



# A Survey of Social Benefits in Ireland

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## **Overview**

The purpose of this survey is to highlight expenditure on social protection in Ireland by individual programmes and social payments.

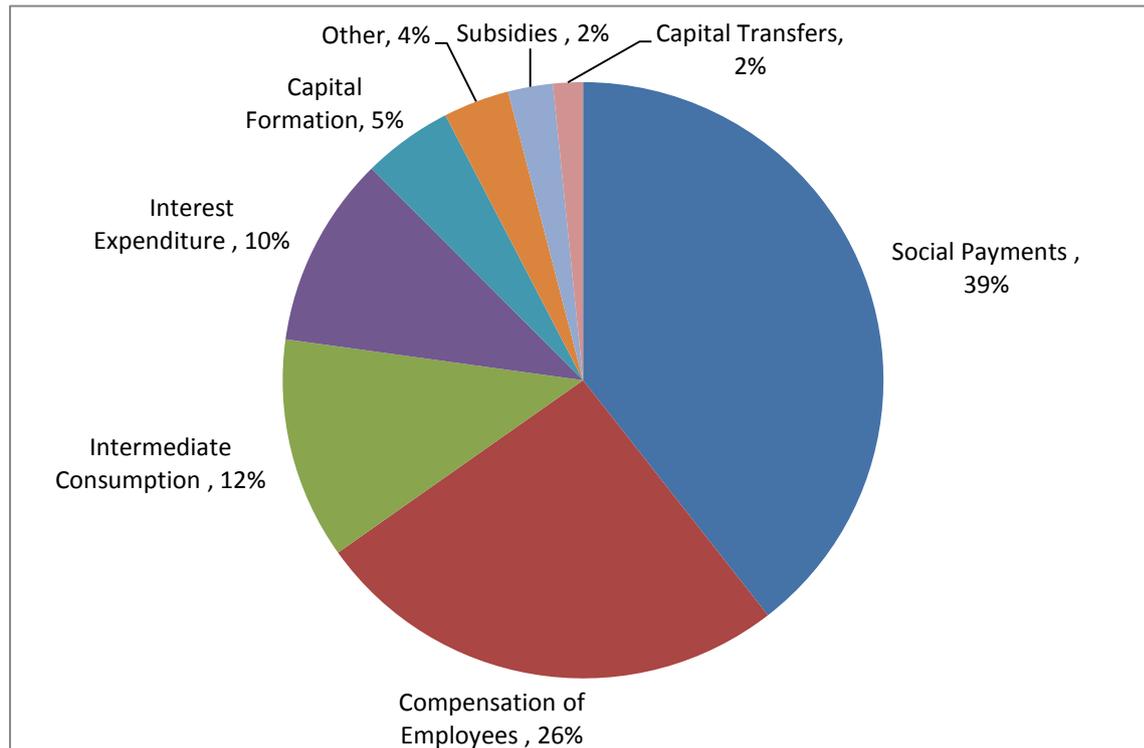
Section 1 details the proportion of Government expenditure which is directed towards social payments (39 percent). Section 2 provides an overview of social protection payments in 2014 (latest year available) compared to 2013. Table 2.3 illustrates the number of recipients and expenditure per scheme for 55 different schemes.

Section 3 to 27 provides greater detail on the individual schemes including rates of payment, overall expenditure and recipient numbers. These sections also discuss eligibility criteria for different schemes and changes announced in recent Budgets. Comparisons with the UK benefit system are made throughout the survey when an equivalent social benefit to Ireland is identified. However, it should be noted that caution is required when comparing benefit rates in Ireland and the UK. Account should be taken of the variable cost of living, eligibility criteria and the exchange rate.

## 1. Government Spending on Social Payments

In 2014 expenditure on social protection amounted to €19.8 billion (12.5% of GNP). This made it the largest area of Government spending. Figure 1 below shows the composition of Government expenditure in 2014. Social payments account for 39% of total expenditure, followed by compensation of employees (26%).

Figure 1 – Composition of Government Expenditure 2014



(Source: [Ireland's Stability Programme April 2015 Update](#))

## 2. Description of the Social Security Benefit System

The Department of Social Protection (DSP) is responsible for the provision of social security in Ireland. The DSP spent €19.83 billion on schemes, services and administration in 2014, a decrease of 2.2 percent compared to 2013 (€20.29 billion). Table 2.1 illustrates the trend of annual increases in social welfare expenditure from 2008 to 2011, after which it decreases marginally by 5.4 percent between 2011 and 2014.

**Table 2.1 - Expenditure on Social Welfare 2008 – 2014**

Year	Total Social Welfare Expenditure (€m)	Social Welfare Expenditure as % of GNP
2008	17,809	11.1%
2009	20,536	14.7%
2010	20,850	15.1%
2011	20,970	15.1%
2012	20,776	14.7%
2013	20,287	13.8%
2014	19,831	12.5%

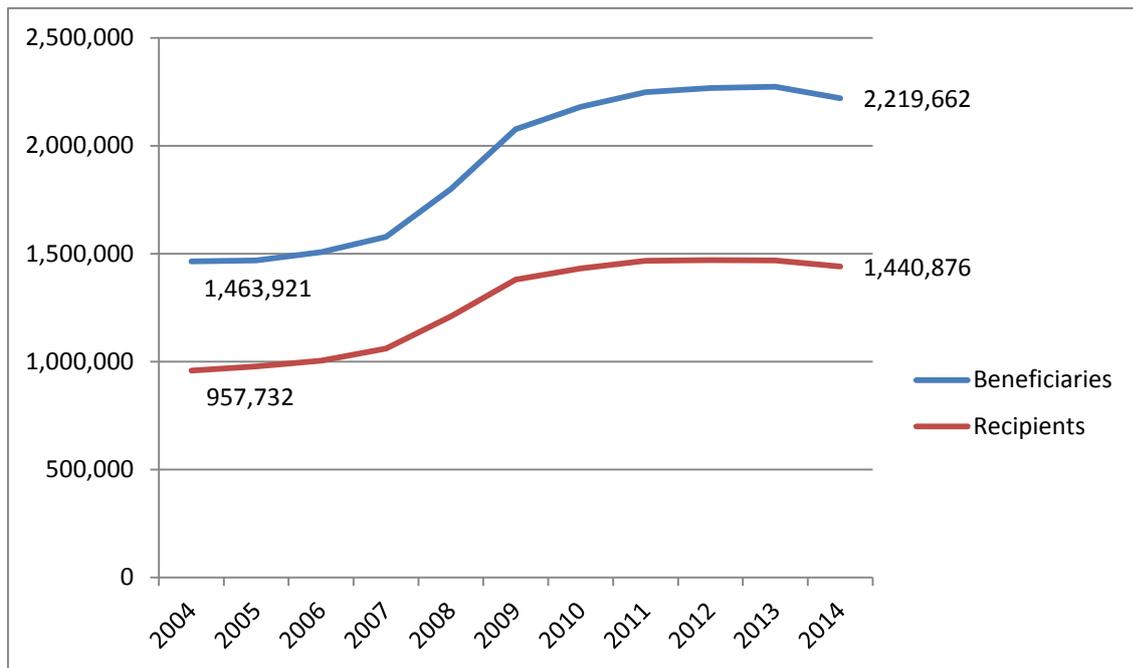
(Source: DSP, 2015)

A **recipient** is defined as the person actually receiving a Social Welfare Payment. A **beneficiary** is defined as the total number of recipients, qualified adults and qualified children.

The total number of recipients of weekly social welfare payments in 2014 was 1,440,876. This is a reduction of 1.8 percent over 2013. When qualified adults and children are included, there were 2,219,662 beneficiaries in 2014 (a decrease of 2.3%). The number of beneficiaries as a percentage of the population has decreased marginally from 49.5 percent in 2013 to 48.2 percent in 2014.

Figure 2 shows the number of recipients and beneficiaries from 2004 to 2014. One can see the sharp increase from 2008/2009 to 2011. Between 2013 and 2014, recipient numbers decreased by 27,042 (a drop of 1.8 percent), while beneficiaries numbers decreased by 53,341 (a drop of 2.3 percent).

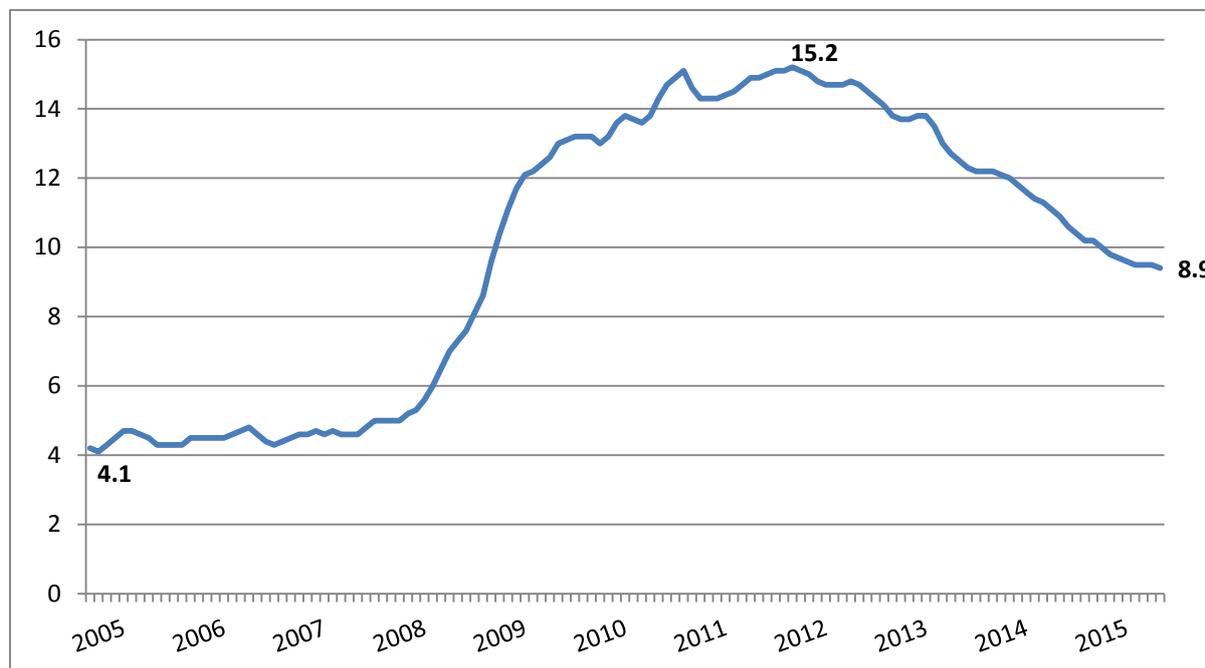
**Figure 2 – Beneficiaries and Recipients 2004 – 2014**



(Source: DSP, 2015)

The reduction in unemployment is contributing to the fall in recipient numbers, which is also contributing to the fall in total social welfare expenditure between 2013 and 2014. Figure 3 illustrates the seasonally adjusted unemployment rate between 2005 and 2015.

