A Survey of the Benefit System in Ireland

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Contents

Overview

This document surveys the benefit system in Ireland, providing detail on how much is spent on social payments as well as a breakdown of spending for individual programmes. Social payments as a percentage of overall government spending is discussed in Section 1. Section 3 to Section 28 provide details on each area of social spending including the rates of payment, overall expenditure and recipients and the latest changes from Budgets 2012 and 2013. For the main programmes of spending, a discussion on comparable benefits in the UK is provided (where an analogous benefit is available). Caution is called for in comparing the rates of UK benefits to those in Ireland as one has to take into account different costs of living. This document aims to highlight not only the rates of payment in the UK but also the qualifying conditions and eligibility criteria for the main programmes.

1. Government Spending on Social Payments

In 2011, social payments in Ireland amounted to €28.1 billion (18 percent of GDP[1]) making it the largest area of government spending. According to the April 2012 Stability Programme Update, social payments for 2012 will amount to 17.3% of GDP. The estimates are shown in Table 1.1 as a percentage of nominal GDP and nominal GNP from 2011-2015.

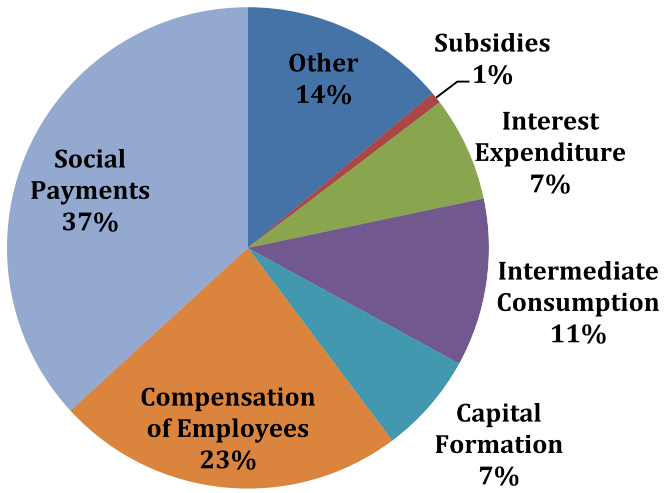
Table 1.1: Estimates of Social Payments as % of GDP and GNP (2011-2015)

Social Payments	2011	2012	2013	2014	2015
As % GDP	18.0%	17.3%	16.5%	15.3%	14.5%
As % GNP	22.3%	21.4%	20.5%	19.1%	18.3%

Sources: April 2012 Stability Programme Update & Medium Term Fiscal Statement.

Figure 1 below shows the composition of Government Expenditure for 2011. Social Payments account for 37% of total expenditure, followed by compensation of employees (23%).

Figure 1: Composition of Gov Exp 2011



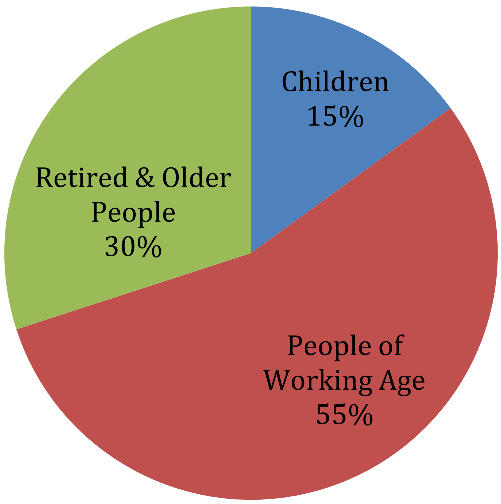
Source: Stability Programme Update, April 2012

[1] See April 2012 Stability Programme Update. Social payments are defined by the European System of National and Regional Accounts (ESA) 95, D62 and D63. This includes social payments by Non-profit Institutions Serving Households. More information on ESA accounting rules can be found at http://www.nso.gov.mt/docs/ESA95_Glossary.pdf

2. Description of the Social Security Benefit System

There were over 2.2 million beneficiaries of weekly social welfare payments in Ireland in 2011[2]. Payments by the Department of Social Protection (DSP) go to three main groups of people (or programmes); children, people of working age and retired & older people. The DSP spent almost €21 billion on schemes, services and administration in 2011, an increase of 0.6 percent compared to 2010.[3]. Figure 2 below shows the percentage of DSP spending[4] that goes to each of the three programmes[5].

Figure 2: Expenditure by Recipient as % of DSP Total Expenditure



Source: DSP Comprehensive Review of Expenditure 2011, table 1.5

People of Working Age represent the largest proportion of expenditure (55%), which amounts to €11.5 billion. Spending on Retired & Older People and Children amount to €6.3 billion and €3.1 billion respectively. Table 2.1 shows total expenditure and the number of recipients for each scheme.

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[2] The figure of 2.2 million people includes qualified children and adults. Figures obtained from Department of Social Protection Annual Report 2011.
[3] Source: DSP Annual Report 2011
[4] Refers to Gross DSP Expenditure
[5] In addition to these three programmes, there is also spending on Customer Information Management and Operational Capabilities. When combined, these two additional programmes account for 0.8% of the DSP Gross Total Expenditure.

Table 2.1: Total Recipients and Expenditure by Scheme 2011

Type of Payment	Total Recipients in 2011	Expenditure (2011) €m	% Change in Expenditure 2010-2011
State Pension (Contributory)	296,995	3,622.8	5.0%
Jobseeker's Allowance	283,929	2,974.0	5.9%
Child Benefit	597,333	2,076.3	-6.2%
Widow/er's or Surviving Civil Partner's Contributory Pension	115,762	1,337.9	0.2%
Disability Allowance	102,866	1,089.2	-1.8%
One Parent Family Payment	90,307	1,088.9	-1.9%
State Pension (Non-Contributory)	96,749	971.6	-0.6%
Jobseeker's Benefit	96,044	927.1	-27.9%
Illness Benefit	73,397	875.6	-7.1%
Supplementary Welfare Allowance	34,597[6]	792.2	-6.4%
Household Benefits & Free Travel	726,412	711.0	6.0%
Invalidity Pension	49,792	606.5	-5.2%
Carer's Allowance	51,666	507.2	1.1%
Employment Support Services	n/a	435.2	45.0%
Community Employment	22,589	349.4	n/a
Administration – Assistance Schemes	n/a	348.8	16.7%
Redundancy & Insolvency	n/a	326.9	-33.3%
Maternity Benefit	23,947	309.1	-4.6%
Administration – Insurance Schemes	n/a	281.0	0.1%
Family Income Supplement	28,876	204.5	10.0%
Back to Education Allowance	24,666	201.5	12.0%
State Pension (Transition)	12,110	132.4	22.4%
Respite Care Grant	4,847	130.4	1.8%
Back to Work Enterprise Allowance	10,751	114.6	30.3%
Farm Assist	11,333	113.7	2.5%
Domiciliary Care Allowance	25,914	99.9	4.4%
Back to School Clothing and Footwear Allowance	195,605	90.9	17.5%
Deserted Wife's Benefit	8,071	85.8	-8.1%
Disablement Benefit	13,993	77.5	-1.7%
Exceptional Needs & Urgent Payments	n/a	62.2	-10.4%
Pre-Retirement Allowance	4,820	59.9	-23.0%
Other Employment Programmes	n/a	48.2	100.0%
School Meals Scheme	n/a	35.0	0.1%
Integration Supports	n/a	27.2	100.0%
Carer's Benefit	1,637	24.5	-6.9%
Treatments Benefits	n/a	23.0	-55.2%
Bereavement Grants	n/a	19.4	6.3%
Widow/er's or Surviving Civil Partner's Non-Contributory	1,959	18.2	0.2%

[6] This refers to the recipients of Basic Supplementary Welfare Allowance.

Pension			
Injury Benefit	776	16.5	-7.7%
Blind Pension	1,496	15.6	-2.5%
Other Working Age Income Supplements	n/a	12.8	-4.7%
Guardian's Payment (Contributory)	955	11.5	0.3%
Death Benefit Pension	628	8.0	2.6%
Widowed or Surviving Civil Partner Grant (Contributory)	n/a	6.2	0.2%
Guardian's Payment (Non-Contributory)	441	5.1	9.3%
Deserted Wife's Allowance	409	4.2	-16.1%
Adoptive Benefit	45	1.1	20.7%
Rent Allowance	159	0.7	-12.8%
Health & Safety Benefit	61	0.6	9.4%
Humanitarian Aid	n/a	0.4	-65.6%
Medical Care Scheme	n/a	0.3	-11.9%
Widowed or Surviving Civil Partner Grant (Non-Contributory)	n/a	0.3	-41.9%

Source: Department of Social Protection, Annual Statistical Report 2011 (Section A).

The three schemes with the highest expenditure are the Contributory State Pension (€3.6 billion), Jobseekers Allowance (€3.0 billion) and Child Benefit (€2.1 billion). These payments alone account for 41 percent of Department of Social Protection total spending.

The total number of recipients of weekly social welfare payments in 2011 was 1,467,100, an increase of 2.5 percent compared to 2010. Including qualified adults and children, the total number of beneficiaries is approximately 2,248,200.

3. Benefits for Unemployed People

There are two types of unemployment benefits in Ireland, Jobseeker's Benefit (JB) and Jobseeker's Allowance (JA). Currently, the maximum rate for both payments (as of 2013) is €188 per week. Table 3.1 shows changes to the weekly rates of Jobseeker's Allowance and Jobseeker's Benefit from 2005-2012.

Table 3.1: Maximum Rates of Jobseeker's Allowance and Jobseeker's Benefit (2005-2012)

Year	**Rate €**	**Change in €**	**Inflation Rate (%)**	**%Change (in Real Terms)**
2005	148.80	14.00	2.5	7.9
2006	165.80	17.00	4.0	7.4
2007	185.80	20.00	4.9	7.2
2008	197.80	12.00	4.1	2.4
2009	204.30	6.50	-4.5	7.8
2010	196.00	-8.30	-1.0	-3.1
2011	188.00	-8.00	2.6	-6.7
2012	188.00	-	1.7	-1.7

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

From 2005-2009, Jobseeker's Allowance and Jobseeker's Benefit increased steadily. During this period, the average real rate of yearly increase was 6.5 percent. Following this, budget 2010 and 2011 cut the top rate of payment by €8.30 and €8.00 respectively leading to decreases of 3.1 percent (2010) and 6.7 percent (2011). Table 3.2 shows total expenditure and recipients for JA and JB.

Table 3.2: Recipients and Expenditure for Jobseekers Allowance and Jobseekers Benefit

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
Jobseekers Allowance	**283,929**	**2,975.0**	**2,809.4**
Jobseekers Benefit	**96,044**	**927.1**	**1,285.4**

Source: Department of Social Protection Annual Report 2011.

Total expenditure on JA and JB decreased by €192.7 million (4.7 percent) from 2010-2011. The number of recipients decreased over the same period by 5,334 (1.4 percent).

The personal rate of JA can vary depending on the recipient's age. Those over 25 may be eligible for the top rate of pay. The rate of JB depends on how much the recipient was earning prior to becoming unemployed. Those who earned €300 or more may receive the top rate of pay. In addition, increases are given in respect of qualified adults and children. For qualified children, the increase may be at a half rate (€14.90) or a full rate (€29.80). Table 3.3 gives details on the different rates of pay.

