greater flexibility in the social welfare system with regard to access to employment, training and education. The transfer was welcomed by all political parties in the Oireachtas in the course of the debate on the Social Welfare 1996 Act. This consensus was captured in the contribution of one Deputy during the 2nd Stage debate: “This move represented a first tentative stage towards placing the concerns of people with disabilities in appropriate hands and away from the medicalisation of social issues. It was intended that this move would represent the end of its frequently arbitrary and inflexible operation. In particular, it was intended that the move would allow the growth of the type of flexibility which has been developed in the rest of the social welfare code to encourage participation in education, training and, crucially, employment.”

Responsibility for the allowance was transferred on an ‘as is’ basis to the Department of Social Protection meaning that, in general, the same criteria for entitlement were applied post-transfer. The major differences were that the criteria for entitlement were now set down in primary legislation and, following on a decision of the High Court, for the first time couples could receive two personal rates of DA. Previously, a lower rate was payable to one partner where both partners had been in receipt of DPMA.

2.1.4 Development of Disability Allowance since 1996
The Department of Social Protection has implemented a large number of changes to the operation of DA since it replaced DPMA in 1996. The scheme is now centrally administered in the Social Welfare Services Office in Longford with all applications being made direct to that office, rather than via the Community Welfare Officers as happened previously with DPMA.

The weekly rate of payment associated with DA has risen steadily and significantly in line with other welfare payments since the scheme was introduced, from £67.50 (€85.71) in 1997 to €196.00 in 2009, an increase of some 128% over that period. In relation to the operation of the scheme itself, the major changes have been around the operation of the means test and in relation to restrictions on payment where a person was being maintained in a hospital or institution. Other changes included the measure introduced in 2001 which provided that a full rate DA payment is made where the person’s partner is in receipt of any other social welfare payment.

In 2007 improvements were made to the manner in which the income of a claimant’s spouse is assessed and also to the capital disregard, which was increased from €20,000 to €50,000. This latter measure sought to recognise that persons in receipt of DA may not have had the opportunity to accumulate savings or other income through participation in employment and/or that disability may hamper a person’s ability to live independently. It also recognised that families may wish to make future financial provision for a child.

6 Details of the rate of DA for each year are provided in appendix 5
or sibling but would have concerns that any such provision would adversely affect their entitlement to DA as the assessment of capital held in excess of €20,000, depending on the amount involved, could result in a significant reduction or loss of payment and secondary benefits. Similarly, in cases where a compensation award has been made to a client as a result of accident or injury, the assessment of capital received in excess of €20,000 could result in a reduction or loss of payment of DA and associated benefits.

The assessment of means in relation to earnings from employment has also been gradually revised with a view to increasing the incentive to take up, remain in, and increase, employment. When the Department introduced DA, an income disregard of £34.10 (€43.30) applied, above which income was assessed on a pound for pound basis. This disregard was increased several times, to £50 (€63.49) in 1998, to £75 (€95.20) in 2000 and to €120 in 2002. Thereafter, in order to enhance the incentive to increase earnings, it was decided not to increase the basic disregard level of €120 and instead to withdraw DA on a tapered basis between €120 and €350, meaning that for every euro earned only 50 cent of DA was lost.

As was noted above, there was a disqualification from receiving DPMA for people who were being maintained in an institution and this disqualification was initially maintained when the allowance was transferred. The restriction has since gradually been eased and ultimately abolished. From 1999, those who entered an institution and who were already receiving DA were allowed to maintain their entitlement. Then, in 2005, a decision was taken to stop the payment by the Health Boards of a ‘pocket money’ expense to those in institutions not already in receipt of the full allowance and instead to pay a DA (Personal Expenses Rate) of €35 to this group. Finally, from 2007, the disqualification from receiving DA because of residency in an institution was removed from legislation and full-rate DA was payable to such persons in their own right.
2.2 **Objectives of the Disability Allowance Scheme**

According to the original legislation, the DPMA was intended for “disabled persons over sixteen years of age who are unable to provide for their own maintenance and whose relatives ... are unable to provide maintenance for them”. It is clear from this and from the debate that surrounded this legislation that the allowance was intended as a minimum income guarantee for people who had no means and who were viewed as being unable to ‘make a living’ for themselves. This was reinforced by the fact that if family members, including brothers and sisters, were able to provide means for the person concerned, then the allowance would not be payable. The DPMA in effect was viewed as a payment of last resort.

The most recent explicitly stated objective for the DA scheme comes from the Report of the Working Group on the Review of the Illness and Disability Payment schemes, published in 2004. This report inferred the objectives of each scheme based on legislation and other background information on the schemes. The report also took account of the manner in which the Department has, since the early 1990s, been developing its policy away from largely passive income support provision to a more active social welfare system in order to address issues of poverty and social exclusion and to make people more financially independent. The activities to achieve this have included identifying supports required to increase labour market activity and the potential of referrals to existing guidance services (e.g. FAS/Health Services Executive) as well as cooperation with other relevant Departments and agencies.

Based on background information to the introduction of the DA scheme, the 2004 review agreed the following objectives for the scheme:

- To provide assistance to people with disabilities whose employment capacity is substantially handicapped by reason of their disability and

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7 Sections 50(5) and 50(6) of the Health Act, 1953.
whose means are insufficient to meet their own needs and those of their dependents, and

- To encourage and assist people with disabilities and long-term illnesses to identify and take up available employment, training, educational and other self-development opportunities, where appropriate.

In addition, the 2004 review also set out the following generic objectives for all illness and disability payments provided by the department:

To meet the income maintenance needs of people who are ill and people with disabilities and their dependents in ways that recognise their diverse needs, in particular in relation to improving their access to suitable labour market interventions by –

- Providing insured workers and their dependents with security against loss of personal income in the event of illness (both short-term and long-term), disability and occupational injuries which renders the insured worker incapable of working;

- Providing assistance to people with disabilities whose employment capacity is substantially restricted by reason of their disability, and to other people who are ill, including people suffering from an infectious disease and undergoing treatment for that disease, whose means are insufficient to meet their own needs and those of their dependents; and

- Encouraging and assisting people with disabilities and long-term illnesses to identify and take up available employment, training, education and other self development opportunities, where appropriate.
2.3 Compatibility of the Scheme Objectives with Departmental strategies

2.3.1 Overview
In examining the DA scheme and its objectives, it is appropriate to reflect also on relevant Departmental and Governmental strategies relating to and affecting people with disabilities. It is clearly important that there should be a close fit between the objectives of individual expenditure programmes and the broader thrust of policy thinking and development. In this regard, the Statement of Strategy of the Department, the National Action Plan on Social Inclusion, the National Development Plan, the Disability Sectoral Plan and the Social Partnership Agreement, Towards 2016, and the Programme for Government are of particular interest.

2.3.2 Department’s Mission and High Level Goals
The sixth Statement of Strategy for the Department of Social Protection covers the period 2008 – 2010. It identifies the mission of the Department as being to “promote a caring society through income and other support services, enabling active participation in society, promoting social inclusion and supporting families”.

In line with the concept of the Developmental Welfare State\(^8\), the strategy statement aligns a number of goals with the lifecycle approach, including:

**Goal 4: People with Disabilities**
- To provide income and other supports to people with disabilities and to facilitate them in taking up employment, training, education or development opportunities

The following is also listed in the strategy statement as a high level goal in relation to poverty and social inclusion:

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\(^8\) The National Economic and Social Council published a report entitled “The Developmental Welfare State” in 2005 (NESC Report 113). The report argues that the welfare state should be seen as consisting of three overlapping spheres of activity-service, income supports and activist or innovative measures- and that these should be integrated to form a ‘developmental welfare state’
Goal 5: Poverty and Social Inclusion

- To attain better outcomes in tackling poverty and achieve a more inclusive society through the provision of income and other support services and co-ordinating implementation of Government strategies for social inclusion.

Within goal 4, a range of objectives and high level indicators are listed, of which the following are relevant to DA:

Objectives

- Ensure that social welfare schemes and policies support people with disabilities
- Ensure that social welfare schemes and policies facilitate people with disabilities to participate in the labour market
- Facilitate people with disabilities in taking up employment, education, training or development opportunities
- Progress towards the achievement of income support targets in the National Action Plan for Social Inclusion
- Transfer the income support schemes Domiciliary Care Allowance, Respite Care Grant, Mobility Allowance, Blind Welfare Allowance and Infectious Diseases Maintenance Allowance from the Department of Health and Children and the Health Service Executive to this Department

High level Indicators

- Employment participation rates for people with disabilities
- Consistent poverty rates for people with disabilities
- Social Welfare dependency rates among people with disabilities

The structure of DA as a means-tested income support scheme which includes specific features designed to support engagement in the labour market is consistent with the Department’s strategic objectives.
2.3.3 National Disability Strategy and the Disability Sectoral Plan

The National Disability Strategy, published by the Government in 2004, underpins the participation of people with disabilities in Irish society. One of the key elements of this Strategy is the publication of Sectoral Plans by 6 Government Departments, including the Department of Social Protection.

The Disability Sectoral Plan for the Department of Social Protection, published in July 2006, was aimed at developing services that not only give people with disabilities income support but also encourage maximum participation in society. Over the period it covered (2006 – 2009) the plan committed the Department, in partnership with other Government Departments and Agencies, to seek to deliver supports to people with disabilities which would reduce their risk of dependence and allow them to meet their income needs to a far greater extent from employment as well as achieving other social outcomes, such as further education and developing life skills.

The Sectoral Plan set out a blueprint for developing services that not only give people with disabilities income support but also encourage and support maximum participation in society. The Plan identified the key policy issues to be addressed towards achieving these outcomes and the key strategic developments required to enable their achievement. It set out objectives ranging from ensuring adequate and sustainable income and other supports for people with disabilities and cooperation with other agencies – including the Departments of Health and Children, Enterprise, Trade and Employment, Education and Science, the HSE and FAS - to deliver education, training and work opportunities, through to ensuring accessible information and facilities and a disability friendly organisation for staff and customers. As the primary assistance-based income support scheme targeted at people with disabilities, the DA scheme is of prime importance in this regard. In all, the plan contained some 40 objectives, involving 145 activities with 145 key performance indicators, to be achieved, largely over the period 2006 - 2009.

The objectives of the Department, as set out in the Statement of Strategy, were of particular relevance when identifying policy issues and related
strategic development within the context of the sectoral plan. Many of the actions proposed are directly relevant to objectives of the strategy statement, in particular with regard to ensuring the adequacy of income supports which, at the same time, do not create financial barriers or disincentives and ensuring effective engagement with people of working age to support them in taking up relevant work, training, education and other development opportunities.

2.3.4 Towards 2016
The most recent social partnership agreement, Towards 2016, looks at the situation of people with disabilities within the context of the lifecycle approach and sets out a vision ‘of an Ireland where people with disabilities have, to the greatest extent possible, the opportunity to live a full life with their families and as part of their local community, free from discrimination’.

Towards 2016 also sets out the long term goals it sees as necessary for the achievement of this vision, namely that:

- Every person with a disability would have access to an income which is sufficient to sustain an acceptable standard of living;
- Every person with a disability would, in conformity with their needs and abilities, have access to appropriate care, health, education, employment and training and social services;
- Every person with a disability would have access to public spaces, buildings, transport, information, advocacy and other public services and appropriate housing;
- Every person with a disability would be supported to enable them, as far as possible, to lead full and independent lives, to participate in work and in society and to maximise their potential, and;
- Carers would be acknowledged and supported in their caring role.

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2.3.5 The National Action Plan for Social Inclusion 2007 - 2016

The National Action Plan for Social Inclusion (NAPInclusion) is the most recent of a number of anti-poverty strategies adopted by the Government, beginning with the 1997 National Anti-Poverty Strategy (NAPS). The present strategy sets out a series of actions to assist those who are socially excluded from the opportunities that the majority of the population enjoy.

Mirroring the social partnership agreement, Towards 2016, the NAPInclusion follows the lifecycle approach and includes people with disabilities as one of its target groups. The overall aim of the plan “is to reduce the number of those experiencing consistent poverty to between 2% and 4% by 2012, with the aim of eliminating consistent poverty by 2016”\(^{10}\). In relation to people with disabilities, the plan aims to contribute to this overall goal by promoting ‘equal opportunities for people with disabilities in the open labour market supported by enhanced vocational training, employment programmes and further development of supports’ (p56). A number of goals and targets in relation to employment, income support and access to services are then laid out. Again, the role of the DA is central to delivering on the goals of the NAPInclusion.

Poverty Rates & People with Disabilities

The EU-Survey of Income and Living Conditions (EU-SILC), undertaken by the CSO, provides data on poverty rates for persons with a disability. Two key indicators of poverty are measured in the EU-SILC. The first is the ‘At Risk of Poverty’ rate – defined as the proportion of persons with an equivalised income\(^{11}\) below a given percentage (usually 60%) of national median income. (National median income is determined by ranking persons by equivalised income from smallest to largest and extracting the median or middle value. The second indicator is ‘Consistent Poverty’ rate which defines

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\(^{11}\) Equivalence scales assign each household a value in respect of the number of adults and children in the household. The national equivalence scale assigns the first adult a value of 1, each subsequent adult a value of 0.66 and each child a value of 0.33. These values are then summed and an equivalised household size is established. Disposable household income is divided by the equivalised household size to calculate equivalised disposable income. This value is essentially an approximate measure of how much of the household income can be attributed to each member of the household.
those who are ‘at risk of poverty’ and who are living in a household that is deprived of two or more of eleven specified basic deprivation items.

The EU-SILC data, under the heading of principal economic status, show that those individuals who are not at work due to an illness/disability have a consistent poverty rate of 15.8% and an ‘at risk of poverty rate’ of 37%. This contrasts with rates of 1.3% and 6.7% respectively for individuals in employment. The overall consistent poverty rate is 5.1%. Thus individuals with an illnes or disability are three times more likely to be in consistent poverty.

The EU-SILC 2007 results indicate that 8.5% of persons aged 16 and over and with a ‘chronic illness or health problem’ experienced consistent poverty – twice the rate of those in the same age category (4.1%) and not so affected.

Data on household poverty rates, based on the economic status of the head of household, also clearly indicate the greater risks associated with disability and illness. Where the head of household is not at work due to an illness or disability, the household consistent poverty rate is 21.9% whilst the household ‘at risk of poverty’ rate is 48.6%. The corresponding rates for the overall population are 4.9% and 17.8% while for households headed by someone in work the rates are significantly lower again at 1.5% and 7.3% respectively.
The contrast between the position of those in work and those who are ill or disabled serves to underline the importance of employment as a key component in reducing the poverty rates in households headed by a person who is ill or has a disability. This issue is recognised in the NAPinclusion which includes a high level goal on employment for persons with a disability:
Goal 9: Employment and Participation

"Increase the employment of people with disabilities who do not have a difficulty in retaining a job. The immediate objective is to have an additional 7,000 of that cohort in employment by 2010. The longer term target is to raise the employment rate of people with disabilities from 37% to 45% by 2016 as measured by the Quarterly National Household Survey. The overall participation rate in education, training and employment will be increased to 50% by 2016. These targets will be reviewed in light of experience and the availability of better data".\textsuperscript{12}

It is recognised that not everyone with a disability will be in a position to take up a job or training. Social transfers therefore have a critical role to play in reducing the risk of poverty of people with a disability. In this regard, the increases in welfare rates over the past years have played a significant role in reducing the risk of poverty facing people with disabilities. As will be seen from the table beneath, the poverty rates for individuals with a chronic illness or disability have declined significantly over the period 2004-2007. The 'at risk of poverty rate' and the consistent poverty rates both decreased by 27%.

Table 2.1 Consistent Poverty and At-Risk-of-Poverty rates 2004-2007

<table>
<thead>
<tr>
<th>Year</th>
<th>At Risk of Poverty Rate for those with Illness/Disability %</th>
<th>At Risk of Poverty Rate Non Illness/Disability %</th>
<th>Consistent Poverty Rate for those with Illness/Disability %</th>
<th>Consistent Poverty Rate Non Illness/Disability %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>30.1</td>
<td>15.5</td>
<td>11.7</td>
<td>4.3</td>
</tr>
<tr>
<td>2005</td>
<td>24.3</td>
<td>15.3</td>
<td>9.5</td>
<td>4.8</td>
</tr>
<tr>
<td>2006</td>
<td>20.9</td>
<td>14.4</td>
<td>8.8</td>
<td>4.7</td>
</tr>
<tr>
<td>2007</td>
<td>22.0</td>
<td>14.1</td>
<td>8.5</td>
<td>4.1</td>
</tr>
<tr>
<td>% Change 2004-2007</td>
<td>-27%</td>
<td>-9%</td>
<td>-27%</td>
<td>-5%</td>
</tr>
</tbody>
</table>

Source: CSO – EU SILC

\textsuperscript{12} National Action plan on Social Inclusion
2.3.6 The National Development Plan (NDP)

The 2007 – 2013 NDP for the first time contains a specific chapter on social inclusion. The programme within this chapter which is most directly relevant to the activities of Department of Social Protection is the Social and Economic Participation Programme, which contains sub-programmes on *activation, back to work and back to education*.

This programme, which committed some €1.2 billion of investment over the lifetime of the plan, notes that ‘Employment has proven to be a major factor for people exiting out of 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 have financial independence and reach their potential’\(^\text{13}\). In that context, the programme sets out 3 sub-programmes which will provide support aimed at increasing social and economic participation, either through full-time employment without any further social welfare support or though programmes which will support people on social welfare payments taking up other progression options, such as training and education, to enhance employability.

Of particular relevance to people with disabilities, the NDP provides for the development of a Social and Economic Participation Programme with the objective of promoting participation and social inclusion primarily through activation measures aimed at people of working age. While the programme will be aimed at people of working age, the expected outcomes will not lie exclusively in labour market activity. Instead, outcomes such as increased quality of life, educational advancement, increased social and foundation skills are recognised as being equally important and may, in certain instances, provide a stepping stone to potential labour market involvement.

2.3.7 Renewed Programme for Government

The needs of people with disabilities are also addressed in the renewed programme for Government, published in October 2009, and this commits the Government to ‘prioritise the interests of people with disabilities and actively advance the implementation of the National Disability Strategy (NDS) throughout the current economic climate having regard to the progress made to date and subject to available resources’. In the same document, the Government has also committed itself to

- publishing a “NDS Recession Implementation Plan”, central to which will be the availability of accessible public and social services to vindicate the rights of people with disabilities to full participation within the State.
- maximising the efforts of the State and the voluntary disability sector in order to deliver cost effective services that promote independence and choice for people with disabilities.
- advancing measures to specifically strengthen collaborative working across Departments, Public Bodies and the voluntary disability sector to ensure person-centred public service provision.
- progressing the NDS in parallel with Ireland’s economic recovery\textsuperscript{14}.

2.3.8 Continued Compatibility of the Objectives of DA with overall Departmental Strategy

The most relevant current objectives for DA were provided by the 2004 Review of Illness and Disability Payments and it is the view of the Working Group that these objectives continue to be valid, relevant and appropriate for the Disability Allowance scheme. In the meantime, there have been a number of policy developments and policy statements which provide much of the context for these payments. The objectives of DA, with the twin focus on income support and the encouragement of greater participation in the labour market, are fully compatible with the Strategy Statement of the Department

\textsuperscript{14} P 19, Renewed Programme for Government, October 2009.  
and are consistent also with the other key strategic documents reviewed above. The provision of income support to a sector of Irish society which is particularly vulnerable to the risk of poverty and social exclusion remains central to the role of the DA scheme and this will continue into the future. It is equally the case that the objective of supporting and encouraging participation in education, training and employment is now more relevant than ever, notwithstanding the current more difficult prevailing labour market conditions. The Department of Social Protection has been taking an increasingly active role in this area, a shift in direction which is reflected in the approach to activation and participation set out in the various policy documents reviewed above.

The structure of DA as a means-tested income support scheme which includes specific features designed to support engagement in the labour market is consistent with the Department’s strategic objectives.
Chapter 3: Development of Disability Allowance

3.1 Introduction
As outlined in Chapter 1, responsibility for the payment of the DA (formerly known as the DPMA) was transferred from the Health Boards to the Department of Social Protection in October 1996.

DA is a means-tested weekly payment, available to persons aged 16 to 65, with an injury, disease or illness or physical or learning disability that is expected to continue for at least one year, and who are substantially restricted in taking up suitable employment, having regard to the person’s age, experience and qualifications.

Recipients of DA may participate in rehabilitative employment and may have the first €120 per week of their earnings disregarded. Furthermore, since June 2006, income from rehabilitative employment greater than €120 but less than €350 is subject to a 50% tapered withdrawal rate.

DA payments are of unlimited duration and continue to be awarded provided recipients satisfy the qualifying conditions.

3.2 Trends in Disability Allowance
3.2.1 Numbers Availing of Disability Allowance
Prior to the transfer of the DPMA scheme to the Department of Social Protection the numbers availing of the DPMA remained fairly steady. In 1979 the number in receipt of the DPMA was 24,862. By 1986, this number had increased to approximately 26,000. Between 1986 and 1996 the increase in the numbers availing of the scheme was in the region of 8,000 – an increase of less than 1,000 per annum. Figure 3.1 below shows the numbers availing of the scheme increasing gradually from 1988 to 1996.
In contrast, since 1996 there has been a significant increase in the number of DA recipients. Between 1996 and 2008 the number of recipients increased from over 37,000 to almost 96,000, an increase of 158%. These figures are depicted in the table 3.1 and figure 3.2 below:

### Table 3.1: Number of Disability Allowance Recipients 1994-2008

<table>
<thead>
<tr>
<th>Year</th>
<th>Disability Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994**</td>
<td>30,693</td>
</tr>
<tr>
<td>1995**</td>
<td>32,699</td>
</tr>
<tr>
<td>1996</td>
<td>37,054</td>
</tr>
<tr>
<td>1997</td>
<td>43,192</td>
</tr>
<tr>
<td>1998</td>
<td>47,126</td>
</tr>
<tr>
<td>1999</td>
<td>50,431</td>
</tr>
<tr>
<td>2000</td>
<td>54,303</td>
</tr>
<tr>
<td>2001</td>
<td>57,655</td>
</tr>
<tr>
<td>2002</td>
<td>62,783</td>
</tr>
<tr>
<td>2003</td>
<td>67,720</td>
</tr>
<tr>
<td>2004</td>
<td>72,976</td>
</tr>
<tr>
<td>2005</td>
<td>79,253</td>
</tr>
<tr>
<td>2006</td>
<td>83,697</td>
</tr>
<tr>
<td>2007</td>
<td>89,048</td>
</tr>
<tr>
<td>2008</td>
<td>95,754</td>
</tr>
</tbody>
</table>

Source: Department of Social Protection

** DPMA Figures
The level of expenditure on DA has also increased in parallel with the increase in numbers, as well as reflecting substantial increases in the rates of payment over the period. In 1996 the level of expenditure was €157.5m and by 2008 it had reached €901.1m., representing a six fold increase over the period. The change in the level of expenditure between 2006 and 2007 was unusually high with an increase of 22% (see table 3 in appendix 3), reflecting both a substantial increase in the rate of payment and the extension of full-rate DA to people in full-time residential care introduced at that time.

3.2.2 Information on DA from DSP Data Sources

A statistical analysis was carried out on the DA claims in payment at the end of December 2006. The number of claims reviewed was almost 84,000. This provided useful information on claimants, means and previous claims history for the DA scheme.