**Figure 3 - Seasonally Adjusted Monthly Unemployment Rate (%)**



(Source: CSO)

From January 2005 to November 2015, the monthly unemployment rate was at its lowest point in February 2005 at 4.1%. Unemployment peaked at 15.2% in January 2012 (327,400 people). The seasonally adjusted unemployment rate in November 2015 was 8.9% (191,700 people)<sup>1</sup>.

The 2014 provisional outturn for the Department of Social Protection is €19.77 billion and the Revised Estimates Volumes for 2015 accounts for expenditure of €19.38 billion<sup>2</sup>. This represents a 2% decrease or a €387 million fall in expenditure.

The Department of Social Protection (DSP) makes payments to three main groups of people (or programmes). These groups are:

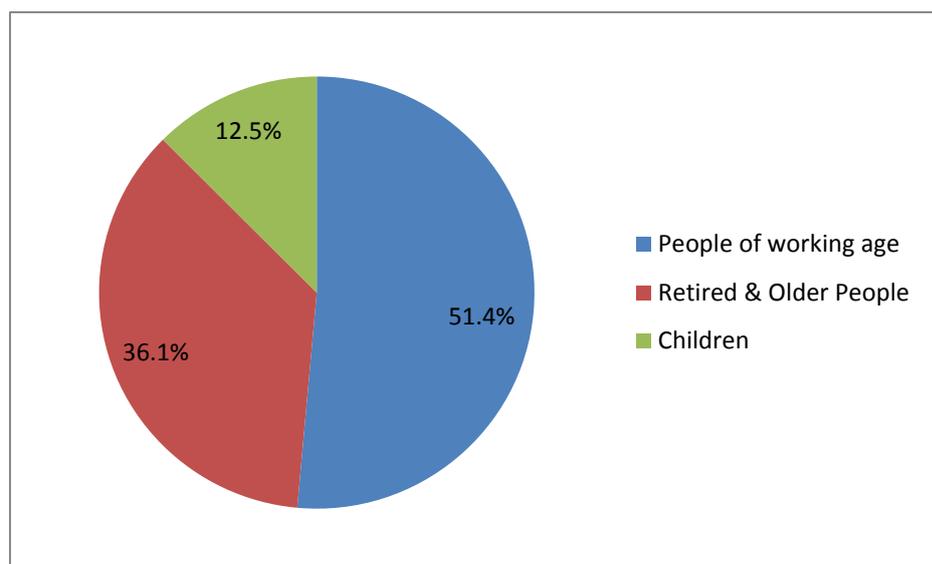
1. People of working age
2. Retired & Older People
3. Children

Figure 4 shows the percentage of DSP spending that goes to each of these three cohorts.

<sup>1</sup> CSO (2015) [Monthly Unemployment Rate](#)

<sup>2</sup> DSP (2015) Annual Report 2014

**Figure 4 - Expenditure by recipient type as % of DSP total expenditure**



(Source: DSP (2015) *Annual Report 2014*)

The largest proportion of expenditure (51.4%) goes towards people of working age. This programme received €9.4 billion in 2014. Retired and older people are the second largest group in expenditure terms, with €6.6 billion being spent in 2014. Spending on children amounted to €2.3 billion. The nominal and percentage change in 2014 over 2013 is shown in the table below.

**Table 2.2 – Programme Expenditure in 2013 and 2014**

	2013	2014	Change €m	Change %
<b>People of working age</b>	9,897	9,396	-501	-5%
<b>Retired &amp; Older People</b>	6,447	6,592	145	2%
<b>Children</b>	2,269	2,281	12	1%

(Source: DSP (2015) *Annual Report 2014*)

Table 2.3 overleaf shows total expenditure and the number of recipients for each scheme in 2014.

**Table 2.3 Total Recipients and Expenditure by Scheme 2014**

Type of Payment	Total Recipients in 2014	Expenditure 2014 €m	% change in Expenditure 2013 – 2014
State Pension (Contributory)	346,420	4,185.2	5.1%
Jobseekers' Allowance	269,951	2,924.3	-5.9%
Child Benefit	615,335	1,902.6	0.1%
Widow/er's or Surviving Civil Partner's Contributory Pension	118,670	1,369.8	1.5%
Disability Allowance	112,097	1,238.5	8.6%
One Parent Family Payment	69,884	867.9	-11.3%
State Pension (Non-Contributory)	95,570	954.4	0.2%
Jobseeker's Benefit	46,335	420.4	-25.0%
Illness Benefit	57,024	626.0	-3.5%
Basic Supplementary Welfare Allowance	18,187	81.9	-21.7%
Rent Supplement	66,409	338.3	-9.3%
Mortgage Interest Supplements	5,007	20.9	-40.4%
Household Benefits <sup>3</sup>	794,378	231.8	-20.2%
Free Travel	812,892	75.5	0.0%
Fuel Allowance	408,013	217.7	-4.6%
Invalidity Pension	54,223	651.7	-7.9%

<sup>3</sup> The Household Benefit package includes the Free Electricity Allowance, Free Television Licence and Gas Allowance. The Free Telephone Allowance was discontinued from 1 January 2014.

Carer's Allowance	59,380	559.5	0.8%
Total Working Age Employment Support <sup>4</sup>	83,780	1,035.4	4.3%
National Internship Scheme – JobBridge	6,047	76.0	12.3%
Community Employment <sup>5</sup>	23,249	359.5	5.3%
Administration – Assistance Schemes	Not applicable	347.0	1.6%
Redundancy & Insolvency	Not applicable	78.0	-44.7%
Maternity Benefit	22,708	269.9	-7.7%
Administration – Insurance Schemes	Not applicable	270.5	-0.7%
Family Income Supplement	50,306	297.9	13.8%
Back to Education Allowance	22,714	162.5	-13.1%
State Pension (Transition) <sup>6</sup>	1,548	73.8	-46.3%
Respite Care Grant	75,262 <sup>7</sup>	118.5	-1.2%
Back to Work Enterprise Allowance	11,166	118.8	-0.6%
Farm Assist	9,809	93.6	-5.6%

<sup>4</sup> Included in this broad category is expenditure on employment support services and expenditure on all the employment programmes (including the listed expenditure on JobBridge and community employment). See Tables A2 and A3 in DSP (2015) 'Statistical Information on Social Welfare Services 2014' for further details.

<sup>5</sup> Supervisors and Assistant Supervisors of Community Employment Programmes are waged and are not in receipt of a Social Welfare Payment.

<sup>6</sup> The State Pension (Transition) is currently being phased out. From the 1st of January 2014 it is no longer paid where a person reaches 65. Thus, the State pension (transition) is no longer payable to claimants whose date of birth is on or after the 1st of January 1949. If you qualified for the State Pension Transition before 1 January 2014 you remain entitled to it for the duration of your claim (1 year).

<sup>7</sup> Respite Care Grant recipients reported is the total number in payment and include those who are not in receipt of any other Carer's payment.

Domiciliary Care Allowance	29,269 <sup>8</sup>	110.7	6.1%
Back to School Clothing and Footwear Allowance	166,845	42.5	-11.5%
Deserted Wife's Benefit	6,989	79.1	-1.6%
Disablement Benefit	12,293	76.6	0.7%
Exceptional Needs & Urgent Needs Payments	107,139	30.1	-15.7%
Other Supplements <sup>9</sup>	9,181	8.1	-14.7%
Pre-Retirement Allowance	1,887	24.3	-29.6%
School Meals	Not available	16.6	-54.9%
Carer's Benefit	1,769	23.7	5.4%
Treatment Benefits	477,658 <sup>10</sup>	28.7	-14.0%
Bereavement Grants <sup>11</sup>	4,721	4.3	-78.9%
Widow/er's or Surviving Civil Partner's Pension (Non-Contributory)	Not available (1,781 in 2013)	16.5	-1.5%
Injury Benefit	906	16.5	13.3%
Blind Pension	Not available (1,385 in 2013)	14.4	-2.7%
Guardian's Payment (Contributory)	Not available (947 in 2013)	11.0	0.2%
Death Benefit Pension	636	8.1	3.8%

<sup>8</sup> This figure relates to the total number of children in respect of whom Domiciliary Care Allowance is paid. The total number of families in receipt of the DCA in 2014 was 27,268.

<sup>9</sup> Includes heating, diet and travel

<sup>10</sup> Treatment Benefits include dental, optical and medical/surgical treatment. This number relates to claims awarded in 2014.

<sup>11</sup> The Bereavement Grant scheme was closed to new applicants from 1 January 2014. The recipient number relates to claims awarded in 2014.

Widowed or Surviving Civil Partner Grant (Contributory)	Not Available	5.7	-10.6%
Guardian's Payment (Non-Contributory)	Not Available (435 in 2013)	5.2	1.4%
Deserted Wife's Allowance	Not available (274 in 2013)	2.5	-12.9%
Adoptive Benefit	13	0.169	-45.3%
Rent Allowance	111	0.530	-19.0%
Health & Safety Benefit	53	0.536	-7.3%
Humanitarian Aid	N/A	2.1	69.3%
Medical Care Scheme	Not Available	0.248	-28.1%
Widowed or Surviving Civil Partner Grant (Non-Contributory)	Not Available	0.276	9.5%

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

The three schemes with the highest expenditure are the Contributory State Pension (€4.2 billion), Jobseekers Allowance (€2.9 billion) and Child Benefit (€1.9 billion). The Contributory State Pension accounted for one fifth (21.1%) of social protection expenditure in 2014, Jobseeker's Allowance accounted for 14.7%, and Child Benefit accounted for 9.6%. Over 45 percent of expenditure by the DSP is linked to these three programmes.

The increasing expenditure on the Contributory State Pension as a proportion of total expenditure between 2010 and 2014 is illustrated in the table below. Between 2010 and 2014, there has been a 21% increase in expenditure on this programme. The increase is also linked to the phasing out of the State Pension Transition in 2014.

**Table 2.4 – Increase in Expenditure on the Contributory State Pension**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Contributory State Pension (% of total Expenditure)</b>	16.6%	17.3%	18.3%	19.6%	21.1%

(Source: DSP, 2015)

### 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 stands at €188 per week. Table 3.1 shows total expenditure and recipients for JA and JB in 2014.

**Table 3.1 Recipients and Expenditure for Jobseeker's Allowance and Jobseeker's Benefit**

<b>Benefit</b>	<b>Total Recipients in 2013</b>	<b>Total Recipients in 2014</b>	<b>Expenditure 2013 € m</b>	<b>Expenditure 2014 € m</b>	<b>Change in Expenditure 2013 – 2014</b>
<b>Jobseeker's Allowance</b>	295,077	269,951	3,109.0	2,924.3	-6%
<b>Jobseeker's Benefit</b>	55,068	46,335	560.5	420.4	-25%

(Source: DSP, 2015)

Total expenditure on JA and JB has decreased by €324.8 million (8.9 percent) between 2013 and 2014. The number of recipients decreased over the same period by 33,859 (9.7 percent).