Table 3.3: Personal rates of Jobseeker's Benefit and Jobseeker's Allowance (2012)

Benefit Type	Personal Rate	Increase for Qualified Adult
Jobseekers Benefit (average weekly earnings prior to unemployment)		
Earned less than €150	€84.50	€80.90
Earned €150 - €219.99	€121..40	€80.90
Earned €220 - €299.99	€147.30	€80.90
Earned €300 or more	€188.00	€124.80

Jobseekers Allowance (maximum rates for different age groups)	**Personal Rate**	**Increase for Qualified Adult**
Aged 18 – 19	€100	€100
Aged 20 – 21	€100	€100
Aged 22-24	€144	€124.80
Aged 25 or over	€188	€124.80

Jobseeker's Allowance

Jobseeker's Allowance is a non-taxable, means tested payment. To qualify for Jobseeker's Allowance a person must,

- Be unemployed for at least 3 days within 6 consecutive days.
- Be over 18 and under 66 years of age

- Be capable of work
- Be available for full time work and genuinely seeking work
- Satisfy the means test
- Meet the habitual residence condition

An individual in part-time or casual work of up to three days per week may still receive a proportion of the Jobseeker's Allowance payment. However, they must show they are trying to secure full time employment.

If a person has been in receipt of Jobseeker's Allowance for more than 390 days (15 months) and takes up part-time employment, they may be eligible for the Part-time Job Incentive Scheme (PTJI). This scheme is designed as a stepping stone to full-time work. It allows people in long-term unemployment to take up part-time work and receive a special weekly allowance instead of their jobseeker's payment. To qualify, the person must have been in receipt of a Jobseeker's Allowance payment of at least €119 for a single person and €193.90 for an additional qualified adult. The part-time work cannot exceed 24 hours per week with a minimum duration of two months. The special weekly allowance PTJI payment is currently €119 (single person) and €193.90 (with qualified adult)[7].

Jobseeker's Benefit

Jobseekers' Benefit is covered by social insurance (PRSI) contributions. To qualify, a person must,

- Be unemployed for at least three days out of six
- Be under 66 years of age

[7] For more information see http://www.welfare.ie/en/Pages/Part-time-Job-Incentive-Scheme-PTJI---SW-69.aspx

- Be capable of work
- Be available for and genuinely seeking work
- Have the following amount of PRSI contributions
  - at least 104 weeks PRSI paid since first starting work

  And

  - have 39 weeks PRSI paid or credited in the relevant tax year

  Or

  - have 26 weeks PRSI paid in the relevant tax year and 26 weeks PRSI paid in the tax year immediately before the relevant tax year.

Jobseeker's Benefit is a taxable source of income. However the first €13 per week and any increase for dependent children is exempt from taxation.

Changes to Jobseekers Benefit in Budget 2013

The duration of Jobseekers Benefit will be reduced by three months as of 3rd April 2013 (from 12 months to 9 months for those with 260 or more PRSI contributions and 9 months to 6 months for those with less). Existing claimants who are in receipt of JB for more than 6 months (or 3 months if less than 260 PRSI contributions) on 3rd April 2013 will not be affected.

Starting in 2013 (date not set), Sunday work will be included when assessing the number of days of unemployment in a week. When this takes effect, a person must be unemployed for at least four days out of seven.

Benefits for Unemployed People in the United Kingdom

Jobseeker's Allowance (JA) in the UK is either contribution based or income based. The contribution based JA is based on the amount of National Insurance paid in the two previous tax years. Income based JA is based on income and savings. Both payments are taxable. In order to receive Jobseeker's Allowance in the UK, a person must be;

- Available for and actively seeking work
- Aged 18 or over and below state pension age. In some special cases, jobseeker's allowance is paid to 16 and 17 year olds.
- Working less than 16 hours per week, on average.

Table 3.4 shows the weekly rates for Contribution Based and Income Based Jobseeker's Allowance in the UK. Table 3.5 compares the UK payments to the analogous payment in Ireland.

Table 3.4: Contribution Based & Income Based Jobseeker's Allowance in the UK (maximum weekly rates)

Contribution Based Jobseeker's Allowance	
Age	**Amount (£)**
Aged 16 – 24	56.25
Aged 25 or over	71.00
Income Based Jobseeker's Allowance	
Type of Person	**Amount (£)**
Single person, aged under 25	56.25
Single person, aged 25 or over	71.00
Couples and Civil Partnerships (both aged 18 or over)	111.45
Lone parent, aged under 18	56.25
Lone parent, aged 18 or over	71.00

Table 3.5: Personal Rates of Unemployment Payment in Ireland and the UK

Type of Unemployment Payment	Ireland	UK (in €)[8]
Income Based (means tested)		
Aged 18 – 21	€100.00	€69.19
Aged 22 – 24	€144.00	€69.19
Aged 25 or over	€188.00	€87.33
Contribution Based		
Aged 16-24	€188.00[9]	€69.19
Aged 25 or over	€188.00	€87.33

Claiming income based jobseeker's allowance in the UK automatically entitles the claimant to the maximum rate of housing benefit to assist in paying rent. A person in local authority housing gets their full rent paid. If a person is renting privately their payment is the lower of their actual rent payable and the local housing allowance. The local housing allowance varies depending on location and the size of the home. The average amount of housing benefit paid per claimant in the United Kingdom is £87 per week[10].

A similar payment in Ireland is rent supplement which is a means tested payment to people living in private rented accommodation who cannot afford to pay for the cost of their accommodation. To be eligible the person must have been living for six months out of the last twelve months in either accommodation for homeless people, private rented accommodation or an institution such as a hospital or care home. If a person has been assessed as being in need of social housing within the previous twelve months they may also receive rent supplement. The upper limits on rent supplement vary depending on location and circumstances. For example, a couple with two children living in Dublin may

[8] Exchange rate is the average exchange rate from January to December 2012. £1 = €1.23
[9] In Ireland, if a person is under 18 years of age, they can only claim Jobseeker's Benefit for a maximum of six months.
[10] Source: Browne James. and Andrew Hood. 2012. "A Survey of the UK Benefit System". Institute for Fiscal Studies, briefing note BN13.

receive up to €925 per month compared to €475 per month for a single person[11]. The average amount of rent supplement paid per claimant in Ireland is €91 per week[12].

Recipients of income based jobseeker's allowance in the UK also receive maximum Council Tax Benefit[13], free school meals and health benefits (including free prescriptions, dental treatment and sight tests)[14].

Recipients of Jobseeker's Allowance in Ireland may be entitled to additional benefits such as Fuel Allowance (€20 per week), back to school clothing and footwear allowance (€150-€250 depending on age of child), medical card and the school books grant scheme.

3.1 Pathways to Work

Benefits for unemployed people (JA and JB combined) make up the largest expenditure of any Department of Social Protection scheme. 'Pathways to Work' is a government strategy aimed at tackling the current unemployment crisis, with particular focus on reducing the number of long term unemployed. In the government's 'Pathways to Work' policy statement[15], they highlight the unacceptable fact that the average period spent on the Live Register is currently 21 months. One of the primary goals of the 'Pathways to Work' strategy is to reduce this average time on the Live Register from 21 months to less than 12 months by the end of 2015.

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[11] For a full list of rent limits see http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/supplementary_welfare_schemes/rent_supplement.html#l62fd2

[12] Source: Department of Social Protection Comprehensive Review of Expenditure 2011.

[13] Maximum Council Tax Benefit is the weekly cost of council tax

[14] For more details see the Institute of Fiscal Studies *Survey of the UK Benefit System* *http://www.ifs.org.uk/bns/bn13.pdf*

[15] The government policy statement relating to 'Pathways to Work' can be found at http://www.welfare.ie/en/Schemes/JobseekerSupports/Documents/PathwaysToWork.pdf

One of the key components of this strategy will be to correctly identify and profile those individuals who are most at risk of long-term unemployment. Resources can then be targeted towards those who would benefit most from interventions. For example, if an individual is perceived to be at risk of long-term unemployment, they will receive intensive one-to-one support from an employment services advisor. It is outlined in the policy statement that "individuals must commit themselves to job-search and/or other employment or education training activities or face sanction in the case of non-compliance". The Probability of Exit (PEX) profiling model, developed by the ESRI and DSP, will be used to help identify those at risk of long-term unemployment. The government targets to have 95% of DSP local offices using the PEX model by December 2012.

Another component of the 'Pathways to Work' strategy is to incentivise the take-up of opportunities. Budget 2012 exempted low income and casual workers who earn less than €10,036 from the Universal Social Charge. In addition, to claim Jobseekers Benefit, a person must be unemployed for at least 3 days within 5 consecutive days (changed from 6 consecutive days). Sunday working will also be taken into account when calculating the amount of Jobseeker's Benefit or Jobseeker's Allowance to be paid (see Section 3). By reducing the amount of Jobseeker's Benefit payable to casual workers, the government hopes to encourage the take up of full time employment as opposed to combining part time employment with social welfare payments.

The 'Pathways to Work' strategy also aims to incentivise employers to provide more jobs for people who are unemployed. The government halved the lower rate of PRSI until the end of 2013 on jobs that pay less than €356 per week. Employers may also be exempt from paying PRSI for certain employees.

While such efforts by the government to target unemployment and specifically long-term unemployment are welcome, it is likely that any substantial and meaningful fall in the unemployment rate is dependent on economic growth. Without growth, strategies such as 'Pathways to Work' which are implemented and designed by government advisory groups and cabinet committees may have a very limited impact.

4. State Pension

State Pension (Contributory)

The Contributory State Pension is a social insurance pension payable at age 66[16].

To qualify for the state pension, a person must have;

- Commenced paying insurance at least ten years before pension age
- Paid at least 260 full rate contributions if age 66 before 5 April 2012
- Paid at least 520 full rate contributions if age 66 on or after 6 April 2012
- A yearly average rate of at least ten contributions paid or credited from 1953 (or from 1979 if this is more beneficial).

A yearly average of 48 contributions is required in order to receive the maximum state pension. If contributions fall below this level then a percentage of the maximum rate is paid depending on the number of contributions. Detailed rates of pay are shown in Table 4.1.

Table 4.1: Weekly Rates of Contributory State Pension (2012)

Yearly Average PRSI Contributions	Personal Rate (€)	Increase for Qualified Adult (Under 66) €	Increase for Qualified Adult (Over 66) €
48 or over	230.30	153.50	206.30
40-47	225.80	146.00	196.00
30-39	207.00	139.00	186.00
20-29	196.00	130.00	175.00
15-19	150.00	100.00	134.00
10-14	92.00	61.00	83.00

Note: There is an extra allowance of €10 per week for those aged 80 or over.

Prior to September 1st 2012 there was a single rate band for 20-47 contributions which entitled a person to 98 percent of the full rate. This meant that a person with 20 contributions only received €5 per week less than a person with 48 or

[16] The qualifying age will rise to 67 in 2021 and 68 in 2028.

more contributions. The rate band 20-47 has been replaced by the bands 20-29, 30-39 and 40-47 (as shown in Table 4.3).