The analysis showed that the average duration of payment claims was approximately 6.6 years. Information on the means of DA recipients was also analysed. When data on DA recipients in 2006 was matched to the 2004 P35 file only 17% had participated in paid employment and more than half of these had annual incomes of less than €5,000. In addition, the data on the intake of DA recipients in 2005 showed that they were unlikely to come from full-time employment given that almost 80% of the recipients had no P35 activity in 2004.

The analysis also provided a snapshot of the influence of the tapered withdrawal rate. This rate was introduced in June 2006, when there were 81,488 DA claims in payment. At end 2008, the number of claimants had risen to 95,754 - an increase of just under 14%. Over the same period, the number of claimants engaged in rehabilitative employment increased by almost 47%15. The issue of employment is addressed further in Chapter 5.

15 There were 9,567 individuals claiming the DA disregard in December 2008
3.2.3 Comparison of Disability Allowance with Other Long-Term Illness Schemes

Given that there has been a substantial increase in the number of recipients for DA it is useful to assess whether or not there has been a similar increase in other long-term disability/illness payments such as Illness Benefit and Invalidity Pension.

Illness Benefit is a payment for insured people under the age of 66 who cannot work due to illness. In order to avail of Illness benefit individuals must also satisfy certain PRSI conditions.

Invalidity Pension is a payment for people who are permanently incapable of work because of an illness or incapacity. For an individual to qualify they must satisfy both medical and social insurance conditions.

Since 1996, there has also been an increase in the numbers claiming Invalidity Pension and Illness Benefit (a slight decrease in claimants for Invalidity Pension was recorded in 2006 & 2008) as shown in Figure 3.3 below. The rate of increase for Illness Benefit and Invalidity Pension was significantly less than that of DA which increased by 158% between 1996 and 2008. For the corresponding period Illness Benefit and Invalidity Pension increased by 73% and 25% respectively.

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\[16\] Illness Benefit was formerly known as Disability Benefit prior to October 2006
Analysis of the gender profiles of DA recipients showed a 60:40 split in favour of males. The corresponding breakdown for Invalidity Pension was almost 50:50 and for those in receipt of Illness Benefit a 63:37 split in favour of females.

Analysis of the age-profile reveals broadly similar trends across the age groups for recipients of the DA and Illness Benefit schemes with the exception of the under-25 age group (see figure 3.4 below). This is unsurprising since the DA caseload will include people who have, for instance, been affected by disability since birth and will have been beneficiaries of the Domiciliary Care Allowance until they reach age 16. Illness Benefit, as an insurance-based scheme, requires that claimants build up a social insurance record before they have an entitlement to claim. Invalidity Pension on the other hand displays a greater proportion of its recipients in the older age groups. Again, this is unsurprising, since the scheme is designed to provide income support to insured workers who are no longer capable of working and is therefore geared to catering for people who acquire a chronic illness or disability in the course
of their working lives. In 2008 persons aged 50 years and over represented 82% of the total recipients of Invalidity Pension. The corresponding figures for DA and Illness Benefit are 38% and 44% respectively.

**Figure 3.4: 2008 Age Profile for Recipients of DA, IB and IP**

It is also useful to reflect on the level of expenditure for disability programmes. DA falls under the Illness, Disability and Caring Social Welfare Expenditure Programme. In 2008 this programme represented 18.5% of the total expenditure on all Social Welfare Programmes\(^\text{17}\). Figure 3.5 below shows that under the Illness, Disability and Caring Programme, DA was the largest expenditure payment in 2008 at 32% followed by Illness Benefit at 26% and Invalidity Pension at 21%.

**Figure 3.5: Expenditure by Payment Type for the Illness, Disability & Caring Social Welfare Programme 2008**

\(^{17}\)Statistical Information on Social Welfare Services 2008
Expenditure levels for DA, Illness Benefit and Invalidity Pension since 1996 are outlined in Table 3 (see appendix 3). While expenditure on all three programmes has increased significantly, reflecting in particular the substantial increases in rates over that period, the increase in spending on DA is much greater than the other two programmes, reflecting the increase in the numbers qualifying for the scheme. Expenditure on DA increased by over 560% between 1996 and 2008 whilst expenditure on Illness Benefit and Invalidity Pension increased by 300% and 184% respectively over the same period.

3.2.4 Comparison of DA increases and Labour Force Participation rates
For individuals with a disability, participating in employment provides substantial benefits such as providing social and economic independence, financial independence and can enable them to play a more active role in society which can prevent isolation. Thus it is of interest to assess how the trend in DA compares to the trend in labour force participation.

Figures from the CSO show that labour force participation grew significantly between 1996 and 2006. The number of individuals participating in the labour force in 1996 was over 1.53 million; by 2006 this had increased to over 2.1 million, a 38% increase. Over the same period the number of recipients of DA also increased from over 37,000 in 1996 to almost 84,000 in 2006 – a 126% increase.

Data from the National Quarterly Household Surveys by the CSO in 2002 and 2004 allow for analysis of the economic status of persons with a disability. The results are provided in figure 3.6 below:
The chart shows a considerable increase in those not economically active in the 45-54 and 55-64 age groups between 2002 and 2004 but also shows some small gains in employment over this period as well.

3.3 **Rationale for Increasing Numbers on the DA Scheme**

In seeking to identify the reason(s) underlying the very substantial increase in the numbers claiming DA since the transfer from the Department of Health and Children in 1996, it is necessary to consider a range of different factors. These include:

(i) **Budget-driven v. contingency-based scheme**

The restrictive nature of the DPMA scheme, and the inconsistent operation of the scheme across the different Health Board areas then in existence, will have acted to suppress the number of people with disabilities who had access to this form of income. As a budget-driven scheme as opposed to the contingency-based DA scheme, there would have been a greater pressure on Health Boards to restrict the numbers entering the DPMA scheme.
It might have been expected that there would be a substantial jump in DA numbers once the scheme was initiated in the DSP as those who might have been excluded from DPMA applied for DA, and that this would level off relatively quickly thereafter as that cohort was absorbed into the scheme.

At end-1994, there were 30,693 recipients of DPMA and the case load when the scheme was finally transferred to DSP in October 1996 was approximately 32,000. As noted earlier, increases in the DPMA caseload were less than 1,000 per annum in the decade preceding the transfer of the scheme. It is evident from the figures for end-1996 (37,054 claimants) and end-1997 (43,192) that there was in fact a significant intake to the new DA scheme in the initial years. Thereafter, the number of new claimants moderated to an average of 3-4,000 for a number of years until a notable increase to some 5,000 is observed in 2002.

(ii) Migration from other welfare schemes
There was a migration from other welfare schemes to DA once it became part of the suite of contingency-based welfare schemes. In that context, the ancillary benefits associated with DA (e.g. Fuel Allowance and the Household Benefits Package) as against those available to people claiming Unemployment Assistance made DA a positive option for people with long-term illnesses or disabilities and who were previously in receipt of short-term welfare payments. People with severe alcohol or drug addiction issues who typically would previously have been in receipt of a long-term unemployment payment would have been amongst those who were now catered for by DA. It is also worth commenting that conditionality is not a feature of the DA scheme and claimants are not required to be available for and genuinely seeking work.

Whilst there was inter-scheme migration, a CSO analysis of the 2005 DA intake indicated that there was no evidence of a clear progression from any one scheme in particular onto DA. For a quarter of those entering the
scheme, the claim for DA was their first welfare claim. This included people who were previously beneficiaries of Domiciliary Care Allowance. Of those with a previous welfare claim history, Jobseeker’s Allowance was the most prevalent scheme – accounting for 24% of such claims, but there were substantial numbers who had progressed from Supplementary Welfare Allowance, Illness benefit and Jobseekers Benefit.

An updated examination of more recent claims was undertaken as part of this review and broadly confirmed the findings of the CSO 2005 exercise. The previous claims history of 12,801 DA customers awarded between January 2008 and September 2009 was assessed. 67% of these customers had previous weekly social welfare claims (claims for SWA immediately prior to the DA claim were ignored), with the bulk of these being for Jobseekers Allowance/Jobseeker’s Benefit, Illness Benefit and Basic SWA. On average, these claims were paid 3.2 years prior to the award of DA and lasted 1.2 years.

(iii) Extension of Scheme to People in Long-Term Institutional Care
From 1999, legislative changes were introduced to provide that individuals who had been in receipt of DA prior to entering an institution to avail of long-term care could now retain their entitlement. A further change was introduced in 2007 when the full rate of DA was extended to all those resident in an institution who had previously been disqualified from payment solely on the basis of their residency. It was envisaged that this measure would immediately benefit more than 2,700 people while also continuing to benefit others who would enter full-time residential care subsequently.

(iv) Easing of Means Test
The progressive easing of the conditions applying to the DA scheme (e.g. adjustments to the earnings disregard, the introduction of a tapered withdrawal of benefit as earnings increased, changes in the means test and in the assessment of spousal earnings) since its introduction have
made the scheme more accessible to greater numbers of people with disabilities.

(v) Increased progression from Domiciliary Care Allowance (DCA)
This scheme has recently (March 2009) been transferred from the Department of Health and Children to the Department of Social Protection as part of a wider Governmental approach to site all income support payments in the latter. The numbers of children benefiting under the DCA has increased sharply in recent years and this growth inevitably feeds through to increased numbers on DA as they pass the age-16 threshold. For instance, the numbers benefiting from DCA almost doubled between 2000 and 2008 – from 11,217 to 21,802. A report conducted in the context of the preparations for the transfer of the DCA to the Department of Social Protection noted that children with autism were not eligible to claim DCA until 2002. The inclusion of children with this condition therefore contributed to the increase in numbers availing of the payment.

The Report goes on to suggest that due to the HSEs commitments under Part 2 of the Disability Act, 2005 there will be further increases in numbers availing of DCA. The report predicts that over the next few years the numbers availing of DCA will rise to 30,000.\(^{18}\)

(vi) Departmental Review Strategy
The Department has not systematically engaged in extensive medical reviews or in other (e.g. means-related) control activities and the limited scope for engaging in meaningful activation of DA clients will also have contributed to the sustained growth in numbers in receipt of DA. These issues are addressed further in Chapter 7 of the report.

\(^{18}\) Report by the Core Functions Project Team on the Number of Children with Disabilities in Ireland who may have an entitlement to the Domiciliary Care Allowance Scheme, 2008
Improvements in Medical Diagnoses

Improvements in the field of medical diagnosis together with greater medicalisation of some conditions are other factors which will have contributed to the growth in numbers. In the survey of claims undertaken as part of this review, it was notable that the terminology employed in the medical field in relation to mental health has changed significantly over the years. In the oldest claims, the contemporary terminology employed included diagnoses of “mental retardation” and “spastic”, language which would now be viewed as pejorative. Over time, the terminology altered to reflect changed perceptions of disability, and the earlier terms were replaced with “mental handicap”, “mental disability” and more latterly “learning disability”. It seems reasonable to speculate that this welcome change in language has also been accompanied by a wider recognition of what disability entails, with the result that people who might not have satisfied the conditions for DPMA may now be viewed as being appropriately catered for by DA.

The survey of claims conducted in 2009 (see chapter 4) also revealed that, while the numbers are not hugely significant, there have been increasing numbers of people diagnosed with autistic conditions and ADHD which are of a severity which satisfies the medical criteria for DA.

More widely, the prevalence of multiple conditions amongst claimants was notable. In many instances, people who are affected by a physical complaint are also affected by mental health conditions such as depression or severe anxiety. This finding echoes other research which has recently been published by the Work Foundation on Musculoskeletal Disorders and the Irish Labour Market. This research argues for early intervention (by employers, employees, GPs and health professionals and State services) where people are affected by musculoskeletal disorders (back pain, arthritis, rheumatism etc.) with a view to minimising the duration of absences from work, avoiding the risk of the impact of a physical ailment being compounded by mental health issues, and ensuring job retention and reintegration.
(ix) Impact of Migration
The impact of migration into Ireland is reflected to some degree by the fact that almost 4% of the claims surveyed (see Chapter 4) are foreign nationals. 1.3% were UK nationals and 2.8% were from a wide range of other countries, mostly EU States but also including people granted refugee status. While this represents a relatively small proportion of the overall claimload, in absolute terms it equates to some 4,000 claims.

(viii) Demographic issues
In light of the increases in the population and in the labour force, the question arises as to extent to which increases in the level of the DA claimload reflect demographic changes. In this regard, it is interesting to note that the DA claimload in 1998 represented some 1.6% of the total population aged over 15 and some 2.9% of the labour force. By 2008, the DA claimload had increased to 2.7% of the total population aged over 15 and 4.3% of the labour force. Over the same period, the aggregate numbers claiming the main illness and disability payments (Disability Allowance, Invalidity pension and Illness benefit) increased as a proportion of the total population aged over 15 from 4.7% to 6.3% and from 8.2% to 10% of the labour force. While the rate of growth in DA numbers exceeded labour force growth over that period, population growth could in any case have been expected to add some 16,500 to the DA claimload.

Figure 3.7 beneath illustrates that the steady growth in the DA claimload mirrors to a significant extent the increase in the illness and disability schemes generally (i.e. Invalidity pension and Illness benefit and Disability Allowance in aggregate) as well as the total population changes. For illustrative purposes, data on long-term illness and disability (i.e. with Illness Benefit claims of more than one year’s duration only included) from 2002 are also shown.
In its analysis of the effects of ageing on trends among disability scheme beneficiaries, the OECD\textsuperscript{19} estimated that in Ireland half of the increase in beneficiary numbers since 2002 was attributable to changes in the population age structure - i.e. the relatively larger increase in the number of older workers who have a higher risk of acquiring a disability. The OECD attributed the other half to changes in the beneficiary rates themselves.

The trend in DA recipients can be further analysed by gender and age. Statistics reported for 2008 show a 59:41 split in favour of males for all those in receipt of DA. Individuals aged 60-65 represent the greatest proportion of all those in receipt of DA at 14.6\% whilst individuals over the age of 50 represent 38\% of the total recipients. It must also be noted that at 13.7\% of the total under 25s represent a sizeable portion of recipients; this is likely to result from the transfers from Domiciliary Care Allowance to DA. Additionally, the drop off to 7.3\% for the 25-30 year olds may in part be explained by morbidity rates for young people with severe disabilities.

\textsuperscript{19}Sickness, Disability and Work: Breaking the barriers, OECD 2008.
Addressing prevalence of disability

The first round data of the 2006 National Disability Survey indicated tentatively that disability prevalence in the Irish population is of the order of 18.5%. The question arises as to the extent to which welfare schemes aimed at people of working age and targeted at people with disabilities (in particular Disability Allowance, Invalidity pension and Long-term Illness Benefit) compensate or over-compensate for the number of people with disabilities aged from 16-64. Volume 2 of the NDS included statistics on the employment history of people who identified themselves as having a disability in the Census and subsequently were found to be disabled in the NDS (325,800 people, or 8.1% of the population). Of the 264,600 adults in private households with a disability, 173,600 said that their disability limited them before age 65 and only 29,200 of this group were in employment at the time of the survey. 108,700 out of 130,200 working age people in this analysis reported that they had worked previously and 77,300 of this group reported that they left their last job due to their disability, mostly due to 'poor health'.

Summary

A critical element of this review has been to seek to determine the causes of the increase in numbers claiming DA since the scheme was introduced in 1996. The evidence suggests that a very wide range of factors have been at play in this regard. While increases in the claimload have occurred more rapidly than the changes in the wider population, natural demographic changes have been shown to be one important factor. Certain specific policy measures, such as the extension of entitlement to DA to those in residential care, were responsible for substantial increases in the take-up of the scheme. Migration from other welfare schemes, particularly in the initial years of the scheme, is also a factor. In this regard, it is worth noting that for those who might be described as being on the margins of DA and Jobseeker’s Allowance (JA or Unemployment Assistance as it was then known), the fact that DA carried no conditionality, included enhanced secondary benefits and provided
for a more generous treatment of income from employment than JA, would have meant that there was an incentive to opt for DA. Beyond that, it is not possible to isolate one factor above all others as being the predominant driver of the increase in the DA claimload – rather it seems to be the aggregate effect of all of the other factors identified above.

The findings from independent research that long-term absences from work can have a damaging effect on mental health, thus compounding the problems being faced and leading to long-term welfare dependency, are supported by the evidence gleaned from the survey of DA cases. The key message to emerge therefore is the importance of early intervention on the part of activation services with a view to reducing the potential for longer-term welfare dependency.
Chapter 4: Disability Surveys and Data

4.1 Introduction
The lack of quality data on the prevalence and levels of disability in Irish society has long been recognised as a problem. It was not until 2002 that specific questions on disability were included for the first time in the National Census. In 2002 also, a specific module on Disability was included in the Quarterly National Household Survey and a follow up module was included in 2004.

4.2 National Disability Survey 2006
4.2.1 Overview of National Disability Survey 2006
In 2004, a commitment was given by Government to producing a National Disability Survey (NDS) after the National Census in 2006. Due to the nature of the Census, which naturally covers a broad range of issues, the disability questions in the Census could not be particularly detailed. The NDS, conducted during the period September–October 2006, represented a much more detailed examination of the issues and sought to provide a comprehensive picture of the prevalence, severity and impact of disability and to provide more detail on the characteristics and situation of the population with a disability. The NDS questionnaires covered a broader range of disabilities than had been possible to include in the Census. For instance, the NDS listed nine different disabilities including speech, pain and breathing, which were not specifically mentioned in the Census.

The CSO produced its first round of results from the NDS in October 2008. This module provides valuable information on the prevalence and type of disability, the causes of disability and level of difficulty experienced with disability. The different types of disability recorded in the survey were:

- Seeing
- Hearing
The second module, published in February 2010 provides an insight into disability and its effects on employment, transport, welfare and other key factors.

4.2.2 Demographic Statistics from the NDS

Gathering accurate data on the prevalence of disability in society has proved to be a complex and difficult exercise. The approach adopted in designing the NDS was twofold. The first step was to select a sample from among those persons who reported a disability in the Census and who were enumerated at their usual residence. This was to ensure that the primary focus of the NDS would be on the population of interest. In-depth interviews were conducted with 14,518 individuals defined as having a disability in the Census, 96% of whom were resident in private households and the remainder in communal establishments. Secondly, a smaller sample of 1,551 was drawn from among those persons enumerated at their usual residence in private households and who did not report a disability on their Census form (3.7 million persons). The inclusion of this smaller sample from the total population was to explore the extent to which the broader NDS definition would identify disability not picked up in the Census.

In the 2006 Census it was reported that 9.3% of the population reported a disability\textsuperscript{20} while in the NDS Report the disability prevalence rate, based on the sample of people reporting a disability in the Census, is reported as 8.1%.

\textsuperscript{20} Page 9, National Disability Survey 2006
This lower rate can be explained by individuals not reporting a disability in the NDS or the level of disability not satisfying the threshold test for inclusion in the NDS.

An overall disability prevalence rate was estimated by the CSO in an exercise which combined the smaller general population sample with the first NDS sample. This gives a disability prevalence rate of 18.5% although the CSO have emphasised that this finding should be regarded as indicative only. (When the smaller sample is weighted up to the population it represents, each individual carries a greater weight in the total estimates than those drawn from the main NDS sample of people reporting disabilities.) The overall rate of disability for the population is estimated between 168 and 204 per thousand of population when measured on this basis.

While the findings are tentative, this indicative disability prevalence rate of 18.5% seems reasonable when compared with the position in other countries as outlined in table 4.1 below.

Table 4.1  International Comparisons on Disability Prevalence Rate

<table>
<thead>
<tr>
<th>Country</th>
<th>Data Source</th>
<th>Year</th>
<th>Disability Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ireland</td>
<td>NDS Total Population Sample</td>
<td>2006</td>
<td>18.5%</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>NI Survey on Disability, Ageing and Activity Limitations</td>
<td>2006</td>
<td>18.0%</td>
</tr>
<tr>
<td>Australia</td>
<td>Survey of Disability, Ageing and Carers</td>
<td>2001</td>
<td>19.8%</td>
</tr>
<tr>
<td>USA</td>
<td>Census of Population &amp; Housing</td>
<td>2002</td>
<td>19.3%</td>
</tr>
</tbody>
</table>

4.2.3  Statistics on Disabilities arising from the NDS
Results from the NDS Census sample indicated that there are 325,800 persons in Ireland with a disability. Of those persons reporting a disability 52% are female and 48% male. The number of persons reporting a disability by the type of disability recorded in the survey is shown figure 4.1 below. It should be noted that since some people are affected by more than one
disability, the total numbers reflected in figure 4.1 exceeds the total number of 325,800.

**Figure 4.1 Number of Persons with a Disability 2006**

The graph indicates that the most significant categories represented are those of ‘Mobility & Dexterity’ (184,000 persons) and ‘Pain’ (152,800 persons).

It is also possible to analyse age group categories and type of disability. Unsurprisingly, the NDS results showed that the age group with the highest level of disability prevalence is the over 75s – representing 22% of the total number of persons with a disability. Persons over the age of 55 make up 52% of the total number of persons with a disability.

Given the high rate of DA recipients over the age of 50 it is useful to look at similar age groups under the NDS and the most frequently occurring disabilities for these age groups. Mobility and Dexterity, Pain and Emotional, Psychological and Mental Health (E, P & MH) were the most common disabilities reported for the 45-54 and 55-64 age groups. Table 4.2 below provides some detail on the most occurring disabilities.
Table 4.2: Disabilities affecting persons aged 45-54 and 55-64

<table>
<thead>
<tr>
<th></th>
<th>45-54 age group</th>
<th>55-64 age group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobility &amp; Dexterity</td>
<td>12%</td>
<td>18%</td>
</tr>
<tr>
<td>Pain</td>
<td>16%</td>
<td>22%</td>
</tr>
<tr>
<td>E,P &amp; M H</td>
<td>18%</td>
<td>17%</td>
</tr>
</tbody>
</table>

For individuals of the working population age 18-64 the most common disabilities reported were E, P & M H, Pain and Intellectual and Learning. Mobility and Dexterity as a disability emerges as a greater issue in the older age profile.

4.3 Review of Disability Allowance Claimants Files 2009

To gain an understanding of the medical profile of claimants on DA an analysis of 1,000 case files was undertaken in June 2009. This sample did not include individuals that were availing of the DA Disregard or undertaking a CE scheme placement. The cases were randomly selected and the final valid sample (i.e. containing adequate data for analysis purposes) amounted to 913.

The key variables on which data was collected in this survey included:

1. Year of Birth
2. Gender
3. Marital Status
4. Increase for Qualified Child/Adult payable
5. Medical Condition Details
6. Start Date of Medical Condition
7. Duration of Medical Condition
8. Start date of most recent DA Claim
The total valid sample of 913 cases was broken down as follows:

<table>
<thead>
<tr>
<th></th>
<th>Number in Sample</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female:</td>
<td>369</td>
<td>40.4%</td>
</tr>
<tr>
<td>Male:</td>
<td>544</td>
<td>59.6%</td>
</tr>
</tbody>
</table>

The average age of claimants was 43 years, 44 years for females and 42 years for males. It is also possible to review the age data in much greater detail. Table 4.3 below shows the number of claims by age group for (a) the age at most recent claim date and (b) current age of recipients.

