

Appendix 1

Five chapters from the Comptroller and Auditor General Report 2022 are being examined by the Public Accounts Committee on 18 January 2024. These are as follows:

- Chapter 13: Regularity of social welfare payments (no recommendations).
- Chapter 14: Ex-gratia payments to social welfare branch managers
- Chapter 15: Raising social welfare overpayments.
- Chapter 16: Recovery of social welfare overpayments.
- Chapter 17: Actuarial review of the Social Insurance Fund (no recommendations)

An update in respect of each chapter is set out in the following pages.

Chapter 13: Regularity of Social Welfare Payments

A similar chapter has been included in the C&AG annual report in recent years. As in previous years, the C&AG concludes, based on the outcome of the Department's Control Surveys, that the level of excess payments found by the Department's control surveys is material, and he has referred to this fact in his audit report.

The main objective in carrying out control surveys is to identify categories of cases on a scheme that present the highest risk. The outcomes of surveys are analysed to identify scheme risks and the Department then takes the necessary steps to address and eliminate the risks identified as quickly as possible, as part of the enhancement of its scheme control policies.

There are no recommendations in this chapter.

In the chapter, the C&AG notes the annual expenditure of €25 billion in 2022, a decrease from €31 billion in 2021 due to the lessening impact of COVID.

Control Surveys:

The C&AG concluded that the level of irregular payments found by the Department through its ongoing programme of scheme-level control surveys continues to be material.

Two control surveys were published in January 2023 – Disability Allowance and Jobseekers Benefit.

- The net loss to Government for Disability Allowance (DA) was 5.7% of total expenditure. (€2 billion expenditure 2022). The survey examined 600 cases.
 - The C&AG, noted the changes to the DA control regime that are being implemented:
 - Increased data matching with Revenue earnings,
 - more ad hoc reviews using Real Time Look Up checks against Revenue records and
 - an increase of control reviews to 10,000 for 2023.
- The net loss to Government for Jobseekers Benefit (JB) was 8% of total expenditure. (€0.48 billion expenditure 2022). The survey examined 600 cases.
 - The C&AG, noted the changes to the JB control regime that are being implemented:
 - Increased data matching with Revenue earnings,
 - an increase in control reviews to 29,000 for 2023,
 - greater use of SIU for risk areas including non-residency and working and claiming, and
 - more timely reviews on casual workers.

Currently work is ongoing on surveys on Jobseekers Allowance, Contributory Old age pension (SPC) and Widows Contributory Pension (WCP) with a view to publication in January 2024.

Impact of Covid-19 restrictions on normal scheme controls:

The audit examination team found that the Covid-19 pandemic and the Ukrainian crisis impacted on the Department's ability to operate normal, planned controls over its schemes in 2022. However, relative to 2021, the extent of the impact of the pandemic on most schemes significantly reduced or were resolved during 2022.

Other issues raised:

The report noted that means assessments for the Daily Expenses Allowance (for customers in designated accommodation centres) were not being carried out and as such the value of irregular payments cannot be ascertained.

The Department has noted this finding and stated that it will consider implementing means-testing for international protection applicants who are in employment. Scheme expenditure in 2022 was €19.3 million.

Chapter 14– Ex-gratia payments to social welfare branch managers

This chapter relates to an exceptional one-off payment made by the Department to contracted Branch Managers in November 2022.

The network of Social Welfare branch offices was originally established under the Labour Exchanges Act of 1909. Each office is managed by a Branch Manager appointed under a contract for service, with the duration of the contracts ranging from 5 years to “no end date/for life” contracts, depending on when the contracts were originally issued.

Currently there are 56 offices nationwide, delivering a range of services to the Department’s customers. The current service model was agreed in 2018, along with a revised remuneration model.

The exceptional payment arose following discussions between the Department and Branch Managers in the summer of 2022. At these meetings Branch Managers advised that their offices were incurring increased costs since 2018, due to the impact of inflation and cost of living, and also the additional work taken on by Branch Offices in response to the Ukraine crisis.

In considering this issue the Department considered the research available at the time regarding the impact of the cost of living increases on small businesses, including data produced by CSO and the ESRI. This confirmed an overall increase in business running costs (rent, electricity, gas/ heating oil) along with labour costs. It is clearly the case that the Branch Offices, in common with all other businesses, were directly impacted by the exceptional cost developments during 2022. It would not have been plausible or reasonable for the Department to seek to deny or minimise the impact of these costs on Branch Offices, particularly in circumstances where they were not eligible to apply for the Temporary Business Energy Support Scheme (TBESS).

Having taken all of these factors into account, it was decided that it would be appropriate to make a one-off payment to Branch Managers in 2022 to note the Department’s recognition of the impact of increased business costs upon Branch Office operations, along with the additional work taken on by Branch Offices in response to the Ukraine crisis. The payment was also intended to acknowledge the continued commitment of Branch Managers to the delivery of services to the Department’s customers.

The level of payments to Branch Managers ranged between €16,000 and €51,000 which was allocated based on two components:

- €782,000 - Part 1 was based on the then current levels of Branch Manager payment rates (based on the number of claims per office) and
- €547,000 - Part 2 was a variable amount based on BOTP numbers per office.

The total cost of the payments made was €1,425,000.

The chapter has two recommendations as follows:

Recommendation 14.1

The Department should engage with DPENDPDR to agree on an approach to discussions with branch office managers on the contract terms and governance arrangements for the future operation of social welfare branch offices.

Response from Accounting Officer:

Agreed.

The Department will engage with DPENDPDR to ensure that the necessary sanctions and governance arrangements are in place for the proper remuneration for branch managers. The Department will consult with branch managers prior to finalising any revised arrangements which impact on the operation of branch offices.

Recommendation 14.2

The Department should engage with DPENDPDR to seek prior sanction for any proposed future ex-gratia payments.

Response from Accounting Officer:

Agreed.

The Department will apply a default rule of applying for sanction for one-off/ex gratia payments. This rule will be applied in all but exceptional cases and in compliance with the guidance contained in Public Financial Procedures. However, noting that Public Financial Procedures does not insist on such sanction in every case, it is important to retain some discretion and not to apply too burdensome a process where it is not necessary to do so for procurement or financial control reasons. For example, sanction may not be necessary in cases where a one-off payment is substituting, at a lower cost, for an on-going spend or is permissible within the terms of a contract for which sanction is already in place. Nevertheless, in all cases ex-gratia payments with or without sanction, will in future be subject to sign-off at a minimum at Deputy Secretary General level in accordance with approved authorisation levels.

Update January 2024

The Department met with DPENDPR in November to discuss Branch Office arrangements and to determine what material was required to confirm that the necessary sanctions and governance arrangements are in place. A request for sanction is currently under consideration by DPENDPR.

In addition, the Department also engages in regular consultation with Branch Office representatives on matters of mutual interest to both DSP and Branch Offices, including issues

which may arise relating to performance and the terms and conditions of their contracts with the Department.

Chapter 15: Raising social welfare overpayments

The chapter examined:

- Trends in the raising of overpayments.
- The Department's processes and its guidance to staff and claimants in relation to overpayments.
- Department staff compliance with the guidance issued by the Department.
- The Department's management of debt of deceased claimants.

The examination reviewed relevant documents and data produced by the Department and interviewed staff involved in the raising of overpayments.. The examination also reviewed a random sample of one hundred cases where the Department had identified a payment in excess of entitlement through its control work.

- The value of overpayments raised every year has been relatively constant, ranging from €100 million to €125 million with majority occurring in means tested schemes.
- The examination team reviewed the guidance provided to both staff and customers to support the decision-making process and concluded that the guidance was comprehensive.
- Overpayments are categorised into one of 4 categories:
 - Suspected fraud, new facts or evidence, official error, and estates
- In 2022, the schemes with the highest value overpayments were:
 - State pension non-Contributory (€21.8m), Jobseekers (€20.7m), PUP (€17m).
Total overpayments c. €110m

Improvements in controls to reduce overpayments:

- The C&AG noted that the Department is placing increased emphasis on real-time Revenue data on pay to employees, (*Working while claiming*)
- Legislation is also being prepared to require the notification of a death in Ireland within five days by medical practitioners and shortening the time for subsequent registration by family members to 28 days. (*Late notifications of death*)
- To detect changes in means of which the Department has not been informed, the Department is using Revenue data and issuing change of circumstance letters to claimants. (*Not being notified of changes in circumstances*)

Staff compliance with guidance issued by the Department

- The C&AG reviewed a random sample of 100 cases (*of a total 86,000 cases for 2022*) where an excess payment was identified, to assess the extent of compliance with the Department's guidance,
- Issues were identified in c. 20 cases with 3 areas of concern:
 - In ten cases, the rationale of the deciding officer to raise a current date decision rather than a retrospective decision was not documented.
 - In six cases, it appears that the customer had left the state and C&AG felt that **estimated** over payments should have been raised on the available evidence and recorded.
 - In one case C&AG referred to the lack of supporting documentation to make a correct decision.

Estate cases:

- C&AG noted that the value of overpayments on Estates was significant (*€21m in 2022*)
- C&AG also noted that legislation is being prepared to require the notification of a death in Ireland within five days by medical practitioners and shortening the time for subsequent registration by family members to 28 days.
- Legislation provides for the Department to recover income support payments made after death directly from the bank account of the claimant into which they were paid.
- Legislation provides for those claimants who are on means tested payments to provide the Department with a statement of assets at least 3 months before distribution of the assets.

Recommendations

The C&AG made four recommendations as follows:

Recommendation 15.1

The Department should increase its analysis of claims to ensure that determinations by deciding officers, while independent, are consistent between schemes.

