

Appropriation Account 2021

Vote 37

Social Protection

Introduction

As Accounting Officer for Vote 37, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2021 for the salaries and expenses of the Office of the Minister for Social Protection, for certain services administered by that Office, for payments to the Social Insurance Fund (SIF) and for certain grants.

The expenditure outturn is compared with the sums

- (a) granted by Dáil Éireann under the Appropriation Act 2021, including the amount that could be used as appropriations-in-aid of expenditure for the year
and
- (b) provided for capital supply services in 2021 out of unspent 2020 appropriations, under the deferred surrender arrangements established by section 91 of the Finance Act 2004.

A surplus of €143.68 million is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the account.

Provision of agency services

The Department continues to act as a paying agent of the Department of Finance for the purpose of the discharge of the approved liabilities of the Waterford Crystal pensioners' lump sum payments and Waterford Crystal ongoing pension payments, under section 48B of the Pensions Act 1990 as inserted by section 4 of the Social Welfare and Pensions (No.2) Act 2014. Funding is drawn down by the Department from the Central Fund of the Exchequer and transferred to the National Shared Services Office who commenced processing the individual pension payments from October 2017. The amounts paid are reported by the Department of Finance in the Financial Accounts.

Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure and Reform in circulars 1 and 9 of 2022, have been applied in the preparation of the account with the exception of the following.

Recovery of overpayments

Recovery of debt in respect of general/income-support scheme overpayments is brought to account as follows.

- Cash and deduction recoveries received are brought to account on the date they are matched against the relevant debt holder. Unmatched recovery amounts are held in suspense and are brought to account as income with corresponding reduction in debt on their identification. As Vote 37 is the dominant recipient of overpayments receipts, unmatched receipts are held in a Vote 37 suspense account pending resolution and subsequent posting to Vote 37 or SIF as appropriate.
- Cash and deduction recoveries in respect of the previous accounting years are treated as income of the current accounting year. Cash and deduction recoveries in respect of the current accounting year are netted off against the expenditure for the current accounting year.

Recognition of payments

Payments consist of those sums which come in the course of payment during the year. Sums are deemed to have come in the course of payment where the liability has been incurred, payment is due and the instruction for the payment (cheque or electronic funds transfer) has been effected on the relevant payment system. Cash welfare payments made through An Post are recognised upon disbursement. Where the normal due payment date falls on a public holiday, it may be necessary to issue payments early. At year-end, payments issued early by electronic funds transfer by banks or early encashment by customers in post offices, which refer to the subsequent year, are normally recognised as prepayments. Under new banking arrangements implemented during 2020, the Department issues funds to the bank one day in advance of customer payments. This process continued in 2021 and these funding payments are also included in scheme prepayments.

Statement on Internal Financial Control***Responsibility for system of internal financial control***

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Department.

This responsibility is exercised in the context of the resources available to me and my other obligations as Secretary General. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

Shared services

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between this Department and the National Shared Services Office for the provision of human resources and payroll shared services.

I rely on a letter of assurance from the Accounting Officer of the Vote for the National Shared Services Office that the appropriate controls are exercised in the provision of shared services to the Department.

Financial control environment

I confirm that a control environment containing the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- Procedures for all key business processes have been documented.
- There are systems in place to safeguard the assets.

Control of capital assets

A multi-year plan to address asset identification including write-off and transfers, asset tagging and periodic inventories, which began implementation in 2019, was continued in 2021.

The Department continued its review of the asset registers during 2021. This resulted in the identification of IT software assets on the register that had become obsolete, several IT hardware assets which had been replaced and furniture and fittings assets which were obsolete and/or had individual values of less than €1,000. Prior to March 2020, the Department had capitalised assets less than the €1,000 threshold (now €10,000). Approximately €78.68 million of assets were written off in 2021. The net book value of these assets was nil at 31 December 2021. Ongoing data cleansing of the asset register will continue to ensure assets can be traced from the asset register back to a physical inventory or equivalent.

A new tag/barcode format was developed in 2019 in conjunction with the Department's IT support contractors. The asset barcode format is compatible with future Financial Management Shared Services plans. The Department is currently producing tags for 2017 additions (2018 and 2019 fixed asset additions were tagged in 2020), and the 2017 asset tags will be attached to relevant assets during 2022. Tagging of assets acquired earlier and still in use will continue in 2022.

The Department uses a fixed asset software package called Lansweeper to undertake weekly inventory scans of IT hardware and software. The Department can run reports on a weekly, monthly, or ad hoc basis to ascertain what IT assets are linked to the Department's network.

Following the major review of the asset registers detailed above, the Department sent inventory details to 46 business areas to verify the existence of furniture and fittings. The total value of these inventories was €3.04 million (original cost). This process will be completed on a rotational basis to ensure coverage of all business areas over several years.

Debt reconciliations

The Department's debt and receipts accounting system (DRAS) allows for the automatic recording and posting of debt recovered in its INTREO offices, from its receiving bank accounts and by way of deduction from the Department's payments to customers.

Since the introduction of DRAS in late 2014, the annual statements on internal financial control have made reference to unresolved variances in regard to DRAS related debtors, amounts recovered and bank and cash balances. The Department has applied additional resources to this area and has made substantial progress in addressing these issues.

Unmatched amounts

Overpaid customers sometimes make repayments with insufficient details to associate it with their outstanding debt. As a result, in some cases, the Department is constrained from identifying and matching these amounts to the customer. These occurrences are less frequent since the Department moved its banking to Danske Bank in 2020. Unmatched amounts may also include receipts processed in advance of debts being raised or balances due for refund to customers who have overpaid their debt. Since DRAS went live in 2014, it has processed over €549 million in receipts and scheme deduction overpayment recoveries. As at 31 December 2021, the total amount recorded on the Department's accounting system for unmatched overpayment recoveries is €3.8 million (2020: €4.7 million).

Work continues on the resolution of these unmatched amounts. The work being undertaken consists of: (a) a reconciliation of unmatched customer receipts in suspense on DRAS with unmatched receipts on the Department's accounting system; and (b) an age analysis of those receipts with a view to bringing to account, on a permanent basis, those amounts that have been fully investigated but remain unresolved.

Administrative controls and management reporting

I confirm that a framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability, and in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the Department
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines
- the Department ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines.

Internal audit and Audit Committee

I confirm that the Department has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Department is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Non-compliance with procurement rules

I confirm that the Department ensures that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines. The Department complied with the guidelines with the exception of 93 contracts (in excess of €25,000), totalling €32,209,365 (ex. VAT) as set out below:

- Twenty-five service provider contracts with a total spend of €18,622,933 in 2021 to deliver local employment services across the State. The regularisation of these contracts was delayed due to the pandemic. Requests for tenders (RFT) to renew these services were published in 2021 (phase 1 in Q2 and phase 2 in Q4). Contracts for phase 1 were awarded in December 2021. A procurement exercise has taken place for the new Intreo Partners Local Area Employment Service. All Local Employment Service contracts ceased on 31 August 2022. Phase 2 preferred bidders for the new Intreo Partners Local Area Employment Service have been announced, the contract arrangements are being finalised and operations being mobilised in 16 of the 17 Lots advertised. There is a delay in the return of contract with one Lot.
- Twenty-four service provider contracts with a total spend of €8,578,242 in 2021 to deliver the EmployAbility Service across the State. Steps to regularise these contracts were unavoidably delayed due to the pandemic. The Department has commenced engagement with the stakeholders and representative bodies who currently operate these services on behalf of the Department. The Department is continuing to review how such services should be procured and delivered on an ongoing basis in line with public procurement procedures.
- Forty service provider contracts with a total spend of €4,197,749 in 2021 to deliver the Jobs Clubs service across the State. The regularisation of these contracts was delayed due to the pandemic. Requests for tenders to renew these services were published in 2021 (phase 1 in Q2 and phase 2 in Q4). Contracts for phase 1 were awarded in December 2021. A procurement exercise has taken place for the new Intreo Partners Local Area Employment Service. All Jobs Clubs contracts ceased on 31 August 2022. Phase 2 preferred bidders for the new Intreo Partners Local Area Employment Service have been announced, the contract arrangements are being finalised and operations being mobilised in 16 of the 17 Lots advertised. There is a delay in the return of contract with one Lot.
- One contract for the provision of education programmes for DSP staff by National College of Ireland (NCI) was extended to July 2023 to facilitate the delivery of the current suite of accredited education programmes until expiry of the QQI awards in November 2023. Expenditure of €69,020 (ex. VAT) was incurred in 2021. The tender process has commenced and is near finalisation.