Table 4.3: Profile of Claimants

(A) Age at which most recent claim was made

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Females</td>
<td>Males</td>
<td>Total</td>
<td>%</td>
</tr>
<tr>
<td>under 20</td>
<td>23%</td>
<td>28%</td>
<td>26%</td>
<td></td>
</tr>
<tr>
<td>20-29</td>
<td>18%</td>
<td>14%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>30-39</td>
<td>13%</td>
<td>17%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>40-49</td>
<td>20%</td>
<td>19%</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>50-59</td>
<td>20%</td>
<td>18%</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>60+</td>
<td>6%</td>
<td>4%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

(B) Current age of Claimants surveyed

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Females</td>
<td>Males</td>
<td>Total</td>
<td>%</td>
</tr>
<tr>
<td>under 20</td>
<td>5%</td>
<td>11%</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>20-29</td>
<td>18%</td>
<td>15%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>30-39</td>
<td>16%</td>
<td>15%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>40-49</td>
<td>18%</td>
<td>22%</td>
<td>21%</td>
<td></td>
</tr>
<tr>
<td>50-59</td>
<td>24%</td>
<td>21%</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>60+</td>
<td>19%</td>
<td>16%</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

It is also useful to further analyse the age profile by excluding those claimants who entered the scheme at the age of 16 or 17 since such claimants will typically have a disability from birth, and will in most cases have been a beneficiary of DCA. What is of particular interest is the profile of those who enter the scheme when they are of working age. When the reduced sample
(721 cases) is examined, the average age of females is 48 and that of males is 47.

Table 4.4: Profile of Claimants

<table>
<thead>
<tr>
<th>Claimants Age when they made Most Recent Claim</th>
<th>General Sample (excluding those who entered as 16/17 year olds)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Females</td>
</tr>
<tr>
<td>under 20</td>
<td>18</td>
</tr>
<tr>
<td>20-29</td>
<td>69</td>
</tr>
<tr>
<td>30-39</td>
<td>47</td>
</tr>
<tr>
<td>40-49</td>
<td>73</td>
</tr>
<tr>
<td>50-59</td>
<td>73</td>
</tr>
<tr>
<td>60+</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>302</strong></td>
</tr>
</tbody>
</table>

| Current age of Claimants surveyed              | General sample (excluding those who entered as 16/17 year olds) |
|                                               | Females  | %      | Males  | %      | Total  | %      |
| under 20                                      | 0        | 0%     | 1      | 0%     | 1      | 0%     |
| 20-29                                         | 38       | 13%    | 44     | 11%    | 82     | 11%    |
| 30-39                                         | 50       | 17%    | 67     | 16%    | 117    | 16%    |
| 40-49                                         | 62       | 20%    | 111    | 26%    | 173    | 24%    |
| 50-59                                         | 83       | 27%    | 110    | 26%    | 193    | 27%    |
| 60+                                           | 69       | 23%    | 86     | 21%    | 155    | 22%    |
| **Total**                                     | **302**  | **100%** | **419** | **100%** | **721** | **100%** |

The data in these tables are presented in pictorial form beneath for ease of reference. It will be seen that the age profile of male recipients peaks at the 40-49 age group and remains broadly steady through the 50-59 age group. Females have the greatest representation in the 50-59 age group.
Figure 4.2: Current age of recipients

The age at which the most recent claim for DA was made peaks at 40-49 for both males and females. It is not immediately obvious why a dip in claims amongst females aged 30-39 is observed.

Figure 4.3: Age of recipients at date of most recent claim

The marital status for the total general sample reviewed was predominantly single (52%) followed by separated (26%) and married (16%). The fact that the numbers of separated people outnumber married people in the sample is likely to reflect lower means in households headed by a separated person.
<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Percentage of Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cohabiting</td>
<td>2%</td>
</tr>
<tr>
<td>Divorced</td>
<td>2%</td>
</tr>
<tr>
<td>Married</td>
<td>16%</td>
</tr>
<tr>
<td>Separated</td>
<td>26%</td>
</tr>
<tr>
<td>Single</td>
<td>53%</td>
</tr>
<tr>
<td>Widowed</td>
<td>1%</td>
</tr>
</tbody>
</table>

The nationality of the sample reviewed was overwhelmingly Irish nationals at 95.9%, 1.3% were UK nationals and 2.8% were from other countries.

Medical Conditions
In seeking to classify the medical conditions affecting DA recipients, it is important to note that in many instances multiple conditions are recorded on the individual files. In order to facilitate analysis, the first condition listed was assumed to represent the primary medical condition – i.e. the primary underlying cause which gave rise to the need for recourse to the DA scheme. The data derived from the files were collated and assigned to Major Diagnostic Categories (MDCs) for ease of analysis. There are 25 MDCs used to group diagnosis codes into mutually exclusive categories. Although clinical codes for the diagnosis were not available, the principle diagnosis was used to assign a medical condition to an appropriate MDC. It is necessary to acknowledge the limitations to this approach: assignment of the diagnosis to the MDC may not be absolutely precise in every case. It is considered nevertheless that the data presented here provide a reasonably accurate account of the situation. (Valid medical data was present in 930 cases.)

The percentage breakdown of cases falling into the various MDCs is shown in figure 4.4 below:
It can be seen from figure 4.4 that the most frequently occurring MDCs were:

- **MDC 19** Mental Diseases & Disorders
- **MDC 8** Diseases and Disorders of the Musculoskeletal System & Connective Tissue
- **MDC 1** Diseases & Disorders of Nervous System
- **MDC 5** Diseases and Disorders of the Circulatory System

**MDC 19 - Mental Diseases and Disorders**

The highest proportion of cases (408) were categorised as being affected by mental diseases and disorders. The gender breakdown at 61% male and 39% female is in line with the pattern in the overall sample. The high number of cases assigned to this MDC can be explained, in part, by the fact that a very wide variety of conditions fall into this category, ranging from Down syndrome to psychiatric illnesses.

In 39 cases, the date of onset was either unknown or unspecified. In 219 cases (59%), the onset of disability was at birth or under the age of 18 while in those 150 (41%) cases where onset occurred after the age of 18, the average
age of onset is 34 years. The range of specific conditions accounted for in this MDC is illustrated in figure 4.5:

**Figure 4.5: Number of Cases by Diagnosis in MDC 19**

A point of interest in this category is the relatively recent emergence of Attention-Deficit Hyperactivity Disorder (ADHD) and Autism as conditions which give rise to claims for DA. While one ADHD related claim dated from 1980, 7 of the 13 claims examined were awarded in 2008. Similarly, the great majority of Autism-related claims are from the past decade with 50% dating from 2007 and 2008 alone, a point reflected in an average age of 25 for autism-related claimants. This also reflects the feeding through to DA from Domiciliary Care Allowance (DCA) of children with autism – who were not eligible to claim DCA until 2002.

Of the 92 depression-related cases, females are over-represented, as compared with the overall sample, with 49 cases (53%). The average age of claimants with depression related claims is 45 and average claim duration is almost six years.
MDC 8 – Diseases & Disorders of the Musculoskeletal System & Connective Tissue
A total of 113 claimants were recorded in this MDC. 48 cases were Female (42%) with 65 cases for Males (58%) – again, broadly in line with the overall DA cohort. The average age of claimants is 49 and the average duration of claim is 5 and a half years. 20 cases had an age of onset of condition of birth or under the age of 18, for 7 cases the date of onset was unknown and for the remainder the average age of onset was 43 years of age.

The key specific diagnoses reflected within this group include arthritis (including osteoarthritis and rheumatoid arthritis), which accounted for 39% of the group and back problems – 18%.

MDC 1 – Diseases & Disorders of Nervous System
A total of 108 claimants were categorised as being affected by diseases and disorders of the nervous system. The gender breakdown – male 61%, female 39% - is in line with the overall figures for the sample. In 63 cases, the onset of disability was at birth or under the age of 18. In the remaining 45 cases, the average age of onset is 39. Within MDC 1, a broad range of conditions is found and the more prevalent of these recorded in the sample are shown in figure 4.6:

Figure 4.6: Percentage of Cases by Diagnosis in MDC 1
MDC 5 – Diseases & Disorders of the Circulatory System
73 claims were assigned to this category. In this instance, males are over-represented, as they comprise 51 cases (70%) with females accounting for 22 cases (30%). The average age of claimants in this category is higher than the others described above at 53 years, reflecting the later onset generally of cardiac illnesses. The average duration of claim is 5 and half years.

4.4 Conclusions and Recommendations
The analysis of claims illustrates that the DA scheme caters for people affected by an extremely wide range of illnesses and disabilities. It is necessary to reiterate the point that the files examined indicated in many cases that claimants were affected by more than one disability or illness. For the purposes of this review, it was necessary to make the assumption that the first condition listed in the medical report was the primary condition giving rise to the DA claim.

Two in every five claims were associated with mental diseases and illnesses – although it is recognised that the category is itself very broad. It is interesting to note that medical conditions such as Autism and ADHD, while they represent only a small proportion of the total claimload of the scheme, are an emerging feature of the medical conditions giving rise to claims.

At present, the Penlive system does not provide for the retention of any computerised data on medical conditions. The ready availability of such data would enable more regular analysis of the profile of DA claimants, identifying areas where new issues are emerging. It would facilitate better decision-making and resource allocation in the Medical Advisory Services of the Department and could also inform to some degree the structure of wider interventions with scheme participants in relation to employment and training.
Recommendation 1:

- It is recommended that any future development of the computerised records for DA claims take account of the need to gather and monitor data on the medical conditions giving rise to the claims. In that regard it is acknowledged that the proposed use of ICD-10\(^{21}\) codes (in February 2010) on the new Medical Assessment System should help address the issues outlined above.

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\(^{21}\)The ICD is the international standard diagnostic classification for all general epidemiological, many health management purposes and clinical use and is operated by the World Health Organisation
Chapter 5: Disability Allowance and Employment

5.1 Introduction
The role that the Department plays in enhancing the activation and employment of individuals with a disability is described in the 2006/09 Sectoral Plan, prepared under the terms of the Disability Act, 2005. The Sectoral Plan states that “the Department will during the period of the Plan (2006/2009) develop the range of employment and other supports available to persons with disabilities, as well as addressing the potential financial barriers which may prohibit labour market or other activity”.

Ireland has recently participated in a wide-ranging review undertaken by the OECD which examined the relationships between illness, disability and employment participation in eleven OECD countries. Three reports have been published to date and Ireland, together with Denmark, Finland and the Netherlands, was examined in the third of these reports, entitled “Sickness, Disability and Work: Breaking the Barriers” published in November 2008. This report identified many of the issues that Ireland, together with many other OECD countries, faces in seeking to ensure that people with reduced working capacity through illness or disability, are enabled to engage in employment. The crux of the problem is described succinctly by the OECD when it raises the question of “why it is that health is improving, yet a persistently large number of people of working age leave the workforce and rely on health-related income support?”

Enabling individuals with a disability to engage with the labour force is important for a number of reasons:

a) To provide individuals with economic independence and a greater capacity for self-reliance
b) To enable greater social engagement and reduce the possibility of isolation
c) To maintain an effective labour supply.
More generally, of course, a greater level of participation in employment will bring benefits to the exchequer in terms of reduced welfare provision and increased tax revenues.

The OECD report identified the key challenge to Ireland as being “the low rate of employment of people with disability, when compared with most other OECD countries”\textsuperscript{22}. The report acknowledges that individuals with a disability have a low level of income due to relatively low employment rates and have a greater dependency on public benefits; this inevitably leads to higher poverty rates for these individuals.

Amongst the recommendations made by the OECD was that

- “The untapped employment potential of claimants of long-term payments could be better identified by a more stringent and better developed medical and vocational assessment”;
- “access to health care needs to be improved, e.g. by making the entitlement to a Medical Card independent of benefit status, thus giving people permanent access to the card once assessed as having a disability”; and
- “work incentives need to be improved by better promoting existing regulations and by making in-work payments permanent. Also partial return to work should be promoted”.

The Disability Activation Project, an ESF co-funded pilot project, is aimed at developing and testing a comprehensive employment strategy based on individual case management of people on disability payments that will have the capacity to increase their rate of employment. This project is targeting those on disability payments including disability allowance, illness benefit and invalidity pension.

As regards work incentives, the OECD recommendations are generally more relevant to other illness and disability payments (Illness Benefit and Invalidity

\textsuperscript{22} OECD, Sickness, Disability and Work: Breaking the Barriers vol 3: Denmark, Finland, Ireland and the Netherlands, 2008
Pension) which do not include provisions which directly encourage labour market participation in the way that the income disregard available under the DA scheme does. The effectiveness of this earnings disregard system is addressed later in this chapter. More widely, however, reference is made to the strong work disincentives that exist for people with disabilities arising from the fear of loss of secondary benefits, chief of which is the Medical Card. Loss of additional supports was identified in the NDS by 8 per cent of people as the main reason why they are discouraged from taking up employment, though the most common reason quoted was 'No suitable jobs available' (16% for males and 13% for females). One solution put forward by the OECD - making entitlement to the card independent of benefit status for people with a disability - is under consideration at present in the context of a wider overall review of eligibility currently underway in the Department of Health & Children.

### 5.2 Labour Market Activity for Individuals with a Disability

When reviewing the issue of employment for people with disabilities it is useful to set this against the context of the overall labour market performance over the past number of years. Prior to the very significant deterioration in employment experienced in particular since mid-2008, Ireland had enjoyed a sustained period of economic growth since the mid 1990s. In conjunction with the economic growth, participation rates and employment rates for the general population also grew very significantly. Figures from the CSO show that the labour force grew significantly between 1996 and 2006 - the labour force grew from 1.53 million people in 1996 to 2.1 million in 2006, a 38% increase.

However, as the OECD report confirms, this significant increase in labour force participation and employment has not translated into an increased employment rate for people with a disability. While the absolute numbers of people with disabilities in employment will have risen, statistics from the Quarterly National Household Surveys in 2002 and 2004 actually recorded a decrease in the employment rate of people with an illness or disability; with a decrease from 40% in 2002 to 37% in 2004.
The following table clearly identifies the gap in employment between individuals with a disability and the wider population:

**Table 5.1: Employment rates**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>LIS 2000*</th>
<th>Census 2002*</th>
<th>QNHS 2002**</th>
<th>QNHS 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>n.a.</td>
<td>23.2</td>
<td>36.3</td>
<td>39.8</td>
</tr>
<tr>
<td>25-34</td>
<td>n.a.</td>
<td>36.6</td>
<td>55.6</td>
<td>49.3</td>
</tr>
<tr>
<td>35-44</td>
<td>n.a.</td>
<td>31.3</td>
<td>50.2</td>
<td>49.3</td>
</tr>
<tr>
<td>45-54</td>
<td>n.a.</td>
<td>25.4</td>
<td>41.7</td>
<td>38.3</td>
</tr>
<tr>
<td>55-64</td>
<td>n.a.</td>
<td>15.5</td>
<td>27.0</td>
<td>24.5</td>
</tr>
<tr>
<td>15-64</td>
<td>44.3</td>
<td>23.2</td>
<td>40.4</td>
<td>37.1</td>
</tr>
<tr>
<td>No Disability</td>
<td>71.7</td>
<td>63.3</td>
<td>65.1</td>
<td>69.5</td>
</tr>
<tr>
<td>15-64</td>
<td>GAP</td>
<td>27.4</td>
<td>40.1</td>
<td>25.0</td>
</tr>
</tbody>
</table>

Source: NDS

* LIS is the Living in Ireland Survey - Uses Principal Economic Status figures
** Uses ILO Definition of Employment

Very low levels of employment were recorded for people with disabilities in the NDS, but this may be partly due to the restrictive criteria used in the analysis.

**Activation**

Given the marginal attachment to the labour force of many of those claiming DA, it is clear that an effective activation policy is central to efforts to enhance the prospects of greater participation in training, education and employment.

The social partnership agreement, *Towards 2016*, articulates a vision of a society where all people of working age, including people with a disability, have the opportunity to participate as fully as possible in economic and social life. This implies that DA claimants will have access to appropriate supports towards progression and inclusion, encouraging a greater degree of self-reliance and self-sufficiency.
The key conduit for delivery of welfare support is provided under the *National Development Plan 2008-2013* (NDP), which includes a number of sub-programmes which are relevant in this context – the Activation Sub-Programme, the Back to Work Sub-Programme (Back To Work Enterprise Allowance) and the Back to Education Sub-Programme.

The Activation Programme commenced in September 2008 and is aimed at all people of working age, including those on illness payments. The primary focus is on the expansion and formalisation of the Department’s Facilitator service which aims to facilitate a targeted approach to the provision of support. In practical terms, this can involve active case management for welfare recipients and the development of individualised progression plans for those who engage with facilitators. The facilitator network increasingly provides information and support to disability welfare recipients. Ten additional facilitators were appointed in 2008 and a further 10 appointed in 2009, bringing the total number of facilitators throughout the country to 60 in 2009. It is envisaged that a further 10 facilitators will be appointed in the short to medium term.

The issues facing people with disabilities who wish to engage in the labour market may differ significantly from those of other people. In that context, the Department has been seeking to develop a better understanding of what approaches are needed in this area. To this end, ESF support was secured in 2008 for a cross agency programme to develop and assess new approaches to promoting participation in the economy on the part of people with disabilities. The Disability Activation Programme (DAP) both reflects and informs disability related activation policy. The high level objective of this interagency project is to develop and test a comprehensive employment strategy based on individual case management of people on illness/disability welfare payments that will have the capacity to increase their rate of employment. The intention would be that such a strategy, when developed and tested, could form the basis of a working model which could be extended to people on illness/disability welfare payments at a national level.
This DAP incorporates and builds on learning from an earlier pilot project undertaken in the Midlands, an evaluation of which was undertaken in 2007. As part of the DAP process, an inter-agency Implementation Team consisting of key personnel from FAS, Health Service Executive, Department of Education and Science, VEC, National Disability Authority and the Department was established in June 2008. To implement the Programme, a dedicated facilitation team, comprising an Assistant Principal, a Higher Executive Officer and a Job Facilitator was put in place. Since the commencement of the DAP to the end of June 2009, 481 illness payment recipients have been invited to attend for interview and, of these, 209 people have met project staff on a one to one basis to complete personal progression plans. In addition, training programmes, in conjunction with the VEC, targeted specifically at people on illness/disability payments in the region, have been held. As part of this process, key personnel in other agencies were met on an individual basis by the Project Facilitator to initiate and develop local working relationships and co-operation.

While the DAP is ongoing, it is already evident from the engagement with people on illness and disability payments that the path from welfare to work in many of these cases is far from straightforward. The people concerned may have been disengaged from the labour market for a long period or have had no prior work experience. Apart from coping with and managing the practical issues associated with the illness or disability – e.g. mobility issues, there is often a need to develop ‘softer’ social skills before engagement in open market employment can become a realistic option. By definition, such work is resource intensive, in terms both of manpower and training costs. The early findings of the project also point to the importance of early intervention, so that the level and range of difficulties faced are not compounded by the consequences of long-term welfare dependency.

The current economic crisis facing Ireland inevitably increases the pressures on existing activation resources. The contraction in the Irish jobs market means that there are fewer jobs available leading to greater competition for
those jobs that do exist. The effect is to further increase the pressures on those, including people with disabilities, who are already at the margins of the labour market. The National Employment Action Plan (NEAP), operated jointly by the Department and FÁS, which is the main ‘welfare to work’ measure for jobseekers has been impacted by the recent economic developments. The referral capacity under the National Employment Action Plan was increased in 2009 from 6,500 cases per month to 12,250 in response to the unprecedented growth of the live register. While Towards 2016 had envisaged that the extension of the NEAP to persons on other welfare payments, including disability welfare payments, would be explored, this has not been possible given the limited capacity of the NEAP to deal with such significant increases in demand.

The planned merger of elements of FAS with the Department will provide opportunities for the development of more coherent planning of activation services for people with disabilities, including those on DA.

Finally, it is useful to reflect on recent reforms undertaken in the UK which aim to generate a higher level of employment participation amongst people with disabilities. Since 2008, for new claimants only, the Employment and Support Allowance (ESA) has replaced Incapacity Benefit (IB) and Income Support paid on the grounds of incapacity. Key elements of the scheme involve an initial assessment phase, which focuses on assessing people’s capability for work in addition to the more traditional role of assessing their entitlement to benefits. Eligibility for benefit will be based on evidence provided by medical practitioners and capability for work may be assessed by other health professionals. If eligibility for the benefit is established, the claimant moves to the main phase of the ESA. Most will be placed in the ESA Work-Related Activity Group which is conditional on drawing up a personal action plan focused on rehabilitation and work-related activity. This is done after 8 weeks of the Assessment phase when claimants undertake a work-focused interview (WFI).
The first WFI takes place with a customer’s personal adviser at their local Jobcentre Plus office. The work-focused interview involves a discussion on the claimant’s views on moving into work and what supports may be required. Outcomes can include referrals for employment, training or condition management support, to help them manage and cope with their health condition or disability in a work context.

Customers in the Work-Related Activity Group may attend up to five further work-focused interviews, generally at monthly intervals, as they prepare to move into work. Where claimants fail to engage with the process, their benefit levels are reduced to a lower ‘holding’ benefit level.

Claimants with the most severe illnesses and disabilities, as identified in the initial assessment, receive the ‘Support’ component of the ESA. They will not be required to undertake work-related activity, but are able to engage in it on a voluntary basis.

By comparison with the approach here, it will be seen that the UK approach is heavily resource intensive, notably in relation to the work-focussed interviews, and includes a conditionality element. The Group is aware that consideration is being given to the possibility of introducing a partial capacity scheme which would mirror in some respects the approach adopted in the UK. Given the level of resources (administrative, activation and medical) involved, the early introduction of an approach which fully mirrored that of the UK is not considered to be feasible at this time. In tandem with developments in relation to a Partial Capacity scheme, the Group considers that the effectiveness of the UK approach should be regularly monitored with a view to informing future policy development in this area.

5.3 Current Employment Supports in Place
The importance of providing employment supports for individuals is recognised by the Department in its Statement of Strategy under Goal 4 which states “To provide income and other supports to people with disabilities and to
facilitate them in taking up employment, training, education or development opportunities”.

5.3.1 Educational Supports
Recipients of DA can undertake educational opportunities without affecting their social welfare entitlement. Where the recipient is aged eighteen or over, and is in receipt of DA for at least three months and attending a full-time second level course at a recognised school or college or is in receipt of DA for nine months or more and attending a full-time third level course at a recognised school or college, they can avail of the Back to Education Allowance Scheme.

A DA recipient for at least six months and aged twenty-one or over can avail of the Vocational Training Opportunities Scheme (VTOS). In such cases, the claimant will be paid the maximum rate of DA and keep any secondary benefits that they already have.

5.3.2 Fás Training Supports
Special arrangements were introduced by Fás in 2001 in relation to the payment of training allowances for people with disabilities in vocational training. Under these arrangements for Fás-funded training, DA recipients are eligible for a Fás Training Allowance instead of DA.

Fás pay participants a standard training allowance of €204.30 per week or an amount equal to their current DA payment (including Living Alone Allowance, Free Fuel Allowance, etc.), whichever is the greater. In addition, participants get a Training Bonus of €31.80 per week. Trainees retain their secondary benefits.

Payments of DA are suspended for the duration of the person's attendance on the Fás training course. In order to address disincentives to participation in training, DA recipients are advised that in the event that they are unable to continue with training, their DA payment will be restored automatically on receipt of notification of cessation.
5.3.3 Rehabilitative Employment

An important feature of the DA scheme is that it is structured to encourage recipients to avail of opportunities to engage in rehabilitative employment. Approval is sought from the Department in order for the employment to be considered as rehabilitative. If the employment is not a placement on a CE scheme then the claimant must forward a letter from his/her own doctor indicating that the employment is rehabilitative and must outline the proposed employment, number of hours being worked and the level or remuneration.