Response from Accounting Officer

Agreed.

It is important that schemes that rely on discretion being afforded to deciding officers should retain that discretion and it would be inappropriate to seek to fetter that discretion. Risk management/quality control is typically approached on a three lines of defence basis.

- The first line of defence is the quality of training and guidance provided to staff. The Department already invests heavily in this.
- The second line of defence is quality control and checking by local/scheme management. Towards that end management in each scheme area routinely review a sample of all decisions as a quality control measure on an ongoing basis.
- The third line of defence is external oversight. The Department's central Control Division already sample checks cases as does the Department's Internal Audit function.

To further improve decision quality, Control Division will, in conjunction with the Decisions Advisory Office, remind relevant scheme owners to monitor the quality of decisions to ensure adherence to agreed policies and guidelines including Guidelines on the Management of Customer Overpayments and Recovery of Customer Debt and Guidelines on Revised Decisions and their Date of Effect.

Forthcoming changes in the operation of the appeals function, whereby the Appeals Office will be required to provide the Department with reasons why decisions are overturned will also assist in improving decision quality. (At present reasons for appeal decisions are only required to be provided to appellants in cases where a decision is upheld.)

Recommendation 15.2

The Department should seek further opportunities to engage with claimants to ensure claimants are fully aware of their responsibilities to notify the Department of any relevant changes in circumstances. The potential for electronic reminders through the MyWelfare application should be considered to automate the process and avoid postal costs.

Response from Accounting Officer

Agreed.

The Department is always conscious of the need to balance control activity against the need to provide a quality service to people and to not unnecessarily frustrate a person's entitlement to a service or call into question their continued access to a service through overly intrusive control activity. Accordingly, in accepting this recommendation the Department will seek to do so in a manner that balances the value of additional 'reminders' against the need to ensure that we do not unnecessarily call into question a person's entitlement to a benefit or create concerns/fears for people who are dependent on our payments, the overwhelming majority of whom are compliant with all requirements.

Recommendation 15.3

The Department should require all its communications include a timeline when informing claimants of their responsibility to notify the Department of changes in circumstances that may

affect the claimants' entitlements. The length of time provided should be minimised to limit the risk of overpayments.

Response from Accounting Officer

Agreed.

In line with legislation, and subject also to the need to balance control activity with a customer service ethos, claimants will be reminded of their responsibility to notify the Minister of any change in circumstances that may affect entitlement as soon as practicable.

Recommendation 15.4

The Department should continue its efforts to ensure that sufficient and appropriate evidence and documentation of decision rationale is recorded for each excess payment identified and that records clearly identify a potential overpayment to be investigated if a claimant were to contact the Department in the future.

Response from Accounting Officer

Agreed.

The requested checks are already in place and the Department will continue to monitor compliance.

Update January 2024

As indicated in the chapter, all of the recommendations have been accepted. The Department continues:

- to monitor decision outcomes and overpayment levels to ensure consistency and adherence to good practices, including appropriate record keeping;
- promotes and invest in online services to develop effective and secure communication channels.
- Review communications to ensure that clear timelines for customer action are included;

Chapter 16 Recovery of Welfare overpayments

This chapter focused on the management of debts arising from mainstream welfare scheme overpayments to claimants. It reviewed key documents and data produced by the Department and interviewed relevant members of the Department's staff. The examination also reviewed a sample of debts written-off in 2022 to assess compliance with the Department's policy.

- The C&AG noted that on 31 December 2022, the Department had total outstanding debt of €495 million related to welfare scheme overpayments to claimants.
- The Department's Central Debt Unit (CDU) is solely responsible for pursuing the recovery of overpayments from claimants no longer receiving a payment from the Department. Scheme areas manage the recovery of overpayments where claimants are in receipt of payments.
- The C&AG found that the guidance to both staff and customers was comprehensive.

Collection of debt – good practice guidance

- Using DPENDPDR good practice guidance on debt collection, the C&AG found the Department's debt management policies either adequate or good.
- The C&AG noted that for a debtor not currently in receipt of welfare payments, the maximum periodic recovery sought is €50 per week. *(Update: The Department has recently raised the amounts being repaid to €40 pw for debts between €100 & €5,000 and to €75 pw for debts greater than €5,000. This means that debts of €20,000 will be repaid in 5 years. However, it is important to note that about 95% of overpayments raised are less than €5,000. For larger debts, DSP will look for a lump sum payment where it is evident that there is capital available. The majority of these will be estates cases)*
- The C&AG noted the repayment options available and the development of an online MyWelfare application. *(Update: This online facility is now live and allows for online debt repayments through debit cards only)*

Trends in overpayment debt recovery

- The C&AG noted that in the period 2018 to 2022 DSP recovered c.€76m annually. During the same period the value of overpayments raised was €112m annually. Write offs were c.€36m. As a result, the C&AG noted that the outstanding balance at end of 2017 (€499m) was similar to end of 2022 (€495)

- The C&AG commented that the Department's ability to recover debt decreases as the debt ages, with a significant drop after 2 years. This reflects DSP's approach of large recoveries from Estates within a few years of debt being raised, recovery of up to 15% from on book debtors, and debtors not making any repayments.
- The C&AG commented that since overpayment recovery by deduction from current social welfare payments is limited to 15% of the personal rate, the maximum recoverable in any year from a typical welfare recipient would be less than €2,000, unless a debtor makes a lump sum repayment or other scheduled repayments. At that rate, a debt of €10,000 would take five years to clear, and a debt of €50,000 would take 25 years to clear. *(Comment: 95% of debts are less than €5,000 so the examples raised are not reflective of the normal debt amounts)*
- The C&AG noted that where a debtor is not in payment and does not agree to a periodic repayment schedule, the Department may pursue recovery through an attachment of earnings or civil proceedings. *(Comment: The Department's Central Debt Unit has increased the emphasis on attachments in the period post-Covid and has increased staff numbers working in this area)*

Write off of Debt

- The C&AG noted that the Department's policy is to write off debt for accounting purposes where it is deemed no longer possible or economic to recover the debt, or where it is in the public interest.
- The C&AG also noted the sanction in August 2023 from DPENDPDR to continue to write off low value debts (<€100) or where debt was considered uneconomical to recover. *(Comment: the normal level of write off in a year under this sanction is about .€10m)*
- The C&AG refers to 3 specific write offs of older debt involving 50,000 cases valued at €99m. *(Comment: These relate to legacy debts pre-2014, where no repayments had been made and there was no prospect of recovery. There was a C&AG recommendation in 2017 to review older debt as to its viability to be recovered.)*
- The C&AG examined 100 cases where write offs had been recorded in 2022. No major issues were found.

Recommendations

The C&AG made two recommendations as follows:

Recommendation 16.1

The Department should formally review the reasons recorded for write-off of debt and establish whether practices and procedures need to be revised to improve recovery and thus minimise the level of write-offs in future.

Response from Accounting Officer

Agreed.

The Department has agreed procedures in place in relation to the write-off of debt and will keep these under review to ensure their appropriateness and effectiveness. The formal review requested by the recommendation will be carried out in Quarter 1 of 2024 and reported to the Department's Control Programme Board and Management Board on completion.

Update January 2024

This work is underway in line with the commitment above.

Recommendation 16.2

The Department should expedite the identification and raising of PUP overpayment debt, given the increased difficulty recovering older debt and from debtors who are not currently receiving social welfare payments.

Response from Accounting Officer

Agreed.

The volume of PUP payments with over 29 million payments, representing the unprecedented disruption to the economy and society, means that this has been a complex project. Work is progressing.

Update January 2024

This work is underway in line with the commitment above. Up to November 2023, the Department has raised overpayments totalling €55.6 million in respect of over 21,000 cases.

Chapter 17– Actuarial review of the Social Insurance Fund

This chapter sets out the findings of the most recent actuarial review of the Social Insurance Fund. The Social Welfare Consolidation Act 2005 requires such a review at least once every five years.

The chapter makes no recommendations.

The key findings from the actuarial review were:

- Annual surpluses are projected to continue to materialise up to 2033, after which the Fund is projected to experience a small annual shortfall which will increase thereafter.
- In the absence of any change to PRSI rates or subventions from the State, annual projected Fund expenditure in excess of income is anticipated to reach €0.5bn by 2035 and €3.0 billion by 2040, increasing markedly thereafter.
- Despite annual shortfalls materialising from 2034/2035 onward, the accumulated Fund at year end 2035 is projected to be of the order of €21.4bn with fund exhaustion not occurring until 2043 in the base case. Thereafter, the Fund will operate in continuous deficit with an accumulated deficit by 2076 of €499 billion in the base case and €476 billion where the policy changes agreed by Government in September 2022 are implemented.
- Expressed as a % of GNI* , the shortfall is projected to increase from 0.1% of GNI* in 2035 to 2.4% of GNI* in 2050, and to 3.3% of GNI* in 2060, and to 4.1% in 2076.
- In recent times, there have been shocks due to the financial crisis of 2008, the Covid-19 pandemic in 2020-2021 and the conflict in Ukraine in 2022. The Review looked at sensitivities of the base case results to a range of adverse scenarios including the impact of the continuation of conflict in Ukraine, multi-year recession and lower long-term growth. In the most adverse scenario, where there is a “perfect storm” of the three shocks, the Fund is projected to immediately return to deficit with an accumulated deficit of €1.016 trillion by 2076.
- **Update January 2024**

The Department’s staff Actuary has recently completed a further actuarial review of the Social Insurance Fund as of the end of 2021 in compliance with EU Regulation 549/2013 which requires member states to prepare a statement of the State’s Accrued to Date Liabilities in respect of pension schemes for which it is responsible. It is expected that this review will be published shortly following completion of a peer review process.

