

Chapter 34 Department of Social and Family Affairs

Transfer of Welfare Functions

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34.1 As part of the planning for reform of health sector structures that led to the establishment of the Health Service Executive (HSE), an interdepartmental review group was set up in September 2003 to examine the scope for transfer of certain non-core activities carried out by health sector bodies to other, more appropriate, departments and agencies. The review group recommended

- the transfer of responsibility for the Community Welfare Service (CWS) and for certain health sector administered income support and maintenance schemes to the Department
- the transfer of the General Register Office to the Department.
- an examination of the mechanics for transferring the Dental Treatment Benefit Scheme and aural and ophthalmic services from the Department to the health sector.

The Government agreed on 28 February 2006 to implement the recommendations of the review group.

34.2 On 19 September 2007, the Government noted the preparations made to that point for the transfer of functions between the HSE and the Department, and approved the proposed implementation plan. The plan envisaged the transfer of CWS staff to the Department on an Exchequer and staff neutral basis. This was to proceed as soon as possible following the conclusion of negotiations with the trade unions concerned. The Government directed that the transfer should not result in a reduction in public access to CWS premises and that a single means testing arrangement should be used by the Department and by the HSE. It also approved the transfer of responsibility for the General Register Office to the Department by the end of 2007, and the transfer of responsibility for the Domiciliary Care Allowance and certain other disability and care-related payments to the Department by the first half of 2009.

Audit Focus

The audit examined the progress to date on the execution of the Government decision.

Community Welfare Service

34.3 The Community Welfare Service (CWS) is part of the HSE, and operates through the local health service network. While the Department is responsible for policy, regulation and the provision of funding for the Supplementary Welfare Allowance (SWA) scheme, the HSE has statutory responsibility for that scheme's administration. This is one of the primary functions of the CWS.

34.4 Decisions about entitlements in relation to claims under the SWA scheme are made by Community Welfare Officers (CWOs). Basic SWA payments are made to eligible applicants, including people who are awaiting decisions on claims under assistance schemes administered by the Department (e.g. Jobseekers' Allowance, One Parent Family Payment). Other components of the SWA scheme are

- rent supplement
- mortgage interest supplement
- exceptional and urgent needs payments
- diet and heating supplements.

34.5 It was considered that a transfer of responsibility for administration of SWA would provide opportunities for enhanced service to claimants, achieve efficiencies, result in coordinated control mechanisms and elimination of duplication of effort, with consequential savings to the Exchequer.

34.6 Apart from processing and administering of SWA claims, CWOs in most areas also have an involvement in a number of schemes funded and administered by the HSE. These include

- Domiciliary Care Allowance (normally the forerunner to payment of Disability Allowance which is a Department scheme)
- Blind Welfare Allowance
- Mobility Allowance
- Infectious Diseases Maintenance Allowance.

In general, the role of the CWOs in relation to these schemes is to carry out means assessment (where appropriate) and to provide general information on the schemes to clients in relation to eligibility criteria and application procedures. In many HSE areas, CWOs are also involved in means testing for medical card eligibility and for nursing home subventions.⁹⁷

Transfer of the CWS

34.7 The legislative provision for the transfer of the administration of SWA from the HSE to the Department was included in the Social Welfare and Pensions Acts 2007 and 2008. The provisions, which effectively remove the HSE from involvement in the administration of the SWA scheme, are subject to a Commencement Order.

34.8 The Accounting Officer has informed me that project planning for the transfer is well advanced, that a significant amount of preparatory work in the areas of facilities management, human resources, information technology and finance has been completed and that the next step is to prepare for implementation when a date for the transfer is agreed.

34.9 Current proposals for the transfer involve the setting up of the CWS as a separate branch in the Department, closely aligned with its regional structure pending full integration within a two-year period.

34.10 The Accounting Officer has stated that the CWS itself is under considerable pressure particularly due to increased claims for rent supplement and mortgage supplement. A careful and well organised and resourced change management programme is required to ensure that service to the public is maintained while implementing the transfer.

34.11 It was agreed with the HSE that 866 CWS staff would transfer to the Department. It has now also been agreed, following consultation with the Department of Finance, that an additional 95 posts will be transferred to the Department from the HSE to provide for senior management as well as for support services such as information technology, facilities management and human resources.

34.12 The Accounting Officer has informed me that the transfer of almost 1,000 front-line and other staff from the HSE will have a significant organisational and human resources impact on the Department. In the meantime, transfer issues include

⁹⁷ The CWS in the greater Dublin area is not involved in these functions.