The Social Welfare Consolidation Act, 2005 provides in Section 210 that the award of DA is contingent on the claimant being “by reason of a specified disability substantially restricted in undertaking employment of a kind which, if the person was not suffering from that disability, would be suited to the person’s age, experience and qualifications ...”. Section 137 of SI 142/2007 further defines that a person shall be regarded as being substantially restricted in undertaking suitable employment “.... where he or she suffers from an injury, disease, congenital deformity or physical or mental illness which has continued or … may reasonably expect to continue for a period of one year”.

The fundamental purpose of the scheme then is to provide income support to people with a long-term illness or disability and who are on low incomes. The structure of the scheme acknowledges however that people availing of the scheme should not be discouraged from participating in the labour market and seeks to encourage such participation through a system of income disregards.

When an individual engages in rehabilitative employment he/she can avail of the income disregard of €120 per week and 50% of earnings between €120 and €350 is also disregarded in the DA means test. Between June 2006 and September 2009, the numbers availing of the disregard has increased by 40% rising from 6,508 to 9,112 over that period. As a proportion of all DA
recipients, the numbers availing of the disregard has increased from 8% to some 10%.

The term “rehabilitative” is not defined in the legislative code and is therefore open to some interpretation. The idea of rehabilitation in the context of the DA scheme implies employment which will serve to bring a claimant to a condition of (improved) health through positive and constructive engagement in the world of work. Such an outcome can be envisaged in a number of ways. As will be seen in the data presented on those availing of the income disregard – see Section 5.4.2 - a significant proportion have a relatively marginal attachment to the labour market, working for a very few hours per week. There will however be substantial other gains associated with such employment, not least from the perspective of social inclusion, since it offers people opportunities for socialisation, to enhance self-esteem as well as to make a modest additional contribution to personal and household incomes.

Equally, the notion of rehabilitative employment is evident in cases where a person who has a long-standing illness or disability chooses to take tentative steps back into the world of work. The continued payment of full-rate DA where earnings do not exceed €120 per week can be viewed as providing a secure background to taking such steps.

In any event, in order to assess and determine whether the employment being undertaken is rehabilitative in nature, it is necessary to gather information as to the precise nature of the work and the number of hours being worked and to take due account of the medical condition of the claimant. Such an assessment can only be made by a suitably qualified medical professional.

Given the level of resources available to the Department, and in particular the Medical Advisory Services, it would be inefficient to have this detailed level of assessment undertaken by anyone other than the claimant's own GP or other qualified medical adviser. On that basis, the Department currently requires that claimants wishing to avail of the income disregard provide certification by their own GP that the work will be of a rehabilitative nature and that it will be of
benefit to the claimant. Such certifications are provided in such a routine manner now however (generally a one line note to the effect that ‘x is taking up part-time work which is of rehabilitative value’) as to render them almost meaningless.

This raises the question as to whether it continues to make sense to maintain the ‘rehabilitative’ tag where a DA claimant is taking up some employment. There is already a significant level of administration required where the Department gathers data on the level of income from employment. This is necessary in order that the income disregard is properly applied and reductions in the primary rate of payment are effected where income exceeds the €120 threshold.

5.4 Analysis of Live DA Recipient Files (in employment)

5.4.1 Survey Data Results
When an individual engages in rehabilitative employment he/she can avail of a €120 means disregard. Since June 2006 the earnings disregard for individuals in receipt of DA was improved with 50% of earnings between €120 and €350 also disregarded in the calculation of the DA means test.

In order to gain a deeper understanding of the profile of claimants on DA who are engaged in employment, an analysis of over 900 DA claim files was undertaken. These files cases were randomly selected from amongst those recorded on the DSP Penlive system as having earnings from employment.

The key variables identified in this exercise were:

1. Year of Birth
2. Gender
3. Marital Status
4. Increases for Qualified Adult/child
5. Nature of Employment
6. Earnings  
7. Medical Condition  
8. Start Date of Medical Condition  
9. Duration of Medical Condition  
10. Start date of most recent DA Claim  

The total valid sample of cases examined was 904, broken down as follows:

<table>
<thead>
<tr>
<th>Number in Sample</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female:</td>
<td>46%</td>
</tr>
<tr>
<td>Male:</td>
<td>54%</td>
</tr>
</tbody>
</table>

The average age of claimants was 39 years and this was the same for both males and females. It is also useful to look at the age at which people make application for DA as well as the current age profile of recipients.

Table 5.2 Age of Claimants

<table>
<thead>
<tr>
<th>Claimants Age when they made Most Recent Claim</th>
<th>Working claimants Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Females</td>
<td>%</td>
</tr>
<tr>
<td>under 20</td>
<td>168</td>
</tr>
<tr>
<td>20-29</td>
<td>98</td>
</tr>
<tr>
<td>30-39</td>
<td>47</td>
</tr>
<tr>
<td>40-49</td>
<td>56</td>
</tr>
<tr>
<td>50-59</td>
<td>37</td>
</tr>
<tr>
<td>60+</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>414</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current age of Claimants surveyed</th>
<th>Working claimants sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Females</td>
<td>%</td>
</tr>
<tr>
<td>under 20</td>
<td>2</td>
</tr>
<tr>
<td>20-29</td>
<td>114</td>
</tr>
<tr>
<td>30-39</td>
<td>115</td>
</tr>
<tr>
<td>40-49</td>
<td>80</td>
</tr>
<tr>
<td>50-59</td>
<td>70</td>
</tr>
<tr>
<td>60+</td>
<td>33</td>
</tr>
<tr>
<td>Total</td>
<td>414</td>
</tr>
</tbody>
</table>

• reliable data on the age of the claimant was not available in 13 of the cases examined
As can be seen from the tables the majority of DA claims are made when the applicant was aged under 30. Over half of DA recipients engaged in employment are in the 30-49 age range.

It is useful also, however, to consider the age profile in some greater detail. The following table 5.3 excludes those claimants who entered the scheme at the age of 16 or 17 since such claimants will typically have a disability from birth, and will in most cases have been a beneficiary of Domiciliary Care Allowance. What is of particular interest is the profile of those who enter the scheme when they are of working age. When the reduced sample is examined, the average age of both females and males rises from 39 to 42.

### Table 5.3

<table>
<thead>
<tr>
<th>Claimants Age when they made Most Recent Claim</th>
<th>Working claimants Sample (excluding those who entered as 16/17 year olds)</th>
<th>Females</th>
<th>%</th>
<th>Males</th>
<th>%</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>under 20</td>
<td></td>
<td>60</td>
<td>20%</td>
<td>54</td>
<td>16%</td>
<td>114</td>
<td>17%</td>
</tr>
<tr>
<td>20-29</td>
<td></td>
<td>98</td>
<td>32%</td>
<td>110</td>
<td>32%</td>
<td>208</td>
<td>32%</td>
</tr>
<tr>
<td>30-39</td>
<td></td>
<td>47</td>
<td>15%</td>
<td>74</td>
<td>21%</td>
<td>121</td>
<td>19%</td>
</tr>
<tr>
<td>40-49</td>
<td></td>
<td>56</td>
<td>18%</td>
<td>60</td>
<td>17%</td>
<td>116</td>
<td>18%</td>
</tr>
<tr>
<td>50-59</td>
<td></td>
<td>37</td>
<td>12%</td>
<td>37</td>
<td>11%</td>
<td>74</td>
<td>11%</td>
</tr>
<tr>
<td>60+</td>
<td></td>
<td>8</td>
<td>3%</td>
<td>9</td>
<td>3%</td>
<td>17</td>
<td>3%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>306</td>
<td>100%</td>
<td>344</td>
<td>100%</td>
<td>650</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current age of Claimants surveyed</th>
<th>Working claimants sample (excluding those who entered as 16/17 year olds)</th>
<th>Females</th>
<th>%</th>
<th>Males</th>
<th>%</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>under 20</td>
<td></td>
<td>0</td>
<td>0%</td>
<td>1</td>
<td>0%</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>20-29</td>
<td></td>
<td>54</td>
<td>18%</td>
<td>42</td>
<td>12%</td>
<td>96</td>
<td>15%</td>
</tr>
<tr>
<td>30-39</td>
<td></td>
<td>86</td>
<td>28%</td>
<td>111</td>
<td>32%</td>
<td>197</td>
<td>30%</td>
</tr>
<tr>
<td>40-49</td>
<td></td>
<td>66</td>
<td>22%</td>
<td>89</td>
<td>26%</td>
<td>155</td>
<td>24%</td>
</tr>
<tr>
<td>50-59</td>
<td></td>
<td>67</td>
<td>22%</td>
<td>72</td>
<td>21%</td>
<td>139</td>
<td>22%</td>
</tr>
<tr>
<td>60+</td>
<td></td>
<td>32</td>
<td>10%</td>
<td>29</td>
<td>9%</td>
<td>61</td>
<td>9%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>305</td>
<td>100%</td>
<td>344</td>
<td>100%</td>
<td>649</td>
<td>100%</td>
</tr>
</tbody>
</table>
The figures in these tables are presented in pictorial form beneath for ease of reference. It will be seen that the age profile of both the male and female recipients in work peaks at the 30-39 age group and declines steadily thereafter. It will be recalled that the age profile of the general sample (see Chapter 4) peaked at 40-49 for males and 50-59 for females.

**Figure 5.1**

There are more marked differences between the two samples when the age of claimants at the date of their most recent claim is considered. For the general sample both males and females have the highest number of claimants in the 40-49 age group. In contrast, the working cases peak in the 20-29 age group and generally declines thereafter.
The marital status for the total general sample reviewed was predominantly single with more than four in five of the sample were single, with 7% of those surveyed being married and 5% separated.

Table 5.4: Martial Status of Individuals in the Study

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Percentage of Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cohabiting</td>
<td>0.66%</td>
</tr>
<tr>
<td>Divorced</td>
<td>1.88%</td>
</tr>
<tr>
<td>Married</td>
<td>7.02%</td>
</tr>
<tr>
<td>Separated</td>
<td>5.43%</td>
</tr>
<tr>
<td>Single</td>
<td>84.25%</td>
</tr>
<tr>
<td>Widowed</td>
<td>0.33%</td>
</tr>
</tbody>
</table>

The wider survey of DA claimants in 2009, reported in Chapter 4, noted that some 4% of all claimants in that sample were foreign nationals. It is interesting to note that very few foreign nationals are availing of the income disregards since almost 99% of those sampled (and in employment) were Irish nationals.

5.4.2 Earnings data from Survey
Of the 904 cases examined, 66% had earnings of €120 or less, this includes 17.5% who had earnings of €50 or less per week and a further 27% with
earnings between €50 and €100. A further 22% of the sample had earnings between €100 and €120 and it is notable that more than one in ten of the entire sample had earnings of precisely €120 per week, a clear indication that the disregard continues to effectively be an earnings ceiling notwithstanding the fact that the tapering arrangements for earnings greater than €120 would mean that overall income would be higher as earnings increased.

One third of those in employment have earnings above the €120 threshold and are consequently in receipt of a reduced rate DA payment. By way of illustration, a single person earning €200 per week from employment will have their DA payment reduced by €40, since only 50% of any earnings above the €120 threshold are assessed as means.

**Figure 5.3: Breakdown of Number of Persons by Earnings Level**

<table>
<thead>
<tr>
<th>Earnings Range</th>
<th>Number of Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to €50</td>
<td>158</td>
</tr>
<tr>
<td>€50-€100</td>
<td>244</td>
</tr>
<tr>
<td>€100-€120</td>
<td>201</td>
</tr>
<tr>
<td>€120-€150</td>
<td>158</td>
</tr>
<tr>
<td>€150-€200</td>
<td>105</td>
</tr>
<tr>
<td>€200-€300</td>
<td>79</td>
</tr>
<tr>
<td>€300+</td>
<td>43</td>
</tr>
</tbody>
</table>

### 5.4.3 Earnings & Medical Condition

Information on the medical conditions which give rise to the entitlement to DA is currently held only on the paper files associated with each claim. As outlined in Chapter 4 in gathering survey data, the first condition cited on the DA application form was assumed to be the primary condition – i.e. the most significant and relevant. Whilst the limitations of such an approach are
acknowledged the data nonetheless provide a useful snapshot of the situation.

Of those in the very lowest earnings bracket, there is a particularly strong correlation with certain medical conditions present from birth – e.g. Down syndrome and Intellectual Disability. This suggests strongly that the key value of the employment is therapeutic rather than economic insofar as the focus is on the generation of opportunities for socialisation and the development of broader social skills rather than skills which would be of particular value on the labour market. As income rises, this correlation tends to weaken and a wider spread of medical conditions is evident. Figure 5.4 below shows the type of medical conditions across the different earning levels recorded for DA recipients.

Figure 5.4: Breakdown of Earnings level by MDC

- MDC 1 Diseases & Disorders of Nervous System
- MDC 8 Diseases and Disorders of the Musculoskeletal System, Connective Tissue
- MDC 19 – Mental Diseases & Disorders
In order to capture information on the nature of the work being undertaken by DA claimants, the employment types were allocated in line with the categories used in the Department’s Integrated Short-term System (ISTS)\(^\text{23}\).

At the outset, it is important to recognise that it is difficult in many instances to determine with absolute precision what type of work is being undertaken. Typically, the evidence on file includes a request to the Department from the claimant seeking permission to take up employment together with what are usually ‘pro-forma’ notes from GPs attesting that the part-time work involved will be of “therapeutic and rehabilitative value” to the claimant. Copies of pay-slips, tax statements or letters from employers stating the level of remuneration are also usually included to enable means decisions to be taken. While this level of information will enable the employer to be identified, the actual nature of the work being done may not be as readily identified. To take just one example, where the evidence on a particular file indicates only that a person is working in a local shop or supermarket, it is not possible to determine whether they are engaged for instance in cleaning, shelf-stacking or other light duties or as sales assistants. For the purposes of analysing the data in such cases, where the evidence is not explicit as to the type of work being undertaken, it has been classified as ‘sales occupation’ rather than as ‘Personal & Protective Service Occupations’. It has to be acknowledged consequently that the categorisation is thus tentative in many instances.

5.4.4 Earnings & Employment Type from Survey
With the above proviso in mind, the most common types of employment, across all earnings levels, are to be found in the categories of “Personal and protective service occupations (PPSO)” (28%); “Sales occupations (SO)” (22%); “Supported Employment/Sheltered Employment/Training(SE/ST)” – 13%; “Clerical & Secretarial Occupations(C&S)” 10% and “other employment (OE)” – 10% as shown in figure 5.5 below:

\(^{23}\) See Appendix 4 for full list of Employment Codes used in this study
In the “Personal and Protective Service Occupations”, the more common individual types of employment identified through the case files include cleaning, catering and caretaking. The “Sales Occupations” category includes all those where the evidence indicates that they are working in shops or supermarkets but is not explicit beyond that point. The “Supported Employment/Sheltered Employment/Training” category covers primarily the Supported Employment Scheme operated by Fás. It does not include Community Employment as these were analysed in a separate exercise (see section 5.5 below).

The spread of employment types is fairly consistent across earnings with only two areas showing any significant differences. The proportion of claimants engaged in “Clerical & Secretarial Occupations” increases in line with earnings. They represent 8% of those earning up to €120 per week and 14% of those earning above €120 per week. By contrast, the proportion of claimants engaged in “Personal and protective service occupations” drops from 30% of those earning up to €120 to 25% of those earning above €120 per week. Intuitively, this makes sense insofar as those on very low earnings will tend to be engaged for a few hours per week of cleaning work for instance and it is perhaps unsurprising therefore that this type of work will be less prevalent as earnings rise.
5.5 **DA Claimants Participating on Community Employment Schemes**

Currently there are some 2,728 individuals in receipt of DA and also participating on Community Employment Schemes (CE). Table 5.5 below shows the number of recipients by year of joining the CE scheme and who are still in payment.

<table>
<thead>
<tr>
<th>Year</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>19</td>
<td>46</td>
<td>104</td>
<td>270</td>
<td>547</td>
<td>932</td>
<td>810</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2728</td>
</tr>
</tbody>
</table>

These figures show that 84% (2,289) of DA recipients participating on a CE scheme are in years 1-3 of the scheme. There are 19 individuals who are in the 7th year of their CE Placement. The average duration of CE participation by DA claimants is just over 2 years.

A review of 227 files was undertaken to gain an understanding of the profile of the DA recipients who are participating in the CE scheme. This sample represented 8.3% of the current caseload of individuals who are in receipt of both payments.

The medical condition of the DA recipients who participate in CE schemes was of interest in the review. In many instances multiple conditions may have been listed on the individual files; to enable analysis the first condition listed was assumed to be the primary condition.

The following key statistics emerged from the review of the 227 files:

- The gender breakdown is 66% male (150) and 34% female (77)
- The average age for males and females is 42 years and 40 years respectively
The most common medical condition cited is Depression/Anxiety at 16% of the sample (table 5.6 below shows the breakdown of the different medical conditions that were recorded).

The average duration of DA claim for the sample is almost 6 years, the longest claim identified is 39 years, a claim originating from the Disabled Person’s Maintenance Allowance.

**Analysis of Specific Medical Conditions**

Analysis of the Depression/Anxiety category shows that the average length of time of DA claim for these individuals is almost 5 years. The gender breakdown is 22 male cases (59%) and 15 female cases (41%). The average duration of the medical condition is just over 7 years for males and almost 8 years for females.

Analysis of the Back/Neck Pain category shows the average length of time of a DA claim is 5.5 years. The gender breakdown is 6 female cases (38%) and 10 male cases (62%) and the duration of the condition is over 11 years and over 8 years for males and females respectively. Analysis of the medical conditions in this category identifies that Back Pain is the most common medical condition cited by 44% of individuals in this category followed by Spinal Injury reported by 25% of individuals. Other medical conditions cited in this category include Degenerative Disc Disease, Lumbar Disc Disease, Cervical Spondylitis and Severe Scoliosis.

The full analysis of medical conditions is provided in Table 5.6 below. The medical conditions have been grouped into meaningful medical categories for the purposes of analysis. This table also provides estimated numbers of the total DA/CE recipients that would fall into the different medical categories.
Table 5.6 Breakdown of Reviewed Files by Primary Condition

<table>
<thead>
<tr>
<th>Condition</th>
<th>Number per Sample</th>
<th>% of Total Sample</th>
<th>Estimated Numbers for all Recipients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depression/Anxiety</td>
<td>37</td>
<td>16%</td>
<td>445</td>
</tr>
<tr>
<td>Other*</td>
<td>20</td>
<td>9%</td>
<td>241</td>
</tr>
<tr>
<td>Mental/Psychiatric Illness</td>
<td>19</td>
<td>8%</td>
<td>229</td>
</tr>
<tr>
<td>Hepatitis</td>
<td>17</td>
<td>7%</td>
<td>204</td>
</tr>
<tr>
<td>Musculoskeletal Problems</td>
<td>17</td>
<td>7%</td>
<td>204</td>
</tr>
<tr>
<td>Back/Neck Problems</td>
<td>16</td>
<td>7%</td>
<td>192</td>
</tr>
<tr>
<td>Intellectual Disability</td>
<td>16</td>
<td>7%</td>
<td>192</td>
</tr>
<tr>
<td>Cardiac Problems</td>
<td>15</td>
<td>7%</td>
<td>181</td>
</tr>
<tr>
<td>Unknown</td>
<td>13</td>
<td>6%</td>
<td>156</td>
</tr>
<tr>
<td>Alcohol/Drug Dependence</td>
<td>11</td>
<td>5%</td>
<td>132</td>
</tr>
<tr>
<td>Arthritis</td>
<td>8</td>
<td>4%</td>
<td>96</td>
</tr>
<tr>
<td>Epilepsy</td>
<td>6</td>
<td>3%</td>
<td>72</td>
</tr>
<tr>
<td>Respiratory Illness</td>
<td>7</td>
<td>3%</td>
<td>84</td>
</tr>
<tr>
<td>Diabetes</td>
<td>5</td>
<td>2%</td>
<td>60</td>
</tr>
<tr>
<td>Cancer</td>
<td>4</td>
<td>2%</td>
<td>48</td>
</tr>
<tr>
<td>Deaf/Hearing Issues</td>
<td>3</td>
<td>1%</td>
<td>36</td>
</tr>
<tr>
<td>Liver/Digestive Problems</td>
<td>4</td>
<td>2%</td>
<td>48</td>
</tr>
<tr>
<td>Blind/Eye Problems</td>
<td>3</td>
<td>1%</td>
<td>36</td>
</tr>
<tr>
<td>Blood Disorder</td>
<td>2</td>
<td>1%</td>
<td>24</td>
</tr>
<tr>
<td>Head/Brain Injury</td>
<td>4</td>
<td>2%</td>
<td>48</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>227</strong></td>
<td><strong>100%</strong></td>
<td><strong>2728</strong></td>
</tr>
</tbody>
</table>

*Other includes many different medical conditions that could not be grouped into meaningful categories.

5.6 Conclusions & Recommendations

Progress to date in relation to the activation of people with disabilities has been limited, due in large part to resource constraints. Conscious of these constraints, which affect the activation services of the Department as well as other key service delivery agencies, the Group considers that the effective delivery of activation services requires that a targeted approach is taken to the identification of the needs of DA claimants. This will require an increased focus on capacity rather than incapacity. To this end, the Group recommends that a process of identifying capacity and subsequent segmentation be instituted when claims for DA are initiated. The intention would be to ensure that appropriate supports are directed to all those who need them and to
identify a level of capacity to engage in education, training or employment. This issue is elaborated further in Chapter 8 of this report.

More generally, the forthcoming merger of certain FAS services with the Department offers opportunities for better integration of activation services. Activation options for customers of DA should be explicitly included as a key results area for the reconfigured Department.

Since its inception, the earnings disregard and in particular the tapered withdrawal arrangements introduced in 2006 have encouraged and enabled some one in ten of DA claimants to engage in employment. More than a quarter of these have been engaged in Community Employment schemes.

At one level, the arrangements can be seen as contributing positively to the objective of increasing employment levels amongst people with disabilities. At the same time, however, there is little evidence to indicate that the structure of the scheme encourages progression from welfare into full open market employment. It is arguable at least that the scheme in some senses facilitates income maximisation more so than it does progression to full employment.

The scheme caters for a broad constituency of claimants. The earnings and medical data clearly indicate that there is a significant cohort of those in employment and in receipt of DA who are working very few hours and earning small amounts of money and for whom the value of employment can be measured not only in terms of income but also in terms of enhanced social inclusion and self-esteem.

The tapered withdrawal of DA when earnings exceed €120 per week is designed to ensure that people will always be better off as their earnings increase. However, it is obvious that the €120 threshold continues to exert a powerful influence on the decisions taken by a substantial proportion of those DA claimants engaged in employment. Efforts to advertise the benefits of the tapering arrangements need to be bolstered.
If the level of employment participation is to be increased in any significant way, and there are indications in recent months that the numbers are in fact falling in line with unemployment increases in the wider economy, then it is clear that significant resources in terms of case management and job facilitation will be required. Of equal importance is that such interventions need to be as early as possible if the difficulties facing claimants, including issues of mental health, are not to be compounded by the effects of long-term welfare dependence. Given the constraints on the activation services of the Department, there is a case to be made for targeting such resources as are available at those with a shorter duration on the scheme.

The issue of what is meant by ‘rehabilitative employment’ is one which creates difficulties. It is evident that the administrative burden associated with gathering ‘pro forma’ notes from GPs in every instance is disproportionate. One possible option might involve DA claimants being advised that if they do wish to avail of the income disregards available under the scheme by taking up employment, they should do so only on the basis of advice from their own GP. They would still of course have to provide evidence of earnings to the Department in order to ensure that adjustments in rates of payments can be made where the €120 earnings threshold is exceeded.