The Contributory State Pension accounts for 17.3 percent of the Department of Social Protection's overall budget, making it the single largest item of expenditure. Table 4.2 shows total recipients and expenditure for the scheme.

Table 4.2: Recipients and Expenditure for Contributory State Pension

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
State Pension (Contributory)	296,995	3,622.8	3,451.5

Source: Source: Department of Social Protection Annual Report 2011

Expenditure in 2011 increased by €171m (5%) compared to 2010. Over the same period the number of recipients of the Contributory State Pension increased by 16,500. Table 4.3 below shows the rates of Contributory State Pension over time, from 2005-2012. Also shown are the nominal and real percentage changes for each year.

Table 4.3: State Pension (Contributory) maximum weekly payment rates (2005-2012)

Year	**Weekly Rate €**	**% Change**	**Inflation Rate (%)**	**% Change (in Real Terms)**
2005	179.30	7.2	2.5	4.7
2006	193.30	7.8	4.0	3.8
2007	209.30	8.3	4.9	3.4
2008	223.30	6.7	4.1	2.6
2009	230.30	3.1	-4.5	7.6
2010	230.30	0	-1.0	1.0
2011	230.30	0	2.6	-2.6
2012	230.30	0	1.7	-1.7

The average yearly increase in Contributory State Pension from 2005-2009 was 4.4 percent (in real terms). It has remained unchanged from its peak of €230.30

per week since 2009. The second highest expenditure by scheme (after Contributory State Pension) is Jobseeker's Allowance which also saw significant increases up to 2009. However, unlike the Contributory State Pension, Jobseeker's Allowance was subsequently reduced from €204.30 per week in 2009 to €188 per week in 2011.

Changes to Contributory State Pension in Budget 2012

Although the weekly rate for Contributory State Pension was unchanged in budget 2012, the following changes were announced;

- New applicants for the contributory state pension, who have a yearly average of less than 48 PRSI contributions, will receive a lower pension (taking effect from September 2012). The projected yearly savings from this measure are €45.3 million.
- The backdating period for state pensions is reduced to a maximum of six months (to take effect in April 2012).

State Pension (Non-Contributory)

The Non-Contributory Pension is a means tested pension payment which may be payable to individuals at age 66[17] who do not qualify for the Contributory Pension. Those claiming Non-Contributory Pension account for 24 percent of all pension claimants[18]. Table 4.4 shows total recipients and expenditure for the scheme.

[17] The qualifying age will rise to 67 in 2021 and 68 in 2028.
[18] This includes the Contributory, Non-Contributory and Transition Pension recipients.

Table 4.4: Recipients and Expenditure for Non-Contributory State Pension

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
State Pension (Non-Contributory)	96,749	971.6	977.3

Source: Department of Social Protection Annual Report 2011.

The number of recipients and expenditure for the Non-Contributory Pension decreased by 0.4% and 0.6% respectively from 2010-2011. This contrasts with the Contributory Pension which saw large increases in expenditure (5%) and recipients (5.9%).

The current maximum weekly rate of Non-Contributory Pension is €219 per week. Table 4.5 shows the maximum weekly rates from 2005 to 2012.

Table 4.5: State Pension (Non-Contributory) maximum weekly payment rates

Year	Weekly Rate €	% Change	Inflation Rate (%)	% Change (in Real Terms)
2005	166.00	7.8	2.5	5.3
2006	182.00	9.6	4.0	5.6
2007	200.00	9.9	4.9	5
2008	212.00	6.0	4.1	1.9
2009	219.00	3.3	-4.5	7.8
2010	219.00	0.0	-1.0	1.0
2011	219.00	0.0	2.6	-2.6
2012	219.00	0.0	1.7	-1.7

There were significant yearly increases in the Non-Contributory Pension from 2005 to 2009. The average yearly increase over this period (in real terms) was 5.1 percent. The weekly rate of pay has not been changed since 2009.

In addition to the personal rate, there are increases for qualified adults and children. People over 80 years of age also get an extra €10 per week. Table 4.6 shows the weekly rates in 2013.

Table 4.6: Maximum Weekly Rates of Non-Contributory State Pension (2012)

Non-Contributory State Pension	Maximum Weekly Rate
Personal Rate, Aged 66-80	€219.00
Personal Rate, Aged 80 and over	€229.00
Increase for Qualified Adult	€144.70
Increase for Qualified Child	€29.80

State Pension in the United Kingdom (Contributory)

In the UK, the Basic State Pension (BSP) is a taxable, flat rate pension which is based upon national insurance contributions[19]. There are three categories: Category A is based on the individual's national insurance contributions; Category B is based on the contributions of their spouse/civil partner or deceased spouse/civil partner; Category D is for people over 80 years of age who are not entitled to any state pension. The rates of pay are shown in Table 4.7.

Table 4.7: Rates of UK Basic State Pension (2012)

Category	Weekly Rate
Category A	£107.45
Category B for widow(er)/surviving civil partner	£107.45
Category B for spouse/civil partner	£64.40
Category D	£64.40

If only one person in a couple has sufficient contributions, the other spouse or civil partner is entitled to £64.40. If the contributor dies, the spouse or civil partner inherits the full amount of £107.45.

In March 2010, the pension age in the UK was 60 for women and 65 for men. Since then the pension age for women has been increasing by one month for every two months, reaching 63 in April 2016. In December 2018 there will be a single pension age of 65 for both men and women, increasing to 66 in 2020 and eventually to 68 between 2044 and 2046.

[19] For detail on the required national insurance contributions see http://www.ifs.org.uk/bns/bn13.pdf

In addition to the BSP, the State Second Pension (S2P) is payable based on actual or deemed earnings. The maximum amount of S2P payable to an individual is £161.94 per week (this being a combination of the individual's own pension and any inherited pension resulting from the death of a spouse or civil partner).

State Pension in the United Kingdom (Non-Contributory)

In the UK, the Pension Credit is a non-taxable, income related benefit designed to provide pensioners with a minimum level of income. There are two parts to the Pension Credit, the Guarantee Credit and the Savings Credit.

The Guarantee Credit guarantees a minimum level of income of £142.70 a week for single people and £217.90 a week for couples[20]. There are additional amounts if one of the partners has a severe disability (£58.20 or £116.40 if both partners qualify) or is a qualified carer (£32.60 per week).

The Savings Credit may be payable to individuals who have made some provision towards retirement such as savings or a second pension. The Savings Credit can be up to £18.54 a week for single people and £23.73 a week for couples. Table 4.8 below compares the maximum rates of Non-Contributory State Pensions for Ireland and the UK.

Table 4.8: Maximum Weekly Rates of Non-Contributory State Pension in Ireland and the UK

Non-Contributory State Pension	Ireland	UK (in €)[21]
Single Person	€219.00	€198.33[22]
Couple	€363.70	€297.20

[20] There is also a payment of £75.20 per week for each additional spouse in a polygamous marriage.
[21] Exchange rate is the average exchange rate from January to December 2012. £1 = €1.23
[22] Includes the Guarantee Credit and the maximum rate of Savings Credit payable of £20.52

Recipients of the Guarantee Credit in the UK are automatically entitled to the maximum rate of Housing Benefit, maximum Council Tax Benefit and health benefits (including free prescriptions, dental treatment and sight tests)[23].

Recipients of the Non-Contributory State Pension in Ireland may be entitled to additional benefits such as Rent Supplement, Mortgage Interest Supplement, Household Benefits Package and Fuel Allowance[24].

[23] Housing Benefit is a payment to assist people in paying rent. The amount is based on the size of the family and their home. Maximum Council Tax Benefit is the weekly cost of council tax.
[24] The rates of rent supplement vary depending on location and circumstances (see Section 3). Household Benefits Package assists in the running cost of the house (i.e. an electricity allowance of €35 per month). For more details see http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/older_and_retired_people/state_pension_non_contributory.html

5. Child Benefit

Child Benefit is payable to parents or guardians of children under 16 years of age, or under 18 years of age if the child is in full-time education, FAS Youthreach Training or has a disability. Child Benefit is not payable on behalf of 18 year olds. Payment is one and a half times the appropriate monthly rate for twins and double the appropriate monthly rate for triplets and higher multiple births.

Changes to Child Benefit in Budget 2013

The following changes to Child Benefit were announced in Budget 2013,

- Reduction in rates to €130 per month (from €140) for the first and second child (commencing January 2013).
- Reduction in rate to €130 per month (from €148) for the third child (commencing January 2013).

Also taking effect from January 2013 is the following change that was announced in Budget 2012

- A reduction in the Child Benefit rate for the fourth and subsequent children to €140 per month (from €160)

Changes announced in Budget 2013 which won't take effect until 2014

- Payment rates for fourth and subsequent children will be reduced to €130 per month (from €140) in January 2014.

The rates of Child Benefit payments have reduced significantly in recent years. Table 5.1 shows the cumulative monthly Child Benefit payments made to families of various sizes ranging from one to eight children from 2009-2013.

Table 5.1: Monthly Child Benefit Payments, 2009-2013

Number of Children	2009 Monthly Rate (€)	2010 Monthly Rate (€)	2011 Monthly Rate (€)	2012 Monthly Rate (€)	2013 Monthly Rate (€)
1	166.00	150.00	140.00	140.00	130.00
2	332.00	300.00	280.00	280.00	260.00
3	535.00	487.00	447.00	428.00	390.00
4	738.00	674.00	624.00	588.00	530.00
5	941.00	861.00	801.00	748.00	670.00
6	1,144.00	1,048.00	978.00	908.00	810.00
7	1,347.00	1,235.00	1,155.00	1,068.00	950.00
8	1,550.00	1,422.00	1,332.00	1,228.00	1,090.00

The reductions in the monthly rates of pay from 2012 to 2013 have varied from 7.1 percent for one child families up to 11.2 percent for eight child families. If we take the example of a three child family, the rate of pay in 2013 is 27 percent less than in 2009 As one may expect, total expenditure on the scheme is also decreasing (by 6.2 percent from 2010 to 2011).

Child Benefit in the UK

Child Benefit in the UK is payable to all families with children regardless of income. However, the universality of this payment will be gradually withdrawn for families with at least one individual earning over £50,000 (from January 2013). A child is deemed to be somebody under 16 years of age, between 16 and 20 and in full-time education or 16-17 and registered for work or training with an approved body. The weekly rates of pay are £20.30 for the eldest child and £13.40 for each subsequent child.

6. One Parent Family Payment

One Parent Family Payment (OFP) is a means tested payment that is paid to a parent bringing up a child without the support of a partner. The maximum rate payable for OFP is €188.00 per week with an additional €29.80 for each qualified child. Table 6.1 shows the total expenditure and recipients for One Parent Family Payment.

Table 6.1: Recipients and Expenditure for One Parent Family Payment

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
One Parent Family Payment	90,307	1,088.9	1,110.3

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme decreased by €21.4 million (1.9 percent) from 2010-2011. The number of recipients also decreased over the same period by 2,019 (2.2 percent). The changes in the weekly rates of One Parent Family Payment over time are shown below in table 6.2.