#### **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 4 days out of 7
- Not qualify for Jobseeker's Benefit
- Be over 18 and under 66 years of age
- Be capable of work
- Be available for 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. 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)<sup>12</sup>.

### Changes to JA in Budget 2014

The personal rate of Jobseekers' Allowance has traditionally depended on the recipient's age. However from the 15th of January 2014 further reductions in the age-related rates of JA took effect. As shown in table 3.2, Jobseeker's Allowance (JA) claimants without children aged between 18 and 24 receive €100 per week. One must now be over 26 years of age to be eligible for the highest rate of payment.

**Table 3.2 - Personal Rates of Jobseeker's Allowance 2015 – 2016**

<b>Jobseeker's Allowance (maximum rates per age group)</b>	<b>Personal Rate</b>	<b>Increase for Qualified Adult</b>
<b>Aged 18-24</b>	€100	€100
<b>Age 25</b>	€144	€124.80
<b>Age 26 or over</b>	€188	€124.80

(Source: DSP, *Rates of Payment 2015 – 2016*)

<sup>12</sup> For further information on the Part-time Job Incentive Scheme, see the link [here](#)

## Jobseeker's Benefit

Jobseekers' Benefit is covered by social insurance (PRSI) contributions. It is a taxable source of income.<sup>13</sup>

To qualify, a person must:

- Be unemployed for at least 4 days out of 7
  - Have had a substantial loss of employment
  - Be under 66 years of age
  - 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**
- 39 weeks PRSI paid or credited in the relevant tax year
- Or**
- 26 weeks PRSI paid in the relevant tax year and 26 weeks PRSI paid in the tax year immediately before the relevant tax year.

The rates of Jobseeker's Benefit are varied, depending on how much the recipient was earning prior to becoming unemployed. Those who earned €300 per week 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).

The Back to Work Family Dividend (BTWFD), introduced in Budget 2015, allows families who move from welfare into work to retain 100 percent of the Qualified Child Increase for one year, and 50% of the payment for an additional year.

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<sup>13</sup> Note: the child dependant element and the first €13 per week of benefit are exempt from tax. See [here](#) for further details.

**Table 3.3 Personal Rates of Jobseeker's Benefit 2015 – 2016**

<b>Jobseeker's Benefit (average weekly earnings prior to unemployment)</b>	<b>Personal Rate</b>	<b>Increase for Qualified Adult</b>
<b>Earned less than €150</b>	€84.50	€80.90
<b>Earned €150 - €219.99</b>	€121.40	€80.90
<b>Earned €220 - €299.99</b>	€147.30	€80.90
<b>Earned €300 or more</b>	€188.00	€124.80

(Source: DSP, *Rates of Payment 2015 – 2016*)

The duration that one can receive Jobseeker's Benefit is limited and also depends on the amount of social insurance contributions paid. Since April 2013, those with less than 260 PRSI contributions can receive JB for up to 6 months. Those with more than 260 PRSI contributions paid can receive JB for up to 9 months.

## 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
- Not be in full-time education
- 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 equivalent payment in Ireland.

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

<b>Contribution Based Jobseeker's Allowance</b>	
<b>Age</b>	<b>Amount (£)</b>
Aged 16-24	£57.90
Aged 25 or over	£73.10
<b>Income Based Jobseeker's Allowance</b>	
<b>Type of Person</b>	<b>Amount (£)</b>
Single person, aged under 25	£57.90
Single person, aged 25 or over	£73.10
Couples and Civil Partnerships (aged 18 or over)	£114.85
Lone parent, aged under 18	£57.90
Lone parent, aged 18 or over	£73.10

(Source: Gov.UK)

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

Type of Unemployment Payment	Ireland	UK (in €) <sup>14</sup>
<b>Income Based (means tested)</b>		
Aged 18-24	€100.00	€79.79
Age 25	€144.00	€100.73
Age 26 or over	€188.00	€100.73
<b>Contribution Based</b>		
Aged 16-24	€188.00 <sup>15</sup>	€79.79
Age 25 or over	€188.00	€100.73

(Source: Gov.UK *Job Seekers Allowance*, and DSP, *Rates of Payment 2015 – 2016*)

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 in the first eight months of 2015 paid per claimant in the United Kingdom was £94.42 per week<sup>16</sup>.

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 receive up to €975 per month compared to €520 per month for a single

<sup>14</sup> Exchange rate is the average exchange rate from January to November 2015. £1 = €1.378

<sup>15</sup> In Ireland, if a person is under 18 years of age, they can only claim Jobseeker's Benefit for a maximum of six months.

<sup>16</sup> See Department for Work and Pensions, Housing Benefit caseload statistics [here](#)

person<sup>17</sup>. The average amount of rent supplement paid per claimant in Ireland in 2014 was €97.98 per week. Expenditure on Rent Supplements fell by over €34.5 million in 2014, a decrease of 9.3%. The number of recipients of Rent Supplement at the end of 2014 was 66,409; a decrease of 16.8% over 2013.

### **Housing Assistance Payment**

The Housing Assistance Payment (HAP) is a new scheme which was introduced to assist people who have a long-term housing need and who qualify for social housing support. Under HAP, the responsibility for provision of rental assistance transfers from the Department of Social Protection (DSP) to local authorities. The HAP is paid directly to the landlord and HAP will eventually replace Rent Supplement. The maximum limits for each of the local authorities that administer HAP are based on the current limits for Rent Supplement<sup>18</sup>.

Rent Supplement was generally not payable to those in full-time employment and thus it was seen as a disincentive to seeking employment. The HAP facilitates employment and the retention of the HAP subject to scheme conditions.

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<sup>17</sup> See the maximum rent limits under Rent Supplement for each county [here](#)

<sup>18</sup> See the maximum rent limits under the Housing Assistance Payment for each county [here](#)

## Reform of the UK Welfare System

### Universal Credit

The UK Government is in the process of reforming their welfare system. However, proposed tax credit changes announced in Budget 2015 were side-lined in the Autumn Statement<sup>19</sup>. The new system is called Universal Credit (UC) and it aims to support those who are on a low income or unemployed to gain assistance to increase their employability. The reforms include a complete overhaul of means-tested benefits for working-age adults. This will result in the replacement of multiple benefits, which in the past could be claimed simultaneously, with that of a single benefit called Universal Credit. In December 2015, a report by the Department for Work and Pensions stated that Universal Credit is already available in 75 percent of jobcentres, and it will be available in all jobcentres by April 2016.<sup>20</sup>

Universal Credit (UC) seeks to encourage work and prevent welfare traps acting as a disincentive to enter employment. The UC is a monthly payment and will aim to reduce poverty as individuals return to work which should improve their social and economic opportunities. Disagreements over the reform of tax credits almost brought about the collapse of the Executive in Northern Ireland<sup>21</sup>.

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<sup>19</sup> HM Treasury (2015) '[Spending Review and Autumn Statement 2015](#)'

<sup>20</sup> Department for Work and Pensions (2015), '[Universal Credit at Work](#)'

<sup>21</sup> An agreement on the adoption of the welfare reforms was reached on the 17 November 2015.  
<http://www.northernireland.gov.uk/a-fresh-start-stormont-agreement.pdf>

## 4. State Pension (Contributory)

The Contributory State Pension is a social insurance pension payable from the age of 66.<sup>22</sup> 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)
- The backdating period for state pensions is reduced to a maximum of six months.

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. The *Social Welfare and Pensions Act 2011* changed the qualifying age for State pensions. The qualifying age will rise to 67 in 2021 and 68 in 2028. Detailed rates of pay are shown in Table 4.1 for claimants, who reach pension age from 1 September 2012.<sup>23</sup>

**Table 4.1 - Weekly rates of Contributory State Pension 2016**

<b>Yearly Average PRSI Contributions</b>	<b>Personal Rate per week (€)</b>	<b>Increase for Qualified Adult (Under 66) €</b>	<b>Increase for Qualified Adult (Over 66) €</b>
<b>48 or over</b>	233.30	155.50	209.00
<b>40-47</b>	228.70	147.90	198.60
<b>30-39</b>	209.70	140.80	188.40
<b>20-29</b>	198.00	131.70	177.30
<b>15-19</b>	152.00	101.30	135.70
<b>10-14</b>	93.20	61.80	84.10

<sup>22</sup> The qualifying age will rise to 67 in 2021 and 68 in 2028.

<sup>23</sup> There is an extra allowance of €10 per week for those aged 80 years or over; total €243.30.

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 more contributions. The rate band 20-47 has been replaced by the bands 20-29, 30-39 and 40-47.

Further changes introduced in 2012 included a reduction in the backdating period for state pensions to a maximum of six months. The Contributory State Pension accounted for 21.1 percent of the Department of Social Protection’s total expenditure in 2014, 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 the Contributory State Pension**

Benefit	Total Recipients in 2014	Expenditure	
		2014 €m	2013 €m
<b>State Pension (Contributory)</b>	346,420	4,185.2	3,983.3

(Source: DSP, 2015)

Expenditure in 2014 on the Contributory State Pension increased by €202m (5.1 percent) compared to 2013. Over the same period the number of recipients increased by 15,319. Table 4.3 below shows the rates of Contributory State Pension over time, from 2005 – 2016. Also shown are the nominal and real percentage changes for each year.

**Table 4.3 - State Pension (Contributory) maximum weekly payment rates (2005-2016)**

<b>Year</b>	<b>Weekly Rate</b>	<b>% Change</b>	<b>Inflation Rate (%)</b>	<b>% Change (in Real Terms)</b>
<b>2005</b>	179.30	7.2	2.5	4.7
<b>2006</b>	193.30	7.8	4.0	3.8
<b>2007</b>	209.30	8.3	4.9	3.4
<b>2008</b>	223.30	6.7	4.1	2.6
<b>2009</b>	230.30	3.1	-4.5	-1.4
<b>2010 – 2015<sup>24</sup></b>	230.30	0	4.0	-4.0
<b>2016</b>	233.30	1.3	NA	NA

(Source: CSO and DSP, 2015)

The average yearly increase in the Contributory State Pension from 2005 – 2009 was 2.6 percent (in real terms). The maximum weekly payment of €230.30 has remained unchanged from its peak in 2009 to 2015. It was announced in Budget 2016 that the weekly rate of the State Pension would be increased by three euro from January 2016 (€233.30). The weekly rates which will apply from January 2016 are shown in table 4.1.

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, with further age-related reductions.

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<sup>24</sup> The weekly amount of the Contributory State Pension has remained stable at €230.30 from 2009 – 2015 and thus the average inflation rate (from 2009 – 2014) and the average percentage change is shown as an aggregate in the bottom row.

## Non-Contributory Pension

The Non-Contributory Pension is a means-tested pension payment which may be payable to individuals over 66 who do not qualify for the Contributory Pension. Those claiming the Non-Contributory State Pension account for 17 percent (95,570) of all pension claimants (562,844).<sup>25</sup>

Table 4.4 shows total recipients and expenditure for the scheme.