Recommendation 2

- An information campaign on the income disregard scheme should be undertaken to highlight the benefits of the tapering arrangements under the scheme

Recommendation 3

- Given the limited resources available, the focus of activation measures must be placed on early intervention, with the aim of encouraging early participation in employment and training, and where feasible, on progression from the scheme into the open labour market.
Recommendation 4

- In the context of the forthcoming merger of certain FAS services with the Department of Social Protection, the development of activation options for customers of DA should be explicitly included as a key results area for the reconfigured Department.

Recommendation 5

- A process should be introduced to assess the employment capacity of DA claimants at the time of application for the allowance. Based on that assessment, DA claimants should be segmented in order to more efficiently and effectively match claimant needs with available activation and other services.

Recommendation 6

- Mindful of possible administrative burdens, the Group recommends that an exercise is undertaken by a small team drawn from the Planning Unit of DSP, the scheme administrators and the Medical Advice Services, to explore the issues involved with a view to achieving the appropriate balance between avoiding undue administrative burdens and ensuring that the interests of claimants of DA and the wider public are served, as well as supporting the employment of greater numbers of people with disabilities. In this context, the issuing of pro-forma GP letters certifying that employment is of a rehabilitative nature should be reviewed.
Chapter 6: Contingency Nature of DA & Structure of the Scheme

6.1 Contingency Nature of Disability Allowance

The Irish Social Welfare system is primarily a contingency-based system. Therefore in order to qualify for a payment an individual must experience one of a range of contingencies e.g. disability, sickness or unemployment.

The Working Group of the Illness and Disability Payments Schemes stated that “many of the problems involved in catering for the social assistance needs of people who are temporarily ill arise from the categorised nature of the social assistance payments structure. The introduction of a single means-tested income support payment in place of the current range of contingency-based payments could therefore, resolve many of these difficulties. The Group considered that the implications of such an approach, which would represent a radical departure from the way in which the social assistance system has operated to date, could usefully be explored under the Expenditure Review process”.

Work on the feasibility of introducing such a payment is currently underway in the Department and the issues involved will not be addressed here. It is useful to reflect however on the nature of the claimants whose needs are being met by DA currently and to consider how the current structure of the scheme meets the various needs of those claimants.

The evidence presented in this review suggests that the DA scheme serves the needs of a broad constituency of claimants. Firstly, the scheme caters for those, aged over 16, who are affected by a disability from birth or from a young age and who are living in low income households. Many such claimants will have come from households which have benefited previously from the Domiciliary Care Allowance. While a number will engage in

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24 Page148 Review of Illness and Disability Payment Schemes, DSP, 2003
employment, they will tend to work for shorter periods and secure low earnings. While there are economic benefits in terms of earnings which can serve to supplement welfare income, the benefits of such employment in terms of social participation and tackling social exclusion may be every bit as important.

Secondly, the scheme caters for people who have such disabilities that they require full-time institutional care and attention. The extension of full-rate DA in their own right to such persons ensured that their entitlements were no less than those extended to other people with a disability.

Thirdly, the evidence suggests that there is a significant number who have recourse to the scheme by virtue of a disability acquired relatively late in life. This can be illustrated by looking at the age-related data from the survey undertaken as part of this review. If the claims in respect of those entering the scheme at ages 16-17 are discounted (on the basis that these are primarily people who have been affected by disability since birth or from a very young age), the entry age to the scheme of almost one in three of claimants is over 50 (and 6% of all claims are from people aged over 60). It might be thought that recourse to the scheme for some of the people aged over 50 might represent a statement of a wish to permanently exit the labour market. In this regard, however, it must be recalled that those aged over 50 who qualify for Disability Allowance will tend to have intermittent or poor employment histories. Those who have long or consistent employment records who acquire a disability in later years will be more likely to qualify for the insurance-based Invalidity Pension.

There is a fourth cohort which comprises those aged from 18 to 50 and who represent the majority of claimants. This group cannot, of course, be viewed as homogenous since it includes a range of people – from those who have illnesses which are expected to last for a limited period to people who have catastrophic injuries and will be in need of support for the remainder of their lives. The evidence from the analysis of claims undertaken as part of this review together with the early evidence from the pilot activation scheme
indicates that a substantial number of these face multiple barriers if they are to avoid long-term welfare dependency.

It is the view of this working group that the DA scheme does generally service the needs of its recipients. The scheme is broad in nature and therefore captures a range of individuals from those encountering a disability that might only last a year to those acquiring a life long disability.

6.2 Structure of DA
It will be recalled that DA is payable to individuals with a disability, aged between 16 and 66 years, whose employment capacity is substantially restricted by reason of their disability and whose means are insufficient to meet their own needs and those of their dependents.

6.2.1 Income Disregard
The income disregard is designed to support claimants who are capable of engaging in the labour market and it is clear that this represents a valuable support, whether in terms of generating income or supporting social inclusion or both, for a proportion of DA claimants. It seems equally clear that if the proportion of claimants availing of the income disregard is to rise in any meaningful way, then a substantial investment of resources in activation will be required. The importance of early intervention in this regard has to be emphasised, given the learning emerging from the ongoing work in the Disability Activation Project (as outlined earlier in Section 5.2).

6.2.2 Age of Payment
In general the Social Welfare system processes payments from the age of 18. However, an age limit of 16 was established in 1953 as a qualifying condition for the DPMA and this was maintained when DA replaced DPMA in 1996.
Budget 2009 announced that the qualifying age for receipt of the DA should be raised to 18 years of age and that Domiciliary Care Allowance would continue from the age of 16-18 in its place. However, following the announcement, concerns were raised by parents and disability representative bodies. Discussions with the sector confirmed the view that, in principle, the current minimum age for receipt of DA is inappropriate and should be raised to 18 in line with other mainstream welfare schemes. The sector raised other concerns, however, notably in relation to the expectations held by families with people with disabilities as to the level of income supports which would be available under the current arrangement once the child concerned had reached the age of 16. In effect, the expected household income in such cases would fall by some €500 per month, i.e. the difference between the Domiciliary Care Allowance of some €310 per month and the personal rate of DA of €204 per week. It is worth recalling that a contrary view was also expressed by some parents of young people with disabilities at that time, when they expressed their concerns at the consequences of a potentially vulnerable young person having access to a weekly income of over €200 per week. In any event, following the discussions and further review, it was decided by Government to defer implementation of the age increase.

The payment of DA at age 16 carries with it the risk of creating a dependency on social welfare at a very young age and can generate disincentives to taking up education, training or employment opportunities. While a study conducted on the Impact of the Payment of DA from Age 16 on Retention Rates in Second Level Education did not indicate a significant effect one way or the other, it did find that the award of DA at age 16 will act as a confirmation factor if a path out of education is being considered – e.g. in cases where the person concerned felt that the net result of completing education would be to move on to DA, in any event.

The payment of DA at such a young age may also give rise to issues within families as to the control and use of the payment. In some circumstances, parents and guardians will be the financial agents for people with disabilities in the 16-18 age group, and the income may come to be regarded as household
income rather than an income support for the individual concerned. Equally, as noted earlier, there are issues also about the capacity of some 16 year olds to manage their personal finances.

Finally, there are broader issues of equality to be considered. The Equal Status Act prohibits discrimination on the grounds of age, and it is arguable at least that the payment of DA at age 16 as opposed to, say, Jobseekers Allowance, where the minimum age is 18, could be construed as being discriminatory towards the latter.

6.3 Recommendations

Recommendation 7

- The working group recommends that there should be further investment in activation measures in order to improve the outcomes of the income disregard scheme, resources permitting.

Recommendation 8

- The case for increasing the minimum age for DA from 16 to 18 remains compelling, notwithstanding the very real issues associated with income impacts identified when the measure was proposed in the 2009 Budget. The change could be introduced in a stepped manner in order to reduce the immediate impact on households and to allow for an adjustment over time in their expectations in relation to overall household incomes.
Chapter 7: Interaction with other schemes and administrative Issues

This chapter considers the issue of the interaction of DA with the other social assistance scheme which addresses disability – the Blind Person’s Pension scheme - and also outlines some of the administrative issues that have arisen from the operation of the DA scheme. It also considers some of the issues that were raised in submissions made to the VFM review.

7.1 Blind Person’s Pension
The existence of the Blind Person’s Pension (BPP) means in effect that the DSP operates two separate social assistance schemes for people with disabilities. The following sections explore the historical background to this situation and discuss the issues associated with a merger of the BPP and DA.

7.1.1 History of the Blind Person’s Pension
The Blind Person’s Pension (BPP) is a means tested payment paid to blind and visually impaired people normally living in Ireland. BPP is a unique scheme in that it is the only social welfare payment which has been introduced to cater for a specific disability. It was originally legislated for under the Blind Person’s Act, 1920 and was initially available only to those between 50 and 70 years, with eligibility being determined by a means test. The minimum qualifying age has progressively been reduced to its current level of 18 years and the qualifying conditions were also amended so that the scheme was opened to people who, by virtue of visual impairment, are unable to perform any work for which eyesight is essential or cannot continue in their ordinary occupation.

Payment of the BPP was modelled on the Old Age Non-Contributory Pension (now the State Pension (Non-Contributory)). The legislative provisions governing BPP effectively provide for the payment of a non-contributory pension at an earlier age in the case of blind people. Section 161 (1) (a) of
the Social Welfare Consolidation Act, 2005 provides that “subject to paragraph (b) every blind person who has attained the age of 18 years shall be entitled to receive and continue to receive such pension (in this Act referred to as a “blind pension”) as under Chapter 4 of this Part, he or she would be entitled to receive if he or she has attained pensionable age.”

The number of individuals in receipt of the BPP has been steadily declining over the last decade. The following table provides a comparison of BPP and Disability Allowance (DA) recipients for the period 1997-2008:

Table 7.1: BPP & DA Recipients by Gender 1997-2008

<table>
<thead>
<tr>
<th>Year</th>
<th>BPP Recipient</th>
<th></th>
<th></th>
<th>DA Recipients</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Males</td>
<td>Females</td>
<td>Total</td>
<td>Males</td>
<td>Females</td>
</tr>
<tr>
<td>1997*</td>
<td>1,186</td>
<td>1,218</td>
<td>2,404</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>1998*</td>
<td>1,180</td>
<td>1,178</td>
<td>2,358</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>1999*</td>
<td>1,149</td>
<td>1,155</td>
<td>2,304</td>
<td>30,180</td>
<td>20,251</td>
</tr>
<tr>
<td>2000*</td>
<td>1,102</td>
<td>1,127</td>
<td>2,229</td>
<td>32,401</td>
<td>21,902</td>
</tr>
<tr>
<td>2001*</td>
<td>1,053</td>
<td>1,072</td>
<td>2,125</td>
<td>34,458</td>
<td>23,197</td>
</tr>
<tr>
<td>2002*</td>
<td>1,060</td>
<td>1,035</td>
<td>2,095</td>
<td>37,644</td>
<td>25,139</td>
</tr>
<tr>
<td>2003*</td>
<td>1,028</td>
<td>1,033</td>
<td>2,061</td>
<td>40,596</td>
<td>27,124</td>
</tr>
<tr>
<td>2004*</td>
<td>1,004</td>
<td>1,023</td>
<td>2,027</td>
<td>43,727</td>
<td>29,249</td>
</tr>
<tr>
<td>2005*</td>
<td>994</td>
<td>991</td>
<td>1,985</td>
<td>47,265</td>
<td>31,988</td>
</tr>
<tr>
<td>2006</td>
<td>768</td>
<td>708</td>
<td>1,476</td>
<td>49,886</td>
<td>33,811</td>
</tr>
<tr>
<td>2007</td>
<td>765</td>
<td>709</td>
<td>1,474</td>
<td>52,973</td>
<td>36,075</td>
</tr>
<tr>
<td>2008</td>
<td>770</td>
<td>703</td>
<td>1,473</td>
<td>56,974</td>
<td>38,780</td>
</tr>
</tbody>
</table>

Source: Report on Statistical Information on Social Welfare Services for the years 1997-2008

* Estimated

Figure 7.1 provides a breakdown by age group and gender of recipients of BPP for the year ending 2008. The figures are broadly similar for males and females while the peak age cohort is the 46-55 year old age group. 
An analysis of the means of 1,480 BPP recipients was undertaken in 2006. This indicated that 1,378 recipients were in receipt of a personal rate payment only. More than 90% (1,241) of these individuals were in receipt of the full-rate payment (i.e. with no assessed means). The number of BPP recipients in 2006 with an increase for a qualified adult (IQA) was 102 and, of these, 63 had nil means.

These figures illustrate that the great majority of individuals in receipt of BPP have either no other means or very limited means and that only a very small number are engaged in employment. The decline in the numbers availing of the BPP over the past decade is thought to be attributable to a number of factors. On one hand, opportunities for employment amongst the visually impaired will have improved over the years as enhanced adaptive technologies in the workplace have been developed, thus reducing the level of demand for social assistance programmes. On the other hand, the structure of the DA scheme – e.g. in relation to the disregard of capital and the treatment of spousal earnings from employment – has made DA more attractive to claimants who would otherwise have had recourse to BPP. It is the practice of the Department to encourage those applying for BPP to ascertain first of all whether they would be better off availing of DA rather than BPP. In this regard, it is instructive to look at the position of those identified as having a visual impairment as the primary medical condition in the surveys of DA claims undertaken as part of this review. Only a very few of these claimants had claims which preceded the introduction of DA in 1996 (i.e. were in receipt of DPMA). In most cases, entry to the DA scheme took place immediately or shortly after eligibility on age grounds for DA was attained.
The fact that people with visual impairments are applying for, and securing entitlement to, DA points to the relative attractiveness of the DA scheme.

7.1.2 Similarities & Differences between BPP & DA
There are some notable similarities and some significant differences between the DA and BPP schemes. Some of these are outlined below:\(^{25}\):

**Similarities**
1. Broadly similar qualifying criteria
2. Equivalent rates of payment – the 2009 maximum rate for both schemes is €204.30 while the Increase for Qualified Adults in both cases is €135.60.
3. DA & BPP recipients will generally qualify for the State (Non-Contributory) Pension at 66 years.
4. Earnings from rehabilitative employment up to €120 per week are treated similarly under both schemes
5. Both schemes carry an entitlement to a Free Travel Pass and claimants may be entitled to additional benefits such as the Fuel Allowance, Household Benefits Package, Medical Card and Supplementary Welfare Allowance.

**Differences**
1. The assessment of capital and spousal income are treated differently in the two schemes. Under the means test for DA, the first €50,000 of capital is disregarded while for BPP (as is the case with the great majority of welfare schemes) the first €20,000 of capital only is disregarded.

There is also a difference in the income disregard for non-rehabilitative employment. For BPP there is an income disregard of €400 per annum or €7.50 per week. There is no such disregard for DA for non-rehabilitative employment.

\(^{25}\) A full list of similarities and differences between the two schemes is provided in appendix 6
Couples under DA and BPP are means tested differently. Under the BPP if an individual is married or cohabiting with another person as husband and wife the individual means will be taken as half the joint means of the individual and his/her spouse/partner. For DA, since September 2007 where a spouse/partner is engaged in insurable employment a disregard of €20 per day applies subject to a maximum of €60 per week and balance is at 60%. In all other cases the balance is assessed at 100%.

2. Taxation – DA is not treated as taxable income whereas BPP is taxable provided it is not the sole income of the person. (While it is not directly relevant to this review, it is notable that blind persons can also avail of Tax Credits of €1,830 where one of a couple is blind and €3,660 where both of a couple are blind. Tax credits are not associated with any other disability. Figures available\(^{26}\) indicate that there are 890 persons who claim the Blind Persons’ Tax Credits.)

3. The concurrent payment of other weekly income maintenance payments (e.g. Jobseeker’s Benefit, Illness Benefit) continues to be permitted with the Blind Person’s Pension. This is not the case with DA. This issue is further discussed in the following section.

4. Age – The minimum qualifying age for BPP is 18 whereas DA is payable from 16 years of age.

7.1.3 Rationale for Transfer of BPP to DA
The BPP is the only social welfare payment which was designed to cater for a specific disability. Its introduction in 1920 reflected contemporary concerns at the social and economic conditions facing blind people and, in particular, the situation of those who were older (aged 50 and over) and for whom it was felt, at the time, that educational and industrial training would not be suitable. The introduction of the DPMA in the 1950s could be said to reflect a developing

\(^{26}\) 2005 Figures provided from the Department of Finance
sense of the wider nature of disability – a development which culminated in the work of the Commission on the Status of People with Disabilities and in subsequent equality legislation. The separate treatment of blind persons is essentially a historical legacy and, if there was a clean slate, there are no grounds for believing that separate provisions would now be made for persons affected by blindness or visual impairment as against other forms of disability. The Commission on the Status of People with Disabilities (1996) reflected this view when it recommended that there should be a single comprehensive income maintenance payment for all people with disabilities.

The issue is whether it is appropriate that access to a disability-related payment should be made on the basis of that need as opposed to on the basis of a particular type of disability. The Review Group takes the view that entitlement to income support under the welfare system for blind people should be catered for under the DA scheme rather than through a separate scheme.

The introduction of equality legislation in recent years - notably the Equal Status Act, (2000) - gives rise to issues of equality not only between people with disabilities and other citizens, but also as to the relative treatment of people affected by different forms of disability. In this context, the question arises as to whether the existence of a scheme which seeks to separately address the needs of one stream of people with disabilities is compatible with the provisions of the equality legislation. Specifically, it is arguable that having two separate schemes for persons with a disability gives rise to discrimination on the basis of the 'type of disability'. Equally, given that there are some differences in the criteria applying to the two schemes – e.g. different qualifying age and means assessments - the individual details of the schemes could conceivably also be open to challenge on the basis of the 'type of disability'.

A specific area of difference between BPP and DA relates to the issue of entitlement to concurrent or overlapping benefits. As a general practice, the social welfare code provides that where a person is entitled to more than one
income maintenance payment at any time, only one such payment can be made.

There are a number of exceptions to this practice, including the concurrent payment of BPP with the following payments:

- Illness Benefit
- Unemployment Benefit
- Maternity Benefit
- Adoptive Benefit
- H&S Benefit
- Injury Benefit
- Widow’s or Widower’s Contributory Pension
- Widow’s or Widower’s Non-Contributory Pension
- One-Parent Family Payment
- Carers Payments

The Report of the Working Group on the Review of Illness and Disability Payments noted that the “the working group was unable to find any convincing reasons for the concurrent payment of other weekly income maintenance payments with the Blind Person’s Pension”\(^{27}\) and recommended the abolition of concurrent payments with the Blind Person’s Pension for new customers.

The recently published ‘Report of the Special Group on Public Service Numbers and Expenditure Programmes’ addresses the issue of concurrent payments in general throughout the welfare system and comments that “it is appropriate to return these schemes [including Blind Pension] to their basic objectives of income support and the introduction of the principle of one primary payment per scheme”. It notes also that “there would be very little savings from removing the full rate Jobseekers Benefit and Illness Benefit for blind pensioners given the numbers involved”.

\(^{27}\) Review of Illness and Disability Payment Schemes, DSP, 2003, Page 135
While the extent of concurrent payments with BPP is small (see table beneath), and a saver clause could in any case be included to protect the position of existing beneficiaries, a merged payment would serve to reinforce the practice of welfare claimants receiving only one income maintenance payment at any one time.

Recent figures\textsuperscript{28} showing the numbers of BPP recipients in receipt of another social welfare payment are provided in table 7.2:

Table 7.2 Number of BPP Claimants in Receipt of another Social Welfare Payment

<table>
<thead>
<tr>
<th>Type of Payment</th>
<th>Number of BPP Recipients</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Pension Contributory</td>
<td>4</td>
</tr>
<tr>
<td>Widows Contributory Pension</td>
<td>28</td>
</tr>
<tr>
<td>Deserted Wife’s Benefit</td>
<td>16</td>
</tr>
<tr>
<td>Deserted Wife’s Allowance</td>
<td>6</td>
</tr>
<tr>
<td>Carers</td>
<td>10</td>
</tr>
<tr>
<td>One-Parent Family Payment</td>
<td>52</td>
</tr>
<tr>
<td>Illness Benefit</td>
<td>206</td>
</tr>
<tr>
<td>Jobseeker’s Benefit</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>331</strong></td>
</tr>
</tbody>
</table>

The ‘Report of the Special Group on Public Service Numbers and Expenditure Programmes’, commenting on BPP, noted that “the Group is of the view that the aims of this scheme overlap with the objectives of illness/disability payments”. It concludes that the scheme should be merged with the DA scheme. It notes that while there would be no programme expenditure savings arising from such a merger, the “rationalisation would be beneficial to the administration and operation of the scheme.”

\textsuperscript{28} Figures available for May 2009
This recommendation to merge the BPP with DA was a view shared by the Working Group of the Review on Illness, Disability Payment schemes. The working group recommended that “there should be one single means-tested payment for people with disabilities, regardless of the nature of their disability. As the Disability Allowance scheme better reflects the needs of people with disabilities, it is recommended that the Blind Person’s pension scheme be merged into an adapted DA scheme. Any existing blind pensioners who would be better off under the DA arrangements would have their payments increased, while those who would be adversely affected would have their existing entitlements preserved for the duration of their claims.”29

7.1.4 Blind Welfare Allowance
Although the Blind Welfare Allowance (BWA) is still currently administered by the HSE, its agreed transfer to the DSP makes it a factor to also consider when considering a merger of BPP and DA.

The BWA is a means-tested payment, payable as a supplement to blind or visually impaired people who are receiving certain social welfare payments. The blind person must be unemployed and be over 18 years of age.

The BWA was also provided for under the Blind Person’s Act, 1920. The 2009 rates are:
- €63.60 per week for a single person
- €127.20 per week for a blind couple
- €4.40 per week for each child dependent.

In 2006 the Core Functions of the Health Service Report recommended that some Income Maintenance Payments traditionally handled by the Health Boards should transfer to other Government departments. An Inter-

departmental Group identified the BWA as one of the payments to be transferred to DSP.

The transfer of Income Maintenance Payments that were traditionally handled by the Health Boards was suggested as far back as the Commission on Social Welfare. The Commission recommended that the BWA should be phased out as general social welfare payments were gradually increased and suggested that a reformed SWA scheme would be more appropriate to deal with the special income needs of blind people.\(^{30}\)

The issue of the BWA needs to be viewed in the context of the wider debate on the question of a specific Cost of Disability Payment which would recognise the extra costs people with disabilities face in day to day living. The report of the Interdepartmental Group established to consider this issue noted that the BWA was seen by some as a cost of disability payment, albeit one that gave preferential treatment to individuals with a specific disability – blindness – and that it was still in place only for historical reasons.\(^{31}\)

The Interdepartmental Group Report states that “once the payment transfers to DSP it becomes obvious that recipients of BWA receive preferential treatment. This position will be difficult to sustain”. The report recommends that the BWA should be closed to new entrants or that consideration be given to how recipients of BWA would benefit from a cost of disability payment were one to be introduced.