Table 6.2: Maximum Rates of One Parent Family Payment (2005-2011)[25]

Year	**Rate €**	**Change in €**	**Inflation Rate (%)**	**% Change (in Real Terms)**
2005	148.80	14.00	2.5	7.9
2006	165.80	17.00	4.0	7.4
2007	185.80	20.00	4.9	7.2
2008	197.80	12.00	4.1	2.4
2009	204.30	6.50	-3.9	7.2
2010	196.00	-8.30	-1.1	-3.0
2011	188.00	-8.00	2.5	-6.6

The basic rates for One Parent Family Payment are the same as the maximum rate of Jobseeker's Allowance and Jobseeker's Benefit, and as such the percentage changes over time mirror those of the unemployment benefits.

[25] This excludes the extra payments for each qualified childe (currently €29.80 per week for each qualified child).

However, on top of the basic rate, the One Parent Family Payment pays €29.80 per week for each qualified child.

Changes to One Parent Family Payment (OFP) in Budget 2012

There were a number of changes announced in Budget 2012 relating to the One Parent Family Payment;

- The upper age limit of the youngest child for new claimants will be reduced from 14 years to 12 years of age from April 2012.
- The amount of earnings disregarded in the means test was reduced from €146.50 to €130.00 per week in 2012 for new and existing customers. Half of the weekly earnings in excess of this amount will also be disregarded.
- New participant on Community Employment (CE) schemes will not be able to claim OFP at the same time.
- Income from employment as a home help funded by the HSE will be assessed in the means test for OFP from 1 January, 2012 for both new and existing claimants.
- New claimants of OFP will not be entitled to half rate payments of Jobseeker's Benefit, Illness Benefit or Incapacity Supplement.
- If a person is on a CE scheme and also claiming OFP, they will no longer be entitled to two qualified child increases. Qualified child increases will be paid for OFP but not CE. This applies to new and existing claimants.
- Where a person's earnings exceed €425 per week, the temporary payment of half of the rate of OFP will be discontinued for new claimants from 5 January, 2012.

Lone Parent Payment in the UK

In the UK, a lone parent may claim Income Support payments if they have a child under five years of age. The current rates are shown below.

Table 6.3: Current Rates of Income Support in the UK

Income Support Payment	Rate (£ per week)
Lone Parents[26]	
Aged 16-17	£56.25
Aged 18 or over	£71.00

Income Support in the UK cannot be claimed at the same time as Jobseeker's Allowance. If the child is over five years of age, Income Support ceases and the parent may then claim Jobseeker's Allowance. Lone parents may also receive the In Work Credit. This is a fixed tax-free payment of £40 per week for lone parents who begin employment. To qualify, the employment must be for at least 16 hours per week, expected to last more than five weeks and pay at least the national minimum wage.

[26] When a lone parent claims Income Support, this entitles them to additional benefits such as maximum council tax benefit and housing benefit (see Section 3 for details).

7. Disability Allowance

Disability Allowance (DA) is a means tested payment for people with a disability whose income falls below a certain level and who are aged between 16 and 66. Recipients of DA may earn up to €120 per week doing rehabilitative work and this will not affect their payment.

The rate of payment for DA is the same as Jobseeker's Allowance, Jobseeker's Benefit and One Parent Family Payment (a maximum of €188 per week). As such, information on historic rates of DA and how it has changed over time are the same as those shown in table 5.3 for One Parent Family Payment. Total expenditure and recipients of Disability Allowance are shown in table 7.1.

Table 7.1: Recipients and Expenditure for Disability Allowance

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
Disability Allowance	102,866	1,089.2	1,109.5

Source: Department of Social Protection Annual Report

Expenditure on DA decreased by €20.3 million (1.8 percent) from 2010-2011. Over the same period the number of recipients increased by 1,755 (1.7 percent).

Disability Allowance in the UK

Disability Living Allowance in the UK is a non-means tested payment which is paid at different rates depending on the severity of the disability. The allowance comes in two parts, the care component and the mobility component. Recipients may be entitled to one or both components. Details of the rates are shown in Table 7.2.

Table 7.2: Current Rates of Disability Living Allowance in the UK

Disability Living Allowance	Rate (£ per week)
Care Component	
Highest Rate	£77.45
Middle Rate	£51.85
Lowest Rate	£20.55
Mobility Component	
Higher Rate	£54.05
Lower Rate	£20.55

The level of care component received depends upon the amount of required attention and/or supervision. The highest rate of care component is paid to people who require constant supervision throughout the night and day to avoid substantial danger to themselves or others.

To qualify for the mobility component, the person must show that they cannot walk without substantial supervision and would benefit from taking outdoor journeys. The maximum amount of Disability Living Allowance payable in the UK is £131.50, consisting of the highest rate of the Care and Mobility Components. Shown below in table 7.3, is the maximum rate of Disability Allowance payable in Ireland and the UK (in Euros).

Table 7.3: Disability Allowance in the UK and Ireland

Payment	Ireland	UK (in €)[27]
Disability Allowance	€188.00	€161.75

From April 2013 Disability Living Allowance in the UK is being replaced by Personal Independence Payment. The disability test for Personal Independence Payment will be based on the ability of the individual to participate fully in society as opposed to the severity of the disability. As such, there will be no

[27] Exchange rate is the average exchange rate from January to December 2012. £1 = €1.23

medical conditions that will automatically qualify for entitlement to Personal Independence Payment.

People receiving Disability Allowance in Ireland may also qualify for additional benefits such as Free Travel, Household Benefits Package and Fuel Allowance[28].

[28] The Household Benefits Package helps with the cost of running the home. For example there is an electricity allowance of €35 per month and a telephone allowance of €9.50 a month. The Fuel Allowance helps with the cost of heating the home and is €20 per week.

8. Illness Benefit

Illness Benefit (IB) is a PRSI based scheme which provides income support to individuals who find themselves unable to work due to illness / incapacitation. In order to qualify for IB, a person must have

- paid at least 104 PRSI contributions since first starting work

And

- Have 39 weeks paid PRSI in the relevant tax year (the relevant tax year is the second last complete tax year before the year in which the claim is made)

Or

- Have 26 weeks paid PRSI in the relevant tax year and 26 weeks paid in the previous tax year.

Individuals with between 104 and 259 PRSI contributions may be entitled to IB for up to 52 weeks. Those with 260 or more PRSI contributions may be entitled to IB for up to two years. The rate of Illness Benefit paid depends upon the individual's average weekly earnings in the relevant tax year. No payment is made for the first three days of illness and for any Sunday during the illness. Table 8.1 shows the personal rates of IB.

Table 8.1: Weekly rates of Illness Benefit (2013)

Average Weekly Earnings	IB Personal Rate (Weekly Payment)	Qualified Adult Increase
€300 or more	€188.00	€124.80
€220 - €299.99	€147.30	€80.90
€150 - €219.99	€121.40	€80.90
Less than €150	€84.50	€80.90

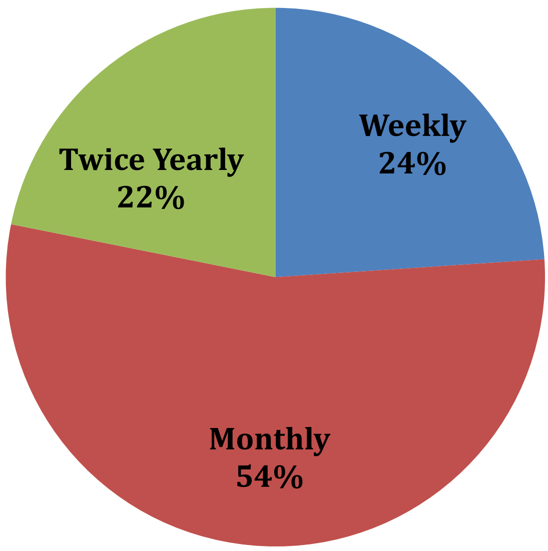
An increase for a qualified child is also payable at €29.80 (full-rate) or €14.90 (half-rate).

Medical Certification for Illness Benefit

Medical certificates from the recipient's doctor are furnished to the DSP either weekly, monthly or twice yearly. The frequency of medical certification depends on the severity of the condition. Medical conditions are categorised into categories A, B, C and D, with D being the most severe and A the least severe.

Groups A and B must provide weekly certificates up to six months, and monthly certificates thereafter. Group C provide weekly certificates up to two months, and monthly certificates thereafter. Group D certify monthly or twice yearly regardless of duration. Figure 3 below shows the weekly, monthly and bi-annual claimant certification as a percentage of overall IB claimants.

Figure 3: Medical Certification of IB claimants



Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

Recipients of IB may be required to undertake a medical assessment to confirm the eligibility of their illness. According to the DSP, 3,897 claimants of IB had appointments in July 2011 for an in-person assessment by a DSP medical assessor. 80% of people attended their appointment. Of these 80%, 19% were found to be capable of work.

Changes to IB announced in Budget 2012

Budget 2012 announced that IB will be taxed from the first day of payment. Prior to this announcement, the first six weeks (36 days) of IB payments were exempt from taxation. The change takes effect from 1 January 2012.

Employment and Support Allowance in the UK

Individuals in the UK, who are unable to work due to illness or disability may be entitled to Employment and Support Allowance (ESA).[29] There are two types of ESA. Contribution based ESA is paid to individuals with sufficient national insurance contributions. Income based ESA is paid to individuals who do not meet the contribution criteria and satisfy a means test.

Those seeking Employment and Support Allowance are required to take a Work Capability Assessment in order to assess what type of work, if any, an individual is capable of doing and what health related supports may be needed. If they are capable, a person will be expected to take steps to prepare for work.

Upon applying for Employment and Support Allowance, the first 13 weeks (known as the Assessment Phase) is the amount of time it takes to arrive at a decision as to the person's capability of working (as per the Work Capability Assessment). During the Assessment Phase, contributory Employment and Support Allowance is paid at a basic rate of £56.25 per week for a single person under 25 or £71 per week for those over 25. Couples receive a basic rate of £111.45 per week[30].

[29] Employment and Support Allowance was introduced in January 2011. Before this, those who could not work due to illness could claim Incapacity Benefit.
[30] The amounts paid to those applying for income based ESA is based on their means.

Provided the Work Capability Assessment finds that the illness limits the person's ability to work, then that person will be placed into one of the two following groups,

- **Support Group**: If the illness has a severe effect on the person's ability to work, then they will not be expected to seek work.
- **Work Related Activity Group:** A personal adviser will support the individual so that they can prepare for suitable work.

Table 8.2 shows the rates of pay of Employment and Support Allowance in the UK for those in the Support Group and Work Related Activity Group.

Table 8.2: Maximum Personal Rates of Employment and Support Allowance

Employment and Support Allowance Payment	**Weekly Payment £**
Support Group	£99.85
Work Related Activity Group	£105.05

Table 8.3 compares the personal rates of Employment and Support Allowance in the UK, with Illness Benefit Payment in Ireland.