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

Benefit	Total Recipients in 2014	Expenditure	Expenditure
		2014 €m	2013 €m
State Pension (Non-Contributory)	95,570	954.4	952.5

(Source: DSP, 2015)

The number of recipients of the Non-Contributory Pension decreased by 0.2 percent in 2014, while expenditure increased by 0.2 percent. This contrasts with the Contributory Pension which saw increases in expenditure (5.1 percent) and in the number of recipients (5.1 percent). The current maximum weekly rate of Non-Contributory State Pension in 2016 is €222 per week<sup>26</sup>. Table 4.5 shows the maximum weekly rates from 2005 to 2016.

<sup>25</sup> This includes the Contributory, Non-Contributory, Transition, Widow/er's or Surviving Civil Partner's Contributory Pension, and Death Benefit Pension.

<sup>26</sup> Budget 2016 provides for the weekly rate of the State pension to increase by €3.

**Table 4.5 - Annual 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	5.0	4.6
2007	200.00	9.9	4.9	5.0
2008	212.00	6.3	4.1	2.2
2009	219.00	3.3	-4.5	-1.2
2010 – 2014 <sup>27</sup>	219.00	0	4.0	-4.0
2015	219.00	0	NA	NA
2016	222.00	1.4	NA	NA

(Source: PublicPolicy.ie (2014) *Survey of the Benefit System in Ireland*, CSO and DSP)

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 3.2 percent. The weekly rate of pay did not change from 2009 to 2015. As noted above it increased in Budget 2016. In addition to the personal rate, there are additions for qualified adults and children. People over 80 years of age get an extra €10 per week; €232. Table 4.6 shows the maximum attainable weekly rates in 2016.

<sup>27</sup> The weekly amount of the Non-Contributory State Pension has remained stable at €219.00 from 2009 – 2014, and thus the average inflation rate and the average percentage change is shown as an aggregate in this row.

**Table 4.6 - Maximum Weekly Rates of Non-Contributory State Pension 2016**

<b>Non-Contributory State Pension</b>	<b>Maximum Weekly Rate</b>
Personal Rate, Aged 66-80	€222.00
Personal Rate, Aged 80 and over	€232.00
Personal Rate, Aged 66 or over and Living alone	€231.00
Personal Rate, Aged 66 or over, and living on certain offshore islands	€234.70
Increase for Qualified Adult	€146.70
Increase for Qualified Child	€29.80

(Source: DSP, *Rates of Payments 2016*)

## State Pension in the UK (Contributory)

In the UK the Basic State Pension (BSP) is a taxable, flat rate pension which is based upon national insurance contributions. 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.

In April 2015 Categories A, B and D basic State Pensions were increased by 2.5%, in line with the government's guarantee to base annual increases in the basic State Pension on a 'triple guarantee' of earnings, prices (judged by the Consumer Price Index) or 2.5%, whichever is highest<sup>28</sup>. The rates of pay are shown in Table 4.7. The Basic State Pension will increase by £3.35 (2.9%) to £119.30 from April 2016.

**Table 4.7 - Weekly maximum rates of UK Basic State Pension 2012-2015**

Category	2012	2013	2014	2015
Category A	£107.45	£110.15	£113.10	£115.95
Category B for widow(er)/surviving civil partner	£107.45	£110.15	£113.10	£115.95
Category B for spouse/civil partner	£64.50	£66.00	£67.80	£69.50
Category D	£64.50	£66.00	£67.80	£69.50

(Source: Department of Work and Pensions (DWP), *Benefits and Pensions Rates*)

If only one person in a couple has sufficient contributions, the other spouse or civil partner is entitled to £69.50. If the contributor dies, the spouse or civil partner inherits the full amount of £115.95.

<sup>28</sup> Source: Age.UK State Pension Factsheet. Available from [http://www.ageuk.org.uk/Documents/ENGB/Factsheets/FS19\\_State\\_Pension\\_fcs.pdf?dtrk=true](http://www.ageuk.org.uk/Documents/ENGB/Factsheets/FS19_State_Pension_fcs.pdf?dtrk=true)

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, which will increase to 66 by 2020<sup>29</sup>.

### **Additional Contributory State Pensions in the UK**

The Additional State Pension (ASP) is an extra amount of money you can get with your Basic State Pension. It is based on your National Insurance contributions. How much you get depends on your earnings and whether you've claimed certain benefits. There is no fixed amount like the Basic State Pension. The Additional State Pension is made up of two schemes<sup>30</sup>. These are the State Earnings-Related Pension Scheme (SERPS) which ran from 1978 to 2002, and the State Second Pension which commenced in 2002 and runs to 2016. You might have contributed to both, depending on how long you've been working, as is outlined in table 4.8.

**Table 4.8 - Additional State Pension Schemes in the UK**

<b>Years Working</b>	<b>Eligibility Criteria</b>	<b>Scheme You Contribute To</b>
2002 to 2016	You're employed or claiming certain benefits	State Second Pension (S2P)
1978 to 2002	You were employed	State Earnings-Related Pension Scheme (SERPS)

(Source: Gov.UK)

People who reach State Pension age on or after 6 April 2016 will not be eligible for the Additional State Pension (ASP) and will instead receive the new State Pension. However, if you reach State Pension age prior to 6 April 2016 you may qualify for the ASP. The ASP is payable with your basic State Pension and increases every year in line with inflation.

<sup>29</sup> Source: Age UK. [State Pension Factsheet](#)

<sup>30</sup> Source: Gov.UK, Additional State Pension. Available [here](#)

The maximum amount of State Second Pension payable to an individual is £160 per week for 2015/16 (this being a combination of the individual's own pension and any inherited pension resulting from the death of a spouse or civil partner).

### **Future Changes to the UK State Pension**

Significant reform of the UK's state pension system is currently being enacted. From 2016, the basic State Pension and State Second Pension (S2P) will be replaced by a new single-tier pension for everyone below the State Pension age.

The new State Pension will be a regular payment that you can claim if you reach pension age on or after 6 April 2016. The amount you receive will be impacted by your National Insurance contributions with a minimum of 10 qualifying years required to get any new State Pension, and a maximum of 35 years required to receive the full single-tier pension<sup>31</sup>. As announced in the 2015 Autumn Statement, the new single-tier pension which will be paid to those who retire on or after 6 April 2016 will be £155.65 per week. The amount will be set before April 2016.

Contracting-out of the State Pension (where you gave up the right to the Additional State Pension in return for paying less National Insurance contributions) is ending. This would have been utilised in the case of private or workplace pensions. Along with the contracting-out option ending, the reduced National Insurance rates will also cease from April 2016 for contracted-out employees. People are being encouraged to have a workplace pension which can support them through retirement, and the Government have legislated for auto-enrolment into workplace pensions for eligible individuals since 2012.

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<sup>31</sup> Institute for Fiscal Studies (2013) 'A single-tier pension: what does it really mean?' Available [here](#)

## State Pension in the UK (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 ensures a minimum level of income of £151.20 a week for single people and £230.85 a week for couples. There are additional amounts if one of the partners has a severe disability or is a qualified carer.

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 £14.82 a week for single people and £17.43 a week for couples. Table 4.9 below compares the maximum rates of Non-Contributory State Pensions for Ireland and the UK.

**Table 4.9 - Maximum Weekly Rates of Non-Contributory State Pension in Ireland and the UK**

Non-Contributory State Pension	Ireland	UK (in €) <sup>32</sup>
Single Person	€222.00	€228.78 <sup>33</sup>
Couple	€368.70	€342.13 <sup>34</sup>

(Source: DSP, Rates of Payments & DWP, Benefits and Pensions Rates)

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). Recipients of the Non-Contributory State Pension in Ireland may be entitled to additional benefits such as Rent Supplement, the Household Benefits Package and Fuel Allowance. Budget 2016 provides for the weekly rate of the State Pension to be increased by €3 from January 2016 to €222.

<sup>32</sup> Exchange rate is the average exchange rate from January to November 2015. £1 = €1.378.

<sup>33</sup> Includes Guarantee Credit (£151.20) and the maximum Savings Credit (£14.82) for a single person

<sup>34</sup> Includes Guarantee Credit (£230.85) and the maximum Savings Credit (£17.43) for a couple

## 5. Child Benefit

Child Benefit is payable to all parents or guardians of children under 16 years of age, or under 18 years of age if the child is in full-time education, Youthreach Training or has a disability. The universal nature of child benefit in Ireland makes it the third largest component of government social expenditure, amounting to over €1.9 billion in 2014.

Child Benefit was standardised at €135 per month for each child from January 2015, as announced in Budget 2015. 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. It was announced in Budget 2016 that the rate of Child Benefit will increase by €5 to €140 per month for each child from January 2016. The rates of Child Benefit payments have been 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 – 2016.

**Table 5.1 - Monthly Child Benefit Payments, 2009 – 2016**

No. of Children	2009 Monthly Rate (€)	2010 Monthly Rate (€)	2011 Monthly Rate (€)	2012 Monthly Rate (€)	2013 Monthly Rate (€)	2014 Monthly Rate (€)	2015 Monthly Rate (€)	2016 Monthly Rate (€)
1	166.00	150.00	140.00	140.00	130.00	130.00	135.00	140.00
2	332.00	300.00	280.00	280.00	260.00	260.00	270.00	280.00
3	535.00	487.00	447.00	428.00	390.00	390.00	405.00	420.00
4	738.00	674.00	624.00	588.00	530.00	520.00	540.00	560.00
5	941.00	861.00	801.00	748.00	670.00	650.00	675.00	700.00
6	1,140.00	1,048.00	978.00	908.00	810.00	780.00	810.00	840.00
7	1,347.00	1,235.00	1,155.00	1,068.00	950.00	910.00	945.00	980.00
8	1,550.00	1,422.00	1,332.00	1,228.00	1,090.00	1,040.00	1,080.00	1,120.00

(Source: PublicPolicy.ie (2014) *Survey of the Benefit System in Ireland*, & DSP, 2015)

The reductions in the monthly rates of pay from 2012 to 2014 have varied from 7.1 percent for one child families, up to 15.3 percent for eight child families. However, these reductions have been narrowed in 2015 and 2016 as Child Benefit was increased by €5 per child each year. Considering the monthly rates in 2009, child benefit for one child in 2016 is 16 percent lower, while child benefit for eight children is 28 percent lower.

Total expenditure on the scheme increased between 2013 and 2014 by 0.1 percent or €2.6 million. The total number of recipients also increased over this time by 0.7 percent (3,969) to 615,335 families. The rise in expenditure can be attributed to the increase in the number of recipients of the payment between 2013 and 2014.

**Table 5.2 - Recipients and Expenditure for Child Benefit**

<b>Benefit</b>	<b>Total Recipients in 2014</b>	<b>Total Expenditure 2014 €m</b>	<b>Total Expenditure 2013 €m</b>
<b>Child Benefit</b>	615,335	1,902.6	1,899.9

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

### **Child Benefit in the UK**

Child Benefit in the UK is payable to all families with children regardless of income. However, for families with at least one individual earning over £50,000 since January 2013 a proportion of the Child Benefit must be paid back via the ‘high income child benefit tax charge’<sup>35</sup>, essentially withdrawing the universality of the payment. A ‘child’ is defined as someone 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 currently £20.70 for the eldest child and £13.70 for each subsequent child.