Some statistics on the BWA for the period 2000-2005 are given in the table below:

\(^{30}\) Report of the Inter-departmental Group, DSP, P34-35
\(^{31}\) Report of the Inter-departmental Group, DSP, P99-100
Table 7.3: Figures on Blind Welfare Allowance

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure on BWA €m</th>
<th>Number of Recipients</th>
<th>No of Claims Received</th>
<th>No of Claims Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>3.05</td>
<td>1,890</td>
<td>235</td>
<td>194</td>
</tr>
<tr>
<td>2001</td>
<td>3.60</td>
<td>1,901</td>
<td>265</td>
<td>256</td>
</tr>
<tr>
<td>2002</td>
<td>4.86</td>
<td>2,030</td>
<td>393</td>
<td>359</td>
</tr>
<tr>
<td>2003</td>
<td>5.11</td>
<td>2,451</td>
<td>384</td>
<td>354</td>
</tr>
<tr>
<td>2004</td>
<td>5.50</td>
<td>2,548</td>
<td>376</td>
<td>358</td>
</tr>
<tr>
<td>2005</td>
<td>6.50</td>
<td>2,800</td>
<td>413</td>
<td>368</td>
</tr>
</tbody>
</table>

Source: Interdepartmental Group Report

7.1.5 Conclusions on BPP & DA

Having reviewed the issues involved, it is considered that the case for merging DA and BPP is compelling. In particular, it is noted that the numbers claiming BPP have been falling steadily, reflecting the fact that DA is in many instances a more appropriate scheme. While there would be no savings on payments as such, the administrative effort associated with such a small scheme would no longer be required and resources could be better directed elsewhere. The separate treatment of blind people within the welfare code is a historical legacy and its continuation could perhaps be seen as discriminatory in the context of wider equality legislation. A merger of the two schemes would also represent a more coherent policy approach to social assistance payments of this type.

It is recognised that blind people and their representative bodies may be reluctant to see a scheme which directly addresses their situations being discontinued. The proposals of the NCBI that the existing entitlement to concurrent payments should be maintained into the future, regardless of whether the two schemes are merged or not, is not one which could be supported if such payments are to be eliminated across the welfare system. It is acknowledged that the issue of the continued existence of the BWA is complex, having regard to the fact that it is, ‘de facto’, a cost of disability payment which is confined to one small segment of the population. While
ideally the BWA would be subsumed into a wider cost of disability payment, the prospects for such an outcome are poor in the short to medium term at least, and consideration may need to be given to phasing out the payment in the interim.

### 7.2 Agency Arrangements

A number of submissions received from disability interest groups raised concerns regarding the agency arrangements associated with DA.

#### 7.2.1 Legislative Requirements

An agency arrangement is one in which another person is appointed to represent a claimant in certain dealings with third parties. Article 244 (1) (a) of the Social Welfare (Consolidation) Act, 2005 provides for the introduction of “Regulations …enabling a person to whom benefit is payable to nominate another person to receive that benefit on his/her behalf”.

There are two different types of Social Welfare agency arrangements:

- **Type 1** – Generally this agent is appointed to collect a social welfare payment on a claimant’s behalf. The claimant is obliged to notify the Department of any changes in his/her circumstances which might affect their entitlement to DA.
- **Type 2 Agent** – Is appointed if a registered medical practitioner deems that a person is incapable of handling his/her own affairs. Such Agents are obliged to ensure that the money is used for the claimant’s benefit and welfare. They are also obliged to notify the Department of any changes in the claimant’s circumstances which might affect their entitlement to DA.

The Social Welfare and Pension Act, 2008 provided for stronger provisions regarding agency arrangements. Article 20 (3) allows for regulations to make provisions “for the powers exercisable by, and the obligations of, persons appointed to receive and deal with sums payable by way of benefit, including, in particular, an obligation to account for the sums so received”.

100
7.2.2 Internal Review of DA Personal Expenses Payment
In 2006 the Department conducted an internal examination of the practices and procedures in place in residential settings in respect of the DA Personal Expenses payment of €35 per week which was still payable at that time. The examination involved a review of the practices in residential institutions providing long-term care for individuals with a disability. The review found that satisfactory systems were in place in the locations visited. It did however make a number of recommendations including:

- that DA administration contact all service providers at agreed intervals of 3-5 years and ask them to certify that all persons in payment are still resident in their care
- that DA administration ask the service providers to submit to the DSP up to date balances in the patients private property accounts and any other similar accounts in respect of every person in payment.

Since that internal review, entitlement to the full DA payment was extended in 2007 to all persons living in a residential/institutional service. Extension to this cohort of individuals has given rise to queries regarding the agency arrangement application for DA.

7.2.3 Submissions on Agency Arrangements
Submissions to the DA review highlighted a number of issues regarding the manner in which agency arrangements are established, administered and their impact on DA payment.

Flexibility of Agency Arrangements
The submissions noted that in some instances families would like to remain the assigned agent when a family member is admitted into a residential setting rather than the service provider requesting to become or automatically becoming the assigned agent.
It is practice for some families to retain the agency status when a family member is placed into residential care. This would generally occur when the individual is placed into care on a short-term basis. If an individual is placed in a residential setting for medium/long-term care it is common practice for the service provider to act as the agent. This would appear to be an appropriate process for this situation. However, if a family wishes to remain as the agent when the family member is in long-term residential care this can be facilitated. However, if it comes to the Department’s attention that the money is not being used for the benefit and welfare of the claimant the agency arrangement can be changed to the service provider

**Payment of DA to Type 2 Agents**

Submissions highlighted that some families have expressed concerns about how service providers are handling the DA payment for the benefit of their relatives. Equally, service providers also have concerns regarding payment of bills by families for the services received when families remain as the agent.

Additionally, submissions also requested that service providers should be obliged to disclose information about individuals’ income to his/her family or advocate as well as to other authorities when the service provider has been assigned as a Type 2 agent. The submissions noted the lack of monitoring or supervision of how appointed agents - both service providers and families - account for the use of DA payment on an individual’s behalf.

These concerns have been specifically addressed in the Social Welfare and Pensions Act, 2008 which strengthens the area of accountability of patients’ money as it provides for regulations “to make provisions for persons appointed to receive or deal with sums payable by way of benefit including an obligation to account for sums so received”. The new Regulations (SI 378 of 2009) provide that records of all transactions on a patient’s account must be kept and made available to relatives if requested.\(^\text{32}\)

\(^{32}\) The full text of the relevant legislation is provided in Appendix 7
Pro-Rata Payment of DA

In some submissions it was proposed that in situations where an individual is in the care of a service provider who acts as their agent, a pro-rata payment of DA should be paid to families for the time the individual spends with them e.g. if they stay at weekends, Christmas or summer etc.

There is evidence that this practice is already in place with some service providers refunding the payment of DA to cover the time away from the residential care. Additional expenses incurred are also refunded by some service providers on production of receipts. Such arrangements ensure that the costs incurred by both sets of carers in meeting the needs of the claimant, are accommodated and reimbursed.

It is recommended these practices are written into Guidelines to ensure uniformity of practice across the sector.

Evaluation of Individuals Capacity to Manage Their Own Money

Submissions noted the importance of ensuring that there is a comprehensive check on an individual’s capacity to manage their own money. It is suggested that some individuals are capable of managing their own money, but it continues to be managed by an agent because of arrangements made at the time of application for the payment.

Again, regulatory changes have been introduced to address this issue. S.I. 378 of 2009 has strengthened the area of capacity by requiring that a person unable to manage financial affairs is “certified by a registered medical practitioner in the prescribed form, to be a person who is unable for the time being to manage his/her own financial affairs”. The S.I also sets out the following circumstances in which a person is deemed to be unable to manage their own affairs:

(a) an inability to understand the basis of possible entitlements to benefit;
(b) an inability to understand and complete the claim form;
(c) an inability to understand and deal with correspondence and enquires concerning the claim;
(d) an inability to manage benefit payments received.

Although the area of capacity has been reviewed and strengthened there may still be justification for reviewing an individual’s status regarding their capacity to manage their own affairs. It is possible that a person’s ability may improve after a DA claim has been processed yet agency arrangements may still be in place on the basis that it was appropriate or necessary at the time of processing. If individuals are capable of looking after their own income, this should be facilitated as it provides them with greater financial independence and control. That said there is a process whereby the claimant can contact the Department to have the agency arrangement stopped.

New Guidelines for Agency Arrangements
The submissions proposed that Guidelines should be drafted on agency arrangements for the benefit of all those involved in this process.

It is acknowledged that producing such a publication would ensure that all information pertaining to agency arrangements is available in one single user friendly document. It would deal with many of the issues raised in the submissions and would clearly set out the procedures and administrative arrangements that are required when acting as an agent. Additionally it could set out what is expected from all participants in the agency arrangement process. This would contribute to the Department’s own Customer Action Plan 2009-2011 which states that the Department will “take a proactive approach in providing information that is clear, timely and accurate, is available at all points of contact, and meets the requirements of people with specific needs”.

The submissions to the working group highlighted some very real concerns regarding agency arrangements. Having reviewed and analysed these submissions it is recommended that comprehensive guidelines for agency arrangements should be developed. These guidelines should outline the procedures involved in the agency process, they should make clear what is expected from both service providers and family members when they act in the capacity of an individual and they should detail the administrative arrangements such as statement of accounts and pro-rata payments.

7.3 Staffing Issues

Staffing structures of the DA section in Longford have undoubtedly been impacted by the increasing number of DA claimants over the last few years. The number of staff serving in the DA section as of 6 March 2009 is outlined in the table 7.4 below:

Table 7.4:

<table>
<thead>
<tr>
<th>Staffing</th>
<th>FTE*</th>
<th>Actual Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Principal</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Higher Executive Officer</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Executive Officer</td>
<td>14.73</td>
<td>15</td>
</tr>
<tr>
<td>Staff Officer</td>
<td>5.53</td>
<td>6</td>
</tr>
<tr>
<td>Clerical Officer</td>
<td>62.29</td>
<td>68</td>
</tr>
<tr>
<td>SVO</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>87.55</strong></td>
<td><strong>94</strong></td>
</tr>
</tbody>
</table>

*FTE = Full Time Equivalents

A section review was initiated by Management Services Unit in July 2008. A summary of the state of play of the section in January 2009 was undertaken and provided the following information:

The new claims received on a weekly basis have increased between 2007 and 2009 which is to be expected given the increasing number of claimants each year to the DA scheme. In 2007 the new claims received weekly was
approximately 383, in 2008 it was 400 and the approximate average for January 2009 was 418. The new claims cleared weekly increased from 2007 to 2008 from 365 to 422.

**Awards, Rejections & Withdrawals**

Based on 2007 figures 62% of DA claims were awarded, 34% were rejected and 4% were withdrawn. Over the period 2001-2008 there has been an increase in the number of DA cases which have been forwarded to the appeals office:

**Table 7.5: Number of DA Cases Appealed**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Appeals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>1,861</td>
</tr>
<tr>
<td>2002</td>
<td>1,832</td>
</tr>
<tr>
<td>2003</td>
<td>2,257</td>
</tr>
<tr>
<td>2004</td>
<td>2,252</td>
</tr>
<tr>
<td>2005</td>
<td>2,392</td>
</tr>
<tr>
<td>2006</td>
<td>2,622</td>
</tr>
<tr>
<td>2007</td>
<td>2,938</td>
</tr>
<tr>
<td>2008</td>
<td>3,522</td>
</tr>
</tbody>
</table>

The outcome of the appeals lodged in 2008 for DA is given in Table 7.6:

**Table 7.6: Outcome of Appeals**

<table>
<thead>
<tr>
<th>Allowed</th>
<th>% of Total</th>
<th>Partly Allowed</th>
<th>% of Total</th>
<th>Revised DO Decision</th>
<th>% of Total</th>
<th>Disallowed</th>
<th>% of Total</th>
<th>Withdrawn</th>
<th>% of Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>685</td>
<td>21%</td>
<td>27</td>
<td>1%</td>
<td>1103</td>
<td>34%</td>
<td>744</td>
<td>23%</td>
<td>751</td>
<td>23%</td>
<td>3283</td>
</tr>
</tbody>
</table>

The percentage of appeals that have been allowed, partly allowed or had a revised deciding officer decision has not changed greatly between 2001 and 2008. The proportion of appeals allowed during this time ranges from 47% - 56%, which suggests that the effectiveness of staff in processing claims has
not been negatively affected notwithstanding the additional workload (an increase of over 38,000 claims) processed during this time.

**General Staffing Issues**

It was noted earlier in this report that the processes associated with administering the employment aspects of the DA scheme are heavily resource intensive. This intensity extends to all aspects of the scheme, since it involves administrative staff, medical staff and investigative staff.

By way of illustration, some 70% of all DA claims (almost 7,700) registered in the first six months of 2009 were referred to social welfare investigators in order that a means assessment could be undertaken or other necessary information gathered.

Continual efforts are made to improve claim processing times. In July 2009, new guidelines were issued to Deciding Officers in relation to the ‘desk assessment’ of claims with a view to reducing the time required to process claims and to minimise the level of recourse to investigative staff.

Typically, the following types of cases are likely to be referred to Social Welfare Investigators (SWIs):
- Farm cases
- Self employment (either the claimant or spouse/partner)
- Cases where a property valuation is required
- Cases where the claimant has no visible means of support
- Cases involving issues relating to customers identity
- Cases where the applicant may have language difficulties

Within three months of their introduction, the new guidelines had already led to a notable reduction (of some 15 percentage points) in the level of claims being referred to SWIs and it is envisaged that this increased efficiency can be sustained and even further enhanced through this and other measures (e.g. management spot-checks of the claims being referred, staff mentoring where appropriate, and improved procedures for assigning files to SWIs).
7.4 Control Issues

7.4.1 Introduction
Since the DA scheme was transferred to the DSP the primary method of control employed for the scheme was “a systematic review policy…whereby means review dates are assigned to new claims on the basis of risk assessment”.34

As with all of the welfare schemes, control policies and procedures are kept under regular review. Key drivers in relation to the control aspects of the DA scheme include the reports of the Comptroller and Auditor General (C&AG), Evaluation Reports on Control Activity as well as the Fraud and Error studies undertaken in scheme areas.

7.4.2 Relevant Reports & Developments
In 2003 the C&AG undertook a value for money evaluation of the Department’s Control Activity, for the period 1998-2002. This review examined the Department’s control activity with a view to determining the extent to which it was being informed by an assessment of the risk of fraud and error that could occur for the different welfare payments. It also examined the effectiveness of the Department’s reviews in recovering and deterring overpayments. The report highlighted the need for a formal risk assessment and risk management approach to be adopted for control activity.

The 2003 C&AG Annual Report also contained a review of the Medical Assessment and Review policy of the DSP. This report acknowledged the importance of the Medical Assessment and Review system stating that it “is the principal control mechanism for the illness-related schemes administered by the Department”.35

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34 2002 Social Welfare Control Activity Annual Report, DSP
35 C&AG Report Evaluation of Control Mechanisms
In terms of the DA scheme the C&AG had concerns about the low level of DA cases being reviewed. It found that in many DA cases the review date\textsuperscript{36} was passed without reassessment taking place. In 2003 almost 5,000 DA cases passed without being reassessed. By the end of 2003 over 20,000 cases were overdue for reassessment.

In response to the Report, the Department acknowledged that problems had arisen in this area and these were ascribed in particular to the pressures arising from the significant increases in numbers availing of the DA scheme. With a view to addressing the control issues, the Department established a new control section in Longford in 2004. This unit deals with external control issues and liaises with the Department’s investigative staff in relation to cases of suspected fraud or abuse.

The types of DA controls undertaken by the unit include:

1. Personation or multiple claiming  
2. Concurrent working and claiming  
3. Changes in financial circumstances  
4. Commencement of employment notifications from Revenue and Community Employment from FAS.  
5. Awards of compensation  
6. Reviews necessitated by implementation of budget changes  
7. Periodic scans of computer systems for errors, duplicate payments and irregularities  
8. Issues arising from transfer from DCA and claims for Free Fuel Allowance.

In 2004 a mail shot was issued to almost 13,000 customers who are paid by EFT to determine if their circumstances had changed.

\textsuperscript{36} As part of the DA application process a medical assessor reviews the application form and indicates either a date for medical review or a ‘do not refer again’ (DNRA). Deciding Officers also note a review date when initiating and reviewing claims.
Further control measures have been undertaken including a DA Fraud and Error survey in 2005. The total number of cases included in the review was 1,000 for which a final sample of 955 was provided. The results of the survey were as follows:

Of the 955 cases reviewed 778 (81.47%) had no change in circumstances. 151 (15.81%) cases had their rate of payment changed as a result of a change of circumstances. A total of 26 (2.72%) cases were identified where the change of circumstances did not affect the rate of payment.

Analysis of the Change of rate for the 151 cases is shown in Table 7.7:

<table>
<thead>
<tr>
<th>Change of Rate Cases</th>
<th>Number of Cases</th>
<th>% of Overall Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Termination</td>
<td>56</td>
<td>5.86</td>
</tr>
<tr>
<td>Reductions</td>
<td>67</td>
<td>7.02</td>
</tr>
<tr>
<td>Rate Increased</td>
<td>28</td>
<td>2.93</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>151</strong></td>
<td><strong>15.81</strong></td>
</tr>
</tbody>
</table>

Analysis of the termination of payments shows that increases in means and unknown whereabouts are the key reasons for payments to cease.

<table>
<thead>
<tr>
<th>Termination</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in Means</td>
<td>22</td>
<td>39.29</td>
</tr>
<tr>
<td>Whereabouts unknown etc</td>
<td>24</td>
<td>42.85</td>
</tr>
<tr>
<td>Non Disclosure</td>
<td>9</td>
<td>16.07</td>
</tr>
<tr>
<td>On Fáıs Course</td>
<td>1</td>
<td>1.79</td>
</tr>
<tr>
<td><strong>Total Number of Terminations</strong></td>
<td><strong>56</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Given that 22 cases were terminated due to increases in means it is useful to breakdown the type of means:
Table 7.9: Type of Means for Terminations

<table>
<thead>
<tr>
<th>Type of Means</th>
<th>Number of Cases</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client Earnings</td>
<td>9</td>
<td>40.91</td>
</tr>
<tr>
<td>Earnings from Spouse/Partner</td>
<td>6</td>
<td>27.27</td>
</tr>
<tr>
<td>Other means/capital etc</td>
<td>5</td>
<td>22.73</td>
</tr>
<tr>
<td>Not Stated</td>
<td>2</td>
<td>9.09</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100</td>
</tr>
</tbody>
</table>

The report of the Fraud and Error Review showed that the savings totalled over €1.33 million. The total value of overpayments raised by DA as a result of the Fraud and Error survey was over €77,000.

7.4.3 Revised Control Policy

The importance of sustained control activity is evidenced by the C&AG Reports and the Fraud and Error Survey. The reports highlighted some deficiencies in the Department’s control policy and as a result a Review Policy Working Group was established to devise risk based review policies for the Department’s main schemes.

In 2008 a review policy was finalised for DA. It proposed a change from the existing model based upon a ‘review dates’ model whereupon a review is prompted by a system generated ‘date’ review. In its place a ‘risk based’ model has been instituted that is based on a control/risk rating assigned to the medical and means categories within each claim at the award and review stage. The new review policy operates by assessing the means and medical categorisation of claims and assessing if they have a high/medium/low risk rating. This risk rating is used to generate reviews as appropriate. A sample of the risk rating categorisation is provided below for both the means and medical nature.

**Risk Ratings:**

The control risk ratings being assigned at the award and review stage of claims are as follows:
### MEDICAL

<table>
<thead>
<tr>
<th></th>
<th>Rating</th>
<th>Risk</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (a)</td>
<td>80</td>
<td>High</td>
<td>Temporary Disabilities arising from an accident/injury</td>
</tr>
<tr>
<td>1 (b)</td>
<td>50</td>
<td>Medium</td>
<td>Non-accident cases such as back pain unlikely to last more than 1 year</td>
</tr>
<tr>
<td>1 (c)</td>
<td>10</td>
<td>Low</td>
<td>Profound mental/physical disability</td>
</tr>
</tbody>
</table>

### MEANS

<table>
<thead>
<tr>
<th></th>
<th>Rating</th>
<th>Risk</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 (a)</td>
<td>120</td>
<td>High</td>
<td>DA clients with Qualified Adult Cases are high risk</td>
</tr>
<tr>
<td>2 (b)</td>
<td>80</td>
<td>High</td>
<td>Initial Inspection will flag the employment cases for early review</td>
</tr>
<tr>
<td>2 (c)</td>
<td>70</td>
<td>Medium</td>
<td>Budget increases in the level of disregard apply and changes to parameters for scheme assessments</td>
</tr>
<tr>
<td>3 (c)</td>
<td>70</td>
<td>Medium</td>
<td>Depends on size of farm holding – small farm holding should be given low risk rating</td>
</tr>
<tr>
<td>2 (d)</td>
<td>50</td>
<td>Low</td>
<td>Low risk individuals</td>
</tr>
</tbody>
</table>

Some of the various different types of reviews that are being undertaken as part of the new policy include:
1. Reviews could involve a certification/mail shot, interview with an inspector or a medical review or a combination of measures.

2. All customers with a high control risk, within either the means or medical categories, should be reviewed annually.

3. 5% of claims currently in payment should be reviewed annually and changed from the review date model.

4. A sample of 2,000 cases with a medium risk rating should be reviewed annually.

5. A sample of 500 cases with a low risk rating should be reviewed annually.

6. Customers identified through data-matching activities/in accordance of revised budget disregards should be reviewed as warranted.

7. Anonymous report cases should be examined.

8. Where relevant new information comes to light that introduces a new risk factor or alters an existing one, a review should be conducted and if appropriate the risk rating should be revised.

9. When a review is completed revised control risk ratings will be assigned by the Deciding Officer, entered on Penlive, and recorded on file.

This new control policy is being trialled for two years and it is envisaged that it will have positive effects in addressing the deficiencies acknowledged to have been present in the old review policy.

7.5 Recommendations

Recommendation 9

- It is recommended that the BPP is merged with the DA scheme. Consideration will need to be given to the future role of the BWA, a payment which is more akin to a Cost of Disability payment. The merger of the BPP and DA would also serve to address issues of compatibility with wider equality legislation.
Recommendation 10

- It is recommended that comprehensive guidelines for agency arrangements should be developed.

Recommendation 11

- The new control policy should be reviewed after its 2 year trial period to determine if it is effective in addressing the deficiencies acknowledged in the prior control policy and examined thereafter at yearly intervals to assess, and report on, its effectiveness.
Chapter 8: Conclusions and Recommendations

8.1 Overall Conclusions

Chapter 2 of this report examined the objectives of the DA Scheme set in the context of the wider strategic objectives of the Department and of Government policy in relation to people with disabilities as reflected in the Disability Sectoral Plans, ‘Towards 2016’, the National Development Plan and the National Action Plan on Social Inclusion, and concludes that the objectives, centred on the twin perspectives of the provision of income supports on one hand and the provision of supports towards engagement in the labour market where that is possible, remain valid.

8.2 Level of take-up of DA

In Chapter 3, the range of factors which lie behind the substantial and sustained increase in the numbers claiming DA, from some 34,000 when the scheme was introduced in 1996 to almost 100,000 now, was explored. The increase in numbers is attributable in part to demographic factors, but a range of other contributory factors were also identified. These included the change in the fundamental nature of DA as compared to its predecessor, the DPMA, the former being demand/contingency driven whereas DPMA was largely budget driven. Progressive easing of the means-testing conditions associated with DA, together with its extension to people who are permanently resident in institutions also served to open the scheme to more people. It has also been the case that once DA was instituted as part of the wider programme of income support schemes being provided by the Department of Social Protection, there was a level of natural migration from other less appropriate schemes – e.g. from Long-Term Unemployment Assistance (now Jobseekers Allowance). Greater medicalisation and improved diagnostics will also have led to greater numbers satisfying the medical criteria for the scheme. More generally, Ireland is not immune to the wider international trends which point
to increased demands for social security as a consequence of higher levels of mental health issues. Finally, in the earlier years of the scheme, a strongly focussed control programme was perhaps less of a priority than addressing the issue of managing the heavy claimload, a deficiency which has now been addressed.