- One contract entered into for the enhancements to PARP/Oracle Financials for the new SIF Sterling Account as part of Danske Bank migration incurred expenditure of €162,754. This contract is now complete.
- The Department was informed by OGP on 26 July that a new contract for ICT consumables would come into place on 1 August 2021. The new supplier experienced difficulties sourcing some products initially and the lead in time for the new framework did not provide adequate time to facilitate setting up new operational procedures for staff ordering goods from multiple locations. In order to maintain our services to customers and to ensure that business continuity requirements were met, it was necessary to continue with the previous supplier until the difficulties with the new supplier were resolved. As a result, expenditure of €259,149 was incurred in 2021.
- An ongoing services contract for translations listed on the 2020 40/02 return which incurred expenditure of €319,518 in 2021. There was a legal challenge to a request for tenders issued by the Department and to ensure business continuity it was necessary to roll over this contract. A request for tenders was published in July, the closing date was 26 August 2022 and it is currently being evaluated.

The Department has provided details of 99 non-competitive contracts in the annual return in respect of Circular 40/2002 to the Comptroller and Auditor General and the Department of Public Expenditure and Reform.

Risk and control framework

The Department has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Department and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Management Board on a quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and the business area responsible for the risk actions.

Ongoing monitoring and review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Management Board, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of effectiveness

I confirm that the Department has procedures to monitor the effectiveness of its risk management and control procedures. The Department's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Department responsible for the development and maintenance of the internal financial control framework.

Internal financial control issues

No weaknesses in internal financial control were identified in relation to 2021 that require disclosure in the appropriation account.

Covid-19 control issues

Total Covid-19 support expenditure during 2021 amounted to €8.6 billion split between Vote 37 (€4.6 billion) and the SIF (€4 billion). Temporary Wage Subsidy Scheme (TWSS) and Employment Wage Subsidy Scheme (EWSS) payments were funded by Vote 37 while Pandemic Unemployment Payment expenditure for 2021 was funded by the SIF.

The Revenue Commissioners administered both the TWSS and the EWSS on behalf of the Department. Payments totalling €4.6 billion have been charged to Vote 37 for 2021 – €16.1 million in relation to TWSS and €4.6 billion in relation to EWSS.

The TWSS was legislated for under section 28 of the Emergency Measures in Public Interest (Covid-19) Act 2020.

The EWSS was legislated for under the Financial Provisions (Covid-19) (No. 2) Act 2020, and was signed into law on 1 August 2020. Section 28B was inserted into the Emergency Measures in the Public Interest (Covid-19) Act 2020. This provided for the introduction of the EWSS on 1 September 2020, which replaced the TWSS.

While the TWSS finished on 30 August 2020, certain administrative tasks were undertaken which in some cases gave rise to TWSS payments during 2021.

I rely on letters of assurances received from the Chairman of the Revenue Commissioners that the appropriate controls are exercised in relation to the administration and payments made under both schemes.

As outlined in the Statement of Internal Financial Control in the Department's 2020 Accounts, during that year, the impact of public health restrictions necessitated widespread redeployment of staff within the Department and restrictions on personal movement and interactions, and had an extraordinary impact on the labour market leading to an unprecedented increase in unemployment. In this context, some of the normal control measures that would operate in a standard environment (for example, calling jobseekers to interview in Intreo centres) had to be curtailed or suspended. The measures taken were appropriate and proportionate both to comply with the public health restrictions and to ensure the Department could deploy staff resources to the priority task of processing, paying and maintaining Covid-19 related claims. Where possible, and where staff availability and public health restrictions permitted, such control measures were reinstated or alternative methods were used to the limited extent possible (e.g., phone interviews with customers).

While the impact on scheme controls continued into 2021, overall these impacts are less than in 2020 due to the further reinstatement of some scheme controls and the introduction of alternative control measures, where possible in line with staff resourcing.

John McKeon

Accounting Officer

Department of Social Protection

28 September 2022

Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Vote 37 Social Protection

Opinion on the appropriation account

I have audited the appropriation account for Vote 37 Social Protection for the year ended 31 December 2021 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 37 Social Protection for the year ended 31 December 2021, and
- has been prepared in the form prescribed by the Minister for Public Expenditure and Reform.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Department of Social Protection and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the appendix to this report.

Regularity of social welfare payments

Chapter 10 of my report on the accounts of the public services for 2021 refers to welfare payments in excess of entitlement under schemes operated by the Department of Social Protection. I consider the estimated level of irregular welfare payments to be material to Vote 37, as explained in the chapter.

Recovery of benefit and assistance payments following compensation awards

Chapter 11 of my report on the accounts of the public services for 2021 examines the Department of Social Protection's processes to recover social welfare payments from compensation awards made to claimants as a consequence of personal injuries claims. The appropriation account records recoveries received related to social welfare payments originally charged to Vote 37.

Non-compliance with procurement rules

The Accounting Officer has disclosed in the statement on internal financial control that material instances of non-compliance with procurement rules occurred in respect of a number of contracts that operated in 2021.

Seamus McCarthy
Comptroller and Auditor General

28 September 2022

Appendix to the report

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with Section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure and Reform's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure and Reform
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation account and to report thereon to the Houses of the Oireachtas stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the appropriation account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I assess whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

Reporting on the statement on internal financial control

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, I am required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement, I am required to report that fact.

Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the certificates of opinion on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

Vote 37 Social Protection

Appropriation Account 2021

			2021	2020
	Estimate provision		Outturn	Outturn
	€000	€000	€000	€000
Programme expenditure				
Social assistance schemes, services, administration and payment to Social Insurance Fund Administration				
	<i>Original</i>	606,503		
	<i>Deferred surrender</i>	910		
	<i>Supplementary</i>	(40,000)		
			567,413	544,707
Pensions				536,309
	<i>Original</i>	1,066,077		
	<i>Supplementary</i>	19,593		
			1,085,670	1,083,119
Working age – income supports				1,048,546
	<i>Original</i>	2,450,199		
	<i>Supplementary</i>	(27,169)		
			2,423,030	2,354,248
Working age – employment supports				3,794,149
	<i>Original</i>	3,290,654		
	<i>Supplementary</i>	1,898,084		
			5,188,738	5,171,571
Illness, disability and carers				4,717,276
	<i>Original</i>	3,308,293		
	<i>Supplementary</i>	(39,235)		
			3,269,058	3,257,599
Children				3,203,725
	<i>Original</i>	2,635,040		
	<i>Supplementary</i>	(76,100)		
			2,558,940	2,557,600
Supplementary payments, etc.				2,608,327
	<i>Original</i>	565,434		
	<i>Supplementary</i>	9,785		
			575,219	577,641
Subvention to the Social Insurance Fund				564,028
	<i>Original</i>	3,764,837		
	<i>Supplementary</i>	(1,174,677)		
			2,590,160	2,606,030
				—

			2021	2020
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Gross expenditure				
	<i>Original</i>	17,687,037		
	<i>Deferred surrender</i>	910		
	<i>Supplementary</i>	570,281		
			18,258,228	18,152,515
				16,472,360
<i>Deduct</i>				
Appropriations-in-aid				
	<i>Original</i>	297,070		
	<i>Supplementary</i>	96,740		
			393,810	432,977
				201,541
Net expenditure				
	<i>Original</i>	17,389,967		
	<i>Deferred surrender</i>	910		
	<i>Supplementary</i>	473,541		
			17,864,418	17,719,538
				16,270,819

Surplus

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer. Under Section 91 of the Finance Act 2004, all or part of any unspent appropriations for capital supply services may be carried over for spending in the following year. €1.2 million of unspent allocations in respect of the capital elements of subheads A.2 (v) and A.2 (vi) was carried forward to 2022.

	2021	2020
	€	€
Surplus	144,880,093	862,853,290
Deferred surrender	(1,200,000)	(910,000)
Surplus to be surrendered	143,680,093	861,943,290

John McKeon

Accounting Officer
Department of Social Protection

28 September 2022

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2021

		2021	2020
	€000	€000	€000
Programme cost		17,607,808	15,936,051
Pay		310,417	298,995
Non pay		234,290	237,314
Gross expenditure		18,152,515	16,472,360
<i>Deduct</i>			
Appropriations-in-aid		432,977	201,541
Net expenditure		17,719,538	16,270,819
Changes in capital assets			
Purchases cash	(15,890)		
Depreciation	26,676		
Loss on disposal/write-off	1	10,787	(6,657)
Changes in net current assets			
Decrease in closing accruals	(869)		
Decrease in stock	86	(783)	13,136
Direct expenditure		17,729,542	16,277,298
Expenditure borne elsewhere			
Net allied services expenditure (note 1.1)		98,351	92,663
Notional rents		14,386	14,386
Net programme cost		17,842,279	16,384,347

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 37 borne elsewhere.