Table 8.3: Illness Benefit in the UK and Ireland

Payment	**Ireland**	**UK (in €)[31]**
Illness Benefit (Ireland) / Employment & Support Allowance (UK)	€188.00	€129.21

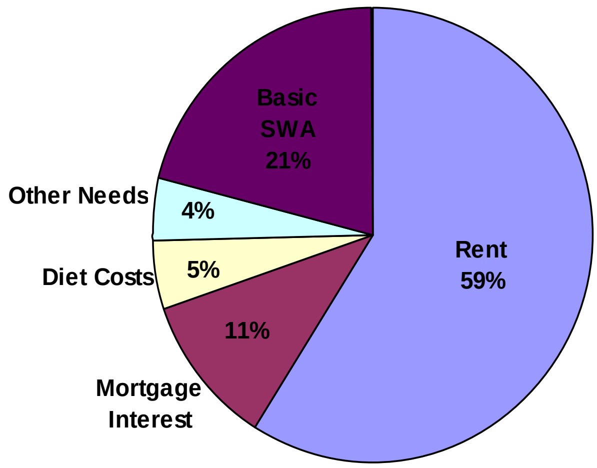
Note: additional premiums may be available for those on income based ESA; £14.80 per week for 'enhanced disability' and £58.20 for a 'severe disability'.

[31] Exchange rate is the average exchange rate from January to December 2012. £1 = €1.23

9. Supplementary Welfare Allowance

If an individual's means are insufficient to meet their own needs and the needs of their dependent children or adults, they may be entitled to Supplementary Welfare Allowance (SWA). This is a means tested payment which may be paid as a "once off" payment for non-recurring needs or as a weekly or monthly payment for recurring needs. According to the DSP, as of September 2011, there were 165,000 recurring payments being paid on a weekly basis. Of the 165,000 payments, 130,000 payments are paid in respect of particular needs (such as rent). The remaining 35,000 are known as Basic SWA payments which are very similar to primary payments such as JA. Figure 4 below shows how the 165,000 recurring SWA payments are allocated (by the particular need or Basic SWA).

Figure 4: SWA Payments by Particular Need



Source: Department of Social Protection, Comprehensive Review of Spending, September 2011

SWA payments for rent and mortgage interest together make up 70 percent of total recurring payments (approximately 116,000 of the 165,000 payments). Table 9.1 shows the total recipients and expenditure on SWA payments.

Table 9.1: Recipients and Expenditure for Supplementary Welfare Allowance

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Supplementary Welfare Allowance (SWA)	34,597[32]	792.2	846.1

Source: Source: Department of Social Protection Annual Report 2011

There was a significant reduction in expenditure on SWA payments of €53.9 million (6.4 percent) from 2010-2011. The decrease in recipients of Basic SWA payments over the same period was 2,816 (7.5 percent). Table 9.2 shows the rates of payment for SWA.

Table 9.2: Maximum Rates of Supplementary Welfare Allowance

Age	Personal Rate	Increase for Qualified Adult	Increase for Qualified Child
25 and over[33]	€186	€124.80	€29.80
22-24	€144	€124.80	-
20-21	€100	€100	-
18-19	€100	€100	-

The reduced rates for claimants under the age of 25 does not apply in the following cases,

- People with dependent children
- People aged 18 or 19 on 30 December 2009 who have been getting SWA since 29 April 2009
- People aged at least 20 on 30 December 2009 who have been getting SWA sine 30 December 2009
- Certain people who were in the care of the HSE during the 12 months prior to turning 18 years of age

[32] Refers to recipients of Basic Supplementary Welfare Allowance.
[33] If a person is under 25 and has dependent children, then they will receive the same rates of SWA as people who are over 25.

Changes to SWA announced in Budget 2012

The following changes to SWA were announced in Budget 2012

- Rent Supplement Scheme: From 1 January 2012, the minimum contribution payable by single tenants towards rent will increase to €30 per week (from €24 per week). The minimum contribution by couples will be €35 per week. Income from working as a home help for the HSE will be taken into account in the rent supplement means test.
- Mortgage Interest Supplement Scheme: From 1 January 2012, the minimum contribution payable by single tenants in respect of the mortgage interest supplement will increase to €30 per week (from €24 per week). The minimum contribution by couples will be €35 per week.

  People receiving mortgage interest supplement will not have to pay the €100 household charge.
- In Budget 2012, a proposal was made to defer mortgage interest supplement for 12 months while the person engages with the Mortgage Arrears Resolution Process. This proposal is not currently enforced as legislation is required.
- Fuel Allowance: The fuel allowance season will be reduced to 26 weeks (from 32 weeks). This will be payable from mid October to mid April.

10. Invalidity Pension

Invalidity Pension (IP) is a taxable, contribution based payment for people who cannot work due to a long term illness or disability. In order to qualify for Invalidity Pension, a person must have at least

- 260 paid PRSI contributions since entering social insurance
- 48 contributions paid in the last complete tax year before the date of the claim

Furthermore, a person must meet the medical criteria to claim IP. To qualify, the person must

- Have been incapable of work for at least 12 months and be incapable of work for at least another 12 months. The person will normally have already been claiming Illness Benefit or Disability Allowance for the previous 12 months.

Or

- Be permanently incapable of work. In cases of severe illness or disability, the person may be able to immediately claim Invalidity Pension after ceasing employment.

The rates of Invalidity Pension depend on the person's age. Once a person reaches 65 years of age they transfer from Invalidity Pension to the Contributory State Pension. Table 10.1 shows the weekly rates of IP and Table 10.2 shows total expenditure and recipients for the scheme.

Table 10.1: Weekly Rates of Invalidity Pension

Invalidity Pension	Weekly Payment
Aged under 65	€193.50
Aged 65	€230.30
Increases for Qualified Adult / Child	
Qualified Adult Under 66	€138.10
Qualified Adult Over 66	€206.30
Qualified Child Full Rate	€29.80
Qualified Child Half Rate	€14.90

Table 10.2: Recipients and Expenditure for Invalidity Pension

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Invalidity Pension	49,792	606.5	640.0

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme declined by €33.5 million (5.2 percent) from 2010-2011. The number of recipients also declined over the same period by 974 (1.9 percent).

Changes to Invalidity Pension Announced in Budget 2012

If the person claiming Invalidity Pension has a spouse or partner earning €400 or more per week, payment of the half rate increase in respect of a qualified child (€14.90 per week) will be discontinued.

Invalidity Benefit in the UK

If a person is unable to work due to invalidity or sickness in the UK, then there are two potential benefits available. Firstly, there is Employment and Support Allowance which was discussed in Section 7 (maximum weekly rate of €129.21). For cases involving more severe disabilities, there is Disability Living Allowance which was discussed in Section 6 (maximum weekly rate of €161.75).

11. Carer's Allowance

Carer's Allowance is a means tested payment[34] to people on low incomes looking after a person needing support due to age, physical or learning disability or illness. Carer's Allowance is a taxable source of income.

Table 11.1: Recipients and Expenditure for Carer's Allowance

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
Carer's Allowance	51,666	499.0	507.2

Source: Department of Social Protection Annual Report 2011

Total expenditure on Carer's Allowance increased by €5.4 million (1.1 percent) from 2010-2011. The number of recipients increased by 1,089 (2.2 percent) over the same period. Table 11.2 shows expenditure and recipients of Carer's Allowance from 2007-2011.

Table 11.2: Carer's Allowance Expenditure and Recipients 2007-2011

Invalidity Pension	**Total Expenditure €m**	**Total Recipients**
2007	361	30,070
2009	501	46,500
2011	499	50,820

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011 & DSP Annual Report 2011.

To qualify for Carer's Allowance, a person must,

- Be living with, or in a position to provide full time care to a person in need of care who does not normally live in an institution. If the person needing care is hospitalised for a period of no longer than 13 weeks, the carer will continue to receive payment.
- Be resident in the State
- Not live in a hospital or similar institution

[34] For the means test, weekly means of €332.50 are disregarded for a single person and €665 for a couple

- Be at least 18 years old
- Not be engaged in employment, training or education outside the home for more than 15 hours a week.

The person who is being cared for must,

- Be over 16 and require full time care

Or

- Be aged under 16 and in receipt of a Domiciliary Care Allowance[35]
- Require continuous supervision either to avoid danger to themselves or require frequent assistance in relation to bodily functions
- Require full time care and attention for a period of at least twelve months

Table 11.3 shows the weekly rates of Carer's Allowance. In addition to this payment, carer's may also be entitled to the Household Benefits Package and a Free Travel Pass[36].

Table 11.3: Maximum Weekly Rates of Carer's Allowance

Carer	**Weekly Payment**
Aged under 66, caring for 1 person	€204.00
Aged under 66, caring for 2 or more Fothpeople	€306.00
Aged 66 and over, caring for 1 person	€239.00
Aged 66 and over, caring for 2 or more people	€358.50
Increases for Qualified Child	
Half Rate	€14.90
Full Rate	€29.80

If the carer is receiving certain social welfare payments[37] and providing full-time care to another person, they may be entitled to retain their main social welfare

Domiciliary Care Allowance is a monthly payment to the carer of a child with a disability so severe that the child requires more care than another child of the same age.
[36]The Household Benefits Package helps with the cost of running the home. For example there is an electricity allowance of €35 per month and a telephone allowance of €9.50 a month

payment and also receive a half-rate Carer's Allowance. This applies to new applicants for Carer's Allowance as well as existing claimants who qualify for another social welfare payment.

Carer's also receive a Respite Care Grant which is an annual payment made in June of each year. The carer can use the money in whatever way the wish. Budget 2013 reduced the Respite Care Grant from €1,700 to €1,375 for each person receiving care.

Changes to Carer's Allowance Announced in Budget 2012

As of April 2012, new applicants for Carer's Allowance who do not live with the person for whom they are caring for, will not be entitled to the Household Benefits Package.

Carer's Allowance in the UK

Carer's Allowance in the UK is payable to people aged 16 or over, who spend at least 35 hours per week caring for a person who is incapacitated or disabled. The carer cannot earn more than £100 per week after tax and cannot be in full time education involving 21 or more hours per week of supervised study. The basic weekly rate is £58.45. There may be additional payments for adult dependents (£34.40 a week) and child dependents (£8.10 per week for first child and £11.35 for each subsequent child). Table 11.4 compares Carer's Allowance in the UK and Ireland.

[37] For a list of these social welfare payments see www.citizensinformation.ie

Table 11.4: Personal Rate of Carer's Allowance in the UK and Ireland (Weekly Rates)

Payment	Ireland	UK (in €)[38]
Carer's Allowance – personal rate with no qualified adults or children	€204.00[39]	€71.89

Carer's in the UK may earn up to £100 per week and retain their Carer's Allowance Payment. In Ireland, they may work for up to 15 hours per week.

[38] Exchange rate is the average exchange rate from January to December 2012. £1 = €1.23
[39] Aged under 66, caring for 1 person.

12. Widow(er)'s or Surviving Civil Partners Contributory Pension

Widow(er)'s or Surviving Civil Partners Contributory Pension is a taxable, contribution based payment made to the husband, wife or civil partner of a deceased person. To qualify for this payment, the widow, widower or surviving civil partner cannot cohabit with another person. In the case of a divorce or dissolution of a civil partnership, the person still keeps their entitlement to the Widow(er)'s or Surviving Civil Partners Contributory Pension.