<sup>35</sup> If you have an income of between £50,000 and £60,000 a year, the amount of extra tax you'll have to pay will be 1 per cent of the amount of Child Benefit you get for every £100 of your income above £50,000. If your income is more than £60,000, the amount of extra tax you'll have to pay will be the same as the amount of Child Benefit your household receives.

## 6. One-Parent Family Payment

One-Parent Family Payment (OPF) is a means-tested payment that is paid to a parent bringing up a child without the support of a partner. The payment - eligible if the parent earns €425 or less per week - is made up of a personal rate and increase for a qualified child. The personal rate depends on a person's income; however the maximum rate payable for OPF 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 2014	Expenditure 2014 (€m)	Expenditure 2013 (€m)
<b>One Parent Family Payment</b>	69,884	867.9	978.0

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on the scheme decreased by €110 million (11.3%) from 2013 to 2014 and the number of recipients of OPF decreased by 10.7 percent or 8,362 in 2014 compared to 2013.

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; rates increasing up to 2009, falling to €188 in 2011 and remaining constant since then.

### Changes to One-Parent Family Payment

While the standard rates of OPF paid have remained untouched in recent budgets, many cost-cutting measures have been applied in recent years to reduce total expenditure on this payment. The upper age limit of the youngest child for OPF entitlement purposes has gradually been reduced to seven years of age over the 2012 to 2015 period. This will significantly reduce the number of single parents eligible for this payment. Payment of the OPF will cease if the youngest child on your claim reaches the age specified in the year shown in the Table 6.2.

**Table 6.2 - Structure of OPF payment depending on date of claim and age of child**

	<b>Payment continues up to age</b>			
<b>Date of Claim</b>	In 2012	July 2013	July 2014	July 2015
<b>Before 27 April 2011</b>	18	17	16	7
<b>Between 27 April 2011 and 2 May 2012</b>	14	12	10	7
<b>After 3 May 2012</b>	12	10	7	7

(Source: DSP, 2015)

Eligibility for OPF has being reduced through more stringent means testing requirements. The amount of earnings disregarded in the means test was reduced from €130.00 per week in 2012 to €90 in January 2014 for new and existing customers. Furthermore the temporary payment of half of the rate of OFP has been discontinued for new claimants whose earnings exceed €425 per week, from 5 January, 2012. If you earn between €90.00 and €425.00, you may qualify for a reduced payment of OFP.

Since Budget 2014 a lone parent on OFP cannot receive a training allowance and their OFP at the same time if they are pursuing a further education and training course (FET).

## Lone Parent Payment in the UK

In the UK, a lone parent may claim Income Support payments if they are working less than 16 hours a week, are over 16 years of age and have a child less than five years of age. The current rates are shown below.

**Table 6.3 - Current Rates of Income Support for Lone Parents in the UK**

Income Support Payment	Rate (£ per week)
<b>Lone Parents</b>	
<b>Aged 16-17</b>	£57.90
<b>Aged 18 or over</b>	£73.10

(Source: Gov.UK)

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. The eligibility for this group has changed significantly since 2008 with the age of the youngest child entitlement to income support decreasing from age 15 over 4 years to age 5.

The Department for Work and Pensions (DWP) administer the Income Support Lone Parent (ISLP) regime related to Work Focused Interviews (WFIs) and ISLP sanctions. Stricter conditionality of payments of ISLP has been increased since April 2014. Should a claimant of ISLP fail to attend mandatory review WFIs without good cause, an Income Support sanction may be applied<sup>36</sup>. Also, since April 2014, lone parents with a youngest child aged 3 - 4 years can be mandated to undertake Work-Related Activity (WRA)<sup>37</sup>.

Lone parents could, in the past, receive the In Work Credit (IWC). This was a fixed tax-free payment of £40 per week for a maximum of 52 weeks for lone parents who began employment. To qualify, the employment must have been for at least 16 hours per week, expected to last more than five weeks and pay at least the national minimum wage. However, as of 1 October 2013 no new payments of IWC have been made. Existing payments will continue until completion or a change of circumstances. The In Work Credit (IWC) has been replaced by schemes such as the Work

<sup>36</sup> The sanction is a reduction in the lone parent's benefit equivalent to 20% of the IS personal allowance rate for a single person over the age of 25.

<sup>37</sup> DWP (2015) [Income Support Lone Parents Regime: Official Statistics](#) (26 August 2015)

Programme which provides work experience and training for up to two years to assist individuals find and stay in employment. Extra tax credits are available to help pay for childcare costs for those who return to work<sup>38</sup>.

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<sup>38</sup> Gov.UK (2015) [Help paying for Childcare](#)

## 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. 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 2014	Total Expenditure in 2014 (€m)	Total Expenditure in 2013 (€m)
<b>Disability Allowance</b>	112,097	1,238.5	1,140.9

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Expenditure on DA increased by €97.6 million (8.6 percent) from 2013-2014. Over the same period the number of recipients increased by 5,818 (5.5 percent). People receiving Disability Allowance in Ireland may also qualify for additional benefits such as Free Travel, Household Benefits Package and Fuel Allowance<sup>39</sup>.

### Disability Allowance in the UK

Disability Living Allowance (DLA) in the UK is a non-means tested payment which is paid at different rates depending on the severity of the disability. DLA is ending for people who were born after 8 April 1948 and are 16 or over, and is being replaced by the Personal Independence Payment (PIP)<sup>40</sup>. DLA 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.

<sup>39</sup> The Fuel Allowance in 2016 is €22.50 per week.

<sup>40</sup> The Allowance is being replaced by the [Personal Independence Payment](#) (PIP) which helps with some of the extra costs caused by long-term ill-health or a disability if you're aged 16 to 64. The amount varies from £21.80 to £139.75 per week.

**Table 7.2 – Current Rates of Disability Living Allowance in the UK**

Disability Living Allowance	Rate (£ per week)
Care Component	
<b>Highest Rate</b>	£82.30
<b>Middle Rate</b>	£55.10
<b>Lowest Rate</b>	£21.80
Mobility Component	
<b>Higher Rate</b>	£57.45
<b>Lower Rate</b>	£21.80

(Source: Gov.UK)

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 day and night 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 DLA payable in the UK is £139.75, 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 Euro).

**Table 7.3 – Maximum Rates of Disability Allowance in Ireland and the UK**

Payment	Ireland	UK (in €) <sup>41</sup>
<b>Disability Allowance</b>	€188	€192.58

(Source: DSP, *Rates of Payments* & Gov.UK, *DLA Rates*)

As noted above, the Disability Living Allowance (DLA) has been replaced by the Personal Independence Payment (PIP), and new and existing claimants have been switched to PIP during

<sup>41</sup> Exchange rate is the average exchange rate from January to November 2015. £1 = €1.378

2015. The PIP has ended the lower rate of payment of the Care Component (now called the 'Daily Living Component'). The new Daily Living and Mobility Components under PIP have two rates; a standard and an enhanced.

## 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. IB is taxable from the first day of payment.

In order to qualify for IB, a person must have:

- paid at least 104 weeks PRSI contributions since first starting work  
And
- Have 39 weeks paid PRSI in the relevant tax year, of which 13 must be paid contributions  
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 1 year. Those with 260 or more PRSI contributions may be entitled to IB for up to two years. IB rates are graduated according to the individual's weekly earnings in the relevant tax year. Table 8.1 shows the personal rates of IB.

**Table 8.1 - Weekly Rates of Illness Benefit 2016**

Average Weekly Earnings	IB Personal Rate (Weekly Payment)	Qualified Adult Increases
€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

(Source: DSP, *Rates of Payments 2016*)

57,024 people received illness benefit in 2014, a reduction of 3.3 percent from the previous year. Expenditure on IB dropped by 3.5 percent in 2014 to €626 million as shown in table 8.2.

**Table 8.2 - Recipients and Expenditure for Illness Benefit**

Benefit	Total Recipients in 2014	Total Expenditure in 2014 (€m)	Total Expenditure in 2013 (€m)
<b>Illness Benefit</b>	57,024	626.0	648.9

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

### **Medical Certification**

Recipients of IB may be required to undertake a medical assessment to confirm eligibility. If the Medical Assessor finds that you are capable of work, a Deciding Officer may decide that you are not entitled to payment of Illness Benefit.

Medical certificates from the recipient's doctor must be provided to the DSP in order to continue to receive Illness Benefit. Normally a patient must be given a certificate each week for as long as incapacity for work lasts. However, where illness has lasted for more than six months; the patient may be advised to send in only one medical certificate every four weeks. In cases of long term illness, a certificate once every six months will normally suffice.

In 2014 the DSP received 226,274 claims for Illness Benefit, and 162,187 (72%) were awarded. A further 2,273 were pending a decision as of the end of 2014.

No payment is made in the first six days of illness which are known as waiting days. Budget 2014 increased the number of waiting days from three to six from 6 January 2014.

### **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). 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 £57.90 per week for a single person under 25 or £73.10 per week for those over 25.

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 8.3 shows the rates of pay of Employment and Support Allowance in the UK for those in the Support Group and Work Related Activity Group. Additional premiums may be available for those on income-based ESA; £15.75 per week for ‘enhanced disability’ and £61.85 for a ‘severe disability’<sup>42</sup>.

**Table 8.3 - Maximum Personal Rates of Employment and Support Allowance**

Employment and Support Allowance Payment	Weekly Payment £
Support Group	£109.30
Work Related Activity	£102.15

(Source: Gov.UK, *Employment and Support allowance*)

<sup>42</sup> DWP (2015) [Benefit and Pension Rates](#)

Table 8.4 compares the personal rates of Employment and Support Allowance in the UK, with Illness Benefit payment in Ireland.

**Table 8.4 - Maximum Illness Benefit in the UK and Ireland**

Payment	Ireland	UK (in €) <sup>43</sup>
<b>Illness benefit (Ireland) / Employment &amp; Support Allowance (UK)</b>	€188.00	€140.76 <sup>44</sup>

(Source: DSP, *Rates of Payments 2016* & Gov.UK, *ESA Rates*)

<sup>43</sup> Exchange rate is the average exchange rate from January to November 2015. £1 = €1.378

<sup>44</sup> This figure is based on the work-related activity payment. You may also qualify for either £15.75 per week for 'enhanced disability' and £61.85 for a 'severe disability' as discussed above.

## 9. Supplementary Welfare Allowance

Supplementary Welfare Allowance (SWA) provides a basic weekly allowance to eligible people who have little or no income. This is a means-tested payment and the provision of the Basic SWA payment (BSWA) is very similar to the provision of primary payments such as JA. Those who are 24 years old or under and are living with a parent in the family home, will have some of their parents' income taken into account in the assessment for SWA. People with low incomes may qualify for a weekly supplement payment under the Supplementary Welfare Allowance Scheme to meet certain special needs, for example, help with rent/mortgage interest payments or for urgent or exceptional needs. Table 9.1 shows the total recipients and expenditure on various SWA payments.