	Appendix 2 - Vote 37 Department of Social Protection	<u>2022 Outturn</u>	<u>2023 Provisional Outturn*</u>
		€'000	€'000
	<u>ADMINISTRATION</u>		
A.1	Salaries, wages and allowances	329,354	344,223
A.2(ii)	Travel and subsistence	1,931	3043
A.2(iii)	Training and development and incidental expenses	13,698	13,416
A.2(iv)	Postal and telecommunications services	15,327	14,998
A.2(v)	Office equipment and external IT services	61,478	72,553
A.2(vi)	Office premises expenses	18,539	18,115
A.2(vii)	Consultancy	1,120	474
A.2(viii)	Payments for agency services	136,262	111,746
A.2(ix)	eGovernment related projects	18,396	21,839
	V37 ADMINISTRATION TOTAL	596,105	600,407
	<u>V37: SCHEMES & SERVICES</u>		
	<i>Pensions</i>		
A.3	State Pension (Non-Contributory)	1,136,457	1,229,283
	Subtotal:	1,136,457	1,229,283
	<i>Working Age – Income Supports</i>		
A.4	Jobseeker's Allowance	1,641,486	1,823,884
A.5	One-Parent Family Payment	613,976	679,812
A.6	Widow(er)s', Surviving Civil Partner's (Non Contributory) Pension	12,252	12,389
A.7	Deserted Wife's Allowance	498	450
A.8	Basic Supplementary Welfare Allowance Payments	121,595	121,291
A.9	Farm Assist	55,665	53,937
A.10	Exceptional and Urgent Needs Payments	57,668	71,969
A.11	Other Working Age – Income Supports	23,267	39,673
	Subtotal:	2,526,407	2,803,405
	<i>Working Age – Employment Supports</i>		
A.12	Community Employment Programme	329,015	340,782
A.13	Rural Social Scheme	48,870	49,937
A.14	TÚS	90,177	83,402

A.15	Jobs Initiative	11,865	10,692
A.16	Back to Work Enterprise Allowance	31,943	29,792
A.17	Youth Employment Support Scheme	0	
A.18	Back to Education Allowance	40,272	30,797
A.19	JobsPlus	4,198	3,579
A.20	Local Employment Service	14,678	21
A.21	Jobs Clubs	2,595	0
A.22	Work Placement and Experience Programme	2,589	2,915
A.23	Other Working Age – Employment Supports	10,566	5,406
A.24	Contracted Public Employment Service (PES) Schemes	13,007	58,772
A.yy	Covid-19 Temporary Wage Subsidy Scheme (TWSS)	638	210
A.zz	Covid-19 Employment Wage Subsidy Scheme (EWSS)	838,579	6,053
	<i>Subtotal:</i>	<i>1,438,992</i>	<i>622,358</i>
	<i>Illness, Disability and Carers</i>		
A.25	Disability Allowance	2,015,919	2,167,602
A.26	Blind Pension	12,802	13,076
A.27	Carer's Allowance	993,159	1,082,601
A.28	Domiciliary Care Allowance	224,476	259,243
A.29	Carer's Support Grant	327,534	331,961
A.30	Disability Activation Supports	8,827	22,096
A.31	Wage Subsidy Scheme	20,466	10,045
	<i>Subtotal:</i>	<i>3,603,183</i>	<i>3,886,624</i>
	<i>Children</i>		
A.32	Child Benefit	2,286,444	2,428,494
A.33	Working Family Payment	361,090	392,067
A.34	Back to Work Family Dividend	11,228	10,139
A.35	Back to School Clothing And Footwear Allowance	85,867	86,036
A.36	School Meals Schemes	77,511	108,716
A.37	Child Related Payments	8,692	9,583
	<i>Subtotal:</i>	<i>2,830,832</i>	<i>3,035,035</i>
	<i>Supplementary Payments, Agencies and Miscellaneous Services</i>		
A.37	Rent Supplement	75,149	62,861
A.38	Telephone Support Allowance	8,513	8,712
A.39	Household Benefits Package	87,766	92,941
A.40	Free Travel	89,569	92,650
A.41	Fuel Allowance	353,813	286,434
A.42	Grant to the Citizens Information Board	56,309	59,184

A.43	Miscellaneous Services	14,312	13,928
	<i>Subtotal:</i>	<i>685,431</i>	<i>616,710</i>
	Vote 37 SCHEMES & SERVICES TOTAL	12,817,407	12,793,822
	<i>Subvention to the SIF</i>		
A.44	Payment To The Social Insurance Fund Under Section 9(9)(a) Of The Social Welfare Consolidation Act 2005	0	0
	Vote 37 GROSS TOTAL	12,817,407	12,793,822
	Deduct:		
B.	Appropriations-in-Aid	352,730	314,992
	Vote 37 NET TOTAL	12,464,677	12,478,830

Footnote

* 2023 figures are provisional and subject to audit by the Office of the Comptroller and Auditor General.

Appendix 3 – Social Insurance Fund	<u>2022 Outturn</u>	<u>2023 Provisional Outturn*</u>
	€000	€000
<u>RECEIPTS</u>		
PRSI Contributions - Social Insurance	14,019,868	15,598,061
- National Training Fund Levy	950,357	**
- Health Contributions	1,116	603
Income from Benefit Overpayment Recoveries	16,768	17,210
Income from Recovery of Redundancy and Insolvency Payments from Employers	8,723	11,967
Income from Recovery of Social Insurance Fund scheme expenditure from Insurance Compensation Awards	20,270	22,506
Income Earned from Surplus	2,017	60,661
Other Income	1,299	7,923
TOTAL RECEIPTS	15,020,418	15,718,931
<u>PAYMENTS</u>		
<i>Administration</i>		
Administration Expenses	264,287	279,735
<i>Subtotal:</i>	<i>264,287</i>	<i>279,735</i>
Schemes and Services		
<i>Pensions</i>		
State Pension (Contributory)	6,564,401	7,088,953
State Pension (Transition)	3	5
Widows', Widowers'/Surviving Civil Partners' Pension (Contributory)	1,725,279	1,812,773
Widows', Widowers'/Surviving Civil Partners' (Death Benefit)	10,717	10,910
<i>Subtotal:</i>	<i>8,300,400</i>	<i>8,912,641</i>
<i>Working Age - Income Supports</i>		
Jobseeker's Benefit	475,461	438,220
Jobseeker's Benefit (Self Employed)	10,340	9,723
Deserted Wife's Benefit	63,875	62,619
Maternity Benefit	263,300	268,756
Paternity Benefit	13,453	14,234
Parents Benefit	64,981	79,161
Adoptive Benefit	202	166
Health and Safety Benefit	388	388
Redundancy and Insolvency Payments	21,550	23,063
Treatment Benefits	128,351	143,111
Covid-19 Pandemic Unemployment Benefit	197,199	119
Covid-19 Related Layoff Payment	1,156	470
<i>Subtotal:</i>	<i>1,240,256</i>	<i>1,040,030</i>

<i>Illness, Disability and Carers</i>		
Illness Benefit	614,073	690,780
Covid-19 Illness Benefit	187,110	0
Injury Benefit	9,184	9,003
Invalidity Pension	765,989	774,691
Partial Capacity Benefit	25,717	24,883
Disablement Benefit	69,552	73,619
Medical Care Scheme	144	185
Carer's Benefit	49,170	56,255
<i>Subtotal:</i>	<i>1,720,939</i>	<i>1,629,416</i>
<i>Children</i>		
Guardian's Payment (Contributory)	16,480	18,410
Widowed Parent/Surviving Civil Partner Grant (Contributory)	7,667	8,539
<i>Subtotal:</i>	<i>24,147</i>	<i>26,949</i>
<i>Supplementary Payments, Agencies and Miscellaneous Services</i>		
Fuel Allowance	222,590	215,226
Household Benefits Package	193,680	193,501
Telephone Support Allowance	9,863	11,233
<i>Subtotal:</i>	<i>426,133</i>	<i>419,960</i>
TOTAL SCHEMES AND SERVICES	11,711,875	12,028,996
Payment to National Training Fund	950,800	**
TOTAL EXPENDITURE	12,926,962	12,308,731
Increase in balances due from National Training Fund	443	**
Surplus	2,093,899	3,410,200

* 2023 figures are provisional, subject to audit by the Office of the Comptroller and Auditor General and do not include figures for the National Training Fund.