There is an ongoing need to ensure that the scheme caters only for those who have a genuine need for recourse to social assistance support. In this regard, the recent introduction of a risk-rating control system is particularly welcome and it will be important to monitor the effect of the new arrangements on a regular basis. A welcome design feature of this system is the facility to readily examine the viability of inputs to, and outcomes from, the system.

Ongoing improvements to procedures, via the development of the Medical Review and Case Management System, within the Medical Advisory Service of the Department should also contribute to enhanced ‘gatekeeping’ and medical oversight of the scheme.

The Group recommends that the recently instituted ‘risk-rating’ control policy should be thoroughly reviewed after its 2 year trial period to determine if it is effective in addressing the deficiencies acknowledged in the prior control policy and examined thereafter at yearly intervals to assess, and report on, its effectiveness. (Recommendation 11 – Chapter 8)

8.3 Activation

The prevalence of multiple disabilities within the population in receipt of DA, notably where physical incapacities are compounded by mental health issues, underlines the importance of ensuring early intervention on the part of activation services if the risk of longer-term welfare dependency is to be addressed effectively.
In this regard, the surveys undertaken as part of the review, together with the evidence from the Disability Activation Project, have demonstrated that the DA scheme caters for an extremely diverse population, whose needs in terms of activation and support are equally diverse.

The Department’s approach to activation in respect of DA recipients thus far can be characterised as uneven, unsystematic and undifferentiated. This is attributable largely to a lack of resources and information but recent attempts to route cases to facilitators have been crowded out by an emphasis on Live Register cases. However, conscious of the constraints on the resources available to the activation services of the Department and to the other key service delivery agencies, the Group considers that the effective delivery of such services can best be facilitated if a targeted approach is taken to the identification of the needs of DA claimants. In this regard the ongoing focus of the current system on incapacity, as opposed to capacity, does not serve the best interests of our customers. All recent trends in OECD countries tend to indicate that a shift to focussing on actual capacity to engage in work, training or education would be more beneficial. Accordingly, the Group recommends that a process of identifying capacity and subsequent segmentation be instituted when claims for DA are initiated. (Recommendation 5 - Chapter 5)

In essence, based on the evidence presented in the application form and, where relevant, in the medical examination, the Medical Advisory Service would assign DA claimants to one of three broad categories.

These categories would be pitched at three levels:

Level 1: Claimants with relevant capacity who have well-developed job skills or the potential to be job-ready with some training and skills development.

Level 2: Claimants who have some capacity but who are considerably distant from the labour market and who will need interventions in terms of the development of ‘soft’ skills before they can proceed to Level 1.
Level 3: Claimants who, by virtue of their medical conditions, have needs which may not be related directly to the labour market but which are equally important in terms of personal development and social participation and inclusion.

These very broad categorisations are intended to be fluid and in no sense do they indicate a pejorative view as to where services should be directed. Nor is there an inherent presumption that the current DA recipients would be evenly allocated to these levels. The intention rather is to help ensure that appropriate supports are directed to all those who need them and to identify a level of capacity to engage in education, training or employment. The implementation of this approach should facilitate the gathering of enhanced information and subsequent delivery of appropriate interventions in a timely manner to people on the scheme. The group recognises that such an approach is feasible, initially at least, in respect of flow cases and recommends that it be advanced for such cases. The implementation in respect of stock cases can be done on a phased basis over time as resources permit.

Such an approach raises the questions as to by whom, and how, such interventions should be delivered. At present FÁS has the statutory responsibility of delivering training for persons with disabilities in general. It seems appropriate that relevant cases should be streamed to that organisation for provision of interventions. However the lessons of the DAP in the Midlands show that many people face multiple barriers to progression and are, in reality, quite distant from the labour market and are likely to have always been so. Accordingly progress in the DAP is slow and the process has not yet, unsurprisingly, indicated a preferred approach that is replicable or transportable. Notwithstanding this it seems likely that multi-agency interventions will be required in many cases and this raises the question of how such an approach should be best systemised to ensure the appropriate delivery of relevant interventions in a timely fashion to people.
The Department of Social Protection is represented on the 'Cross Sectoral Group on an Employment Strategy for People with Disability', co-chaired by the Departments of Health and Children, and Enterprise, Trade and Innovation, and comprising of representatives from the Department of Health and Children, the Department of Enterprise, Trade and Innovation, the Department of Social Protection, the HSE and FAS. The purpose of this cross-agency group is to provide a mechanism for a cross-sectoral approach between Departments and agencies with responsibility for the delivery of the mainstreaming agenda in respect of the employment of people with disabilities and to progress a targeted Action Plan based on the commitments in the Sectoral Plans, including the formulation of a comprehensive employment strategy. Learning gained from the Disability Activation Project is imparted in this forum. A draft 'Comprehensive Employment Strategy for People with Disability' has been developed and continues to be refined.

It is the view of the group that decisions on these topics should best await further outcomes of the DAP and the Cross-Sectoral Group on an Employment Strategy for People with Disability but it is envisaged that future processes would entail transparent and reportable referral and progress paths across involved agencies, at least by way of electronic transfers and sharing of data. The Department is at present in discussions with Departments of Finance, Enterprise Trade & Employment and the Taoiseach (as well as FÁS) with a view to overhauling the operation of the Employment Action Plan wherein unemployed people are systematically referred to FÁS for intervention. While the immediate focus of these discussions is in the context of the current unemployment crisis, the potential for any developments to include disability cases (and other working age payments) should be part of this process. These discussions are part of a larger process which is examining activation at a landscape level and the overlapping roles of the various agencies involved therein. These developments should inform the progression of systems and processes that also facilitate systematic inclusion of persons with disabilities when introduced. In the interim, given the limited resources available, the focus of activation measures must be placed on early intervention, with the aim of encouraging early participation in employment
and training, and where feasible, on progression from the scheme into the open labour market. (Recommendation 3 – Chapter 5) More broadly, in the context of the forthcoming merger of certain FAS services with the Department of Social Protection, the development of activation options for customers of DA should be explicitly included as a key results area for the reconfigured Department. (Recommendation 4 – Chapter 5)

The approach proposed should also be generally consistent with the concept of a single payment for people of working age, which is the subject of separate discussions currently.

8.4 Data issues
The survey of claims highlighted deficiencies in the area of data collection. In particular, the quality of data on the medical conditions giving rise to claims for DA and on the types of employment being engaged in by those availing of the employment disregard is extremely limited. In the absence of a formalised system of medical data collection in particular, it is only through once-off studies such as those undertaken as part of this review that evidence of emerging trends can be gathered. Robust data on the nature of the medical conditions affecting DA claimants, the changing profile of such conditions over time, and on the impact of improved diagnostics would form a valuable element of the evidence base for future policy directions in a number of areas - e.g. improving workplace awareness, identifying the scope for projects along the lines of the ‘Renaissance’ project (a project based on early intervention with people with lower back pain and designed to ensure rapid reintegration to the workplace).

It is recommended that any future development of the computerised records for DA take full account of the need to gather and monitor data on the medical conditions giving rise to the claims as well as effects on claim trajectories (Recommendation 1 – Chapter 4). Echoing the earlier activation point such
systems should inform and facilitate selection for, and progress along, intervention paths. It is therefore welcome and timely that it is proposed to use ICD-10 codes in the forthcoming development of the Medical Assessment system.

The level of data on the specific nature of the types of employment being undertaken by DA claimants is also very weak. This deficiency is inextricably tied up with the regime in place in relation to facilitating the take-up of ‘rehabilitative employment’ under the terms of the scheme, an issue discussed beneath.

8.5 Employment
Almost one in ten of DA claimants are engaged in employment, with more than a quarter of these on Community Employment schemes. To that extent, the earnings disregard and, in particular, the tapered withdrawal arrangements introduced in 2006 contribute to the Government’s objective of increasing employment levels amongst people with disabilities.

Notwithstanding the tapered withdrawal arrangements, designed to encourage claimants to increase their earnings, there is little evidence of progression from welfare into full open labour market employment. This is attributable in part to the fact that many of those availing of the income disregard are working for very few hours and their capacity to undertake more work, for medical reasons, is limited. The value of employment for such people may lie as much in enhanced social participation and inclusion as it does in the relatively minor additional income involved. For some others, it is arguable at least that the potential to supplement a regular welfare income, including secondary benefits, with some income from employment, may act to encourage income maximisation rather than progression to open market employment. In other words, some claimants may prefer to suppress their earning capacity in order to not to jeopardise their underlying entitlement to DA. A component-based Cost of Disability payment (which would reflect the individual specific and identified needs of people with disabilities in relation to
areas such as mobility, diet, etc.) and partly work-neutral would serve to address many of the issues in this area.

The survey noted that one in ten of those engaged in employment earned precisely €120 per week, indicating that there is an element of negotiation of earnings in order to ensure that the primary payment is not affected. The Group recommends that efforts to advertise the benefits of the tapering arrangements, which ensure that overall income rises as earnings from employment increase, should be enhanced (Recommendation 2 – Chapter 5).

**Rehabilitative employment**

The review has highlighted the difficulties associated with the idea of ‘rehabilitative employment’, a concept which is not adequately defined in the social welfare code.

The relevance and value of retaining such a concept in a modern welfare system is, at best, moot. The focus should be on facilitating and empowering individuals ultimately to participate in labour market activity to the maximum extent possible by addressing the personal and environmental barriers that exist. The proposed segmentation system at claim stage should, within reason, obviate the requirement for further Medical Referee (MR) certification as to the appropriateness of proposed activity for recent claims. Stock cases will likely require some MR ‘clearance’ but this could be done on a desk basis in most cases having regard to recent initiatives by Medical Referees in this regard. The current situation whereby some cases are granted an exemption without Medical Referee consideration should cease in any event.

Mindful of possible administrative burdens the Group recommends that an exercise is undertaken by a small team drawn from the Planning Unit, the scheme administrators and the Medical Advice Services, to explore the issues involved with a view to achieving the appropriate balance between avoiding undue administrative burdens and ensuring that the interests of claimants of DA and the wider public are served, as well as supporting the employment of greater numbers of people with disabilities. In this context, the issuing of pro-
forma GP letters certifying that employment is of a rehabilitative nature should be reviewed (Recommendation 6 – Chapter 5).

8.6 Scheme structure
The review has found that the case for increasing the minimum age for DA from 16 to 18 remains compelling, not least in light of equality considerations, notwithstanding the very real issues associated with income impacts identified when the measure was proposed in the 2009 Budget. The Group recommends that options be developed to enable such a change to be introduced with the least possible impact on the households concerned (Recommendation 8 – Chapter 6).

The review agrees with the long-standing recommendation that Blind Person's Pension and DA should be merged and recommends that the necessary legislative steps be provided for in the legislative programme (Recommendation 9 – Chapter 7).

Following on the introduction of revised Regulations governing agency arrangements, it is recommended that comprehensive and user-friendly guidelines for such arrangements should be developed and disseminated (Recommendation 10 – Chapter 7).
### Appendix 1: Performance Indicators

<table>
<thead>
<tr>
<th>Review 'risk-rating’ control policy at yearly intervals</th>
<th>Yearly evaluations published and any identified deficiencies addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institute a process of identifying capacity when claims for DA are initiated and provide for claimant segmentation.</td>
<td>Capacity identification system in place by 2011 for new claims. System extended to stock cases subsequently as resources permit. Processes of activation currently underway in the Department to be informed by this review.</td>
</tr>
<tr>
<td>Future development of the computerised records for DA to take full account of the need to gather and monitor data on medical conditions</td>
<td>Issues to be addressed as and when DA scheme is brought into the System Delivery Model (SDM)</td>
</tr>
<tr>
<td>Efforts to advertise the benefits of the tapering arrangements, which ensure that overall income rises as earnings from employment increase, should be enhanced.</td>
<td>Enhanced information on impacts of DA disregards to be produced in 2011.</td>
</tr>
<tr>
<td>Group recommends that an exercise is undertaken by a small team drawn from the Planning Unit, the scheme administrators and the Medical Advice Services, to explore the issues involved with a view to achieving the appropriate balance between avoiding undue administrative burdens, fulfilling the duty of care to claimants of the DA and the wider public, as well as supporting the employment of greater numbers of people with disabilities.</td>
<td>Group to be established in 2010 and conclude its work by Q1 2011. Subsequent recommendations to be implemented in 2011.</td>
</tr>
<tr>
<td>The Group recommends that options be developed to enable the minimum age for DA to be increased from 16 to 18 with the least possible impact on the households concerned.</td>
<td>Options to be explored and developed in 2010 with a view to implementing outcomes in 2011 as appropriate.</td>
</tr>
<tr>
<td>The review agrees with the long-standing recommendation that Blind Person’s Pension and DA should be merged and recommends that the necessary legislative steps be taken.</td>
<td>Legislation to be enacted in 2010/2011.</td>
</tr>
<tr>
<td>provided for in the 2010 legislative programme</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Following on the introduction of revised Regulations governing agency arrangements, it is recommended that comprehensive and user-friendly guidelines for such arrangements should be developed and disseminated.</td>
<td>Guidelines developed and disseminated by end-2010</td>
</tr>
</tbody>
</table>
### Appendix 2: Submissions to the Review

<table>
<thead>
<tr>
<th>Nature of the Submission</th>
<th>Submissions made to the Department:</th>
<th>Organisations</th>
</tr>
</thead>
</table>
| Increase the Payment of Disability Allowance | • The Disability Allowance Payment should be increased in line with other social welfare payments and to enable disabled persons to have a good quality of life and prevent poverty for those who cannot enter the workforce  
• The DA payment should be increased to assist disabled persons who are availing of long-stay services in residential centres or community centres to cover the charges imposed on them by these facilities.  
• The DA payment should take into account the level of the service user’s disability e.g. those with more severe disability get same as those with lesser disability | • Inclusion Ireland  
• National Federation of Voluntary Bodies  
• ICTU  
• ‘Not for Profit’ Business Association  
• National Disability Authority  
• Disability Federation of Ireland  
• HSE  
• Inclusion Ireland  
• National Federation of Voluntary Bodies  
• ‘Not for Profit’ Business Association  
• Inclusion Ireland |
| Age of Receipt of DA Payment             | • The Age of Payment of the DA should be increased from 16yrs to 18yrs  
• Further research is required to investigate access to DA at age 16 yrs  
• Any proposed changes in the age limit would have to be flagged well in advance and proper consultation had with people with disabilities and their families. | • National Federation of Voluntary Bodies  
• Rehab Group  
• Inclusion Ireland |
| Increase the Adult Qualifying Rate       | • Increase the adult qualifying payment to 100% of the adult rate | • ‘Not for Profit’ Business Association  
• Irish Wheelchair Association |
| Introduce a New Type of Disability Payment | • Should be a “Second Tier Invalidity Payment” introduced to those who because of their severity of their condition, will never be in a position to earn an income in their lifetime  
• People will disabilities accessing income support for the first time or returning to it following training, education or employment | • ICTU  
• HSE |
<table>
<thead>
<tr>
<th><strong>need a different payment</strong></th>
<th>• The Department should examine the introduction of a ‘Severe Illness Benefit’ payment that will provide a minimum six-month income security cushion for persons who are out of work due to a severe illness</th>
<th>• ICTU</th>
</tr>
</thead>
</table>
| **Disregards** | • supports further reforms in both the withdrawal rate and capital disregards to provide greater incentives to encourage greater labour market participation.  
• believes that income from employment under the income disregard scheme should not be counted as means (i.e. to encourage work take-up among disabled persons)  
• Support a review of the Rehabilitative Work Disregard to help disabled persons to meet the extra costs involved in securing work placements  
• supports further reforms of the Disability Allowance scheme’s income disregards to eliminate existing brake-points (i.e. loss of full medical card at €184 and loss of Rent Supplement at €317.43) and thus provide greater incentives to and encourage greater labour market participation among disabled persons | • ICTU  
• Rehab Group  
• Irish Wheelchair Association  
• National Disability Authority |
| **Cost of Disability Allowance** | • Seek to have a ‘Cost of Disability Allowance’ introduced that will enable persons with disabilities to cover the additional costs associated with their disability | • Inclusion Ireland  
• National Disability Authority  
• ‘People with Disabilities in Ireland’  
• Irish Wheelchair Association  
• ICTU  
• Not for Profit Business Association  
• Disability Federation of Ireland  
• HSE |
| **DA and Trust Funds & Pension Schemes** | • seek to have a disregard introduced on income from Discretionary Trust Funds and Pension Schemes set up by parents on behalf of children with disabilities (i.e. similar to that for people in rehabilitative employment). Families are concerned that the income derived from these may lead to a reduction or loss of DA and other benefits associated with the DA, particularly the medical card and travel pass.  
• support the idea of making information on the | • Inclusion Ireland  
• Irish Wheelchair |
| DA & Spouses/Partners | • support the idea of judging a person’s entitlement to Disability Allowance independently of his or her spouse’s income. Couples who are both on Disability Allowance should receive full payments from the scheme even though one or the other may be engaged in rehabilitative employment.  
• If a person in receipt of DA marries a person who is working they risk losing their DA and associated benefits. The DA should be paid to the person in his /her own right  
• supports a review of income cut-off limits for couples with disabilities. | • People with Disabilities in Ireland  
• Inclusion Ireland  
• Irish Wheelchair Association |
| --- | --- | --- |
| DA & Travel Pass | • Seeks to extend the Companion Travel Pass for DA recipients to cover a companion on a round-trip without the disabled person  
• Seeks to extend the Travel Pass to other forms of transport e.g. taxi, buses  
• Seeks to have a mobility allowance payment introduced that will enable persons with disabilities to cover the additional travel costs associated with their disability | • Inclusion Ireland  
• Inclusion Ireland  
• Irish Wheelchair Association  
• HSE  
• Disability Federation of Ireland |
| DA & Appointed Agents | • guidelines should be introduced to monitor the activities of agents who are appointed to manage the finances of disabled persons.  
• Recommend a review of the agency system currently in operation. An important first step would be the consideration of a joint agency between service providers & family members or others where the person is deemed to lack capacity.  
• the Disability Allowance should be paid directly to the person concerned i.e. there should be individualization of SW payments | • Inclusion Ireland  
• Inclusion Ireland |
| Interactivity with other schemes | • DA recipients should continue to have entitlement to a Medical Card beyond the 3yrs after they start work | • Disability Federation of Ireland  
• ICTU  
• People with Disabilities in Ireland  
• National Disability Authority |
### Supporting Pathways to Employment, Education and Training

- Medical Cards should be separate from the DA payment and should be allocated on the basis of need
- Need a resolution of the competition between the DA disregard and the Wage Subsidy operated by DETE—a time limit might be placed on the DA disregard
- As DA recipients move out of residential care into the community this will result in increased numbers in private or social rented accommodation and the Rent Allowance may play an important role for these people

### Activation Programme

- Support for the proposed ‘Employment Activation Process for People with a Disability’
- The DA scheme should be reviewed to provide a socially inclusive model of activation

### Review of the DA Scheme and Assessment

- Calls for the DA to focus on ability rather than disability by re-examining the terms of the scheme, the nature of the medical qualification and the timing of when a long-term assessment of an individual’s capabilities is made
- The assessment for eligibility for long-term DA could provide an opportunity for holistic assessment of a disabled individual’s capacity

### Supporting Groups

- National Federation of Voluntary Bodies
- Rehab Group
- DETE
- Fás
- National Disability Authority
- Irish Wheelchair Association
- DETE
- Rehab Group
- Not for Profit Business Association
- Irish Wheelchair Association
- Disability Federation of Ireland
- HSE
- Inclusion Ireland
- National Disability Authority
- Inclusion Ireland
- Irish Wheelchair Association
- National Disability Authority
to participate

- A national system wide assessment of capacity to engage with self-development opportunities needs to be put in place. Too many DA applications are being granted on the basis of the completed application form. There should be improved medical assessment to distinguish between those genuinely in need of DA and those who misreport.

- Support a review of the requirement for disabled persons with unchanged conditions such as cerebral palsy or spina bifida to submit themselves to a repeat medical check-up on an annual basis.

Access to Information on the Scheme
- Need for independent advice and advocacy services to address the concerns of disabled persons around consequences to benefits if placed in employment.

- Need to provide accurate, up to date information on entitlements under the scheme, changes to the scheme, how to make a complaint etc. This should all be developed in a user friendly format.

Other Issues
- supports the case for the introduction of disability-adjusted poverty and inequality estimates and equivalence scales.

- Voluntary agencies who provide residential services, without nursing care, on behalf of the HSE may solicit a “private contribution” for maintenance from residents, the majority of whose only source of income is the DA. There is no legislation or guidelines to cover this practice, to protect the income of the person and guard against financial abuse.

- Where there is nursing staff in a residential service, people can now be legally charged up to either €153.25 or €114.95 per week, depending on whether they receive full or part-time nursing care. These charges are excessive and leave little money for people to live with dignity in their communities. An increase in the DA will help offset some of the impact of these charges.