**Table 9.1 - Expenditure on Supplementary Welfare Payments**

Benefit	Total Recipients in 2014	Total Recipients in 2013	Expenditure 2014 €m	Expenditure 2013 €m
<b>Basic Supplementary Welfare Allowance</b>	18,187	23,127	81.9	104.5
<b>Rent Supplement</b>	66,409	79,788	338.3	372.9
<b>Mortgage Supplement</b>	5,007	9,768	20.9	35.0
<b>Other Supplements<sup>45</sup></b>	9,181	11,030	8.1	9.5
<b>Back to School Clothing and Footwear Allowance</b>	166,845	180,779	42.4	48.0
<b>Exceptional and Urgent Needs Payment</b>	107,139	132,990	30.1	35.7

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

<sup>45</sup> Other Supplements: includes Heating, Diet and Travel

Expenditure on Basic Supplementary Welfare Allowance (BSWA) significantly decreased between 2013 and 2014, by 21.7 percent. Similarly, a significant reduction in the number of recipients was witnessed in the 2013 to 2014 period, with 21 percent less people receiving BSWA in 2014 compared to 2013; a decrease of 4,940.

Expenditure also fell for other supplementary payments with significant reductions in the expenditure of Rent Supplement (-9.3%), Mortgage Interest Supplement (-40.4%) and Back to School Clothing and Footwear Allowance (-11.5%).

Basic SWA is made up of a personal rate for the applicant and additional amounts for any qualified adult and/or qualified child(ren). The rates of BSWA faced age-related reductions in Budget 2014, similar to the age-related reductions of Jobseekers Allowance that were also implemented in Budget 2014. The current age related rates of BSWA are set out in table 9.2 below. There is also an increase of €29.80 if you have a child dependent and are entitled to the full rate of BSWA.

**Table 9.2 - Maximum Rates of Basic Supplementary Welfare Allowance 2016**

Age	Personal Rate 2013	Personal Rate 2016	Increase for Qualified Adult 2013	Increase for Qualified Adult 2016
<b>26 or over</b>	€186	€186	€124.80	€124.80
<b>25</b>	€186	€144	€124.80	€124.80
<b>22-24</b>	€144	€100	€124.80	€100
<b>18-21</b>	€100	€100	€100	€100

(Source: DSP, Rates of Payment 2016)

It should be noted that the reduced age-related Supplementary Welfare Allowance rates do not apply to those under the age of 26, such as people with dependent children and those aged 22-25 who were getting a higher rate before 9 January 2014.

## 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 (5 years) 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.

Table 10.1 shows total recipients and expenditure on this scheme.

**Table 10.1 - Recipients and Expenditure for Invalidity Pension**

Benefit	Total Recipients in 2014	Expenditure in 2014 €m	Expenditure in 2013 €m
<b>Invalidity Pension</b>	54,223	651.7	707.8

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

While total expenditure on the scheme increased by €103 million (17.2 percent) between 2012 and 2013, expenditure in 2014 decreased by €56.1 million (7.9 percent). However, the number of recipients increased between 2013 and 2014 by 1,027 (1.9 percent) to 54,223.

Those aged over 66 and on Invalidity Pension are automatically transferred to the State Pension (Contributory) at age 66.

## Budget 2014

Budget 2014 reduced the weekly rate of Invalidity Pension for those under the age of 66 from 2 January 2014. The higher Invalidity Pension rate of €230.30 per week that used to be paid when claimants reach age 65 was discontinued in 2014. The new rate payable to people aged 65 (and under) is €193.50 per week for new claimants. The weekly rate payable to all qualified adults of people claiming Invalidity Pension was standardised at €138.10 per week. This measure will apply to spouses and partners aged 66 or over who reach their 66th birthday from 2 January 2014. Table 10.2 outlines the current weekly rates of Invalidity Payments.

**Table 10.2 - Weekly Rates of Invalidity Pension 2016**

<b>Invalidity Pension</b>	<b>Weekly Rate</b>
Aged Under 66	€193.50
<i>Increases for Qualified Adult/Child</i>	
Qualified Adult	€138.10
Qualified Child Full Rate	€29.80
Qualified Child Half Rate <sup>46</sup>	€14.90

(Source: DSP, *Rates of Payment 2016*)

## 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 8 (maximum weekly rate of €150.62). For cases involving more severe disabilities, there is Disability Living Allowance (DLA) which was discussed in Section 7 (maximum weekly rate of €192.58), or the Personal Independence Payment (PIP) which is replacing the DLA.

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<sup>46</sup> From 5 July 2012, you can no longer claim an Increase for a Qualified Child (IQC) with your Invalidity Pension if your spouse, civil partner or cohabitant has an income of over €400 a week. You get a half-rate IQC if your spouse, civil partner or cohabitant earns between €310 and €400 a week. This only applies to new claims made after 5 July 2012.

## 11. Carer's Allowance

Carer's Allowance is a means tested payment 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 - Total Recipients and Expenditure for Carer's Allowance**

Benefit	Total Recipients in 2014	Expenditure 2014 (€m)	Expenditure 2013 (€m)
<b>Carer's Allowance</b>	59,380	559.5	554.8

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on Carer's Allowance increased by €4.7 million (0.8 percent) from 2013 – 2014. The number of recipients increased by 2,244 (3.9 percent) over the same period. It was announced in Budget 2016 that the Carer's Allowance for those aged over 66 will increase by €3 a week from January 2016 to €242.

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
- Be at least 18 years old
- Not be engaged in employment, self-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<sup>47</sup>
- 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 11.2 shows the weekly rates of Carer's Allowance. The payment is made up of a personal rate for the carer and extra amounts for any child dependants. Carer's Allowance has no qualified adult payment. In addition to this weekly payment, carer's may also be entitled to the Household Benefits Package and a Free Travel Pass. Carers also receive a Respite Care Grant which is an annual payment made in June of each year of €1,375 for each person receiving care. It was announced in Budget 2016 that the Respite Care Grant will increase to €1,700 in 2016. It will also be renamed the Carer's Support Grant.

**Table 11.2 - Maximum Weekly Rates of Carer's Allowance**

<b>Carer</b>	<b>Weekly Payment</b>
Aged under 66, caring for 1 person	€204.00
Aged under 66, caring for 2 or more people	€306.00
Aged 66 and over, caring for 1 person	€242.00
Aged 66 and over, caring for 2 or more people	€363.00
<i>Increases for Qualified Child</i>	
Full rate	€29.80
Half rate	€14.90

(Source: DSP, Rates of Payment 2015)

If the carer is receiving certain social welfare payments and providing full-time care to another person, they may be entitled to retain their main social welfare payment and also receive a half-rate Carer's Allowance. Also, it is possible for two people who are providing care on a part-time basis in

<sup>47</sup> Domiciliary Care Allowance rate is €309.50 per month.

an established pattern to share a single Carer’s Allowance payment and the annual Respite Care Grant (Carer’s Support Grant). If the person being cared for dies, payment of Carer’s Benefit continues for twelve weeks after the death<sup>48</sup>.

### 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 £110 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 £62.10. There may be additional payments for adult dependents (£36.55 a week) and child dependents (£8.00 per week for first child and £11.35 for each subsequent child)<sup>49</sup>. Table 11.3 compares Carer’s Allowance in the UK and Ireland.

**Table 11.3 - Personal Rate of Carer’s Allowance in the UK and Ireland (Weekly Rates)**

Benefit	Ireland	UK (in €) <sup>50</sup>
<b>Carer’s Allowance</b>	€204.00	€85.57

(Source: DSP, *Rates of Payment 2016* & Gov.UK, *Benefit and Pension Rates 2015*)

Carer’s in the UK may earn up to £110 per week and retain their Carer’s Allowance Payment. In Ireland, they may work for up to 15 hours per week.

<sup>48</sup> Budget 2016 provides that the Carer’s Allowance is paid for 12 weeks (previously 6 weeks) after the death of the person being cared for from January 2016.

<sup>49</sup> Gov.UK, Benefit Rates, Available [here](#)

<sup>50</sup> Exchange rate is the average exchange rate from January to November 2015. £1 = €1.378

## 12. 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 Benefit

**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 12.1 - Maximum Weekly Rates of Carer's Benefit**

<b>Carer's Benefit</b>	<b>Weekly Rate (€)</b>
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

(Source: DSP (2015) *Rates of Payment 2016*)

Carers 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 they wish. Budget 2013 reduced the Respite Care Grant from €1,700 to €1,375 for each person receiving care. However, as noted above, Budget 2016 will see the Respite Care Grant (Carer's Support Grant) restored to €1,700 in 2016. Table 12.2 shows total expenditure and recipients for the scheme.

**Table 12.2 - Recipients and Expenditure for Carer's Benefit**

<b>Benefit</b>	<b>Total Recipients in 2014</b>	<b>Expenditure 2014 €m</b>	<b>Expenditure 2013 €m</b>
<b>Carer's Benefit</b>	1,769	23.7	22.4

(Source: DSP, Rates of Payment 2015 & Gov.UK, Benefit and Pension Rates 2015)

Total expenditure on the scheme increased by €1.2 million (5.4 percent) from 2013-2014. The number of recipients of Carer's Benefit is relatively small; 1,769 people availed of this benefit in 2014, an increase of 171 (10.7 percent) over 2013.

### 13. 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 13.1 - Recipients and Expenditure for Widow(er)'s or Surviving Civil Partners Contributory Pension**

Benefit	Total Recipients in 2014	Expenditure 2014 (€m)	Expenditure 2013 (€m)
<b>Widow(er)'s / Surviving Civil Partners Contributory Pension</b>	118,670	1,369.8	1,349.8

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure increased by €19.9 million (1.5 percent) from 2013-2014. Recipient numbers increased by 1,253 (1.1 percent) to 118,670.

Table 13.2 shows the current maximum weekly rates of payment.

**Table 13.2 - Maximum Weekly Rates of Widow(er)'s or Surviving Civil Partners Contributory Pension**

<b>Widow(er) / Surviving Civil Partners Contributory Pension</b>	<b>Weekly Payment</b>
Aged under 66	€193.50
Aged 66 to 80	€233.30
Aged 80 and over	€243.30
Increase for a qualified child	€29.80

(Source: DSP, *Rates of Payment 2016*)

To qualify, a person must have:

- At least 260 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<sup>51</sup>. 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 State Pension which included an increase for a dependent spouse or civil partner.

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<sup>51</sup> If your spouse or civil partner died before 27 December 2013, only 156 paid contributions are required.

## 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. The amount you get is based on how much your late husband, wife or civil partner paid in National Insurance contributions. The maximum Widowed Parent's Allowance (WPA) attainable in 2015 is £112.55 a week, having increased from £111.20 in 2014 (1.2%). The benefit cap is applicable to the WPA<sup>52</sup>.
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. 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 rate of BA for those aged 55 or over currently stands at £112.55. However, for every year under that age, the claimant receives seven to eight percent less. For example, a person aged 54 will receive a weekly payment of £104.67 a week (93 percent of the full rate).