		2021	2020
		€000	€000
Vote 9	Office of the Revenue Commissioners ^a	287	370
Vote 12	Superannuation and Retired Allowances	83,572	77,101
Vote 13	Office of Public Works	12,714	14,441
Vote 18	National Shared Services Office	697	686
Vote 43	Office of the Government Chief Information Officer	1,014	—
Central Fund – ministerial pensions		67	65
		98,351	92,663

Note ^a The costs incurred by Revenue on the administration of the Covid-19 Temporary Wage Subsidy Scheme and the Employment Wage Subsidy Scheme and the Employer Covid-19 Refund scheme have not been included as the operation of these schemes was fully integrated within Revenue systems.

Note 2 Statement of Financial Position as at 31 December 2021

	Note	2021 €000	2020 €000
Capital assets	2.1	138,653	145,336
Current assets			
Stocks	2.3	191	277
Prepayments	2.4	60,580	65,884
Social Insurance Fund suspense account ^a		229,970	—
Other debit balances	2.5	218,388	88,530
Total current assets		509,129	154,691
Less current liabilities			
Bank and cash	2.2	385,384	15,475
Accrued expenses	2.6	56,726	62,899
Other credit balances	2.7	27,656	25,697
Net Exchequer funding	2.8	35,318	47,358
Total current liabilities		505,084	151,429
Net current assets		4,045	3,262
Net assets		142,698	148,598
Represented by:			
State funding account	2.9	142,698	148,598

Note ^a Represents advances from Vote 37 to the Social Insurance Fund (SIF) subvention suspense account which were not expended by year end.

2.1 Capital assets

	Furniture and fittings €000	Office equipment €000	Assets under development €000	Total €000
Gross assets				
Cost or valuation at 1 January 2021	20,352	302,490	32,419	355,261
Adjustment ^a	—	330	13,100	13,430
Additions	—	402	15,488	15,890
Disposals	—	—	—	—
Write-off ^b	(13,035)	(65,644)	—	(78,679)
Transfers	—	38,373	(38,373)	—
Cost or valuation at 31 December 2021	7,317	275,951	22,634	305,902
Accumulated depreciation				
Opening balance at 1 January 2021	18,118	191,807	—	209,925
Adjustment ^c	—	9,326	—	9,326
Depreciation for the year	620	26,056	—	26,676
Depreciation on disposals/write off	(13,034)	(65,644)	—	(78,678)
Cumulative depreciation at 31 December 2021	5,704	161,545	—	167,249
Net assets at 31 December 2021	1,613	114,406	22,634	138,653
Net assets at 31 December 2020	2,234	110,683	32,419	145,336

- Note ^a Adjustments totalling €13.1 million were made to capital assets under development (CAUD) because expenditure incurred in previous years in respect of CAUD projects had been incorrectly classified as non-capital expenditure.
- ^b Write-offs consist of software, IT hardware, furniture and equipment including franking machines, photocopiers, tables, chairs, etc. Significant data cleansing of the asset register continued during 2021. The Department identified a number of IT software assets on the register that had become obsolete, a number of IT hardware assets which had been replaced and furniture and fittings which were obsolete and/or had asset values under €1,000.
- ^c Adjustments totalling €9.326 million were made to depreciation in relation to assets already in use by the Department and should have been transferred from CAUD to office equipment in previous years, and to assets where the useful life was amended during the year.

2.2 Bank and cash

at 31 December	2021	2020
	€000	€000
An Post advance balances ^a	134,064	197,920
PMG balances (overdraft)	(525,026)	(222,697)
Commercial bank account balance	5,578	9,302
	<u>(385,384)</u>	<u>(15,475)</u>

Note ^a As scheme paying agent, An Post is pre-funded by Vote 37 and the SIF to meet the Department's expenditure liabilities as they fall due. At the end of 2021, the combined balance held by An Post in respect of Vote 37 and the SIF was €231.2 million. The combined corresponding balance at the end of 2020 was €335.6 million.

2.3 Stocks

at 31 December	2021	2020
	€000	€000
Stationery	160	226
IT consumables	31	51
	<u>191</u>	<u>277</u>

2.4 Prepayments

at 31 December	2021	2020
	€000	€000
Specific programme prepayments ^a	55,886	63,660
Software support	2,514	1,841
Administration	2,180	108
Other prepayments	—	275
	60,580	65,884

Note ^a The Department provides advance funding to some organisations delivering schemes. These include advances or floats for cash flow paid to schemes and other organisations providing Community Employment, Jobs Initiative, Local Employment Services and Jobs Clubs. Advances are provided to Community Employment and Job Initiative schemes prior to commencement to cover initial expenses and are generally recouped within 12 months of issue. Floats are provided to Local Employment Services and Jobs Clubs to cover ongoing expenses and are reconciled on an ongoing basis with each payment made. This money relates to organisations as opposed to individual claimants.

2.5 Other debit balances

at 31 December	2021	2020
	€000	€000
Advances to An Post for postage expenditure	1,007	1,007
Advances to OPW for office furniture, building and electrical work	244	1,251
Advances to Pobal	5,350	4,922
Advance to Revenue Commissioners ^a	7,411	20,436
Scheme prepayments ^b	161,354	24,650
Other debit suspense	2,454	4,212
<i>Due from SIF in respect of</i>		
• Vote related receipts recovered through SIF	18,809	18,927
• payments by Vote on behalf of SIF	21,758	12,456
• imprest payments receivable from SIF	1	669
	218,388	88,530

Note ^a Advance to the Revenue Commissioners is in respect of both the Employment Wage Subsidy Scheme and the Temporary Wage Subsidy Scheme.

^b Scheme prepayments include scheme payments made in the year and not charged in the current year.

2.6 Accrued expenses

at 31 December	2021	2020
	€000	€000
Specific programme accruals ^a	49,658	49,963
Other accruals	5,556	6,004
IT services and support	808	406
Administration expenses	704	6,526
	56,726	62,899

Note ^a Moneys owed to organisations providing Community Employment, Job Initiative and Local Employment Services on behalf of the Department. This money relates to organisations as opposed to individual claimants.

2.7 Other credit balances

at 31 December	2021	2020
	€000	€000
Amounts due to the State		
Income tax	3,740	3,407
Pay related social insurance	3,001	2,676
Universal social charge	702	654
Professional services withholding tax	3,974	3,626
Value added tax	16	54
Pension contributions	2,446	1,295
Local property tax	51	42
Extra Exchequer receipts	1	1
	13,931	11,755
Payroll deductions	2,235	2,176
<i>Due to SIF in respect of</i>		
• payments by SIF on behalf of Vote	4,035	5,784
• imprest payments received from SIF	2,167	(6)
Unmatched overpayment recoveries	3,846	4,639
Debt recovery on behalf of other EU countries	877	869
Other credit suspense items	565	480
	27,656	25,697

2.8 Net Exchequer funding

at 31 December	2021	2020
	€000	€000
Surplus to be surrendered	143,680	861,943
Deferred surrender	1,200	910
Exchequer grant undrawn	(109,562)	(815,495)
Net Exchequer funding	35,318	47,358
Represented by:		
Debtors		
Debit balances: suspense	218,388	88,530
SIF: suspense	229,970	—
Creditors		
Bank and cash	(385,384)	(15,475)
Due to the State	(13,931)	(11,755)
Credit balances: suspense	(13,725)	(13,942)
	(413,040)	(41,172)
	35,318	47,358

2.9 State funding account

	Note	2021	2020
		€000	€000
Balance at 1 January		148,598	153,112
Disbursements from the Vote			
Estimate provision	Account	17,864,418	
Deferred surrender	Account	(1,200)	
Surplus to be surrendered	Account	(143,680)	
Net vote		17,719,538	16,270,819
Expenditure (cash) borne elsewhere	1.1	98,351	92,663
Non cash expenditure – notional rent	1	14,386	14,386
Capital assets under development and fixed asset adjustment	2.1	4,104	1,965
Net programme cost	1	(17,842,279)	(16,384,347)
Balance at 31 December		142,698	148,598

2.10 Commitments

Global commitments	2021	2020
at 31 December	€000	€000
Procurement of goods and services	72,832	51,386
Capital projects	9,957	4,701
Total of legally enforceable commitments	82,789	56,087

2.11 Matured liabilities

at 31 December	2021	2020
	€000	€000
Estimate of matured liabilities not discharged at year end	114	122

2.12 Contingent liabilities

The Department is involved in 70 legal cases which may generate liabilities depending on the outcome of the litigation. Any actual amount or the timing of potential liabilities is uncertain.