** The 2023 Provisional figures do not include figures for the National Training Fund.

Appendix 4: Update on the implementation of previous recommendations made by the Committee of Public Accounts to the then Department of Employment Affairs and Social Protection following the examination of the 2019 Appropriation Account for Vote 37

Recommendations from the Committee of Public Accounts	Minute of the Minister for Finance and Public Expenditure and Reform	Update on progress of implementing the Committee's recommendations
<p><u>JobPath</u></p> <p>The Committee is of the view that the Job Path model has not delivered value for money for the taxpayer, and, in the majority of cases, the advice provided did not lead to sustainable employment for jobseekers. The Committee recommends that the Department of Social Protection explores other avenues to provide better value through localised, non-profit driven employment services.</p>	<p>The Minister for Public Expenditure and Reform is informed by the Department of Social Protection that it partially accepts the recommendation. The Minister is further informed by that Department that: It recognises that the Committee has noted that the Job Path contracts are for the provision of employment advisory services and over 280,000 individuals have been provided with these services under the Job Path programme. This equates to a cost per participant of approximately €873, which is cheaper compared to other employment advisory services provided by the Department and the Local Employment Service. While the Committee notes the costs of the Local Employment Service it does not comment on value from this comparative perspective. If the JobPath scheme did not exist, as per Government policy, the 280,000 individuals supported by JobPath, would have been provided with employment advisory services delivered through a different provider, either the Department or another contracted service. However, this would have been delivered at a greater cost to the State.</p> <p>The Department has detailed costings of all contracted PES (Public Employment Service) providers, and these were used to calculate an average cost per referral. JobPath costs are on average €873 per individual referred. The equivalent cost for the LES (Local Employment Service) service is €1,052. Intreo</p>	<p>Evaluation of JobPath indicates that this service demonstrates value for money, with a greater proportion of participants securing employment and earning higher incomes as a result of their participation. JobPath outcomes are the same as, or better than, other employment services engaging with the long term unemployed in Ireland and elsewhere.</p> <p>In line with contractual requirements, referrals to JobPath ceased on 30 June 2022. This service is now working through its remaining caseload before the final termination of the contracts in June 2024.</p> <p>During late 2021 and throughout 2022, new employment services were procured on a competitive basis in line with legal advice. These Intreo Partners employment services provide a coherent client journey for the long term unemployed and other clients seeking assistance in returning to the labour market.</p>

	<p>costs are more difficult to assess but based on DPER/IGEES analysis of PES from 2018¹ and using the average cost as per Public Spending Code framework and using the mid-point of HEO salary, employer PRSI, pension contributions and overheads, the cost of Intreo activation in 2017 was approximately €57 million. Given that there were approximately 55,000 Short term Jobseekers case loaded and engaged by Intreo in 2017 this equates to a cost per jobseeker referred to Intreo of approximately €1,035, which exceeds the equivalent Job Path cost. The Committee has noted that aside from the initial registration fee (approximately €311 per jobseeker), JobPath is an outcomes based payment model. This means <u>that any other payments are contingent on a confirmed, sustained employment outcome</u>. Therefore, the majority of fees paid to JobPath providers are based on individuals securing sustained employment outcomes. If these individuals didn't secure employment, then as per the contract the majority of fees would not have been paid to the providers.</p> <p>The Committee notes that an econometric review of JobPath which was conducted by the Department in conjunction with the Organisation for Economic Cooperation and Development (OECD). This review found that outcomes, for persons who had participated on JobPath, in terms of gaining and sustaining employment and salary rates, were better than those who have participated on any of the Department's other employment services including Local Employment Services. The Department has recently updated this analysis and found that between 2017-2020 JobPath participants earned approximately</p>	
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¹ 12 – Public-Employment-Services.PDF (IGEES.Gov.ie)

	<p>€100 million more from employment than they would have earned without the programme. And these better employment outcomes led directly to a saving in 2017-2020 Social Protection expenditure of over €60 million. I am also advised that the OECD intends to publish its own paper on the evaluation in the New Year.</p> <p>These are significant findings and confirm the original econometric review's findings and provide further insight into the positive impact derived from the Job Path programme. The Department has a responsibility to ensure the delivery of high-quality employment service in a cost-effective manner. The phased procurement of employment services currently underway follows the engagement of external consultants and intensive consultations with relevant stakeholders. This procurement process will deliver a new Intreo local employment service capability through open and competitive tenders and in so doing gives effect to the Committee's recommendation relating both to the localised delivery of services and through providing an opportunity for all existing and potential service providers, from any sector, to demonstrate to the Department their ability to deliver high quality services in a manner that deliver value to the State.</p> <p>Given the fact that the cost per participant for JobPath is lower than other contracted services, and that employment outcomes are better when compared to other employment services, the Department of Social Protection view is that JobPath has delivered value for money for the taxpayer in providing employment opportunities for the long-term unemployed.</p>	
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<p><u>Local Employment Services</u></p> <p>The Committee recommends that any future public employment service is managed by either the Department or community-based organisations, and that all contracts between the Department and service providers satisfy procurement rules and guidelines. The Committee recommends that contracts are awarded to providers based on a broader criteria than simply cost. The criteria should include the suitability of employment that</p>	<p>The Minister for Public Expenditure and Reform is informed by the Department of Social Protection that it accepts the recommendation subject to the clarifications provided below. The Minister is informed by the Department that the Department of Social Protection operates and has overall management responsibility for the State's Public Employment Service (PES). The PES is composed of services delivered directly by the Department and services delivered on its behalf by Local Employment Services, JobPath, Job Clubs and Employability and will include the new employment services currently being procured. The Department is committed to ensuring that all employment services contracts will be awarded in compliance with procurement rules. A phased open and competitive procurement process to give effect to this policy has commenced and will continue throughout 2022. It is to be noted that while the Department has overall management responsibility for the PES day to day management of the various services to ensure delivery of the contracted services is entrusted to the service providers. The Department cannot under procurement rules specify that these providers must be drawn from a particular sector - be that community/voluntary or private sector.</p> <p>The Department has commenced a phased procurement exercise for the delivery of employment services. The first Phase saw the issue of Request for Tenders for the provision of employment advisory services in seven counties. Under this RFT 25% of the award criteria were based on cost and the remaining 75% of the award criteria was based upon service delivery, community linkages and social value. In addition, the performance metrics of the tender focussed upon the sustainability of employment. It will be the role of the service</p>	<p>The Department of Social Protection procured new employment services across two phases from late 2021 and throughout 2022. These services are now in place and are managed by the Department.</p> <p>The new employment services, known as Intreo Partners, are fully compliant with procurement legislation and guidelines.</p> <p>The Intreo Partner Local Area Employment Services were procured to engage with those furthest from the labour market, often with multiple barriers to employment. The Department, recognizing the specialised services required for this cohort, ensured that 80% of the award criteria were for non-cost criteria, primarily social value and quality of staff and service delivery.</p> <p>The Intreo Partners National Employment Service was procured to engage primarily with those on the Live Register between 12 and 24 months, providing appropriate services to reduce the entrenchment of long-term unemployment.</p> <p>These new employment services have multi-annual contracts that include service guarantees and key performance indicators to ensure consistently high performance. The Department of Social Protection will actively contract manage these services to ensure clients receive the appropriate supports in their efforts to secure employment.</p>
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will be provided to jobseekers.	provider within the contract to assist the customer in identifying their employment goals and any barriers they may experience in achieving them and to assist in overcoming those barriers. The suitability of the employment to the customer will be measured by their success in gaining and sustaining that employment.	
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Material Level of Irregular Payments

The Committee recommends that the Department of Social Protection continues to work in a targeted manner using control surveys as this approach appears to provide substantial results. The Committee also recommends that the Department ensures that the target of control reviews to be carried out each year is met to ensure proper oversight of social welfare payments.

The Minister for Public Expenditure and Reform is informed by the Department of Social Protection that it accepts the recommendation. The Minister is further informed by that Department that it will continue to work closely with the C&AG on a programme of Control Surveys and aims to complete two surveys of its schemes each year. The Department will continue to review and improve the methodology used for control surveys, in cooperation with the C&AG. Regarding control reviews, the Department will continue to aim to achieve review and savings targets to ensure proper oversight of social welfare payments. Control Review targets are set at a demanding level that stretch the resources available to control but as the table below shows, prior to the pandemic the Department consistently met, or came close to meeting, its control reviews and savings targets in recent years.

Year	Percentage of Reviews Target Achieved	Percentage of Savings Target Achieved
2016	95%	99%
2017	86%	104%
2018	93%	107%
2019	80%	95%
2020	77%	77%

During 2020 the Covid-19 pandemic had a considerable impact on the Department's control activities. Both the re-focusing of

The global COVID-19 pandemic impacted control activity in DSP during 2020/2021. However, during 2022 normal control activity recommenced with savings of €469.9m achieved, well ahead of a target of €410m. Control reviews of just over 558,000 were undertaken which was 93% of the targeted review figure of 600,000.

To the end of November 2023, savings of €509.5m (111%) have been recorded against a target of €460m while control reviews undertaken stand at over 613,000 which is 95% of the targeted review figure of 643,000.

Year	Savings Target	Savings Achieved	Reviews Target	Reviews Achieved
2021	€403.5m	€415.3m	552,000	457,298
2022	€410m	€469.9m	600,000	558,015
2023 (Jan to Nov)	€460m	€509.5m	643,000	613,319

The Department continues to publish 2 control surveys each year. The surveys identify high risk areas and assist in targeting reviews towards those areas where there is the potential of overpayments occurring.

Published Surveys in recent years include:

- 2021: Jobseekers Allowance & One Parent Family.
- 2022: Jobseekers Allowance & Child Benefit.
- 2023: Disability Allowance & Jobseekers Benefit.