Table 12.1: Recipients and Expenditure for Widow(er)'s or Surviving Civil Partners Contributory Pension

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Widow(er)'s / Surviving Civil Partners Contributory Pension	115,762	1,337.9	1,335.6

Source: Department of Social Protection Annual Report 2011

Total expenditure increased by €2.3 million (0.2 percent) and recipients increased by one percent from 2010-2011. Table 12.2 shows the maximum weekly rates of payment.

Table 12.2: Maximum Weekly Rates of Widow(er)'s or Surviving Civil Partners Contributory Pension

Widow(er) / Surviving Civil Partners Contributory Pension	Weekly Payment
Aged under 66	€193.50
Aged 66 to 80	€230.30
Aged 80 and over	€240.30
Increase For a Qualified Child	€29.80

To qualify, a person must have,

- At least 156 paid PRSI contributions up to the date of death of the spouse or civil partner or before the person's 66th birthday, whichever is earlier. This PRSI requirement can be met by the person or their deceased spouse / civil partner, but cannot be combined by the two people.

And

- An average of 39 paid or credited PRSI contributions in either the 3 or 5 years prior to the death of the spouse / civil partner or before he/she reached the age of 66.

Or

- A yearly average of at least 24 paid or credited PRSI contributions from the year of first entry into insurance until the year of death of the spouse / civil partner or the year of reaching pension age. A yearly average of 24 contributions entitles the person to the minimum pension. A yearly average of 48 contributions is needed to claim the full pension.

A person may automatically qualify for the Widow, Widower's or Surviving Civil Partner's Contributory Pension if the deceased spouse was getting either a Contributory or Transition State Pension which included an increase for dependent spouse.

Changes to Widow(er)'s or Surviving Civil Partners Contributory Pension Announced in Budget 2012

- From the 27th December 2013, the required number of paid PRSI contributions will increase from 156 to 260.

- From 6 April 2012, late claims will be backdated for a maximum of six months. Backdating beyond six months will be considered in cases where
  - Incorrect information was supplied by the department
  - The claimant was ill

Bereavement Benefits in the UK

There are two types of bereavement benefits in the UK,

1. Widowed Parent's Allowance (WPA): This is a taxable, contribution based payment to a parent with at least one child, whose partner has died. To qualify, the parent must be receiving Child Benefit.
2. Bereavement Allowance (BA): This is a taxable, contribution based payment to a person over 45 years of age and below pension age, whose partner has died[40]. This is payable for 52 weeks after the death of the partner. A person in receipt of WPA whose child subsequently ceases to qualify for Child Benefit may transfer to BA.

The basic weekly rate of WPA is £105.95. There may be additional earnings-related payments if the deceased partner's national insurance contribution record qualifies. The basic rate of BA for those aged 55 or over is £105.95. For every year under that age, the claimant receives seven percent less. For example, a person aged 54 will receive a weekly payment of £98.53 a week (97 percent of the full rate). Table 12.3 compares bereavement payments in the UK and Ireland under three different scenarios.

[40] Unlike WPA, the person does not need to have any children to receive this payment.

Table 12.3: Bereavement Payments in the UK and Ireland (Weekly Rates).

Bereavement Payment	Ireland	UK (in €)[41]
With at least one dependent child	€223.30[42]	€130.32
Over 55 years of age with no dependent children	€193.50	€130.32
Between 45-54 years of age with no dependent children	€193.50	Ranges from €39.10-€121.20

People in receipt of Widow(er)'s or Surviving Civil Partners Contributory Pension in Ireland may also receive the Household Benefits Package[43].

[41] Exchange rate is the average exchange rate from January to April 2012. £1 = €1.20
[42] Recipients under 66 receive €193.50 plus an extra €29.80 for a dependent child.
[43] The Household Benefits Package helps with the cost of running the home. For example there is an electricity allowance of €35 per month and a telephone allowance of €9.50 a month.

13. Maternity Benefit

Maternity Benefit is a payment made to women who are on maternity leave from work and covered by PRSI contributions. The amount of Maternity Benefit paid depends on the woman's earnings. If the person already receives certain social welfare payments[44] half rate Maternity Benefit may be payable. Some employers will continue to pay an employee while she is on maternity leave and have the Maternity Benefit paid to them. Table 13.1 shows total expenditure and recipients for the scheme.

Table 13.1: Recipients and Expenditure for Maternity Benefit

Benefit	Total Beneficiaries in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Maternity Benefit	23,947	309.1	323.9

Source: Department of Social Protection Annual Report 2011.

From 2010-2011, total expenditure decreased by €14.8 million (4.6 percent) and the number of recipients increased by 491 (2.1 percent).

For an employed woman to qualify for Maternity Benefit, she must have,

- At least 39 weeks PRSI paid in the 12 month period before the first day of maternity leave

Or

- At least 39 weeks paid PRSI since first starting work and at least 39 weeks paid or credited PRSI in the relevant tax year or in the tax year following the relevant tax year.

Or

[44] These payments include One-Parent Family Payment, Widow's and Surviving Civil Partner's Pension (Contributory & Non-Contributory), Deserted Wife's Benefit or Allowance, Prisoner's Wife's Allowance or Death Benefit by way of Widow's/Widower's/Surviving Civil Partner's or Dependent Parent's Pension (under the Occupational Injuries Scheme).

- At least 26 weeks PRSI paid in the relevant tax year and at least 26 weeks paid PRSI in the tax year immediately before the relevant tax year.

For a self employed woman to qualify for Maternity Benefit, she must be in insurable employment and have,

- 52 weeks PRSI contributions paid at class S in the relevant tax year

Or

- 52 weeks PRSI contributions paid at class S in the tax year immediately before the relevant tax year

Or

- 52 weeks PRSI contributions paid at class S in the tax year immediately following the relevant tax year.

Maternity Benefit is paid for 26 weeks. A minimum of two and a maximum of 16 weeks leave must be taken before the end of the week in which the baby is due. The weekly rate of Maternity Benefit is calculated by dividing gross income in the relevant tax year by the number of weeks worked in the year. Eighty percent of this is paid weekly subject to the following maximum and minimum rates (Table 13.2)

Table 13.2: Maximum and Minimum Weekly Rates of Maternity Benefit in 2013

Maternity Benefit	Weekly Payment
Maximum Weekly Payment	€262.00
Minimum Weekly Payment	€217.80

Changes to Maternity Benefit in Budget 2013

Maternity Benefit will be taxable from the 1st July 2013 for all claimants.

Statutory Maternity Pay in the UK

Statutory Maternity Pay in the UK is a legal minimum amount that an employer must pay to an employee on maternity leave. The employer can recoup most of this payment from the government. To qualify, the woman must have been employed by the same employer continuously for at least 26 weeks into the 15th week before the baby is due. Also, the woman must have been earning, on average, at least £107 a week (which is the minimum a person has to earn before being treated as paying national insurance contributions) during the eight weeks up to and including the 15th week before the baby is due.

Statutory Maternity Pay can be paid for up to 39 weeks. For the first six weeks, it is paid at 90 percent of average gross weekly earnings with no upper limit. For the remaining 33 weeks, it is paid at the lower of £135.45 or 90 percent of average gross weekly earnings.

14. Family Income Supplement

Family Income Supplement (FIS) is a weekly, tax-free payment to families with children where member(s) of the family are in employment but have low earnings. At least one child must be under 18 years of age or between 18 and 22 years of age and in full-time education. The payment is designed to preserve the incentive to work in cases where the employee's working wage is only marginally higher than if he/she was claiming social welfare payments.

To qualify for FIS, the net weekly income of the family must be below a certain limit which depends on the family size[45]. The weekly rate of FIS is 60% of the difference between the net family income and the specified income limit. These limits are shown in table 14.1 below.

Table 14.1: FIS Income Limits in 2012

Number of Children	Income Limit
1	€506
2	€602
3	€703
4	€824
5	€950
6	€1,066
7	€1,202
8	€1,298

Once the family's income falls below the specified limit they are guaranteed a minimum weekly payment of €20. The family may also be entitled to Back to School Clothing and Footwear Allowance[46]. Table 14.2 shows total expenditure and recipients for the scheme.

[45] The following payments do not count as family income; Child Benefit, Guardian's Payments, one third of any income from carer's payments, Supplementary Welfare Allowance, Domiciliary Care Allowance, Foster Child Allowance, Rent Allowance for tenants affected by t he de-control of rents, income from a charitable organisation and income from providing accommodation to students studying in Irish Gaeltacht areas.

[46] The rate of Back to School Clothing and Footwear Allowance is €150 per child aged 4-11 and €250 per child aged 12-22.

Table 14.2: Recipients and Expenditure for Family Income Supplement

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m[47]**	**Expenditure 2010 €m**
Family Income Supplement	28,876	204.5	186.0

Source: Department of Social Protection Annual Report 2011

Expenditure on Family Income Supplements increased by €18.5 million (10 percent) and recipients increased by 653 (2.3 percent) from 2010-2011. Table 14.3 shows trends in expenditure and recipients of Family Income Supplement over the period 2007-2011.

Table 14.3: Family Income Supplement Expenditure and Recipients 2007-2011

Family Income Supplment	**Total Expenditure €m**	**Total Recipients[48]**
2007	140.0	22,820
2009	167.0	25,300
2011	204.5	28,876

Source: Department of Social Protection, Comprehensive Review of Spending, September 2011 and Annual Report 2011.

To qualify for FIS;

- The employee must be working at least 19 hours per week (or 38 hours per fortnight). Spouses, civil partners or cohabitants can combine their hours to meet this condition. Hours spent in self employment do not count.
- The employment must be likely to last for at least 3 months.
- The employee must be looking after at least one child.

[47] 2011 Estimate as of September 2011
[48] This figure is primary recipients only. It does not include qualified adults or children.

Changes to Family Income Supplement Announced in Budget 2012

It was announced in budget 2012 that weekly carer's payments and home help income will be included when calculating the FIS payment. This applies to new applicants from January 2012 and will apply on renewal for existing claimants.

15. Back to Education Allowance

Back to Education Allowance (BTEA) is a scheme which encourages and facilitates a return to education for unemployed people, lone parents and people with disabilities who are in receipt of certain social welfare payments. The qualifying social welfare payments are

- Jobseeker's Allowance / Benefit
- Farm Assist
- One Parent Family Payment
- Deserted Wife's Benefit / Allowance
- Widow's, Widower's or Surviving Civil Partner's Contributory and Non-Contributory Pension
- Prisoner's Wife's Allowance
- Carer's Allowance
- Blind Pension
- Disability Allowance
- Invalidity Pension
- Incapacity Supplement based on a life disablement pension.
- Those in receipt of Illness Benefit for over two years.

In general, a person must be at least 21 years of age to qualify for BTEA (or 24 years of age for a postgraduate course). However the following exceptions apply.

- Those aged between 18-20 who are in receipt of Jobseeker's Benefit / Allowance or One Parent Family Payment may qualify if they have been out of formal education two years or more

- A person aged 18 years or over may qualify if they are in receipt of Blind Pension, Disability Allowance, Invalidity Pension or Incapacity Supplement.