Note 3 Vote Expenditure

Analysis of administration expenditure

		2021		2020
		Estimate provision		Outturn
		€000	€000	€000
i	Salaries, wages and allowances			
	<i>Original</i>	315,172		
	<i>Supplementary</i>	(3,072)		
			312,100	310,417
				298,995
ii	Travel and subsistence			
	<i>Original</i>	4,155		
	<i>Supplementary</i>	(3,546)		
			609	562
				1,478
iii	Training and development and incidental expenses			
	<i>Original</i>	16,889		
	<i>Supplementary</i>	(3,984)		
			12,905	10,978
				12,867
iv	Postal and telecommunications services			
	<i>Original</i>	13,977		
	<i>Supplementary</i>	523		
			14,500	13,793
				11,967
v	Office equipment and external IT services			
	<i>Original</i>	74,465		
	<i>Deferred surrender</i>	620		
	<i>Supplementary</i>	(6,855)		
			68,230	59,282
				59,257
vi	Office premises expenses			
	<i>Original</i>	21,365		
	<i>Deferred surrender</i>	290		
	<i>Supplementary</i>	(580)		
			21,075	17,619
				16,841
vii	Consultancy services			
	<i>Original</i>	1,100		
	<i>Supplementary</i>	(300)		
			800	487
				346
viii	Payments for agency services			
	<i>Original</i>	142,880		
	<i>Supplementary</i>	(21,986)		
			120,894	117,276
				121,650

ix eGovernment related projects

<i>Original</i>	16,500			
<i>Supplementary</i>	(200)			
		16,300	14,293	12,908
		567,413	544,707	536,309

Significant variations

The following outlines for significant variations in administration expenditure (+/- 25% and €100,000).

ii **Travel and subsistence**

Estimate provision €4.2 million; outturn €562,000

The underspend of €3.6 million relative to the estimate provision was because travel requirements reduced in 2021 due to the Covid-19 pandemic. All non-essential travel for officials of the Department was suspended and many activities were moved online.

iii **Training and development and incidental expenses**

Estimate provision €16.9 million; outturn €11 million

The underspend of €5.9 million relative to the estimate provision was because

- €2 million of savings was achieved on staff services due to sufficient stocks of Personal Protective Equipment (PPE). Provision had been made for additional PPE stocks but these were not required in 2021.
- €3.9 million of savings was achieved on various incidental expenses including research supports (€900,000), staff training (€800,000), contingency (€500,000) hire of rooms (€500,000), translation fees (€300,000), legal fees (€500,000) bank charges (€200,000) and other miscellaneous charges (€200,000).

vii **Consultancy services**

Estimate provision €1.1 million; outturn €487,000

The underspend of €613,000 relative to the estimate provision was because

- One project with a value of €400,000 for actuarial services which was originally approved for 2021 was rescheduled to 2022.
- Three projects were delayed due to the impact of the Covid-19 pandemic. As a result, the full budget allocation for 2021 was not drawdown and expenditure totalling €213,000 is now expected to be incurred in 2022.

Programme A Social assistance schemes, services, administration and payment to the Social Insurance Fund

				2021	2020
		Estimate provision		Outturn	Outturn
		€000	€000	€000	€000
A.1	Administration – pay				
	<i>Original</i>	315,172			
	<i>Supplementary</i>	(3,072)			
			312,100	310,417	298,995
A.2	Administration – non pay				
	<i>Original</i>	291,331			
	<i>Deferred surrender</i>	910			
	<i>Supplementary</i>	(36,928)			
			255,313	234,290	237,314
Pensions					
A.3	State Pension (Non-Contributory)				
	<i>Original</i>	1,066,077			
	<i>Supplementary</i>	19,593			
			1,085,670	1,083,119	1,048,546
Working Age - Income Supports					
A.4	Jobseeker's Allowance				
	<i>Original</i>	1,643,600			
	<i>Supplementary</i>	(5,900)			
			1,637,700	1,567,383	1,656,771
A.5	One-Parent Family Payment				
	<i>Original</i>	553,567			
	<i>Supplementary</i>	6,853			
			560,420	561,233	564,887
A.6	Widows'/Widowers'/Surviving Civil Partner's (Non-Contributory) Pension		13,200	12,691	13,425
A.7	Deserted Wife's Allowance		830	635	859
A.8	Basic SWA Payments				
	<i>Original</i>	112,621			
	<i>Supplementary</i>	(18,241)			
			94,380	94,865	115,212
A.9	Farm Assist				
	<i>Original</i>	61,742			
	<i>Supplementary</i>	(2,802)			
			58,940	59,030	66,414
A.10	Exceptional and Urgent Needs Payments				
	<i>Original</i>	46,020			
	<i>Supplementary</i>	(3,750)			
			42,270	43,089	41,029

		Estimate provision		2021	2020
		€000	€000	Outturn €000	Outturn €000
A.11	Other Working Age – Income Supports				
	<i>Original</i>	18,619			
	<i>Supplementary</i>	(3,329)			
			15,290	15,322	18,076
	<i>Covid-19 – Pandemic Unemployment Payment</i>		—	—	1,317,476
Working Age – Employment Supports					
A.12	Community Employment Programme				
	<i>Original</i>	362,704			
	<i>Supplementary</i>	(44,414)			
A.13	Rural Social Scheme		318,290	320,213	340,612
	<i>Original</i>	52,193			
	<i>Supplementary</i>	(2,653)			
			49,540	49,476	52,745
A.14	Tús				
	<i>Original</i>	98,776			
	<i>Supplementary</i>	(16,536)			
			82,240	78,557	83,568
A.15	Job Initiative		12,670	13,116	14,973
A.16	Back to Work Enterprise Allowance				
	<i>Original</i>	64,821			
	<i>Supplementary</i>	(35,461)			
			29,360	28,881	39,274
A.17	Youth Employment Support Scheme				
	<i>Original</i>	2,440			
	<i>Supplementary</i>	(1,860)			
			580	563	2,015
A.18	Back to Education Allowance				
	<i>Original</i>	96,500			
	<i>Supplementary</i>	(41,410)			
			55,090	54,322	65,921
A.19	JobsPlus				
	<i>Original</i>	28,300			
	<i>Supplementary</i>	(25,052)			
			3,248	3,315	5,376
A.20	Local Employment Service				
	<i>Original</i>	25,800			
	<i>Supplementary</i>	(6,960)			
			18,840	18,623	18,156

		Estimate provision		2021	2020
		€000	€000	Outturn	Outturn
				€000	€000
A.21	Jobs Clubs	<i>Original</i>	7,950		
		<i>Supplementary</i>	<u>(3,670)</u>		
			4,280	4,198	4,452
A.22	Work Placement Experience Programme	<i>Original</i>	135,700		
		<i>Supplementary</i>	<u>(134,900)</u>		
			800	596	—
A.23	Other Working Age – Employment Supports	<i>Original</i>	33,800		
		<i>Supplementary</i>	<u>(21,150)</u>		
			12,650	13,111	12,333
A.yy	Covid-19 Temporary Wage Subsidy Scheme	<i>Original</i>	10,000		
		<i>Supplementary</i>	<u>6,100</u>		
			16,100	16,071	2,706,962
A.zz	Covid-19 Employment Wage Subsidy Scheme (EWSS)	<i>Original</i>	2,359,000		
		<i>Supplementary</i>	<u>2,226,050</u>		
			4,585,050	4,570,529	1,370,889
Illness, Disability and Carers					
A.24	Disability Allowance		1,836,909	1,828,845	1,811,854
A.25	Blind Pension		12,811	12,255	12,641
A.26	Carer's Allowance	<i>Original</i>	953,893		
		<i>Supplementary</i>	<u>(22,463)</u>		
			931,430	930,556	926,352
A.27	Domiciliary Care Allowance	<i>Original</i>	199,840		
		<i>Supplementary</i>	<u>3,265</u>		
			203,105	202,445	193,104
A.28	Carer's Support Grant	<i>Original</i>	265,200		
		<i>Supplementary</i>	<u>(8,220)</u>		
			256,980	257,223	227,543
A.29	Disability Activation Supports	<i>Original</i>	13,660		
		<i>Supplementary</i>	<u>(3,007)</u>		
			10,653	10,375	13,875