	<p>the Department's resources required to implement pandemic supports, and the impacts of the public health restrictions imposed during the pandemic, meant that many normal control activities could not proceed as planned.</p> <p>These factors continue to impact on the work of the Department and on the environment in which control work is undertaken. Even under these circumstances, the Department managed to conduct 77% of the targeted number of Control Reviews in 2020 and achieved 77% of the targeted Control Savings. It is intended that normal control activities will resume as soon as the prevailing public health conditions allow.</p>	<p>The C&AG noted in his recent Report on the Accounts of the Public Services 2022 that almost 82% of the Department's total scheme expenditure in 2022 was covered by control surveys conducted within the last 10 years. This was up significantly from 54% of total scheme expenditure in 2021. The increase is due to:</p> <ul style="list-style-type: none"> • The reduction in expenditure on pandemic-related support schemes which have not been subject to a control survey as these schemes were temporary and therefore a control survey of the schemes would be of limited use in relation to the amendment of scheme controls; • The publication in 2023 of control surveys on two schemes that had not been surveyed in over 10 years: Disability Allowance (€2 billion in expenditure in 2022) and Jobseeker's Benefit (€0.475 billion in expenditure in 2022). <p>Currently, there are surveys ongoing on</p> <ul style="list-style-type: none"> • State Pensions – State Pension Contributory, and Widow's, Widower's or Surviving Civil Partner's (Contributory) Pension - (€8.289 billion expenditure in 2022) and • Jobseekers allowance (€1.691 billion expenditure in 2022) <p>and the results of these will be published in early 2024.</p>
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<p><u>Pandemic Unemployment Payment</u></p> <p>The Committee recommends that:</p> <ul style="list-style-type: none"> • The Pandemic Unemployment Payment control review commences as soon as possible, • the Department provide the Committee with a timeline for completion of the control review by the end of quarter one 2022, and • the Department provides the Committee with a copy of the review upon completion. 	<p>The Minister for Public Expenditure and Reform is informed by the Department of Social Protection that the recommendation is consistent with the recommendations in Chapter 11 of the Comptroller and Auditor General Report 2020, which made two recommendations on the review of employed and self-employed PUP claimants. These recommendations were accepted by the Department and are being actioned. The Minister is informed by the Department of Social Protection that notwithstanding the challenges posed by the volume of applications received under the scheme and the overall impact of Covid related public health restrictions, the Department did take steps at an early stage to put in place a range of controls. These included the establishment of a dedicated team to review claims both at "take-on" stage and while in payment; migration of claims to the Department's main IT platform, thereby ensuring greater integration with all scheme processing; the initiation of checks against Revenue records for evidence of previous employment; requiring claimants to formally confirm their eligibility for continued payment; weekly checks against Revenue TWSS records; and a range of reviews by staff of the Special Investigations Unit and locally based Social Welfare Inspectors.</p> <p>Further detail on the recommendations contained in the Comptroller and Auditor General's report is as follows: First, the Department will establish and implement a strategy to retrospectively review employee PUP claimant records to identify potential cases of overlaps between PUP payments and employment records or where evidence suggests that PRSI compliance issues may arise. The results of this review will then be used to identify those cases where there was a higher risk of ineligible expenditure claims.</p>	<p>The volume of PUP payments with over 29 million payments, representing the unprecedented disruption to the economy and society, means that this has been a complex project. However, good progress was made over the course of 2023 in comparing PUP payment records and Revenue records of payroll submissions. Work is progressing and it is intended to complete this project in 2024.</p> <p>In addition, while the initial focus has been on identifying cases where there are strong indications of overlaps between employment and PUP, a number of cases have also been identified where there is no evidence of employment prior to claiming PUP and these cases will also be addressed over the course of 2024.</p>
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	<p>In parallel with the above exercise, the Department will review cases where an individual has identified themselves as an employee, but there is no accompanying record of PRSI having been returned by their employer. The results of this review will be used to target employer reviews for possible non-compliance with PRSI obligations. Work to address this recommendation has commenced. This involves a comparison of PUP payment records against PRSI data to identify potential overlaps between periods for which PUP was paid and where payments of wages or salaries was made. The initial focus is on the 2020 year, but the exercise will subsequently move to look at the 2021 year.</p> <p>Second, the Department will establish and implement a strategy to retrospectively review self-employed PUP claimants, through the utilisation of Revenue data such as self-employment PRSI returns and the use of business analytics tools, to identify those cases where there was a higher risk of ineligible expenditure claims.</p> <p>In the first instance, the Department will review self-employed PUP claimants to ensure that individuals submitted income returns to the Revenue Commissioners in fulfilment of their obligations in respect of both Income Tax and PRSI. The necessity for non-compliance action in the event of failure to submit returns of income will also be considered, and the Department will liaise with the Revenue Commissioners in respect of any issues which may emerge from the exercise. Work on this exercise will commence in early 2022 once data on self-employed contributors for the 2020 year is provided to the Department by the Revenue Commissioners.</p>	
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Appendix 5 - Dáil SO 218(2) Department of Social Protection

Enclosed as requested under Dáil Standing Order 218(2) are copies of evaluations/reviews completed by the Department which contain a value for money or related component.

Since 2016 the Department has completed eight such reviews/evaluations. Completed templates for each of these reviews is contained in this Appendix for the Committee's information. A further two reviews are underway and are expected to be concluded in 2024.

Year Published	Title
2016	Evaluation of JobBridge Activation Programme
2017	Actuarial Review of the Social Insurance Fund as at 31 December 2015
2017	A Review of the Back to Work Enterprise Allowance
2019	Econometric Evaluation for JobPath Outcomes for Quarter 1 2016 Participants
2020	JobsPlus Evaluation
2020	The SAFE-PSC-MyGovID Framework for Public Service Identity Management: A Cost Benefit Analysis
2022	Spending Review Labour Market Trends: An Analysis of the Transition of PUP Recipients to Jobseeker's Payments
2023	Actuarial Review of the Social Insurance Fund as at 31 December 2020

1. Do you have a systematic/cyclical approach to choosing areas/programmes/expenditure to review? If so, please describe the approach in detail.

The Department is legislatively required as per Section 10 of the Social Welfare Consolidation Act 2005, to undertake at 5 year intervals an Actuarial Review of the position of the Social Insurance Fund.

In relation to other reviews there is a specific commitment contained in Pathways to Work 2021-2025, the national employment strategy, which requires the Department of Social Protection to undertaking a formal suite of reviews to assess the impacts that its programmes have in terms of effectiveness and their impact from a labour market perspective. Commitment 78 of Pathways to Work 2021-2025, is to "Undertake, with the support of the Labour Market Advisory Council, a formal analysis of programme impacts commencing in 2021". The evaluation sub-group of the Labour Market Advisory Council provides advice, feedback and suggestions on the design, structure and research basis of the Department's evaluations.

All evaluations or reviews undertaken by Departments are agreed at a senior management level. They are chosen to examine a particular topic that pertains to the work of the Department, which is of policy relevance, incurs expenditure, and could

benefit from timely analysis. These reviews are conducted to gain a detailed insight of the impact of a policy/scheme that falls under the remit of the Department.

2. How and why you choose particular areas/programmes/expenditure to review?

Aside from the Department's legislative obligations in relation to the Actuarial Review of the Social Insurance Fund, reviews of specific programmes are considered where there is merit in undertaking a detailed analysis of a programme and to gain greater insights into the policy impact of a specific scheme/programme.

Such reviews aim to encompass policy analysis and evaluation to assess whether the scheme is meeting its policy objectives and to inform future evidence-based policy design. The Department participates in the Department of Public Expenditure and NDP Delivery and Reforms Spending Review series. Spending Reviews cover expenditure across Departments and Agencies. They encompass policy analysis and evaluation as well as a focus on expenditure re-prioritisation in the context of the Budget. Spending Reviews are supported by the inter-Departmental Spending Review Steering Group and are typically undertaken by Irish Government Economic and Evaluation Service (IGEES) staff. IGEES staff work towards producing a body of evidence to support informed decision-making by Government.

3. Do you have a schedule of planned reviews? If so, covering what period, and at what level is it signed off?

The Department undertakes three forms of planned reviews,

- the Actuarial Reviews of the Social Insurance Fund, which are legislative requirements.
- econometric evaluations of key programmes with a particular focus on Active Labour Market Programmes; and
- Spending Reviews which are agreed with the Department of Public Expenditure, NDP Delivery and Reform

In relation to the Actuarial Reviews of the Social Insurance Fund, Section 10 of the Social Welfare Consolidation Act 2005 requires that the Minister undertakes an Actuarial Review of the position of the Social Insurance Fund (SIF) at 5-year intervals. To date five such reviews have been completed with the latest reflecting the position of the SIF as at 31 December 2020. The Review projects the income and expenditure of the Fund over a 55-year period, considering policy, economic and demographic changes since the previous review was undertaken. The previous Reviews related to the end of year position in respect of 2000, 2005, 2010, 2015 respectively.

The legislation requires that the report be presented to the Minister and approval is given by Government to its being laid before the Oireachtas within 6 months of its completion.

The report is an independent study conducted and signed-off by professional actuaries and represents their considered view of the position of the Social Insurance Fund. As such the analysis and findings in the report are presented, without change, for the information of Government. Preparation and finalisation of the Actuarial Review is overseen by a steering committee of senior officials comprising representatives of the Department of Social Protection, the Department of Finance and the Department of Public Expenditure and Reform as well as the Central Statistics Office.

In terms of the other forms of reviews that the Department undertakes, there are currently two reviews, which are underway and are being conducted under the most recent iteration of *Pathways to Work* covers the period 2021-2025. In this regard, 2024 will see the publication of the counterfactual impact evaluation of CE and Tús under the OECD-European Commission (EC) project. This is a collaboration between the OCED, the European Commission (Joint Research Centre) and the Department of Social Protection.

The second evaluation currently underway focuses on the Back to Work Family Dividend (BTWFD), which will be carried out by Indecon International Economic Consultants and will continue to progress throughout 2024.

All future evaluations are signed off by the Department's Management Board.

Both evaluations that are currently underway have been informed by the considered input of the Labour Market Advisory Council evaluation sub-group.

4. The governance arrangements pertaining to the implementation of the recommendations arising from the reviews.

The reviews inform the future policy and operational development of the specific scheme/programme.

Reviews are presented where appropriate to their respective Project Governance Programme Boards and then to the Department's Management Board, which consider the reviews and their respective recommendations. Not all evaluations contain specific recommendations. However, where evaluations contain specific recommendations, these are considered by the Management Board and where appropriate, the Management Board will assign responsibility for delivering on the implementation of relevant recommendations.

5. For each of the reviews for the accounting period under examination by the Committee and the preceding two years:

- *details of implementation to date,*

- *timelines for implementation.*

Actions taken in respect of each review are set out in the completed templates.