There are two options of study for BTEA, a second level option and a third level option. For the second level option, the course can be at any community, comprehensive, secondary or vocational school. The second level course must,

- Be full time
- Lead to a certificate recognised by the Department of Education and Skills or approved by Quality and Qualifications Ireland (QQI).

For the third level option, the course can be at any university, third level college or institution as long as it is a full-time course approved by the Department of Education and Skills and/or Quality and Qualifications Ireland (QQI). Undergraduate courses must be commenced at year 1 except for individuals who

- Did not complete the course and are returning to the second or subsequent year
- Are exempt from the first year of a course due to existing qualifications
- Completed some of the course as a part-time student but are now getting jobseeker's payment and will continue the course on a full-time basis.

Postgraduate courses which lead to a higher diploma qualification in any discipline or a graduate diploma in primary or secondary teaching are eligible for BTEA. These courses must be in Ireland. Other postgraduate courses may qualify in circumstances where the person is admitted directly into a master's course on the basis of life experience (i.e. without an undergraduate degree).

Back to Education Allowance rates as of Budget 2013

New rates of BTEA were introduced in Budget 2013.

- From January 1st 2013, new BTEA claimants over 25 years of age will receive a weekly amount equal to their previous social welfare payment (the payment which initially qualified the person for BTEA).
- New claimants who are under 25 years of age and were in receipt of reduced age-related social welfare payment will receive a maximum weekly rate of €160.

Budget 2013 also discontinued the €300 Cost of Education Allowance. Table15.1 shows total recipients and expenditure on Back to Education Allowance.

Table 15.1: Recipients and Expenditure for Back to Education Allowance

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Back to Education Allowance	24,666	201.5	179.9

Source: Department of Social Protection Annual Report 2011

From 2010-2011 the number of recipients of Back to Education Allowance increased by 3,519 (16.6 percent). Total expenditure increased by €21.7 million over the same period.

16. Farm Assist

Farm Assist is a means tested payment for low income farmers. It was introduced in April 1999 to replace Smallholders Unemployment Assistance. Farm Assist is similar to Jobseeker's Allowance albeit with a different means test. Claimants of Farm Assist do not have to be available for work to claim this payment. To qualify, a person must be;

- Between the ages of 18 and 66
- A farmer, farming land in the State
- Satisfy a means test

Table 16.1 shows the maximum weekly rates of Farm Assist and Table 16.2 shows total expenditure and recipients.

Table 16.1: Maximum Weekly Rates of Farm Assist

Farm Assist	**Maximum Weekly Rates (€)**
Personal Rate	€188.00
Qualified Adult	€124.80
Qualified Child Full Rate	€29.80
Qualified Child Half Rate	€14.90

Table 16.2: Recipients and Expenditure for Farm Assist

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m[49]**	**Expenditure 2010 €m**
Farm Assist	11,333	113.7	110.9

Source: Department of Social Protection Annual Report 2011.

From 2010-2011 total recipients increased by 619 (5.8 percent). Total expenditure increased by €2.8 million (2.5 percent) over the same period.

Changes to Farm Assist Announced in Budget 2013

Budget 2013 made changes to the means test for Farm Assist. The assessment of means from self-employment will be raised from 85% to 100%. The deductions

[49] 2011 Estimate as of September 2011

from income in respect of children are being discontinued from April 2013. These deductions currently stand at €127 per year for the first two dependent children and €190.50 per year for each subsequent child.

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17. State Pension (Transition)

The State Pension (Transition) is a taxable, PRSI contribution based payment to people aged 65 who have retired from work. A person cannot work and get a State Pension (Transition) at the same time. At age 66 the claimant transfers to the State Pension (Contributory)[50]. The State Pension (Transition) will be discontinued from 1st January 2014 at which time there will be a standard pension age of 66 years for everybody. To qualify for State Pension (Transition), a person must;

- Be 65 years of age
- Be under 66 years of age
- Be retired from employment
- Meet the minimum number of PRSI contributions[51]

Budget 2012 and New Weekly Payment Rates

Budget 2012 introduced lower rates of Transition State Pension for people with less than 47 average yearly PRSI contributions. These changes came into effect from the 1st of September 2012 and do not impact on claimants who qualified for the scheme before this date. There are four rates of payment depending on the average number of yearly PRSI contributions (shown in Table 17.1 below).

[50] The person may work at the same time as receiving the State Pension (Contributory).
[51] For full details on the PRSI contribution requirement, see http://www.welfare.ie/en/schemes/pension/statepensiontransition/Pages/spt.aspx

Table 17.1: Weekly Rates of State Pension (Transition) from 01/09/2012

Yearly Average Contributions	Personal Rate per Week (€)	Increase for Qualified Adult Under 66 (€)	Increase for Qualified Adult Over 66 (€)
48 or over	230.30	153.50	206.30
40-47	225.80	146.00	196.00
30-39	207.00	139.00	186.00
24-29	196.00	130.00	175.00

People with less than 47 average yearly contributions who qualified for the State Pension (Transition) before the 1st of September 2012 receive €225.80 per week. Table 17.2 below shows recipients and expenditure for the State Pension (Transition).

Table 17.2: Recipients and Expenditure for State Pension (Transition)

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
State Pension (Transition)	12,110	132.4	108.2

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme increased by €24.2 million (22.4 percent) from 2010-2011. The number of recipients also increased over the same period by 1,904 (18.7 percent).

18. Back to Work Enterprise Allowance

The Back to Work Enterprise Allowance (BTWEA) scheme encourages people on certain social welfare payments to become self-employed[52]. Those who take part in the scheme are entitled to keep a percentage of their social welfare payment for up to two years. To qualify for BTWEA, a person must be;

- Setting up as self-employed in a business that has been approved by a Jobs Facilitator or Partnership Company
- Getting one of the following payments for at least 12 months
  - Jobseeker's Allowance
  - Jobseeker's Benefit (with an underlying entitlement to Jobseeker's Allowance[53])
  - One-Parent Family Payment
  - Blind Pension
  - Disability Allowance
  - Carer's Allowance
  - Farm Assist
  - Invalidity Pension
  - Incapacity Supplement
  - Pre-Retirement Allowance
  - Widow's/Widower's or Surviving Civil Partner's (Non-Contributory) Pension
  - Deserted Wife's Benefit or Allowance
  - Prisoner's Wife's Allowance

[52] The BTWEA may also be available to an individual who was released from prison and satisfies the eligibility criteria.

[53] This means that the person would pass the means test for Unemployment Allowance.

Or

– Illness Benefit for 3 years or more

It is also possible for a person to claim BTWEA if their spouse or partner was claiming BTWEA and dropped out of the scheme before their entitlement finished. In such cases, the person transfers their BTWEA to their partner or spouse (with the partner or spouse now being considered self-employed).

Those qualifying for the scheme after the 1st of May 2009 keep 100% of their social welfare payment for the first year and 75% for the second year. Those who qualified before the 1st of May 2009 keep 100% of their social welfare payment for the first year, 75% for the second year, 50% for the third year and 25% for the fourth year. Claimants will retain secondary benefits[54] for the duration of the BTWEA scheme provided gross household income is less than €317.43 per week. Table 18.1 shows total expenditure and recipients for the scheme.

Table 18.1: Recipients and Expenditure for Back to Work Enterprise Allowance

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
Back to Work Enterprise Allowance	10,751	114.6	88.0

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme increased by €26.6 million (30.3 percent) from 2010-2011. The number of recipients also increased over the same period by 2,793 (35 percent).

[54] Secondary Benefits include Fuel Allowance, Diet Supplement and Back to School Clothing and Footwear Allowance. Claimants retain their Medical Card even in cases where the household income exceeds €317.43 per week.

19. Deserted Wife's Benefit

Deserted Wife's Benefit is a contribution based payment made to women deserted by their husbands. The PRSI contributions may come from the woman or her husband. The scheme was closed off to new applicants on 2 January 1997 when One Parent Family Payment was introduced. The weekly rates of payment are shown in Table 19.1 below,

Table 19.1: Weekly Rates of Deserted Wife's Benefit

PRSI Contributions	Weekly Rate
48 or over	€193.50
36-47	€190.70
24-35	€188.00

If the woman has enough PRSI contributions (excluding the husbands), she can transfer to State Pension (Transition) at age 65 and State Pension (Contributory) at age 66 which are both paid at a higher rate than Deserted Wife's Benefit. Table 19.2 shows total expenditure and recipients for the scheme.

Table 19.2: Recipients and Expenditure for Deserted Wife's Benefit

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Deserted Wife's Benefit	8,071	85.8	93.4

Source: Department of Social Protection Annual Report

Total expenditure on the scheme decreased by €7.6 million (8.1 percent) from 2010-2011. The number of recipients also decreased over the same period by 301 (3.6 percent).

20. Disablement Benefit

Disablement Benefit is paid to individuals who suffer a loss of physical or mental faculty due to either;

- an accident at work
- an accident travelling to or from work
- a prescribed disease contracted at work.

Payment of Disablement Benefit is made when the level of disablement or disease is assessed at 15% or more. To give an indication as to what the 15% assessment means, consider the following examples;

- Loss of Both Hands – 100% Disablement
- Loss of Thumb – 30% Disablement
- Loss of Index Finger – 14%

If the level of assessment is above 20%, the Disablement Benefit is paid either as a weekly or monthly pension (known as Disablement Pension). If the level of assessment is between 15-20%, then the Disablement Benefit is paid as a lump sum (know as Disablement Gratuity). Some recipients of Disablement Benefit who are unable to work may also qualify for Illness Benefit.

To qualify for Disablement Benefit, the person must have been in employment on or after 1 May 1967 at PRSI class A, B, D, J or M, at the time the accident/disease was sustained. Under the Occupational Injuries Scheme, civil servants at PRSI class B cannot get Disablement Benefit for 26 weeks after the accident/disease.[55]

[55] For more information, see http://www.welfare.ie/en/schemes/illnessdisabilityandcaring/illness/occupationalinjuries/disablementbenefit/Pages/disable.aspx

The maximum Disablement Gratuity (Lump Sum) payable is €15,320 (for people whose level of assessment is between 15-20%). The weekly rate of Disablement Pension varies depending on the assessed level of disablement. These rates are shown in table 20.1 below.

Table 20.1: Maximum Personal Rates of Disablement Pension

Level of Disablement	Weekly Payment
100%	€219.00
90%	€197.10
80%	€175.20
70%	€153.30
60%	€131.40
50%	€109.50
40%	€87.60
30%	€65.70
20%	€43.80

Incapacity Supplement is an additional payment to recipients of Disablement Pension. It is paid to people who are permanently incapable of work and do not qualify for another social welfare payment. The weekly rates of Incapacity Supplement are shown in table 20.2 below

Table 20.2: Maximum Weekly Rates of Incapacity Supplement

Incapacity Supplement	Aged Under 66	Aged Over 66
Personal Rate	€188.00	€204.30
Increase for a Qualified Adult	€124,80	€135.60
Increase for a Qualified Child	€29.80	€29.80

Constant Attendance Allowance is an increased payment on top of the Disablement Pension which is payable to people who have over 50% disablement and need another person to help them, on a daily basis, with their personal needs for a period of at least six months. The weekly rate of Constant

Attendance Allowance is €205. Table 20.3 shows total expenditure and recipients for the scheme.