		2021		2020
		Estimate provision	Outturn	Outturn
		€000	€000	€000
A.30	Wage Subsidy Scheme			
	<i>Original</i>	25,980		
	<i>Supplementary</i>	(8,810)		
			17,170	15,900
				18,356
Children				
A.31	Child Benefit			
	<i>Original</i>	2,119,120		
	<i>Supplementary</i>	(34,370)		
			2,084,750	2,090,446
				2,102,329
A.32	Working Family Payment			
	<i>Original</i>	376,860		
	<i>Supplementary</i>	(38,760)		
			338,100	338,407
				377,312
A.33	Back to Work Family Dividend		12,560	10,248
				12,978
A.34	Back to School Clothing And Footwear Allowance		53,500	51,651
				54,054
A.35	School Meals Scheme			
	<i>Original</i>	65,100		
	<i>Supplementary</i>	(3,600)		
			61,500	58,386
				53,468
A.36	Child Related Payments			
	<i>Original</i>	7,900		
	<i>Supplementary</i>	630		
			8,530	8,462
				8,186
Supplementary Payments, Agencies and Miscellaneous Services				
A.37	Rent Supplement			
	<i>Original</i>	116,190		
	<i>Supplementary</i>	7,470		
			123,660	122,962
				133,090
A.38	Telephone Support Allowance		8,400	8,467
				8,326
A.39	Household Benefits Package			
	<i>Original</i>	76,189		
	<i>Supplementary</i>	2,860		
			79,049	84,432
				77,347
A.40	Free Travel		95,000	91,266
				94,529
A.41	Fuel Allowance			
	<i>Original</i>	186,512		
	<i>Supplementary</i>	10,608		
			197,120	195,261
				181,446

		Estimate provision		2021	2020
				Outturn	Outturn
		€000	€000	€000	€000
A.42	Grant to the Citizens Information Board				
	<i>Original</i>	62,222			
	<i>Supplementary</i>	<u>(10,032)</u>			
			52,190	59,037	55,993
A.43	Miscellaneous Services				
	<i>Original</i>	20,921			
	<i>Supplementary</i>	<u>(1,121)</u>			
			19,800	16,216	13,294
A.44	Payment to the Social Insurance Fund under Section 9(9)(a) of the Social Welfare Consolidation Act 2005				
	<i>Original</i>	3,764,837			
	<i>Supplementary</i>	<u>(1,174,677)</u>			
			2,590,160	2,606,030	—
	<i>Low Pay Commission</i>		—	—	3
Total			18,258,228	18,152,515	16,472,360

Significant variations

The following outlines the reasons for significant variations in programme expenditures (+/- 5% and €100,000). Overall, the expenditure in relation to Programme A was €105.7 million less than Further Revised Estimates provided. This was made up as follows.

- An underspend of €22.7 million of this related to administration expenditure. The significant variances in individual subheads (+/-25% and €100,000) have already been explained
- An underspend of €83 million relates to scheme and service subheads. The main variances are described below.

A.7 Deserted Wife's Allowance

Estimate provision €830,000; outturn €635,000

The underspend of €195,000, which was due to average recipient numbers (64) being 20 less than estimated (84).

A.8 Basic Supplementary Welfare Allowance Payments*Estimate provision €112.6 million; outturn €94.9 million*

The underspend of €17.7 million was due to

- Actual recipient numbers (10,520) were 3,031 lower than provided for in the original estimate (13,551) due to less recourse to Supplementary Welfare Allowance basic payments arising from improved processing times on primary schemes such as Disability Allowance and Jobseekers. This saved €33 million.

Offset by

- Actual inter-scheme adjustments (€22.3 million) recovered from primary schemes such as Disability Allowance and jobseekers were €12.4 million less than provided for in the estimate (€34.7 million), again due to less throughput of claims on SWA Basic. This cost €12.4 million.
- Actual average weekly payment values (€213.44) were €5.06 greater than estimated (€208.38). This cost €2.9 million, of which €700,000 related to the payment of the Christmas Bonus not provided for in the original estimate.

A.10 Exceptional and Urgent Needs Payments (ENP)*Estimate provision €46 million; outturn €43.1 million*

The ENP subhead funds once-off payments of an exceptional or urgent needs nature. For this reason, there is greater variance in numbers and values of payments than one might see for a regular weekly or monthly paid scheme. The underspend of €2.9 million was due to

- Actual payments (51,774) being less than estimated (89,700). This saved €19.5 million.
- Offset by actual average payments (€832.74) being higher than expected (€513.04) due to the changing dynamic of exceptional needs payments, whereby the housing element of payments has increased from 66% in 2020 to 74% of payments in 2021. This cost €16.6 million.

A.11 Other Working Age – Income Supports*Estimate provision €18.6 million; outturn €15.3 million*

The underspend of €3.3 million was due to

- Expenditure of €11.1 million on Daily Expenses Allowances compared to an estimate of €13.1 million due to lower average recipients. This saved €2 million.
- Expenditure of €4.1 million on Other Supplements compared to an estimate of €5.3 million due to lower recipients. This saved €1.2 million.
- Expenditure of €100,000 on Humanitarian Aid compared to an estimate of €200,000. This saved €100,000.

A.12 Community Employment Programme

Estimate provision €362.7 million; outturn €320.2 million.

The underspend of €42.5 million was due to

- Actual participant numbers (19,270) were 2,570 lower than provided for in the 2021 FREV (21,840). This was due to Covid-19 restrictions which made it difficult to fill vacancies on Community Employment projects. This resulted in an underspend of €34.1 million.
- Actual average payment values (€255.15) were lower than provided for in the original estimate (€255.34). This saved €200,000.
- Actual average payment value for supervisors (€755.37) being lower than provided for in the original estimate (€824.67). This saved €4.6 million.
- An underspend of €5 million was due to other factors, primarily reduction in the cost of Individual Learning Plans (€2.3 million), as a result of Covid-19 restrictions and advances issued/recouped balances from implementation bodies (€1.8 million).

Offset by:

- €1.4 million due to actual number of supervisors (1,282) being 33 higher than provided for in the original estimate (1,249).

A.13 Rural Social Scheme

Estimate provision €52.2 million; outturn €49.5 million

The underspend of €2.7 million was due to

- Actual average number of participants (3,040) being 107 lower than provided for in the original estimate (3,147). This saved €1.5 million.
- Actual participant average payment values (€258.17) were lower than estimated (€266.91). This saved €1.4 million.

Offset by

- Actual average number of supervisors (133) was higher than provided for in the original estimate (130). This cost an additional €100,000.
- €100,000 due to higher non payroll running costs.

A.14 Tús - Community Work Placement

Estimate provision €98.8 million; outturn €78.6 million

The underspend of €20.2 million was due to:

- Actual participant numbers (4,620) were lower than provided for in the estimate (5,684) due to Covid-19 restrictions which made it difficult to fill vacancies on Tús projects. This resulted in an underspend of €14.4 million.
- Actual participant average payment values (€252.11) were lower than provided for in the original estimate (€259.79). This resulted in an underspend of €1.8 million.
- Lower non payroll running costs (€7.3 million) than provided for in the original estimate (€9.5 million). This saved €2.2 million.
- Lower supervisor numbers (283) than provided for in the original estimate (330) resulted in a saving of €1.8 million.

A.16 Back to Work Enterprise Allowance

Estimate provision €64.8 million; outturn €28.9 million

The underspend of €35.9 million was due to

- Actual recipient numbers (2,610) were lower than provided for in the estimate (5,824) due to Covid-19 restrictions which reduced the take-up of Back to Work Enterprise Allowance in 2021. This resulted in an underspend of €35.8 million.
- Actual average payment values (€213.29) were lower than provided for in the estimate (€214.22). This resulted in an underspend of €100,000.

A.17 Youth Employment Support Scheme (YESS)

Estimate provision €2.4 million; outturn €563,000

The underspend of €1.8 million was due to

Covid-19 restrictions for significant periods during 2021 meant that it was not possible to engage with employers and for jobseekers to be offered and take-up places on YESS.

- €1.9 million underspend due to lower recipient numbers (40) than provided for in the 2021 Estimate (198).

Offset by

- €100,000 due to higher average payment values in 2021 (€271.63) than provided for in the original REV €236.51.

A.18 Back to Education Allowance (BTEA)

Estimate provision €96.5 million; outturn €54.3 million

The underspend of €42.2 million was due to

- Actual average recipients over the academic year (5,446) were lower than estimated (10,860). This saved €43.3 million.
- Actual average payment values (€217.67) for recipients paid during the year were lower than estimated (€222.95). This saved €200,000.

Offset by

- Actual average recipient numbers over the summer (2,720) were higher than estimated (2,400). This cost €1.3 million. As in 2020, the Department introduced a Covid-19 related measure for BTEA recipients in 2021, which provided for the majority of BTEA recipients remaining on the scheme for the summer months.

A.19 JobsPlus

Estimate provision €28.3 million; outturn €3.3 million

The underspend of €25 million was due to

- Actual participant numbers (696) were lower than provided for in the estimate (4,850) due to Covid-19 restrictions which reduced the take-up of JobsPlus in 2021. This resulted in an underspend of €24.2 million.
- Actual participant average payment values (€396.79) were lower than provided for in the original estimate (€486.25). This resulted in an underspend of €800,000.