6. What specific effects have the implementation of the recommendations or conclusions of each review undertaken in the last seven years had in terms of the allocation of funding within the Vote(s)?

The evaluations have informed the policy development of a range of new schemes and initiatives. For instance the evaluation of JobBridge and the recommendations contained within the evaluation directly informed the design of the two subsequent employment schemes namely YESS and the Work Placement Experience Programme.

The counterfactual impact evaluation of JobsPlus is a measurement of the net impact of the programme. Based on the positive impacts found for young people and people more distant from the labour market, additional cohorts have been made eligible for JobsPlus as evidence from the evaluation suggests that these cohorts are most likely to benefit the most from participation.

The econometric review of JobPath and its findings were reflected in the subsequent design of the Intreo Partners employment services under the governance framework of successive Pathways to Work national employment strategies.

The Actuarial Reviews of the Social Insurance Fund have been key in informing the Department's PRSI Roadmap 2024-2028, which sets out PRSI increases in order to address the continued sustainability of the Social Insurance Fund.

7. In accordance with section 19 of the Comptroller and Auditor General Act 1993, any other evidence you might wish to provide as to:

*“(b) the economy and efficiency of the Department in the use of its resources,
(c) the systems, procedures and practices employed by the Department for the purpose of evaluating the effectiveness of its operations”.*

The commitment to carry out formal analysis of programmes impacts reflects the systems, procedures and practices of the Department to evaluate the effectiveness of its programmes. Analysis based on allocation of places, or uptake, or outturn may be suggestive of a particular impact but cannot make a causal link between participation on a programme and a subsequent outcome. Accordingly, the Department's counterfactual impact evaluations reflect a commitment to measure the net impact of its activities.

Where the analysis indicates that the programme has a positive impact, this in turn leads to greater economy and efficiency by the Department in the use of resources – successful employment outcomes lead to fewer income support payments, greater

income tax and PRSI receipts and, overall, increased economic activity and reduced levels of poverty.

8. Any other information that you, in your capacity as Accounting Officer, might wish to add to assist the Committee in forming a view as to whether you can demonstrate VFM in the context of Standing Order 218(2).

In addition to the reviews listed above (as described in more detail in the attached tables) the Department participates in/undertakes studies and research in a number of other forms to help assess its own operational performance:

These include:

Customer satisfaction surveys: - A number of surveys are undertaken each year measuring the extent of customer satisfaction with Intro Services and Contracted Employment Services. In addition, ad hoc surveys are conducted on other aspects of service delivery. In 2023 surveys were completed and published with respect to customer satisfaction in Community Welfare Services and Digital Services. In general, these surveys indicate a high level of satisfaction with the Department's service performance rated higher than other organisations. The survey results published and are used to inform the Departments Customer Service Action Plans and Customer Charter

International Benchmarking: - The Department participates in a number of international fora which provide opportunities for comparison with performance and processes relative to peer organisations in other countries. Most notably the Department participates in the EU Network of Public Employment Services. This network undertakes formal benchmarking studies and has completed a number of such studies on Ireland, all of which indicated that the Department's operation of public employment services compares well with its peers in Europe.

In addition, the Department, from time to time, compares key efficiency metrics form with those published in respect of other peer organisations abroad e.g. relative staffing levels and overpayment ratios. While such comparisons are fraught with difficulty given different legislative regimes and service delivery models they suggest that the Department's level of efficiency in terms of staff ratios to service transactions compares well with its closest international analogues – the Department of Work and Pensions in the UK, Service Australia (Centrelink) and NAV in Norway. Overpayment levels also appear to be in line those of other welfare delivery organisations.

Staff Satisfaction/Engagement Surveys: - The Department participates in the Civil Service Wide Employment Engagement Surveys and also undertakes its own 'Ways of Working'/Temperature Check surveys of staff engagement and satisfaction. The

results from these surveys are used to inform the Department's HR/People strategy. In addition, the Department's management board develops and publishes an action plan responding to the outcome of each survey. One of the key programmes delivered as a consequence of these surveys is the Department's Engagement and Innovation Programme whereby staff suggest and are then involved in the management of initiatives to improve Department performance.

Finally, all of the above is in addition to standard management control processes operated in each area of the Department. – At Management Board level, for example, the Department senior management reviews detailed reports on operational, customer service and financial performance as standing items on its agenda every month. In addition, it receives and undertakes scheduled reviews every four months on Control Activities and Performance, on Risk Management and on progress against C and AG and Internal Audit management recommendations from audit activity. The Department also operates a highly structured project management and control process where key programmes of work are overseen by Programme Boards which in turn report to a Project Governance Committee comprised of Management Board members which meets every six weeks. All projects must be approved at this Committee. The Committee also reviews and approves tenders/contract awards, reviews programme delivery and reviews post-implementation reports.

Dáil Standing Order 218(2)
An Coiste um Chuntas Phoiblí
Committee of Public Accounts
Department of Social Protection Completed Templates

A) Evaluation of JobBridge Activation Programme

Instructions

Please complete this template for each ex-post review of expenditure completed since 2015.

Please include hyperlinks to the reviews where possible and otherwise provide the reviews in soft copy.

VFM Information

Title of ex-post review of expenditure	Indecon Evaluation of JobBridge Activation Programme	Type of review:	<ul style="list-style-type: none"> Counterfactual Impact Evaluation Qualitative Analysis Cost Benefit Analysis
Accounting period(s) to which it relates:	2011-2015	Authored by:	Indecon International Research Economists
Related review(s) previously undertaken:	Indecon's Interim Evaluation of JobBridge (5/10/2012)	Started:	26/11/15
Quantum of expenditure covered by review:	Total JobBridge Scheme Expenditure 2011-2015: €269.9m	Completed:	14/10/2016
% of total voted expenditure covered by review:	100%	Expenditure type:	Current/Voted
Programme line(s):	Working Age – Employment Supports	Relevant subhead(s):	2011 - 2012: A.20 2013 -2015: A.18
% of total programme expenditure:	5% (2011-12/2015)	If the review is reflected in a Public Service Performance Report, please provide year and page number:	No

VFM details

Objectives: to provide

- (i) a counterfactual impact evaluation to provide an assessment of the differential progression impact of jobseeker participants compared to a control group.
- (ii) an assessment of jobseeker and host experience and perceptions of the scheme, and
- (iii) an economic cost-benefit evaluation.

The assignment also required an assessment for the future development of the scheme based on the results of the evaluation/research and taking account of developments in the labour market generally.

- **Findings:** The Indecon Report found that investment in JobBridge achieved its goals in that it was very effective in increasing the employment outcomes of the jobseekers. 79% of participants - about 38,000 people – had some employment spell since completing the internship, with over 64% still in employment and a further 10% are involved in further education. Compared to a matched group of non-participants, jobseekers who participated in JobBridge improved their employment outcomes by 12 percentage points – or 32%.
- **Actions taken:** The Indecon Report made a number of recommendations which have been taken into consideration when designing future work placement programmes that followed JobBridge.
 - One of the recommendations was to replace JobBridge with new Activation measures that took account of the Irish Labour Market, and which targeted specific groups who required assistance in securing employment. The Youth Employment Support Scheme (YESS) was an activation programme giving work experience to jobseekers under 25 who were facing barriers to entering the labour market. The Work Placement Experience Programme (WPEP) was a broader scheme aimed at those who would be potentially displaced from their employment sector due to Covid-19.
 - Both YESS and WPEP provided interns with training and potential employment. The WPEP programme was focused on both training with a dedicated module with the course and also with placement timelines aimed at allowing DSP staff to support employment with the Jobsplus tax incentive. (also, recommendation 10)
 - The YESS programme was initially for 3 months but the WPEP was for six months due to the specific conditions related to the movement of participants to new employment sectors post Covid-19.
 - The WPEP programme embraced additional company eligibility restrictions in terms of quality and job displacement.
 - WPEP advertisements and monitoring require clear specification on training.

B) Actuarial Review of the Social Insurance Fund 2015

Please complete this template for each ex-post review of expenditure completed since 2015. Please include hyperlinks to the reviews where possible and otherwise provide the reviews in soft copy.

2015 Review: Actuarial Review of the Social Insurance Fund

<https://assets.gov.ie/37220/99a896910d574b7daa0b65fbb00900e5.pdf>

VFM Information

Title of ex-post review of expenditure	Actuarial Review of the Social Insurance Fund as at 31 December 2015	Type of review:	Actuarial analysis of the Social Insurance Fund
Accounting period(s) to which it relates:	1 January 2011 to 31 December 2015	Authored by:	KPMG
Related review(s) previously undertaken:	Actuarial Review of the Social Insurance Fund as at 31 December 2010	Started:	2017
Quantum of expenditure covered by review:	Social Insurance Fund Benefits	Completed:	September 2017
% of total voted expenditure covered by review:	0% (not voted expenditure)	Expenditure type:	Social insurance
Programme line(s):	Not applicable	Relevant subhead(s):	Not applicable
% of total programme expenditure:	N/A	If the review is reflected in a Public Service Performance Report, please provide year and page number:	

VFM details

Objectives:

Objectives:

The external consultants were required as part of the Review to analyse and provide “value for money” or “money’s worth” indicators for sample/proxy contributors to the Social Insurance Fund. These indicators could be based on the ratio of lifetime benefits to lifetime contributions for the sample cases, and/or through other methods to be specified in the proposal.

The value for money impact of the planned reforms of the National Pensions Framework and the options for self-employed contributors were also to be assessed.