Table 13.3 compares bereavement payments in the UK and Ireland under three different scenarios.

**Table 13.3 Bereavement Payments in the UK and Ireland (weekly rates)**

Bereavement Payment	Ireland	UK (in €) <sup>53</sup>
With at least one dependent child	€223.30 <sup>54</sup>	€155.09
Over 55 years of age with no dependent children	€193.50	€155.09
Between 45-54 years of age with no dependent children	€193.50	Ranges from €46 to €144

(Source: DSP Rates of Payment 2016 & Gov.UK Bereavement Allowance)

<sup>52</sup> The Benefit Cap limits the amount of benefits that people aged 16 to 64 can receive. The level of the cap for single parents whose children live with them is £500.

<sup>53</sup> Exchange rate is the average exchange rate from January to November 2015. £1 = €1.378

<sup>54</sup> Recipients under 66 receive €193.50 plus an extra €29.80 for a dependent child.

## 14. 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 partners 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<sup>55</sup>) is €188.00. The person may also qualify for a fuel allowance (€22.50 per week<sup>56</sup>). 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 14.1 shows total expenditure and recipients for the scheme.

**Table 14.1: Recipients and Expenditure for Widow/er's or Surviving Civil Partners Non-Contributory Pension**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Widow/er's or Surviving Civil Partner's Non-Contributory Pension</b>	NA 1,781 (2013)	16.5	16.7

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on the scheme decreased by €256,000 (1.5 percent) from 2013 to 2014. The number of recipients decreased by 79 (4.2 percent) between 2012 and 2013. The figures for 2014 are not available.

<sup>55</sup> For further information on the means test see [http://www.citizensinformation.ie/en/social\\_welfare/social\\_welfare\\_payments/death\\_related\\_benefits/widows\\_non\\_contrib\\_pen.html](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/death_related_benefits/widows_non_contrib_pen.html)

<sup>56</sup> Budget 2016 provides for the fuel allowance to increase to €22.50 per week from January 2016.

## 15. Maternity Benefit

Maternity Benefit is a payment made to women who are on maternity leave from work and covered by PRSI contributions. Maternity Benefit is paid for 26 weeks<sup>57</sup>. It is a taxable source of income since July 2013, although the benefit is exempt of USC and PRSI.

If the person already receives certain social welfare payments 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 15.1 shows total expenditure and recipients for the scheme in 2014.

**Table 15.1: Recipients and Expenditure for Maternity Benefit**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Maternity Benefit</b>	22,708	269.9	292.6

(Source: DSP (2015), *Statistical Information on Social Welfare Services 2014*)

From 2013-2014, total expenditure decreased by €22.7 million (7.7 percent) while the number of recipients remained relatively stable, decreasing slightly by 104 recipients (0.5 percent).

For claims which started before 6 January 2014, the amount of Maternity Benefit paid depended on the woman's earnings. The rate payable was 80 percent of reckonable earnings, subject to a maximum rate of €262.00 and a minimum rate of €217.80 per week.

### **Changes to Maternity Benefit as announced in Budget 2014**

From 6 January 2014, for new claimants, the personal rate of maternity benefit is standardised at €230 per week. This results in an increase of up to €12.20 for those receiving less than €230 per week and a reduction of up to €32 per week for all other claimants.

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<sup>57</sup> Sunday is not treated as a day of entitlement to Maternity Benefit.

## **Changes as announced in Budget 2016**

From September 2016 a new 2-week Paternity Benefit will be introduced. The PRSI contribution conditions and the rate of benefit paid will be the same as those for Maternity Benefit.

### **Eligibility Requirements**

In order to receive this benefit for the duration of 26 weeks, a minimum of 2 and a maximum of 16 maternity weeks leave must be taken before the end of the week in which the baby is due.

Regarding PRSI contributions, 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

- 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

## **Statutory Maternity Pay in the UK**

Statutory Maternity Pay (SMP) 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 15<sup>th</sup> week before the baby is due. Also, the woman must have been earning, on average, at least £112 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 15<sup>th</sup> 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 first 6 weeks. For the remaining 33 weeks, it is paid at the lower rate of £139.58 or 90 percent of average gross weekly earnings (whichever is lower). Tax and National Insurance will be deducted<sup>58</sup>.

The UK also has Statutory Paternity Pay for those who are eligible. You can receive one or two weeks paid Paternity Leave. The rate of payment is the same as that for Statutory Maternity Pay<sup>59</sup>.

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<sup>58</sup> Source: GOV.UK Maternity Benefits: Technical Guidance. Available from <https://www.gov.uk/government/publications/maternity-benefits-technical-guidance/maternity-benefits-technical-guidance>

<sup>59</sup> Source: GOV.UK Paternity Pay and Leave Available at: <https://www.gov.uk/paternity-pay-leave/overview>

## 16. 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<sup>60</sup> of the family must be below a certain limit which depends on the family size. The weekly rate of FIS is 60 percent of the difference between the net family income and the specified income limit. The income thresholds were increased in Budget 2016. These limits are shown in table 16.1 below.

**Table 16.1 - Income Limits for Family Income Supplement 2015 and 2016**

<i>Number of Children</i>	<i>Income Limit in 2015</i>	<i>Income Limit in 2016</i>
1	€506	€511
2	€602	€612
3	€703	€713
4	€824	€834
5	€950	€960
6	€1,066	€1,076
7	€1,202	€1,212
8	€1,298	€1,308

(Source: DSP, *Family Income Supplement*)

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.<sup>61</sup>

<sup>60</sup> The following payments do not count as family income; Child Benefit, Guardian's Payments, Supplementary Welfare Allowance, Domiciliary Care Allowance, Foster Child Allowance, Rent Allowance for tenants affected by the de-control of rents, income from a charitable organisation and income from providing accommodation to students studying in Irish Gaeltacht areas, or any income your children may have.

<sup>61</sup> The rate of Back to School Clothing and Footwear Allowance is €100 per child aged 4 -11 and €200 per child aged 12-22.

Further eligibility criteria are as follows:

- 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, neither do hours worked in Community Employment, Gateway, Tús, JobBridge or the Rural Social Scheme.
- The employment must be likely to last for at least 3 months.
- The employee must be looking after at least one child.

Table 16.2 shows total expenditure and recipients for the scheme.

**Table 16.2 - Recipients and Expenditure for Family Income Supplement**

Benefit	Total Recipients in 2014	Expenditure in 2014 €m	Expenditure in 2013 €m
<b>Family Income Supplement</b>	50,306	297.9	261.8

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Expenditure on Family Income Supplement increased by €36.2 million (13.8 percent) and recipients increased by 6,147 (13.9 percent) from 2013 – 2014.

The Department of Social Protection has given increasing priority to Family Income Supplement as it has been noted as a crucial resource to working families and arguably helps implement the goal of ensuring that people are ‘better off in work’ than being dependent on social protection payments.

## 17. Back to Education Allowance

Back to Education Allowance (BTEA) is a scheme which encourages and facilitates a return to education for vulnerable groups who are distant from the labour market. The qualifying social payments are:

- Jobseeker's Allowance / Benefit
- Jobseeker's Transitional Payment
- 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
- 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.

From 1 January 2015 you no longer qualify for BTEA when your Jobseeker's Benefit ends – after 6 or 9 months. You must qualify for another payment to continue to get BTEA.

An applicant must be at least 21 years of age to qualify for BTEA (or 24 years of age for a postgraduate course<sup>62</sup>).

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<sup>62</sup> However the following exceptions apply; those aged between 18-20 who are in receipt of Jobseeker's Benefit / Allowance, Jobseeker's Transitional Payment or One-Parent Family Payment may qualify if they have been out of formal education for two years or more. Also, 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 Professional Masters in Education 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).

### **Budget Changes**

In the past, BTEA was 'standard rated' meaning that even if the applicant was originally receiving a reduced rate of social welfare payment, upon applying for BTEA they would then receive the maximum standard rate of payment<sup>63</sup>. However, since January 2013, new BTEA applicants over 25 will be entitled to BTEA at the rate of their qualifying payment. Since January 2014 the age threshold has been increased to 26 years.

Similar to the changes to jobseekers allowance, age-related rate reductions have been applied to the BTEA scheme. From 1 January 2014 all new BTEA participants aged under 26 who were getting a

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<sup>63</sup> Source: Central Expenditure Evaluation Unit (2009) '*Cross Cutting Issues-Activation Measures*'.

reduced age-related Jobseeker’s Allowance payment, will get a maximum BTEA rate of €160 per week (any means participants have will be deducted from this rate). This age-related reduction was introduced for new applicants under 25 in Budget 2013, with Budget 2014 extending the reduced rate to those under 26. If you are over 26 as a new BTEA participant your weekly rate of BTEA will be equal to your previous social protection payment. You may also qualify for increases for a qualified adult, and qualified children.

Additional measures to reduce the large expenditure on BTEA was the abolition of the €300 annual cost of education allowance for new and existing BTEA participants from January 2013. Furthermore, from June 2014 all new BTEA claims must be recommended and approved by a DSP Case Officer before you start the course. This change is intended to make sure the BTEA is more targeted. Table 17.1 shows total recipients and expenditure on Back to Education Allowance.

**Table 17.1: Recipients and Expenditure for Back to Education Allowance**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Back to Education Allowance</b>	22,714	162.5	186.9

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Back to Education Allowance has the highest number of the recipients (22,714) of ‘working age employment supports’ after the Community Employment Programme (23,249). The number of recipients of BTEA decreased by 1,461 (6 per cent) in 2014 over 2013. Expenditure on the scheme decreased by €24.4 million (13.1 per cent) over the same period.

## 18. 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<sup>64</sup>

Table 18.1 shows the maximum weekly rates of Farm Assist and Table 18.2 shows total expenditure and recipients.

**Table 18.1 - Maximum Weekly Rates of Farm Assist 2016**

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

(Source: PublicPolicy.ie (2014) *Survey of the Benefit System in Ireland*)

**Table 18.2 Recipients and Expenditure for Farm Assist**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Farm Assist</b>	9,809	93.6	99.2

(Source: DSP (2015), *Statistical Information on Social Welfare Services 2014*)

Between 2013 and 2014 total recipients decreased by 494 (4.8 per cent). Total expenditure decreased by €5.5 million (5.6 percent) over the same period.

<sup>64</sup> Further information on what means are assessed can be found from [citizensinformation.ie](http://citizensinformation.ie)

## 19. Back to Work Enterprise Allowance

The Back to Work Enterprise Allowance (BTWEA) scheme encourages people on certain social welfare payments to become self-employed<sup>65</sup>. 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 DSP case officer or Local Development 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)<sup>66</sup>
  - One-Parent Family Payment
  - Blind Pension
  - Disability Allowance
  - Carer's Allowance
  - Farm Assist
  - Invalidity Pension
  - Incapacity Supplement
  - Widow's/Widower's or Surviving Civil Partner's (Non-Contributory) Pension

**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).

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<sup>65</sup> The BTWEA may also be available to an individual who was released from prison and satisfies the eligibility criteria.