A.20 Local Employment Service

Estimate provision €25.8 million; outturn €18.6 million

The estimate included an additional allocation of €6.5 million for the provision of an expanded Local Area Employment Service (LEAS), as part of the July 2020 Jobs Stimulus. Following scoping and definition of requirements, this was tendered in May 2021 with an implementation date in 2022 for two new Contracted Public Employment Services (CPES).

The underspend of €7.2 million was due to

- Actual expenditure of €nil on the expanded LEAS compared to €6.5 million provided in the estimate. This saved €6.5 million.
- Actual expenditure of €18.6 million on the existing Local Employment Service (LES) was less than provided for in the estimate (€19.3 million). This is because organisations contracted to provide LES are only paid for costs incurred. This saved €700,000.

A.21 Jobs Clubs

Estimate provision €8 million; outturn €4.2 million

The estimate included an additional allocation of €2.8 million to fund additional capacity for Job Clubs, as part of the July 2020 Jobs Stimulus. Following scoping and definition of requirements, this was tendered in May 2021 with an implementation date in 2022 for two new Contracted Public Employment Services (CPES).

The underspend of €3.8 million was due to:

- Actual spend of €nil on the expanded Job Clubs Service compared to estimate (€2.8 million). This saved €2.8 million.
- Actual spend of €4.2 million on the existing Job Clubs service compared to €5.2 million provided in the estimate. The saving of €1 million was due to the curtailment of referrals and less travel and subsistence costs due to less face-to-face referrals for engagement with existing jobseekers.

A.22 Work Placement Experience Programme

Estimate provision €135.7 million; outturn €596,000

The Work Placement Experience Programme (WPEP) was announced as a measure under the July 2020 Jobs Stimulus with a planned date for implementation of November 2020. The programme provided for 10,000 work experience placements over the life of the scheme for jobseekers with host employers for a minimum of 6 months. WPEP was also an integral element of the Pathways to Work strategy 2021 – 2025.

The original estimate was €135.7 million, the outturn was €600,000 resulting in an underspend of €135.1 million.

The original estimate was prepared and finalised in mid-September 2020 to inform the 2021 Budget estimates published in October 2020. It assumed the launch of the WPEP in early November 2020 and from then to the end of 2021 with a maximum of 10,000 concurrent participants. It also assumed an average weekly payment value per participant of €352.42. This is quite close to the average weekly payment value of circa €346 over the first 12 months of the scheme up to July 2022.

The WPEP scheme was launched in July 2021, with the number of participants receiving a payment reaching 155 by mid-December 2021. The reasons for the underspend included

- Delayed launch of the scheme because of ongoing Covid restrictions.
- The 2021 estimates provision gradually ramping up to a maximum of 10,000 concurrent places. The intention of the July 2020 Jobs stimulus was to provide for 10,000 places over the life of the scheme.
- For Jobseekers, our information is that they were seeking employment rather than work experience. This is also evidenced from the high levels of labour market engagement now as the economy has reopened. Work is continuing to promote awareness of the programme among employers and jobseekers.

Employers have cited a number of reasons for non-engagement with the programme to date:

- Pressure on maintaining or resuming business operations in a Covid environment;
- Tightening labour market with reducing unemployment levels;
- Priority to recruit staff to fill vacancies over providing work placements with formal requirements to provide training and to report on same.

A.23 Other Working Age – Employment Supports

Estimate provision €33.8 million; outturn €13.1 million

The underspend of €20.7 million related primarily to Covid-19 restrictions lasting longer than expected which impacted the demand for various support grants. It was made up as follows

- Actual expenditure of €3.9 million on the Enterprise Support Grant compared to €15 million provided for in the estimate. This scheme includes two elements, former Pandemic Unemployment Payment (PUP) recipients who re-opened their business and support for Back to Work Enterprise Allowance participants. This saved €11.1 million.
- Actual expenditure of €2 million on Training Support Grant compared to €11.3 million in the estimate. This saved €9.3 million.
- Actual expenditure of €nil on targeted activation supports compared to €2.5 million provided for in the estimate. This initiative was intended to target unemployed people furthest removed from the labour market but did not proceed due to a focus on other Covid-related priorities, resulting in a saving of €2.5 million.
- Actual expenditure of €200,000 on Family Support Training compared to an estimate of €600,000. This saved €400,000.

Offset by:

- Actual expenditure of €4.5 million on Part Time Job Incentive for the Self-Employed (PTJISE) compared to €2.6 million provided for in the estimate. This cost €1.9 million and was due to extension of the PTJISE beyond Q1 2021 as provided for in the estimate.
- Actual expenditure of €1.8 million on Part Time Job Incentive compared to €1.1 million provided for in the estimate due to higher participants. This cost €700,000.

A.yy Covid-19 Temporary Wage Subsidy Scheme

Estimate provision €10 million; outturn €16.1 million

The Covid-19 Temporary Wage Subsidy Scheme (TWSS) scheme operated as an emergency scheme from March 2020 to August 2020, when it was replaced by the Employment Wage Subsidy Scheme (EWSS). The TWSS scheme, while funded through the Department's Vote, is administered by Revenue. There was an overspend of €6.1 million due to arrears being greater than provided for in the estimate.

A.zz Covid-19 Employment Wage Subsidy Scheme (EWSS)

Estimate provision €2,359 million; outturn €4,570.5 million

There was an overspend of €2,211.5 million on EWSS in 2021.

The original 2021 estimate funded the Employment Wage Subsidy Scheme (EWSS) to the end of June 2021. Subsequent Government decisions extended the scheme up to the end of May 2022.

A.29 Disability Activation Supports

Estimate provision €13.7 million; outturn €10.4 million

The underspend of €3.3 million was due to

- €2.8 million less on Employability Service, €1.5 million of which related to training and other supports announced in Budget 2021 to enhance the employability of jobseekers with disabilities not taken up during 2021 because of Covid restrictions, with the balance due to lower expenditure on Employability Service salaries and other expenses.
- €400,000 less on Ability due to Covid presenting significant challenges for projects funded under the Ability programme to meet the needs of disability groups.
- €100,000 due to a range of factors including rounding.

A.30 Wage Subsidy Scheme (WSS)

Estimate provision €26 million; outturn €15.9 million

This subhead funds the WSS for people with disabilities and the Employment Support Scheme (ESS) which has been closed for a number of years.

The underspend of €10.1 million was due to

- Actual average WSS participants (1,265) were 687 lower than estimated (1,952) while claims were paused due to participant employers availing of the Employment Wage Subsidy Scheme (EWSS). This resulted in a saving of €8.8 million.
- Actual average payment values for WSS participants (€231.66) were lower than estimated (€246.25). This saved €900,000.
- Actual average number of recipients on Employment Support Scheme (39) were 37 lower than provided for in the estimate (76), due to participant employers availing of EWSS. This resulted in a saving of €300,000.

A.32 Working Family Payment

Estimate provision €376.9million; outturn €338.4 million

There was an underspend of €38.5 million due to

- Actual average recipient numbers (45,880) being less than estimated (47,957) due to lower take-up of in-work supports like Working Family Payment due to less people with families on lower incomes in employment arising from Covid restrictions. This saved €16.3 million.
- Actual average payment values (€141.89) were lower than estimated (€151.01). This saved €21.8 million.
- Actual inter-scheme adjustments charged to other schemes being -€100,000 compared to €300,000. This saved €400,000.

A.33 Back to Work Family Dividend*Estimate provision €12.5 million; outturn €10.2 million*

There was an underspend of €2.3 million due to

- Actual average recipients (2,965) being 826 lower than provided for in the original estimate (3,791). This saved €2.7 million.
- Offset by actual average payment values (€66.45) being €2.78 higher than provided for in the original estimate (€63.67). This cost €400,000.

A.35 School Meals Scheme*Estimate provision €65.1 million; outturn €58.4 million*

The underspend of €6.7 million on the School Meals Scheme in 2021 was due to school closures during the pandemic from January 2021. While School Meals Scheme funding remained available throughout, not all schools availed of this option. Of the schools that did, many only provided support to children of the most financially vulnerable families. This was achieved largely through the home delivery of food parcels by suppliers. The planned extension of the hot school meals programme from January 2021 was delayed until April 2021 with some schools deferring until September 2021.

A.36 Child Related Payments*Estimate provision €7.9 million; outturn €8.5 million*

There was an overspend of €600,000 due to

- Actual spend on Guardian's Non-Contributory Payment (GPNC) was €8 million, compared to an estimate of €7.6 million due to actual recipients (560) being higher than estimated (532). This cost €400,000
- Actual payment values for GPNC (€270.77) being €2.90 higher than provided for in the original estimate (€267.87). This cost €90,000 and is mainly due to the payment of the Christmas Bonus not provided for in the original estimate.
- Actual expenditure of €450,000 on Widowed Parent Grant compared to an estimate of €360,000. This cost €90,000.