Findings:

Findings:

1. Persons at the lower part of the income distribution, those with shorter contribution histories and the self-employed fare better than others as regards value for money from their contributions to the Fund.
2. For those at the higher end of the income distribution, the Fund is redistributive and such contributors generally get back less than they pay in.
3. Those with payments for qualified adults achieve better value for money than those without.
4. The value for money achieved by women versus men is less clear cut. Women are projected to live longer than men and therefore taking the example of a man and woman with equivalent contribution histories who would qualify for the same level of State Pension (Contributory), a woman will fare better.
5. However, men have a higher propensity to claim other benefits from the Social Insurance Fund including Invalidity Pension, Jobseeker's Benefit and Illness Benefit. Where these benefits are taken into account in addition to State Pension (Contributory), men tend to fare better overall than their female counterparts.

Actions taken:

Actions (since publication of Actuarial Review in September 2017).

1. Annual increases in threshold for payment of higher rate of employer PRSI.
2. Introduction of new schemes including Jobseeker's Benefit (Self-Employed), Benefit Payment for 65 Year Olds and Parent's Benefit.
3. Extension of entitlement of Class S contributors to Invalidity Pension scheme. Inclusion of these contributors in those entitled to new Parent's Benefit scheme.
4. Establishment of Pensions Commission (November 2021) and Commission's Report (Autumn 2022).

C) A Review of the Back to Work Enterprise Allowance

Instructions

Please complete this template for each ex-post review of expenditure completed since 2015.

Please include hyperlinks to the reviews where possible and otherwise provide the reviews in soft copy.

https://www.google.ie/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwisorGCi o2DAxVIT0EAHSDeDNYQFnoECBgQAQ&url=https%3A%2F%2Fassets.gov.ie%2F39650%2Fbfa48772d249476eae2ce87c9a8a5ea.pdf&usg=AOvVaw20dw5uXbyX3_-9ChZU3tWO&opi=89978449

VFM Information

Title of ex-post review of expenditure	A Review of the Back to Work Enterprise Allowance	Type of review:	Review of scheme
Accounting period(s) to which it relates:	2016	Authored by:	Internal Departmental steering group
Related review(s) previously undertaken:	n/a	Started:	2016
Quantum of expenditure covered by review:	€124.4m outturn in 2016	Completed:	February 2017
% of total voted expenditure covered by review:	100%	Expenditure type:	Current/Voted
Programme line(s):	Working Age Employment Supports	Relevant subhead(s):	A.17 Back to Work Enterprise Allowance
% of total programme expenditure:	12.5%	If the review is reflected in a Public Service Performance Report, please provide year and page number:	Not Applicable

VFM details

Objectives:

A review focused on assessing the extent to which the BTWEA is meeting its objectives and identifying best practice.

Findings

The BTWEA scheme is a valuable support to assist people who are unemployed and, in particular, people who are long-term unemployed, in becoming self-employed and should, therefore, be continued.

The counterfactual review published in February 2017 found that the BTWEA participant was over twice as likely to remain off the Live Register six months after the end of participation on the BTWEA when compared with a control group of comparable Live Register jobseekers who did not choose the BTWEA as an option. This trend continues when examined following an 18 month period after the BTWEA payments ceasing.

The scheme is effective at removing participants from long-term unemployment and increasing their likelihood of remaining off welfare supports.

Actions taken:

The report proposed key guiding principles for the operation of the BTWEA into the future. These were included in updated scheme guidelines in 2017.

D) Evaluation of JobPath

Instructions

Please complete this template for each *ex-post* review of expenditure completed since 2015.

Please include hyperlinks to the reviews where possible and otherwise provide the reviews in soft copy.

VFM Information

Title of ex-post review of expenditure	Evaluation of JobPath outcomes for Q1 2016 participants	Type of review:	Counterfactual Impact Evaluation
Accounting period(s) to which it relates:	2016-2018	Authored by:	Department of Social Protection, Irish Government Economic and Evaluation Service
Related review(s) previously undertaken:	N/A	Started:	2018
Quantum of expenditure covered by review:	€154.3 million (2016-2018)	Completed:	2019
% of total voted expenditure covered by review:	~0.5%	Expenditure type:	Current
Programme line(s):	Working Age Employment Supports	Relevant subhead(s):	A23
% of total programme expenditure:	~8.4%	If the review is reflected in a Public Service Performance Report, please provide year and page number:	N/A .

VFM details

Objectives:

The report provides a counterfactual econometric impact analysis of how participating in JobPath in Quarter 1 2016 affected jobseekers' employment outcomes in the years 2016 to 2018.

The counterfactual econometric impact evaluation found that JobPath had a very significant positive impact on participants' employment outcomes in the following two years.

- The programme increased the likelihood of a participant getting a job by 20% in 2017 and 26% in 2018.
- The weekly employment earnings of people who secured employment with the support of JobPath were also significantly higher than the weekly employment earnings of people who secured employment without the support of JobPath – 16% higher in 2017 and 17% higher in 2018.
- Taking these two factors together, the programme caused participants' earnings from employment to be significantly greater than they otherwise would have been – about 35% higher in 2017 and 37% higher in 2018.

Findings

The impacts were positive not only on an overall basis but for each of seven different clusters of Jobseekers, with the positive employment earnings impact ranging from a 24% increase for people with a prior history of being very long term unemployed to 100% for those people with prior history of intermittent employment.

As a corollary of this positive impact on participants' employment outcomes, participation in JobPath also significantly reduced participants' Social Protection income support requirements, by about 4% in 2017 and 9% in 2018.

This technical report was not primarily designed to be a source of policy recommendations. In finding that the programme was highly successful for the participants studied, the report also noted that economic conditions may have been especially favourable for the success of such a programme in 2016 and called for further monitoring of the econometric impacts of JobPath and similar programmes across the economic cycle.

Actions taken:

Referrals to JobPath ceased in June 2022. The report's findings were reflected in the subsequent design of the Intreo Partners: Local Area Employment Services and the Intreo Partners: National Employment Services, under the governance framework of successive Pathways to Work national employment strategies.

The report also made a number of technical recommendations about further development of core data and modelling capabilities, and recommended that a second, more comprehensive impact evaluation on JobPath should be published when possible. This final evaluation will be published in 2024.

E) The SAFE-PSC- MyGovID Framework for Public Service Identity Management: A Cost Benefit Analysis

Instructions

Please complete this template for each *ex-post* review of expenditure completed since 2015.

Please include hyperlinks to the reviews where possible and otherwise provide the reviews in soft copy.

VFM Information

Title of ex-post review of expenditure	The SAFE-PSC- MyGovID Framework for Public Service Identity Management: A Cost-Benefit Analysis	Type of review:	Cost-Benefit Analysis (CBA)
Accounting period(s) to which it relates:	2010-2019 (rollout period) 2010-2030 (basis for NPV)	Authored by:	Ciaran Judge Ita McGennis
Related review(s) previously undertaken:	N/A	Started:	2020
Quantum of expenditure covered by review:	€98 million (rollout period) €206 million (NPV period)	Completed:	2021
% of total voted expenditure covered by review:	<0.1% (rollout period)	Expenditure type:	Current and capital
Programme line(s):	Administration	Relevant subhead(s):	A1, A2
% of total programme expenditure:	Over rollout period: ~2.0% (Vote only) ~1.7% (Vote and Fund)	If the review is reflected in a Public Service Performance Report, please provide year and page number:	N/A <i>Number of MyGovID accounts is an annual OGCI target.</i>

VFM details

Objectives:

The quantitative part of the CBA aims to answer two key questions about the SAFE-PSC-MyGovID Public Service Identity management framework:

- How do the costs and benefits of the Public Service Identity management framework compare with the costs of public service identity verification in the counterfactual scenario where the framework was not introduced?
- What wider financial impacts of the framework are likely to exist?

Alongside this, the report also includes a qualitative analysis of the impact of the framework, across three key dimensions: implementation, impact on public service design and delivery, and wider impacts.

The framework represents a major strategic investment in a key element of public infrastructure, and the report finds that this investment has been successful in both financial and qualitative terms.

If the Public Service Identity management framework did not exist, then delivering the same level of public services would require over one million extra identity checks every year. This is the main driver of significant savings that have resulted from investing in the framework:

- The investment paid for itself in less than five years.
- The discounted Net Present Value (NPV) of the investment – in other words, the total savings from the entire project from its inception out to 2030, adjusted for the time value of money – is highly positive at +€206 million.
- Over the rollout period from 2010 to 2019, the total cost of the investment was €98 million, but it generated benefits of €218 million over the same period.
- Now, as a mature project with annual costs of about €10 million and annual benefits of about €30 million, the framework yields savings of over €20 million every year.

Findings

The report also identifies further positive financial impacts beyond those captured in the main financial results – principally, further efficiency gains to the Department and other Public Service bodies; further control and customer contact savings accruing to DSP; and especially the value of time and cost savings for people using public services. Broadening the scope of the financial model to include these impacts would increase the estimated NPV of the investment in the Public Service Identity management framework by between +€300 million and +€1 billion.

In qualitative terms, the report finds that the Public Service Identity management framework

- has been successfully implemented, with clear institutional responsibility, secure and well-designed systems;
- has enabled both greater efficiency in the delivery of existing public services, and innovation in the design and delivery of new and reformed public services, including better crisis

response capacity as well as minimisation of the use of personal data;

- has enhanced trust in Ireland's public services, while the availability of a free, trusted public service identity and easier access to services has had a positive social inclusion impact.

The report was not intended to provide policy recommendations *per se*, but the clear policy implications of the positive findings of the report are that the programme should continue, and that additional public service bodies could benefit from use of the framework for customer identity verification.