Table 20.3: Recipients and Expenditure for Disablement Benefit

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Disablement Benefit	13,993	77.5	78.8

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme decreased by €1.4 million (1.7 percent) from 2010-2011. However, the number of recipients increased over the same period by 272 (2 percent).

Changes to Disablement Benefit Announced in Budget 2012

Budget 2012 removed the entitlement to disablement benefit in cases where the disablement is less than 15%.

21. Pre-Retirement Allowance

The Pre-Retirement Allowance (PRETA) is a means tested payment for people aged between 55 and 66 who have left the labour force. As of the 4th of July 2007 no new applicants were accepted but existing claimants continue to be paid. To qualify for PRETA (before the closing date for new applicants of 4 July 2007), a person must,

- Be aged between 55 and 66
- Retired from the workforce
- Either
    - Been in receipt of Jobseekers Benefit or Jobseekers Allowance for 15 months

    Or

    - No longer receiving One Parent Family Payment or Carer's Allowance

    Or

    - Be a separated spouse who hasn't worked for 15 months
- Passed a means test (similar to that of Jobseekers Allowance)

The maximum weekly rates for PRETA are shown in table 21.1 below.

Table 21.1: Maximum Weekly Rates of Pre-Retirement Allowance

Pre-Retirement Allowance	Weekly Rate (€)
Personal Rate	€188.00
Qualified Adult	€124.80
Qualified Child	€29.80

Those in receipt of PRETA are not available for work and as such are not required to "sign-on". Table 21.2 shows total expenditure and recipients for the scheme.

Table 21.2: Recipients and Expenditure for Pre-Retirement Allowance

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
Pre-Retirement Allowance	4,820	59.9	77.9

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme decreased by €17.9 million (23 percent) from 2010-2011. The number of recipients also decreased over the same period by 1,201 (19.9 percent).

22. Carer's Benefit

Carer's Benefit is a PRSI contribution based payment made to people who take time out of the workforce to provide care to a person in need of full time care and attention. Carer's Benefit can be paid for up to 104 weeks for each person being cared for. The 104 week duration can be one single continuous period of care or made up of a number of separate periods. A person may qualify for Carer's Benefit if they;

- Are aged between 16 and 66
- Have been in employment (working at least 16 hours per week or 32 hours per fortnight) for at least 8 weeks in the previous 26 weeks before becoming a carer
- Are resident in the State
- Give up work to be a full time carer. They must be living with, or in a position to provide full time care to the person in need, who must not be living in an institution
- Are not living in a hospital, convalescent home or other institution. The person to whom care is being provided may receive treatment in a hospital or institution for up to 13 weeks.
- Are providing care to a person who is so incapacitated as to need full time care and attention, and is not living in an institution
- Are not engaged in employment, self-employment, training or education outside the home for more than 15 hours per week. The maximum allowable net income that can be earned is €332.50 per week.
- Have at least 156 PRSI contributions paid at any time between the time they started to pay PRSI and the time of the claim for Carer's Allowance,

And

- 39 contributions paid in the relevant tax year

Or

- 39 contributions paid in the 12 month period before the start of Carer's Benefit

Or

- 26 contributions paid in the relevant tax year and 26 contributions paid in the relevant tax year before that.

Table 22.1 shows the maximum weekly rates of Carer's Benefit.

Table 22.1: Maximum Weekly Rates of Carer's Benefit

Carer's Benefit	**Weekly Rate (€)**
Caring for 1 Person	€205.00
Caring for 2 People	€307.50
Full Rate Increase for Qualified Child	€29.80
Half Rate Increase for Qualified Child	€14.90

If the person being cared for dies, payment of Carer's Benefit continues for six weeks after the death. Carer's also receive a Respite Care Grant which is an annual payment made in June of each year. The carer can use the money in whatever way the wish. Budget 2013 reduced the Respite Care Grant from €1,700 to €1,375 for each person receiving care. Table 22.2 shows total expenditure and recipients for the scheme.

Table 22.2: Recipients and Expenditure for Carer's Benefit

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
Carer's Benefit	1,637	24.5	26.3

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme decreased by €1.8 million (6.9 percent) from 2010-2011. The number of recipients remained stable with only five less recipients in 2011 compared to 2010.

Changes to Carer's Benefit Announced in Budget 2012

It was announced in Budget 2012 that if a person in receipt of Carer's Benefit has a spouse or partner with income of over €400 per week, they will not be entitled to the half rate increase for a qualified child. This will take effect from July 2012.

23. Widow/er's or Surviving Civil Partner's Non-Contributory Pension

Widow/er's or Surviving Civil Partner's Non-Contributory Pension is a means tested payment to widow's, widower's or surviving civil partner's who do not qualify for the Widow/er's or Surviving Civil Partner's Contributory Pension. It is paid to widows, widowers or surviving civil partners who do not have dependent children. People with dependent children may receive the One-Parent Family Payment instead.

The maximum weekly rate payable (rates may vary depending on the means test[56]) is €188.00. The person may also qualify for a fuel allowance (€20 per week). If the late spouse or civil partner was receiving the Household Benefits Package at the time of their death, the surviving spouse or partner may also qualify for the package if aged between 60 and 65. Table 23.1 shows total expenditure and recipients for the scheme.

Table 23.1: Recipients and Expenditure for Widow/er's or Surviving Civil Partners Non-Contributory Pension

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
Widow/er's or Surviving Civil Partner's Non-Contributory Pension	1,959	18.2	19.3

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme decreased by €1.1 million (5.6 percent) from 2010-2011. The number of recipients also decreased over the same period by 18 (0.9 percent).

[56] For details on the means test, see http://www.welfare.ie/EN/Publications/sw19/Pages/sw19_sect3.aspx#wncp

Changes Announced to Widow/er's or Surviving Civil Partner's Non-Contributory Pension in Budget 2012

If the person in receipt of the pension is on a Community Employment Scheme, then payment of 2 qualified child increases (€29.80 for each qualified child) will cease for new and existing claimants (from January 2012).

24. Injury Benefit

Injury Benefit is a weekly PRSI contribution based benefit[57] payable to people who are unfit to work for at least three days due to;

- An accident at work
- An accident while travelling to or from work
- An occupational disease

Injury Benefit is payable for up to 26 weeks following the date of the accident/disease (payment is not made for the first 3 days). The rates of Injury Benefit are shown in table 24.1.

Table 24.1: Weekly Rates of Injury Benefit

Injury Benefit	Weekly Rate (€)
Personal Rate	€188.00
Increase for Qualified Adult	€124.80
Full Rate Increase for Qualified Child	€29.80
Half Rate Increase for Qualified Child	€14.90

If the person is still unable to work after 26 weeks, they may be entitled to Illness Benefit, Disability Allowance, Supplementary Welfare Allowance or Disablement Benefit. Table 24.2 shows total expenditure and recipients for the scheme.

Table 24.2: Recipients and Expenditure for Injury Benefit

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Injury Benefit	776	16.5	17.9

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme decreased by €1.4 million (7.7 percent) from 2010-2011. The number of recipients also decreased over the same period by 59 (7.1 percent).

[57] People covered by PRSI Class A, D, J or M are covered in full irrespective of the length of time of the contribution payments.

Changes to Injury Benefit Announced in Budget 2012

If the person claiming Injury Benefit has a partner or spouse whose weekly income is over €400, then the half rate qualified child increase will be discontinued (from July 2012).

25. Blind Pension

Blind Pension is a means tested payment paid to people who are blind and also to certain visually impaired people. In order to qualify for Blind Pension, a person must;

- Be blind or have low vision
- Be aged between 18 and 66
- Be habitually resident in the State
- Be living in the State while getting Blind Pension
- Have a valid PPS number
- Satisfy a means test

Table 25.1 shows the maximum weekly rates of Blind Pension

Table 25.1: Maximum Weekly Rates of Blind Pension

Blind Pension	Weekly Rate (€)
Personal Rate	€188.00
Increase for Qualified Adult	€124.80
Full Rate Increase for Qualified Child	€29.80
Half Rate Increase for Qualified Child	€14.90

People in receipt of Blind Pension are automatically entitled to a Free Travel Pass and a Companion Travel Pass. They may also qualify for a Living Alone Increase (€7.70 per week) and the Household Benefits Package. Table 25.2 shows total expenditure and recipients for the scheme.

Table 25.2: Recipients and Expenditure for Blind Pension

Benefit	Total Recipients in 2011	Expenditure 2011 €m	Expenditure 2010 €m
Blind Pension		15.6	16.0

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme decreased by €0.4 million (2.5 percent) from 2010-2011. The number of recipients increased slightly over the same period by 11 (0.7 percent).

26. Guardian's Payment (Contributory)

Guardian's Payment (Contributory) is a PRSI contribution based payment to an orphan's guardian. To qualify, the guardian of the orphan must have at least 26 weeks paid PRSI contributions (for PRSI classes A, B, C, D, E, H and S). The maximum weekly rate of Guardian's Payment (Contributory) is €161.00. Table 26.1 shows total expenditure and recipients for the scheme.

Table 26.1: Recipients and Expenditure for Guardian's Payment (Contributory)

Benefit	Total Recipients in 2011	Expenditure 2011 €m[58]	Expenditure 2010 €m
Guardian's Payment (Contributory)	955	11.5	11.5

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme decreased by €40,000 (0.3 percent) from 2010-2011. The number of recipients increased over the same period by 36 (3.9 percent).

[58] 2011 Estimate as of September 2011

27. Guardian's Payment (Non-Contributory)

Guardian's Payment (Non-Contributory) is a means tested payment to an orphan(s) guardian. It is payable to guardians of orphans who do not qualify for the Contributory Guardian's Payment and who pass a means test. The maximum weekly rate of Guardian's Payment (Non-Contributory) is €161. Table 27.1 shows total expenditure and recipients for the scheme.

Table 27.1: Recipients and Expenditure for Guardian's Payment (Non-Contributory)

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m[59]**	**Expenditure 2010 €m**
Guardian's Payment (Non-Contributory)	441	5.1	4.7

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme increased by €0.4 million (9.3 percent) from 2010-2011. The number of recipients increased over the same period by 12 (2.8 percent).

[59] 2011 Estimate as of September 2011

28. Deserted Wife's Allowance

Deserted Wife's Allowance is a means tested payment to women who were deserted by their husbands. It is paid to women aged under 66 with no dependent children. This scheme was closed off to new applicants on 2 January 1997 when One Parent Family Payment was introduced. The maximum weekly rate of Deserted Wife's Allowance is €188.00. Table 28.1 shows recipients and expenditure for the scheme.

Table 28.1: Recipients and Expenditure for Deserted Wife's Allowance

Benefit	**Total Recipients in 2011**	**Expenditure 2011 €m**	**Expenditure 2010 €m**
Deserted Wife's Allowance		4.2	5.0

Source: Department of Social Protection Annual Report 2011

Total expenditure on the scheme decreased by €0.8 million (16.1 percent) from 2010-2011. The number of recipients decreased over the same period by 78 (16 percent).