- HSE staff that transfer will change status from public to civil servant and this will involve changes in their terms and conditions of employment.
- Agreement has not been reached with unions representing staff in the HSE who are due to transfer to the Department, despite a lengthy facilitated engagement overseen by an independent chairperson which concluded in December 2008.
- No agreement has been reached in a number of areas related to terms and conditions of employment.
- The position of the health sector unions is that the staff wish to remain as employees of the HSE.

34.13 The transfer of functions was reviewed by Government on 28 April 2009. Noting the progress made to that point on the transfer programme, the Government approved 1 January 2010 as the implementation date for the transfer of the administration of SWA to the Department. It directed that the issues that remained unresolved between the management side and the unions should be referred to the national industrial relations institutions.

34.14 The Labour Relations Commission was contacted by the corporate employee relations unit of the HSE in May 2009 asking it to intervene and to bring the parties together for further discussion in an effort to progress the matter.

34.15 The Department and the HSE are aiming towards a transfer date of January 2010. However, achieving this is dependent on progress being made in relation to the industrial relations issues in the coming months.

34.16 The Accounting Officer has pointed out that the Department has no direct control over the industrial relations environment in which the CWS staff and their employer, the HSE, operate. The Department will continue to work with the HSE, the Department of Health and Children and the Department of Finance to resolve the industrial relations issues through the national industrial relations institutions, as directed by Government.

Unified Means Test

34.17 A Working Group which reviewed the SWA scheme reported in 2006 that there was duplication of means testing for social welfare schemes which should be addressed as a matter of priority. It recommended that only one means test should be carried out, and that all the means information required for the various schemes should be collected at that test. In the context of a single means test, the development of a single social assistance payment would further eliminate duplication in the system. It was concluded that staff resources freed up by elimination of such duplication would have a beneficial effect on the turnaround times for schemes.

34.18 The Accounting Officer has stated that the introduction of a single means test for recipients of all social assistance schemes and pensions is a long-term aim of the Department. It is linked with the development of a unified payment scheme for short-term assistance (Jobseekers Allowance, Disability Allowance, One Parent Family Payment etc.) but significant difficulties remain. A feasibility study into introducing a single social assistance payment for people of working age, both from the policy and operational aspects, is currently being undertaken. The study is at an early stage and an interim report will be produced later this year.

34.19 In addition, the Cabinet Committee overseeing the Transformation of the Public Service has established a Working Group, chaired by the Director-General of Social Welfare Services, to determine the feasibility and value of mechanisms to simplify the manner in which customers provide means information to public bodies. While this is not a proposal for a single means test, it

will include consideration of the possibility of establishing a Common Means Assessment Repository which could support the application of various bespoke means tests by participating agencies on the basis of a common view of what constitutes the means of the individual or household concerned. A final report is expected by the end of 2009.

Other Transfers

34.20 The Accounting Officer has stated that the following is the status of transfer arrangements or proposals for other schemes and units.

Scheme	Status of Transfer
General Register Office	Transferred to the Department in January 2008
Dental and Treatment Benefit	Proposals are being developed for the introduction of a single integrated computer system to allow payment to be made to service providers in respect of persons who are entitled to dental and/or treatment services under either the PRSI or medical card schemes.
Domiciliary Care Allowance	<p>There are currently approximately 23,000 recipients of allowances.</p> <p>New claims are being accepted by the Department since April 2009 and the stock of existing claims will transfer in September 2009.</p> <p>The legislative provisions for the transfer were included in the Social Welfare and Pensions Act, 2008.</p>
Blind Welfare Allowance	<p>There are currently approximately 3,000 recipients of allowances.</p> <p>A specific date to commence the transfer of Blind Welfare Allowance has not been set. A decision will be made when the Domiciliary Care Allowance transfer has been completed and having regard to the progress being made in transferring the SWA service.</p> <p>The legislative provisions for the transfer were included in the Social Welfare and Pensions Act, 2008.</p>
Mobility Allowance	<p>There are a number of concerns about the appropriateness of the transfer of this scheme to the Department at this stage. In its current configuration, it does not fit comfortably with any other social welfare payment.</p> <p>The Department of Health and Children is reviewing the appropriateness of the proposed transfer.</p>
Infectious Diseases Maintenance Allowance	This scheme is to be discontinued. Fewer than ten cases remain in payment. These are being transferred to an appropriate social welfare allowance.

Conclusions

The original proposals to transfer schemes out of the HSE arose out of a 2003 report of the Commission of Financial Management and Control Systems in the Health Service. The aim was to remove non-core services from the health sector and to align accountability with the agency that had authority to commit the funds.

Much of the transfer agenda remains to be completed although enabling legislation is in place in a number of instances.

In order to achieve the improved customer service efficiencies, coordination of control and elimination of overlap, a sharper focus on change management designed to address the business impacts of the transfer appears to be called for. The overall drive would benefit from a plan with defined timescales and deadlines.