<table>
<thead>
<tr>
<th>Inclusion Ireland</th>
<th>Irish Wheelchair Association</th>
<th>Not for Profit Business Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>DETE</td>
<td>Fás</td>
<td>Irish Wheelchair Association</td>
</tr>
<tr>
<td>National Federation of Voluntary Bodies</td>
<td>Rehab Group</td>
<td>HSE</td>
</tr>
<tr>
<td>Irish Wheelchair Association</td>
<td>Inclusion Ireland</td>
<td></td>
</tr>
</tbody>
</table>
### Appendix 3: Data Tables

**Table 1: Breakdown of Disability Allowance Recipients by Sex and Age Group for Year 2007**

<table>
<thead>
<tr>
<th>Age</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
<th>% of the Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 25</td>
<td>7,257</td>
<td>5,124</td>
<td>12,381</td>
<td>13.9%</td>
</tr>
<tr>
<td>25-29</td>
<td>3,862</td>
<td>2,665</td>
<td>6,527</td>
<td>7.3%</td>
</tr>
<tr>
<td>30-34</td>
<td>4,984</td>
<td>3,290</td>
<td>8,274</td>
<td>9.3%</td>
</tr>
<tr>
<td>35-39</td>
<td>5,519</td>
<td>3,424</td>
<td>8,943</td>
<td>10.0%</td>
</tr>
<tr>
<td>40-44</td>
<td>5,883</td>
<td>3,717</td>
<td>9,600</td>
<td>10.8%</td>
</tr>
<tr>
<td>45-49</td>
<td>5,643</td>
<td>3,833</td>
<td>9,476</td>
<td>10.6%</td>
</tr>
<tr>
<td>50-54</td>
<td>5,919</td>
<td>4,214</td>
<td>10,133</td>
<td>11.4%</td>
</tr>
<tr>
<td>55-59</td>
<td>6,478</td>
<td>4,608</td>
<td>11,086</td>
<td>12.4%</td>
</tr>
<tr>
<td>60-65</td>
<td>7,428</td>
<td>5,200</td>
<td>12,628</td>
<td>14.2%</td>
</tr>
<tr>
<td>Total</td>
<td>52,973</td>
<td>36,075</td>
<td>89,048</td>
<td>100%</td>
</tr>
</tbody>
</table>
Table 2: New DA Claims, Reapplications, Awards and Terminations
1997-2006

<table>
<thead>
<tr>
<th>Year</th>
<th>New Claims</th>
<th>Reapplications</th>
<th>Total</th>
<th>Awarded</th>
<th>Terminations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>11,014</td>
<td>1,240</td>
<td>12,254</td>
<td>9,090</td>
<td>3,002</td>
</tr>
<tr>
<td>1998</td>
<td>9,549</td>
<td>1,883</td>
<td>11,432</td>
<td>7,521</td>
<td>3,645</td>
</tr>
<tr>
<td>1999</td>
<td>9,692</td>
<td>2,308</td>
<td>12,000</td>
<td>7,498</td>
<td>4,056</td>
</tr>
<tr>
<td>2000</td>
<td>11,106</td>
<td>2,790</td>
<td>13,896</td>
<td>8,478</td>
<td>4,558</td>
</tr>
<tr>
<td>2001</td>
<td>11,100</td>
<td>3,731</td>
<td>14,831</td>
<td>8,805</td>
<td>4,624</td>
</tr>
<tr>
<td>2002</td>
<td>11,465</td>
<td>4,494</td>
<td>15,959</td>
<td>9,934</td>
<td>5,038</td>
</tr>
<tr>
<td>2003</td>
<td>12,202</td>
<td>5,205</td>
<td>17,407</td>
<td>10,345</td>
<td>5,414</td>
</tr>
<tr>
<td>2004</td>
<td>12,217</td>
<td>5,539</td>
<td>17,756</td>
<td>10,765</td>
<td>5,217</td>
</tr>
<tr>
<td>2005</td>
<td>14,162</td>
<td>5,539</td>
<td>20,081</td>
<td>12,888</td>
<td>6,653</td>
</tr>
<tr>
<td>2006</td>
<td>11,806</td>
<td>5,775</td>
<td>17,581</td>
<td>11,099</td>
<td>6,439</td>
</tr>
</tbody>
</table>
Table 3: Expenditure on Disability Allowance, Illness Benefit & Invalidity Pension over the Period 1996-2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Disability Allowance €000's</th>
<th>Illness Benefit €000's</th>
<th>Invalidity Pension €000's</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>157,533</td>
<td>212,596</td>
<td>241,034</td>
</tr>
<tr>
<td>1997</td>
<td>192,822</td>
<td>228,439</td>
<td>253,023</td>
</tr>
<tr>
<td>1998</td>
<td>219,550</td>
<td>241,437</td>
<td>264,259</td>
</tr>
<tr>
<td>1999</td>
<td>245,160</td>
<td>262,702</td>
<td>279,576</td>
</tr>
<tr>
<td>2000</td>
<td>279,176</td>
<td>280,828</td>
<td>311,511</td>
</tr>
<tr>
<td>2001</td>
<td>332,308</td>
<td>332,897</td>
<td>354,459</td>
</tr>
<tr>
<td>2002</td>
<td>407,585</td>
<td>385,352</td>
<td>403,611</td>
</tr>
<tr>
<td>2003</td>
<td>463,608</td>
<td>433,455</td>
<td>440,263</td>
</tr>
<tr>
<td>2004</td>
<td>544,489</td>
<td>479,611</td>
<td>487,375</td>
</tr>
<tr>
<td>2005</td>
<td>630,728</td>
<td>540,245</td>
<td>548,285</td>
</tr>
<tr>
<td>2006</td>
<td>738,431</td>
<td>627,642</td>
<td>602,414</td>
</tr>
<tr>
<td>2007</td>
<td>901,131</td>
<td>755,321</td>
<td>618,051</td>
</tr>
<tr>
<td>% Increase 96-07</td>
<td>472%</td>
<td>255%</td>
<td>156%</td>
</tr>
</tbody>
</table>
Table 4: Number of Persons with a Disability by Age Group and Type

<table>
<thead>
<tr>
<th>% of Disability Type</th>
<th>Total Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0-17</td>
</tr>
<tr>
<td>Seeing</td>
<td></td>
</tr>
<tr>
<td>Hearing</td>
<td></td>
</tr>
<tr>
<td>Speech</td>
<td></td>
</tr>
<tr>
<td>Mobility &amp; Dexterity</td>
<td></td>
</tr>
<tr>
<td>Remembering &amp; Concentrating</td>
<td>113,000</td>
</tr>
<tr>
<td>Intellectual &amp; Learning</td>
<td>71,600</td>
</tr>
<tr>
<td>E, P &amp; M H</td>
<td></td>
</tr>
<tr>
<td>Pain</td>
<td></td>
</tr>
<tr>
<td>Breathing</td>
<td></td>
</tr>
<tr>
<td>Persons with a Disability</td>
<td>325,000</td>
</tr>
</tbody>
</table>

Source: NDS, 2008
## Appendix 4: Employment Codes Used in Review of DA Files

<table>
<thead>
<tr>
<th>Codes</th>
<th>Title</th>
<th>Job Types</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Managers &amp; Administrators</td>
<td>Bank Manager</td>
</tr>
<tr>
<td>2</td>
<td>Professional Occupations</td>
<td>Teacher</td>
</tr>
<tr>
<td>3</td>
<td>Associate Professional &amp; Technical Occupations</td>
<td>Journalistic Work</td>
</tr>
<tr>
<td>4</td>
<td>Clerical &amp; Secretarial Occupations</td>
<td>Secretarial</td>
</tr>
<tr>
<td>5</td>
<td>Skilled Craft &amp; Related Occupations</td>
<td>Mechanic</td>
</tr>
<tr>
<td>6</td>
<td>Personal &amp; Protective Service Occupations</td>
<td>Cleaner</td>
</tr>
<tr>
<td>7</td>
<td>Sales Occupations</td>
<td>Retail</td>
</tr>
<tr>
<td>8</td>
<td>Plant &amp; Machine Workers (Unskilled)</td>
<td>Factory Operative</td>
</tr>
<tr>
<td>9</td>
<td>Other Occupations</td>
<td>General Labourer</td>
</tr>
<tr>
<td>10</td>
<td>Supported Employment/Sheltered Employment/Training</td>
<td>Supported Employment Programme</td>
</tr>
<tr>
<td>11</td>
<td>Self-Employment</td>
<td>Farm Work</td>
</tr>
<tr>
<td>12</td>
<td>Information Unavailable</td>
<td>-</td>
</tr>
</tbody>
</table>
### Appendix 5: Rates of Payment of DA Since 1997

<table>
<thead>
<tr>
<th>Year</th>
<th>Maximum Rate of DA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997-1998</td>
<td>£67.50 (€85.71)</td>
</tr>
<tr>
<td>1998-1999</td>
<td>£70.50 (€89.52)</td>
</tr>
<tr>
<td>1999-2000</td>
<td>£73.50 (€93.33)</td>
</tr>
<tr>
<td>2000-2001</td>
<td>£77.50 (€98.40)</td>
</tr>
<tr>
<td>2001</td>
<td>£85.50 (€108.56)</td>
</tr>
<tr>
<td>2002</td>
<td>€118.80</td>
</tr>
<tr>
<td>2003</td>
<td>€124.80</td>
</tr>
<tr>
<td>2004</td>
<td>€134.80</td>
</tr>
<tr>
<td>2005</td>
<td>€148.80</td>
</tr>
<tr>
<td>2006</td>
<td>€165.80</td>
</tr>
<tr>
<td>2007</td>
<td>€185.80</td>
</tr>
<tr>
<td>2008</td>
<td>€197.80</td>
</tr>
<tr>
<td>2009</td>
<td>€204.30</td>
</tr>
<tr>
<td>2010</td>
<td>€196.00</td>
</tr>
</tbody>
</table>

Between 1997 and 2009 the rate of payment of Disability Allowance has increased by over 138%.
Appendix 6: Table of the Similarities & Differences between BPP & DA

<table>
<thead>
<tr>
<th>Similarities</th>
<th>BPP</th>
<th>DA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 Qualifying Criteria</strong></td>
<td>• Be blind or have low vision</td>
<td>• Be habitually resident in the state</td>
</tr>
<tr>
<td></td>
<td>• Be over 18 yrs old</td>
<td>• Have injury, disease or illness or physical</td>
</tr>
<tr>
<td></td>
<td>• Habitually resident in state</td>
<td>or learning disability that is expected to</td>
</tr>
<tr>
<td></td>
<td>• Valid PPSN</td>
<td>continue for at least 1 yr and would</td>
</tr>
<tr>
<td></td>
<td>• Satisfy means test</td>
<td>restrict from work</td>
</tr>
<tr>
<td><strong>2 Payment Rates</strong></td>
<td>• Highest Rate of Payment €204.30</td>
<td>• Highest Rate of Payment is €204.30</td>
</tr>
<tr>
<td><strong>3 Qualified children Increase</strong></td>
<td>• Full Rate - €26.00</td>
<td>• Full Rate - €26.00</td>
</tr>
<tr>
<td></td>
<td>• Half Rate - €13.00</td>
<td>• Half Rate - €13.00</td>
</tr>
<tr>
<td><strong>4 Qualified Adult Increase</strong></td>
<td>• €135.60</td>
<td>• €135.60</td>
</tr>
<tr>
<td><strong>5 Living Alone Increase</strong></td>
<td>• €7.70</td>
<td>• €7.70</td>
</tr>
<tr>
<td><strong>6 Island Increase</strong></td>
<td>• €12.70</td>
<td>• €12.70</td>
</tr>
<tr>
<td><strong>7 Free Schemes</strong></td>
<td>• Automatically qualify for:</td>
<td>• Automatically qualify for:</td>
</tr>
<tr>
<td></td>
<td>- Free Travel Companion Pass</td>
<td>- Free Travel Companion Pass</td>
</tr>
<tr>
<td></td>
<td>- Fuel Allowance</td>
<td>- Fuel Allowance</td>
</tr>
<tr>
<td></td>
<td>- Household Benefits Package</td>
<td>- Household Benefits Package</td>
</tr>
<tr>
<td></td>
<td>- Assistance under Supplementary Welfare</td>
<td>- Assistance under Supplementary Welfare</td>
</tr>
</tbody>
</table>
### Allowance

- **Medical Card**

| 8 Disregard on Rehabilitative Employment | First €120 of earnings disregarded. 50% of earnings between €120 and €350 will also be disregarded. |
| 9 Employment/Training Supports | Can avail of BTWA, BTWEA, BTEA and VTOS |

| 1 Age Limit | 18-66 |
| 2 Proof of Eligibility | Register with the National Council of the Blind |
| 3 Taxation | Is taxable  
Additional Tax Credit provided:  
- Blind Tax Credit – Single €1,830  
- Blind Tax Credit - One Spouse €1,830  
- Blind Tax Credit - Both Spouses Blind €3,660  
- Blind Tax Credit - Additional Allowance for Guide Dog €825 |

|  |  | Is not taxable |

### Differences

<table>
<thead>
<tr>
<th>BPP</th>
<th>DA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Age Limit</td>
<td>18-66 yrs</td>
</tr>
<tr>
<td>2 Proof of Eligibility</td>
<td>Certificate from Claimants Doctor</td>
</tr>
<tr>
<td>3 Taxation</td>
<td>Is not taxable</td>
</tr>
</tbody>
</table>
| 4 Payment in conjunction with other Social Welfare Schemes | • May be paid in full in addition to:  
  - Disability Benefit  
  - Unemployment Benefit  
  - Maternity Benefit  
  - Adoptive Benefit  
  - H&S Benefit  
  - Injury Benefit  
  - Widow’s or Widower’s Contributory Pension  
  - Widow’s or Widower’s Non-Contributory Pension  
  - One-Parent Family Payment | • Disablement Pension? |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Means Testing (Weekly Disregard)</td>
<td>• First €7.60</td>
<td></td>
</tr>
<tr>
<td>6 Means Testing of Couples</td>
<td>• Half of the joint income of the couple is assessed as means</td>
<td>• Couples joint means are generally assessed in full</td>
</tr>
</tbody>
</table>
Appendix 7: Text from SI 378 of 2009

S.I. 378 of 2009 The Social Welfare (Consolidated Claims, Payments and Control) (Amendment No.3) (Nominated Persons) Regulations 2009, Article 202 A has set out the obligations of appointed persons as:

“Obligations of appointed person.

202A. (1) Where a person is appointed under article 202(3) or (4) he or she shall have a duty to act in the best interests of the claimant or beneficiary and shall—

(a) act in a personal capacity and shall not delegate responsibility to any other person,

(b) subject to paragraph (c), receive and deal with any sum payable by way of benefit on behalf of the claimant or beneficiary,

(c) in the case of a person appointed under article 202(4)(a) where payment of benefit is made directly to the Executive pursuant to article 202(4)(b), deal with the balance of any sum payable by way of benefit after deductions specified in the Health (Charges for in-patient Services) Regulations 2005 (S.I. No. 276 of 2005) (as amended by the Health (Charges for in-patient Services) (Amendment) Regulations 2008 (S.I. No. 521 of 2008)), have been made in respect of in-patient care in the institution,

(d) subject to sub-article (e) make payments only on items or services which are of benefit to the claimant or beneficiary including all reasonable expenses for assuring the personal welfare of the person concerned,

(e) not spend money on items or services to which the claimant or beneficiary has an entitlement where those items or services are available and accessible to the person concerned,
(f) ensure that the balance of any benefit is lodged to an interest bearing account for the benefit of the claimant or beneficiary,

(g) keep a record of all sums received by way of benefit which have been lodged to an interest bearing account on behalf of the claimant or beneficiary,

(h) keep a record of all other transactions made in relation to sums received by way of benefit on behalf of the claimant or beneficiary, and

(i) produce the records specified at paragraphs (g) and (h) when requested to do so by the claimant or beneficiary or by his or her nearest relative or by an officer of the Minister.

(2) For the purpose of this article “nearest relative” means a person over the age of 18 years belonging to one of the classes of persons listed in sub-article 202 (3)(a) to (j) who was caring for the claimant or beneficiary immediately before his or her admission to an institution.”,
Appendix 8: Membership of Steering Group

Chair
David Dillon – Department of Social Protection

Department of Finance – DSP Vote Section
Pat Leahy

Department of Social Protection – Illness & Disability Policy
Eoin O Seaghdha
Emma-Jane Morgan
Colin Byrne

Department of Social Protection – VfM and Policy Review
Dearbhail NicGiollamhícil
Siobhan Doyle
Ciaran Lawler

Department of Social Protection – Statistics Unit
Paul Morrin

Department of Social Protection – DA Administration
Denis Galvin
Catherine Kellaghan
Appendix 9: Poverty Impact Assessment

POVERTY IMPACT ASSESSMENT

STAGE 1 Screening – This will inform the policy maker as to whether or not it is necessary to carry out a full poverty impact assessment. A brief overview or background of the proposal should be set out at this stage.

<table>
<thead>
<tr>
<th>Screening Tool</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is the policy, programme or proposal significant in terms of:</td>
</tr>
<tr>
<td>Overall National/Departmental Policy</td>
</tr>
<tr>
<td>The level and/or proportion of expenditure involved.</td>
</tr>
<tr>
<td>The change it will bring about in an existing policy or procedure (specify).</td>
</tr>
<tr>
<td>Its relevance to some or all of the lifecycle or other vulnerable groups</td>
</tr>
<tr>
<td>Lifecycle groups</td>
</tr>
<tr>
<td>• Children and younger people</td>
</tr>
<tr>
<td>• People of working age</td>
</tr>
<tr>
<td>• Older people</td>
</tr>
<tr>
<td>• People with disabilities</td>
</tr>
<tr>
<td>Examples of vulnerable groups</td>
</tr>
<tr>
<td>• Women</td>
</tr>
<tr>
<td>• Lone parent families</td>
</tr>
<tr>
<td>• Families with large numbers of children</td>
</tr>
<tr>
<td>• People with disabilities</td>
</tr>
<tr>
<td>• Unemployed</td>
</tr>
<tr>
<td>• Members of the Travelling community</td>
</tr>
<tr>
<td>• People experiencing rural disadvantage</td>
</tr>
<tr>
<td>• People experiencing urban poverty</td>
</tr>
<tr>
<td>• Homeless</td>
</tr>
<tr>
<td>• Migrants and Ethnic minorities</td>
</tr>
</tbody>
</table>

Also need to consider potential impacts on inequalities which may lead to poverty.

If the answer is NO in all cases then it is not necessary to carry out a full poverty impact assessment. In that case the summary sheet should be completed and returned to the Departmental social inclusion liaison officer, or directly to the Social Inclusion Division if there is no liaison officer.

If the answer is YES or POSSIBLY to any of the above a full poverty impact assessment should be carried out following the steps outlined in Stage 2.
STAGE 2          Full Poverty Impact Assessment – Summary 1/2

Submissions to the review were invited from stakeholders and informed the review process. The key issues identified in the submissions are summarised in an appendix to the review. In addition, key stakeholders were regularly apprised of the progress of the review through the DSP Disability Consultative Forum, which meets at quarterly intervals throughout the year.

Step 2: Define Policy Aims and Target Groups

The purpose of the review is to examine and report on the development of the DA scheme; to examine the validity of the objectives of the scheme and to examine in particular the interaction of DA recipients and employment supports. There have been amendments to the DA scheme over time which have encouraged people to participate in employment whilst in receipt of the payment with the intended outcome of moving people off DA and back into employment where appropriate.

2.2 Who are the target groups and how would the proposal reach those groups?

The target group considered in the review are people (of working age) with a disability on low incomes. The review suggests that there is a need to introduce an approach which will ensure that activation and other services are better targeted towards the needs of Disability Allowance customers. This would involve a process of segmentation at the claim initiation stage into one of three broad categories:

- Level 1: Claimants with relevant capacity who have well-developed job skills or the potential to be job-ready with some training and skills development.
- Level 2: Claimants who have some capacity but who are considerably distant from the labour market and who will need interventions in terms of the development of ‘soft’ skills before they can proceed to Level 1.
- Level 3: Claimants who, by virtue of their medical conditions, have needs which may not be related directly to the labour market but which are equally important in terms of personal development and social participation and inclusion.
What are the differences within the target group/between the target groups which might lead to them benefiting from the policy/programme in different ways and how could these be addressed?

The review recognises that the Disability Allowance scheme caters for a very broad constituency, ranging from people with profound disabilities where the primary issue is one of income support to those who, with the support of activation and other services, have a capacity to engage in employment. The key proposal to introduce a process of segmentation is designed ensure that appropriate supports are directed to all those who need them and to identify a level of capacity to engage in education, training or employment. The implementation of this approach should facilitate the gathering of enhanced information and subsequent delivery of appropriate interventions in a timely manner to people on the scheme.

Other proposals advanced in the review – e.g. increasing awareness of the benefits to overall household income from increasing earnings from work above the income disregard of €120 per week – aim to enhance the position of those who are engaged in, for instance, supported employment programmes.

Step 3: Consider Available Data and Research
Consider what data is available within own organisation, other departments or agencies or from alternative sources. Identify data or indicators against which progress can be measured.

A range of data and research sources was utilised to provide quantitative analysis of the customers of the Disability Allowance. Together with data drawn from DSP Statistical Information on Social Welfare Services; the Survey on Income and Living Conditions; Census and population data and Quarterly National Household Survey, two in-house surveys were undertaken of randomly selected DA claims – one drawn from the full population of DA customers and the second focussed on those customers who are also engaged in employment – with a view to developing a deeper understanding of the issues affecting the target group.

A range of other key documents also informed the review. Overarching strategic documents such as the National Disability Strategy, Disability Sectoral Plans, Social Partnership Agreement, DSP Statement of Strategy amongst others were examined in the context of determining the continued validity of the scheme’s objectives. International practice and in particular research material from the UK was considered. Previous reviews and relevant research from the OECD, together with the relevant legislation and background information on the operation of the scheme, also informed the review process.
### Step 4: Assess Impacts and Consider Alternatives

#### 4.1 What type of impact on poverty (either in terms of numbers in poverty or level of poverty) would the proposal have for each of the vulnerable groups listed in the table?

<table>
<thead>
<tr>
<th>Vulnerable Group</th>
<th>Likely impact of the programme / project in terms of poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None See Q.4.2</td>
</tr>
<tr>
<td>Life cycle groups</td>
<td></td>
</tr>
<tr>
<td>Children and Young People</td>
<td></td>
</tr>
<tr>
<td>People of working age</td>
<td></td>
</tr>
<tr>
<td>Older people</td>
<td></td>
</tr>
<tr>
<td>People with disabilities</td>
<td></td>
</tr>
<tr>
<td>Other Vulnerable Groups</td>
<td></td>
</tr>
<tr>
<td>Women</td>
<td></td>
</tr>
<tr>
<td>Lone parent families</td>
<td></td>
</tr>
<tr>
<td>Families with large numbers of children</td>
<td></td>
</tr>
<tr>
<td>Unemployed</td>
<td></td>
</tr>
<tr>
<td>Members of Travelling community</td>
<td></td>
</tr>
<tr>
<td>Prisoners and ex-prisoners</td>
<td></td>
</tr>
<tr>
<td>People experiencing rural disadvantage</td>
<td></td>
</tr>
<tr>
<td>People experiencing urban poverty</td>
<td></td>
</tr>
<tr>
<td>Migrants</td>
<td></td>
</tr>
<tr>
<td>Ethnic minorities</td>
<td></td>
</tr>
<tr>
<td>Others: (please specify)</td>
<td></td>
</tr>
</tbody>
</table>

#### 4.2 If the proposal would have no effect on poverty what options might be identified to produce a positive effect?

Not applicable
4.3 If the proposal would have a positive effect would it help to prevent people falling into poverty, reduce the level (in terms of numbers and depth) of poverty or ameliorate the effects of poverty?

The approach outlined in the review aims to enhance the matching of activation and other support services with needs. Notably in relation to increasing awareness of the benefits of engaging in employment while continuing to avail of income support through the scheme, the approach should have a positive impact in reducing the numbers experiencing poverty and the depth of poverty. It is difficult to be specific in determine the poverty impacts of the approach outlined, given in particular the current very tight labour market.

4.4 If the proposal would have a negative effect (i.e. it would increase either the numbers in poverty or the level of poverty experienced) what options could be considered to ameliorate this effect?

Not applicable

4.5 Would the proposal contribute to the achievement of the NAPinclusion goals and targets?

It could be expected that better outcomes resulting from the implementation of the approach outlined in the review would ultimately result in reductions in poverty rates. Such a reduction would assist in the achievement of the overall poverty reduction target contained in the NAPinclusion.
4.6 Would the proposal address the inequalities which may lead to poverty?

The Disability Allowance scheme is designed to provide assistance to people with disabilities whose employment capacity is substantially handicapped by reason of their disability and whose means are insufficient to meet their own needs and those of their dependents, and to encourage and assist people with disabilities and long-term illnesses to identify and take up available employment, training, educational and other self-development opportunities, where appropriate. As such, it aims directly to address the needs of those people with disabilities on low incomes in order and to address the barriers they face in participating in Irish society.

The policy approach set out in the review aims to improve the effectiveness of the scheme in meeting those objectives and thus to address the factors which lead to poverty.

Step 5: Make Decision and Arrange Monitoring

5.1 Will this proposal be adopted?

There are a range of proposals contained in the review. Some of these will be undertaken in the short-term – e.g. in relation to enhancing information of the benefits of taking up employment while on DA – while others will be a matter for the Department/Government to decide in light of resources and capacity to deliver.

5.2 If the proposal is to be adopted, how will its impact on poverty be monitored?

Data from the CSO’s Survey on Income and Living Conditions will provide ongoing statistics for some key indicators such as consistent poverty rates, depth of poverty and adult poverty rates as they affect people with disabilities.

Step 6: Publish Results

The report on the review of the Disability Allowance scheme, which contains the PIA, will be published on the Department’s website: www.welfare.ie