A.37 Rent Supplement*Estimate provision €116.2 million; outturn €123 million*

There was an overspend of €6.8 million due to

- Actual average number of recipients (18,320) being higher than estimated (17,690). This cost €4.1 million.
- Actual average weekly payment values (€129.21) being higher than estimated (€126.31). This cost an additional €2.8 million.

Offset by

- €100,000 in fewer adjustments than profiled.

A.39 Household Benefits Package

Estimate provision €76.2 million; outturn €84.4 million

There was an overspend of €8.2 million due to

- Average number of households receiving Electricity Allowance funded from Vote 37 (125,825) was higher than provided in the estimate (123,952). This cost €800,000.
- Average monthly payment value for Electricity Allowance funded from Vote 37 (€38.67) was higher than provided for in the estimate (€35.00). This cost €5.5 million.
- Average monthly payment value for Gas Allowance funded from Vote 37 (€39.98) was higher than provided for in the estimate (€35). This cost €700,000.
- The number of Free TV license funded from Vote 37 (139,543) was higher than provided for in the estimate (129,625). This cost €1.5 million.

Offset by

- Average number of households receiving Gas Allowance funded from Vote 37 (11,666) was lower than provided for in the estimate (11,857). This saved €100,000.
- Average cost of a Free TV license funded from Vote 37 (€146.53) was lower than provided for in the estimate. This saved €200,000.

A.42 Grant to the Citizens Information Board

Estimate provision €62.2 million; outturn €59 million

The underspend was due to the impact of Covid-19 on demand led services such as Abhaile, MABS, DMA MABS, CIS and further underspends in ICT.

A.43 Miscellaneous Services

Estimate provision €20.9 million; outturn €16.2 million

The underspend of €4.7 million was due to

- There was no expenditure on Subvention to the Pensions Authority compared to €3 million provided for in the estimate due to projects envisaged in the scope of the allocation not proceeding. This saved €3 million.
- Actual expenditure of €6.3 million on Food Aid for the Most Deprived compared to €8 million provided for in the estimate due to constraints incurred by partner organisations rolling out services due to Covid-19 restrictions. This saved €1.7 million.

A.44 Payment to the Social Insurance Fund Under Section 9(9) (a) of the Social Welfare Consolidation Act 2005

Estimate provision €3,764.8 million; outturn €2,606 million

Social Insurance Fund (SIF) spending has traditionally been funded on a tripartite basis – with contributions from the Exchequer where required, employers and employees/self-employed. Legally, the Exchequer is the residual financier of the SIF and Exchequer contributions were the standard for over 40 years from 1952 to 1997. The SIF recorded a surplus each year between 1998 and 2007 and from 2016 to 2019. It recorded a deficit each year from 2008 to 2015 and in 2020 and 2021.

This subhead funds the deficit on the SIF when expenditure exceeds income and when the accumulated surplus from earlier years is insufficient to fund expenditure.

The underspend of €1,158.8 million is due to

- Actual SIF income (€11,839.4 million) was €709.8 million more than estimated (€11,129.6 million) due to higher PRSI receipts from more people at work. This saved €709.8 million.
- Actual SIF expenditure (€14,870.9 million) was €473.7 million less than estimated (€15,344.6 million). This saved €473.7 million. Schemes with lower expenditure included
 - Jobseekers Benefit and Jobseekers Benefit for Self-Employed (€1,230.7 million) due to exits from Pandemic Unemployment Payments (PUP) to jobseekers after June 2021 not happening due to extension of PUP.
 - Redundancy and Insolvency Payments (€31.2 million).
 - Illness Benefit (€63.2 million) due to less people at work.
 - €25.3 million less due to a range of offsetting factors.

Offset by

- Pandemic Unemployment Payment (€695.5 million) due to extension of scheme beyond June 2021.
- Funding of the Christmas Bonus paid to recipients of Social Insurance Fund schemes (€181.4 million).

Offset by

- Amended surplus carried forward from 2020 (€425.4 million) was €24.7 million less than provided for in the estimate (€450.1 million). This cost €24.7 million.

Note 4 Receipts

4.1 Appropriations-in-aid

		2021		2020
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Social Insurance Fund transfer to Vote 37				
1	Recovery of administration expenses from the Social Insurance Fund	126,400	145,930	121,980
Appropriations-in-aid: other				
2	Recoveries of social assistance overpaid			
	<i>Original</i>	47,500		
	<i>Supplementary</i>	(550)		
		46,950	47,504	49,071
3	Repayment from the Social Insurance Fund of amounts paid initially as social assistance			
	<i>Original</i>	4,000		
	<i>Supplementary</i>	(560)		
		3,440	3,323	5,698
4	Receipts under 'liability to maintain family' provisions in Part XII of the Social Welfare (Consolidation) Act 2005			
	<i>Original</i>	300		
	<i>Supplementary</i>	90		
		390	394	332
5	Receipts from the General Register Office			
	<i>Original</i>	340		
	<i>Supplementary</i>	130		
		470	462	253
6	Receipts from the additional superannuation contributions on public service remuneration			
	<i>Original</i>	7,030		
	<i>Supplementary</i>	140		
		7,170	7,103	6,820

		2021		2020
		Estimate provision		Outturn
		€000	€000	€000
				Outturn
				€000
7	Receipts from European Social Fund			
	<i>Original</i>	7,100		
	<i>Supplementary</i>	(2,100)		
			5,000	5,000
				17
8	Receipts from National Training Fund (Community Employment)			
	<i>Original</i>	10,200		
	<i>Supplementary</i>	(7,400)		
			2,800	5,061
				4,538
9	Receipts from Pensions Authority – staff superannuation			
	<i>Original</i>	600		
	<i>Supplementary</i>	80		
			680	686
				582
10	Homeless Unit operational costs — contributions from external agencies		—	—
				156
11	Receipts from dormant accounts		5,000	5,000
				3,216
12	Receipts from European Globalisation Fund		—	—
				—
13	Recovery of assistance from insurance claims			
	<i>Original</i>	1,800		
	<i>Supplementary</i>	250		
			2,050	2,220
				1,923
14	Receipts from Fund for European Aid to the Most Deprived			
	<i>Original</i>	4,800		
	<i>Supplementary</i>	(4,340)		
			460	3,928
				5,235
15	Miscellaneous			
	<i>Original</i>	1,000		
	<i>Supplementary</i>	(500)		
			500	11,370
				1,720

16	Recovery of overpayments for Covid Temporary Wage Subsidy Scheme for claims in 2020				
		<i>Original</i>	80,000		
		<i>Supplementary</i>	92,200		
				172,200	174,705
17	Recovery from Employment Wage Subsidy in 2021 for claims in 2020				
		<i>Original</i>	1,000		
		<i>Supplementary</i>	19,300		
				20,300	20,291
	Total			393,810	432,977
					201,541

Significant variations

The following outlines the reasons for significant variations in appropriations-in-aid (+/- 5% and €100,000). Overall, appropriations-in-aid were €39.2 million more than the estimate. Explanations for variances are set out below:

1 Recoveries of administration expenses from the Social Insurance Fund

Estimate €126.4 million; realised €145.9 million

This subhead provides for the recovery of costs incurred by the Department of Social Protection in administering schemes funded from the Social Insurance Fund (SIF). The additional receipts are mainly due to the full cost of medical certificates paid to doctors in respect of Illness Benefit, Injury Benefit and Partial Capacity Benefit initially charged to Vote 37 Administration that are now being recovered from the SIF.

3 Repayment from the Social Insurance Fund of amounts paid initially as Social Assistance.

Estimate €4 million; realised €3.3 million

This subhead is used to record the Recovery of Social Assistance from the SIF where inter-scheme adjustment is effected after the close of the financial year. Receipts can vary significantly from month to month. For example, it includes customers paid Supplementary Welfare Allowance (SWA) Basic payment (funded from Vote 37) while awaiting a decision on their claim for Illness Benefit (IB), Invalidity Pension (IP) or State Pension Contributory (SPC). The amount of SWA Basic paid is subsequently recovered from the SIF when their IB, IP or SPC claim is decided. When the decision is made in a later year to when the SWA Basic payment occurred, the recovery from the SIF is recorded as income under this subhead.

Receipts can vary considerably from month to month, ranging from €44,000 to almost €800,000 per month in 2021.

5 Receipts from the General Register Office

Estimate €340,000; realised €462,000

This subhead is used to record receipts for Birth, Death and Marriage certificates provided directly by the General Register Office. Receipts had been declining each year from almost €700,000 in 2010 to €253,000 in 2020. 2021 saw the first increase in receipts for a number of years and was the highest since 2016 (€423,000).