Actions taken:

The operation of the framework, including management of access by other public service bodies, is already governed by a dedicated programme board in DSP. Similarly, the [Public Service Data Strategy](#) already includes the goals "promote roll-out and adoption of the PSC, MyGovID and Eircode" and "protect personal data online using MyGovID", and provides a governance structure for monitoring the implementation of these goals.

F) JobsPlus Evaluation

Instructions

Please complete this template for each *ex-post* review of expenditure completed since 2015.

Please include hyperlinks to the reviews where possible and otherwise provide the reviews in soft copy.

<https://www.google.ie/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwI2buOiY2DAxXcYEEAHTWZDTMQFnoECCcQAQ&url=https%3A%2F%2Fassets.gov.ie%2F90139%2Fecf9fbb6-85f2-4aa2-8cb6-fe0ba637bd53.pdf&usg=AOvVaw1A4egrnq0yWgqOyUs6eRSI&opi=89978449>

VFM Information

Title of ex-post review of expenditure	JobsPlus evaluation	Type of review:	Counterfactual impact evaluation
Accounting period(s) to which it relates:	2013 to 2016	Authored by:	Institutional authors: Joint Research Centre and Department of Social Protection
Related review(s) previously undertaken:	N/A	Started:	2018
Quantum of expenditure covered by review:	€59.23 million, 2013 to 2016	Completed:	2020
% of total voted expenditure covered by review:	0.13% of Net expenditure outturn, 2013 to 2016	Expenditure type:	Voted
Programme line(s):	Working age – employment supports	Relevant subhead(s):	A20.9 in 2013, A.20.8 in 2014, A.22.7 in 2015 and A.22 in 2016
% of total programme expenditure:	1.5%	If the review is reflected in a Public Service Performance Report, please provide year and page number:	N/A

VFM details

Objectives:

The stated aim of the evaluation is to provide evidence on the effectiveness of JobsPlus, a financial incentive launched in 2013 and consisting of employment subsidies for long-term unemployed people.

Findings

The results point to a consistent estimate of the impact of JobsPlus, with participants faring better than matched non-participants. After the end of the subsidy period, workers who were supported by JobsPlus are less likely to claim unemployment benefits – 11.1 percentage points less likely in the case of people unemployed for at least one year and 16.4 percentage points (unemployed for at least two years).

Effects are larger for people who experienced longer periods in unemployment before starting the programme. There is a more marked and long-lasting impact on younger participants and on those who previously had lower earnings from employment.

This positive impact is shown also by estimated results in terms of weeks worked and earnings from employment.

Actions taken:

In 2020, the July Jobs Stimulus provided for 8,000 recruitment subsidies under the JobsPlus scheme. Subsidies of up to €7,500 over two years were made available for employers to hire someone under the age of 30 who is on the Live Register or the Pandemic Unemployment Payment.

From January 2023, eligible jobseekers include recipients of Disability Allowance and Blind Pension and the higher level of the JobsPlus payment, €10,000 over two years, will be paid to an employer who recruits a jobseeker who is a Traveller, or of Roma ethnicity. The higher level of the JobsPlus payment will also be paid to an employer who recruits a jobseeker who has a recent criminal record or a history of addiction (within the previous five years).

G) Spending Review – Labour Market Trends: An Analysis of the Transition of PUP Recipients to Jobseeker's Payments

Instructions

Please complete this template for each *ex-post* review of expenditure completed since 2015. Please include hyperlinks to the reviews where possible and otherwise provide the reviews in soft copy.

The Pandemic Unemployment Payment and the Employment Wage Subsidy Scheme - Trends and Interactions

<https://www.gov.ie/pdf/?file=https://assets.gov.ie/205494/d9521623-4d24-4937-b09d-a5a2535d4158.pdf#page=null>

VFM Information

Title of ex-post review of expenditure	Labour Market Trends: An Analysis of the Transition of PUP Recipients to Jobseeker's Payments	Type of review:	Spending Review
Accounting period(s) to which it relates:	PUP lifecycle, 2020-2022	Authored by:	DSP
Related review(s) previously undertaken:	Trends in Post-PUP Employment: Examining the employment transitions of those closing their Pandemic Unemployment Payment claims	Started:	February 2022
Quantum of expenditure covered by review:	€9,194m, 2020-2022	Completed:	August 2022. Published December 2022.
% of total voted expenditure covered by review:	10.5% of Gross Voted Expenditure (SIF + Vote 37)	Expenditure type:	Current – Voted and SIF
Programme line(s):	Working Age Income Supports	Relevant subhead(s):	COVID-19 Pandemic Unemployment Benefit (SIF Expenditure and Income). Was included in subhead A.xx but was later included in SIF.
% of total programme expenditure:	47.5% of Working Age Income Supports, Gross Voted (SIF + Vote 37)	If the review is reflected in a Public Service Performance Report, please provide year and page number:	N

VFM details

Objectives:

The stated aim of the research was:

- To provide an understanding of the extent of the transitions from the Pandemic Unemployment Payment (PUP) to the Live Register during the scaling down of the PUP in 2021 and 2022;
- To provide insights into the characteristics of the former PUP recipients;
- To investigate how the closure of the PUP affected the composition of the Live Register; and,
- Given the focus is on those who transitioned from the PUP to the Live Register, a further objective was to examine to what degree this cohort have managed to exit the Live Register to find employment since the transition.

Findings:

The analysis found that that the majority of the former PUP recipients that transitioned to the Live Register were long-term PUP recipients (i.e., 12 months or more). These former PUP recipients predominantly qualified for the Jobseeker's Benefit following the closure of the PUP.

The closure of the PUP scheme had a notable impact on the composition of the Live Register in terms of duration and schemes. For instance, when taking into account the former PUP recipients' time spent on the PUP, the proportion of long-term claimants on the Live Register increased from 40 percent to 51 percent.¹ And in terms of impact on the schemes, the proportion of claimants on the Jobseeker's Benefit rose from 20 percent to 31 percent.

Of those who transitioned from the PUP to the Live Register, most were previously employed in the Accommodation and Food (19.9%), followed by the Wholesale and Retail trade (17.8%), Administrative and support service activities (11.8%), Construction (9.2%), and Industry (7.4%). Notably, these sectors were also among the most affected by the COVID-19 pandemic.

Actions taken:

Eligible PUP claimants were supported in their transition to standard jobseeker terms, if appropriate, as the scheme was wound down. At this stage they were subject to activation through the Intreo Employment Services network. This analysis, in part, was undertaken to identify whether this cohort were more at risk of being left behind. Subsequent analytical exercises were included in the [Labour Market Updates](#) published for the Labour Market Advisory Council.

¹ Time spent on the PUP is not normally included when considering the duration of unemployment or the duration on the Live Register, as PUP claimants did not meet the ILO definition of unemployment.

H) Actuarial Review of the Social Insurance Fund 2020

Instructions

Please complete this template for each ex-post review of expenditure completed since 2015.

Please include hyperlinks to the reviews where possible and otherwise provide the reviews in soft copy.

2020 Review:

<https://www.gov.ie/en/publication/99e8d-actuarial-review-of-the-social-insurance-fund-as-at-31st-december-2020/>

VFM Information

Title of ex-post review of expenditure	Actuarial Review of the Social Insurance Fund as at 31 December 2020	Type of review:	Actuarial analysis of the Social Insurance Fund
Accounting period(s) to which it relates:	1 January 2016 to 31 December 2020	Authored by:	KPMG
Related review(s) previously undertaken:	Actuarial Review of the Social Insurance Fund as at 31 December 2015	Started:	May 2022
Quantum of expenditure covered by review:	Social Insurance Fund Benefits	Completed:	Sept 2022
% of total voted expenditure covered by review:	0% (not voted expenditure)	Expenditure type:	Social Insurance
Programme line(s):	Not Applicable	Relevant subhead(s):	Not applicable
% of total programme expenditure:	N/A	If the review is reflected in a Public Service Performance Report, please provide year and page number:	Covers all social insurance benefits

VFM details

Objectives:

Objectives:

The external consultants were required as part of the Review to analyse and provide “value for money” or “money’s worth” indicators for sample/proxy contributors to the Social Insurance Fund. These indicators were to provide the value for money for all social insurance benefits, for long-term and short-term benefits, and separately for the State Pension (Contributory).

The value for money impact of voluntary contributions, credited contributions and the options for self-employed contributors were also to be assessed.

Findings

Findings:

1. For those at the higher end of the income distribution, the Fund is redistributive, and these individuals generally get back less than they pay in.
2. Class S self-employed individuals receive materially better value for money from the Fund as compared with their Class A employee counterparts despite not having access to some short-term benefits such as Illness Benefit, as the PRSI rate is much lower than the combined employee and employer PRSI rate for Class A.
3. Those who join the PRSI system later in life achieve better value for money under the “yearly average” approach given the design of the rate bands.
4. Receiving a high number of credited contributions increases value for money markedly, as additional benefits are earned without the requirement to pay PRSI for the duration of the credited period.

Actions (since publication of Actuarial Review in March 2023).

Actions taken:

The Government agreed (November 2023) to increase PRSI rates on all classes by a total of 0.7% between 2024 and 2028 (the PRSI Roadmap). The first such increase (0.1% on 1 October 2024) had been announced in Budget 2024. The further increases are as follows; 0.1% in 2025, 0.15% in 2026, 0.15% in 2027 and finally 0.2% in 2028. Under Government decision of 9 January 2024, the increases between 2025 and 2028 will also be effective from 1 October in the respective years. It was also agreed to increase the minimum Class S contribution for self-employed persons from €500 to €650 and the minimum voluntary contribution payment for formerly self-employed contributors from €500 to €650 from 1 October 2024. These changes will be provided for in legislation in 2024.