<sup>66</sup> This means that the person would pass the means test for Unemployment Allowance.

Those who qualify for the Back to Work Enterprise Allowance can keep 100 percent of their social welfare payment for the first year and 75 percent for the second year, along with the increases for a qualified adult and qualified child. Claimants will also retain secondary benefits<sup>67</sup> for the duration of the BTWEA scheme. Table 19.1 shows total expenditure and recipients for the scheme.

**Table 19.1: Recipients and Expenditure for Back to Work Enterprise Allowance**

Benefit	Total Recipients in 2014	Expenditure 2014 €m <sup>68</sup>	Expenditure 2013 €m
<b>Back to Work Enterprise Allowance</b>	11,166	118.8	119.5

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on the scheme decreased by €672,000 (0.6 percent) from 2013 – 2014. The number of recipients increased over the same period by 1,068 (10.6 percent). The number of self-employed (first year) recipients increased by 1,364 (26.2 per cent), while the number of self-employed (years 2 to 4) decreased marginally by 296 (6.1 per cent).

<sup>67</sup> Secondary benefits include Fuel Allowance, Medical card, and Back to School Clothing and Footwear Allowance.

<sup>68</sup> Included in the expenditure figures of BTWEA in 2013 and 2014 is expenditure on the 'Back to Work Allowance'. This payment was aimed at incentivising the unemployed to take up employment; it was discontinued to new applicants in the Supplementary Budget in April 2009.

## 20. Disablement Benefit

Disablement Benefit is a benefit under the Occupational Injuries Scheme<sup>69</sup>. It 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 percent or more. To give an indication as to what the 15 percent 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 (known as Disablement Gratuity). Some recipients of Disablement Benefit who are unable to work may also qualify for Illness Benefit based on your PRSI contributions.

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<sup>70</sup>.

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

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<sup>69</sup> The Occupational Injuries Benefit Scheme is a group of benefits for people injured or incapacitated by an accident at work or while travelling directly to or from work. There are a number of benefits available and there are different conditions attached to each benefit (Citizens Information, 2015)

<sup>70</sup> Under the Occupational Injuries Scheme, civil servants at PRSI class B cannot get Disablement Benefit for 26 weeks after the accident/disease.

assessed level of disablement, which is medically assessed. These rates are shown in table 20.1 below.

**Table 20.1 Maximum Personal Rates of Disablement Pension**

<b>Level of Disablement</b>	<b>Weekly Payment</b>
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

(Source: PublicPolicy.ie (2014) *Survey of the Benefit System in Ireland*)

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 Current Maximum Weekly Rates of Incapacity Supplement 2016**

<b>Incapacity Supplement</b>	<b>Aged Under 66</b>	<b>Aged Over 66</b>
Personal Rate	€188.00	€204.30
Increase for a Qualified Adult	€124.80	€135.60
Increase for a Qualified Child	€29.80	€29.80

(Source: Citizens Information (2015) *Disablement Benefit*)

Furthermore, Constant Attendance Allowance is an additional payment on top of the Disablement Pension which is payable to people who have over 50 percent 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 disablement benefit scheme.

**Table 20.3 Recipients and Expenditure for Disablement Benefit**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Disablement Benefit</b>	12,293	76.6	76.1

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on the scheme generally remained constant between 2013 and 2014 as it increased by €504,000 (0.7 percent). The number of recipients has decreased by 1,933 (13.6 percent) in 2014 over 2013. The share of Disablement Benefit recipients who receive an Incapacity Supplement was 859 or 7 percent of all recipients.

## 21. Injury Benefit

Injury Benefit, one of the benefits under the Occupational Injuries Scheme, is a weekly PRSI contribution based benefit<sup>71</sup> payable to people who are unfit to work for at least six days due to:

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

### Budget 2014

From 6 January 2014, a person is not entitled to Injury Benefit for the first 6 days of their claim<sup>72</sup>. Previously, injury benefit was not paid for the first three days of their claim. However claims with a commencement date before 6 January 2014, and those coming from Maternity Benefit, will continue to not be paid for the first 3 days of illness.

Injury Benefit is then payable for up to 26 weeks following the date of the accident/disease (excluding the first 6 days). The rates of Injury Benefit are shown in table 21.1.

**Table 21.1: Weekly Rates of Injury Benefit 2016**

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 <sup>73</sup>	€14.90

(Source: PublicPolicy.ie (2014) *Survey of the Benefit System in Ireland*)

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 21.2 shows total expenditure and recipients for the scheme.

<sup>71</sup> People covered by PRSI Class A, D, J or M are covered in full irrespective of the length of time of the contribution payments.

<sup>72</sup> Unless the person was receiving Injury Benefit, Illness Benefit or a jobseekers' payment immediately before their claim

<sup>73</sup> Budget 2012 introduced the restriction 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

**Table 21.2: Recipients and Expenditure for Injury Benefit**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Injury Benefit</b>	906	16.5	14.6

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on the scheme increased by €1.9 million (13.3 percent) from 2013 – 2014. The number of recipients also increased over the period by 10.2 percent to 906 recipients in 2014.

## 22. Blind Pension

Blind Pension is a means tested<sup>74</sup> 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 22.1 shows the maximum weekly rates of Blind Pension

**Table 22.1: Maximum Weekly Rates of Blind Pension 2016**

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

(Source: DSP, *Rates of Payment 2016*)

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 (€9.00 per week) and the Household Benefits Package. The person may also be entitled to the Blind Welfare Allowance which is administered by the HSE. Table 22.2 shows total expenditure and recipients for the Blind Pension scheme.

**Table 22.2: Recipients and Expenditure for Blind Pension**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Blind Pension</b>	Not Available (1,385 in 2013)	14.4	14.8

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

<sup>74</sup> For more information on the means test see [Citizens Information](#)

Total expenditure on the scheme decreased by €394,000 (2.7 percent) from 2013 – 2014. Likewise, the number of recipients decreased by 71 (4.9 percent) between 2012 and 2013. Figures for 2014 are not available.

## 23. Guardian's Payment (Contributory)

Guardian's Payment (Contributory) is a PRSI contribution based payment to an orphan's guardian. Payment is made to the orphan's guardian up to the child's 18th birthday or 22nd birthday if they are in full-time education.

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 paid at the standard rate of €161. Table 23.1 shows total expenditure and recipients for the scheme.

**Table 23.1 - Recipients and Expenditure for Guardian's Payment (Contributory)**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Guardian's Payment (Contributory)</b>	Not available (947 in 2013)	11.0	11.0

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on the scheme remained relatively stable during the 2013 to 2014 period, increasing by 0.2 percent. Similarly, the recipient numbers remained stable, increasing by 9 people (1 percent) from 2012 to 2013. Figures for 2014 are not available.

## 24. 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, who are habitually resident in Ireland and pass a means test. The maximum weekly rate of Guardian's Payment (Non-Contributory) also stands at €161, and is paid up to the orphan's 18th birthday or 22nd birthday if they are in full-time education. Table 24.1 shows total expenditure and recipients for the scheme.

**Table 24.1: Recipients and Expenditure for Guardian's Payment (Non-Contributory)**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Guardian's Payment (Non-Contributory)</b>	Not available (435 in 2013)	5.2	5.1

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on the scheme increased from 2013 to 2014 by €72,000 (1.4 percent). The number of recipients remained stable between 2012 and 2013, increasing by 2 recipients only (0.5 percent). The number of recipients in 2014 is not available.

## 25. 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 4<sup>th</sup> of July 2007 no new applicants are 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
- In receipt of Jobseekers Benefit or Jobseekers Allowance for 15 months

**Or**

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

**Or**

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

The maximum weekly rates for PRETA are shown in table 25.1 below

**Table 25.1 - Current Maximum Weekly Rates of Pre-Retirement Allowance**

<b>Pre-Retirement Allowance</b>	<b>Weekly Rate €m</b>
Personal Rate	€188.00
Increase for a Qualified Adult	€124.80
Increase for a Qualified Child	€29.80

(Source: DSP, *Rates of Payment*)

Those in receipt of PRETA are not available for work and as such are not required to "sign-on". Table 25.2 shows total expenditure and recipients for the scheme.

**Table 25.2: Recipients and Expenditure for Pre-Retirement Allowance**

Benefit	Total Recipients 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Pre-Retirement Allowance</b>	1,887	24.3	34.6

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on the scheme decreased by €10.2 million (30 percent) from 2013 – 2014. The number of recipients also decreased over the same period by 777 (29 percent).

## 26. 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 under the age of 66 with no dependent children. This scheme was closed off to new applicants on 2 January 1997 when One Parent Family Payment was introduced.

Some women continue to receive Deserted Wife's Allowance because they qualified for the payment before 1997 and have continued to meet the qualifying criteria. The maximum weekly rate of Deserted Wife's Allowance is €188.00. Table 26.1 shows recipients and expenditure for the scheme.

**Table 26.1: Recipients and Expenditure for Deserted Wife's Allowance**

Benefit	Total Recipients in 2014	Expenditure 2014 €m	Expenditure 2013 €m
<b>Deserted Wife's Allowance</b>	Not available (274 in 2013)	2.5	2.9

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

Total expenditure on the scheme decreased by €372,000 (12.9 percent) from 2013 – 2014. The number of recipients decreased over 2012 – 2013 by 62 (18.5 percent). The number of recipients in 2014 is not available.

## 27. Deserted Wife's Benefit

Deserted Wife's Benefit is a social insurance 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. Some women have continued to get Deserted Wife's Benefit because they qualified for the payment before 2 January 1997 and have continued to meet the qualifying criteria<sup>75</sup>. The weekly rates of payment are shown in Table 27.1 below. If your earnings are over €20,000 you are not entitled to the Deserted Wife's Benefit.

**Table 27.1: Current Weekly Rates of Deserted Wife's Benefit**

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

(Source: PublicPolicy.ie (2014) Survey of the Benefit System in Ireland)

If the woman has enough PRSI contributions (excluding the husbands), she can transfer to the State Pension (Contributory) at age 66 which is paid at a higher rate than Deserted Wife's Benefit. Table 27.2 shows total expenditure and recipients for the scheme.

**Table 27.2: Recipients and Expenditure for Deserted Wife's Benefit**

Benefit	Total Recipients in 2014	Expenditure in 2014 €m	Expenditure in 2013 €m
<b>Deserted Wife's Benefit</b>	6,989	79.1	80.4

(Source: DSP (2015) *Statistical Information on Social Welfare Services 2014*)

The number of recipients is quite small and declining year after year. The number of recipients declined over the 2013 – 2014 period by 468 (6.3 percent). Consequently, the expenditure on this scheme decreased by 1.3 million (1.6 percent) from 2013 – 2014.

<sup>75</sup> See [Citizens Information](#) for further information