7 Receipts from European Social Fund

Estimate €7.1 million; realised €5 million

The European Social Fund is the European Union's financial instrument for investing in people to help prevent and fight unemployment, making Europe's workforce better equipped to face new challenges.

The original estimate of €7.1 million was a high level, indicative one, made prior to more detailed analysis of the claim submitted to the European Commission. €5 million was received of which €2 million related to Back To Work Enterprise Allowance (BTWEA) and €3 million related to JobsPlus. A balance of €600,000 was retained pending final audit of the BTWEA and JobsPlus schemes by the EU Commission. This remaining amount is expected in 2022.

8 Receipts from National Training Fund (Community Employment)

Estimate €10.2 million; realised €5.1 million

This subhead records receipts from the National Training Fund in respect of training provided to participants on various employment support schemes funded by the Department. Receipts were €5.1 million lower than expected due to:

- €1.0 million less received for training of Community Employment participants due to less training provided as a result of Covid restrictions. €3.2 million realised compared to €4.2 million provided for in the estimate.
- €4.2 million less recovered in respect of Training Support Grant due to lower take-up of Training Support Grant than expected. €1.8 million realised compared to €6 million provided for in the estimate.
- Offset by receipts of €100,000 for training of Workplace Experience Programme (WPEP) participants when no provision was provided for in the estimate.

13 Recovery of assistance from insurance claims

Estimate €1.8 million; realised €2.2 million

This subhead is used to record receipts from insurance compensation awards in respect of Disability Allowance recipients.

Receipts can vary from month to month, with yield in any month dependent on court sittings. In 2021, monthly receipts ranged from under €100,000 to almost €300,000 per month.

14 Receipt from Fund for European Aid to the Most Deprived

Estimate €4.8 million; realised €3.9 million

The Fund for European Aid to the Most Deprived (FEAD) supports EU countries actions to provide material assistance (including food and clothing) to the most deprived. This subhead records receipts from the FEAD fund. The lower receipts in 2021, was mainly due to the early receipt of funding of €700,000 in December 2020, expected in Q1 2021 at the time of the estimate.

15 Miscellaneous

Estimate €1 million; realised €11.4 million

This subhead records receipts whose value is small or were not anticipated when the estimate was prepared. Receipts in 2021 included:

- €7.8 million due to surrender of surplus accumulated by CIB service delivery companies.
- €2.7 million due to the recovery of an overpayment relating to 2020 from Bus Eireann Expressway.
- €400,000 relating to cancelled cheques.
- €400,000 receipt from the EU programme for Employment and Social Innovation Fund (EaSI) in respect of the Lone Parents Activation project.
- €100,000 from a range of smaller items.

16 Recovery of overpayments for Covid Temporary Wage Subsidy Scheme for claims in 2020

Estimate €80 million; realised €174.7 million

This subhead records the recovery of overpayments from employers relating to the Temporary Wage Subsidy Scheme (TWSS) administered by Revenue and follows a review of TWSS claims by Revenue. Receipts ranged from €1.9 million to €34.6 million per month.

17 Recovery from Employment Wage Subsidy in 2021 for claims in 2020

Estimate €1 million; realised €20.3 million

This subhead provides for the recovery of overpayments by Revenue from employers relating to the Employment Wage Subsidy scheme (EWSS). The EWSS replaced the TWSS from September 2020. The estimate of €1 million was a provisional estimate, given that the scheme was in its early stages. The recovery of overpayments amounting to €20.3 million related to 2020 claims.

4.2 Extra receipts payable to the Exchequer

	2021	2020
	€000	€000
Balance at 1 January	1	6
Conscience money	2	10
Witness expenses	1	1
Pensions Authority fines	—	—
Transferred to the Exchequer	(3)	(16)
Balance at 31 December	1	1

4.3 Recovery of welfare assistance overpayments

The Central Debt Unit (CDU) is responsible for the management of individual customer overpayments and debt recovery. ^a

The summary position on welfare assistance overpayments managed by CDU at 31 December 2021 was as follows:

	2021 Outturn		2020 Outturn	
	€000	€000	€000	€000
Overpayments outstanding at 1 January 2021		390,894		381,195
Adjustment ^b		28		(4)
Adjusted opening balance at 1 January 2021		390,922		381,191
Net overpayments recorded				
Suspected fraud	15,464		17,829	
Claimant error	33,652		31,452	
Official error	1,058		918	
Estate cases	22,016		25,826	
		72,190		76,025
		463,112		457,216
Less:				
Amounts recovered ^c	(51,179)		(56,604)	
Recoveries adjustment ^d	237		432	
		(50,942)		(56,172)
Prior year debts cancelled ^e		(5,118)		(5,254)
Amounts written off as irrecoverable ^f		(27,878)		(4,896)
Overpayments outstanding at 31 December ^g		379,174		390,894

Notes ^a The management of overpayments and debt recoveries that arise from contractual relationship or service level agreements with corporate entities delivering group schemes such as Treatments Benefits and Community Employment are administered by the respective scheme area and are not stated here. Total 2021 recoveries for these schemes were €660,000.

In 2021 the Revenue Commissioners administered debt recoveries for the Temporary Wage Subsidy Scheme (TWSS) and Employment Wage Subsidy Scheme (EWSS) and are not reported here. Recoveries of €79.9 million for 2021 overpayments are netted off 2021 EWSS scheme expenditure.

^b The opening balance adjustment is to bring the reported balance into line with the opening debtor listing at 1 January 2021.

^c The amount of debt recovered in 2021 is analysed as follows:

(a) €46.6 million posted to income in respect of previous years debt

(b) €4.6 million posted against expenditure in respect of the current years debt.

- ^d The adjustment of €237,000 is in respect of recorded recoveries in prior years which were cancelled in 2021.
- ^e The prior year debts cancelled of €5.1 million represents overpayments raised in prior years which were cancelled in 2021.
- ^f During 2021, the Department completed a project to write off individual cases of older debt which were deemed irrecoverable. This was in addition to ongoing write offs in the normal course of business. Specific sanction was requested and received from the Department of Public Expenditure and Reform for this project under which a total of 9,595 cases with a value of €27.2 million were written off during 2021. (Vote: €23.7 million; SIF: €3.5 million). There was no similar project in 2020 but debts of €4.9 million were written off in the normal course of business. Included in the total write off amount of €27.9 million are write offs for 715 customers who had individual debts greater than €10,000 written off totalling €19.8 million.
- ^g In line with the PUP scheme being placed on a discrete statutory basis, funded from the SIF, PUP overpayment activity is recorded in the SIF.

Note 5 Staffing and Remuneration

5.1 Employee numbers

Full time equivalents at year end	2021	2020
Department	6,435	6,402
Agencies ^a	153	157
	6,588	6,559

Note ^a The Citizen Information Board and the Pensions Authority.

5.2 Pay

	2021 €000	2020 €000
Pay	307,723	297,019
Higher, special or additional duties allowances	1,096	1,025
Other allowances	1,587	348
Overtime	3,080	4,097
Employer's PRSI	22,499	20,743
Total pay	335,985	323,232

Remuneration of Department staff

The following remuneration arrangements refer to pay elements of subheads A.1 (i), A.2 (viii) and A.2 (ix).

	2021 €000	2020 €000
Pay	297,989	288,422
Higher, special or additional duties allowance	1,015	914
Other allowances	1,587	348
Overtime	3,078	4,097
Employer's PRSI	21,507	19,858
Total pay	325,176	313,639

Agency remuneration

	2021 €000	2020 €000
Pay	9,734	8,597
Higher, special or additional duties allowance	81	110
Other allowances	—	—
Overtime	2	1
Employer's PRSI	992	885
Total Pay	10,809	9,593

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2021 €	2020 €
Department staff				
Higher, special or additional duties allowances	368	19	26,456	21,445
Other allowances	369	25	59,158	12,719
Overtime	1,465	46	18,534	22,513
Extra remuneration in more than one category	262	76	28,129	11,224
Agency staff				
Higher, special or additional duties allowances	13	2	17,488	17,839
Overtime	2	—	1,228	733

5.4 Other remuneration arrangements

The cost of staff serving outside the Department in 2021 was €708,899 in respect of 12 staff. These costs are recouped by the Department from the relevant organisations.

5.5 Payroll overpayments

at 31 December	Number of recipients	2021 €000	2020 €000
Overpayments	504	1,946	1,970
Recovery plans in place	237	934	1,023

32 individuals with recovery plans to the value of €40,436 transferred to other departments in the year.

5.6 Severance/redundancy

During 2021, two staff members whose employment was terminated, were paid redundancy payments totalling €12,268 and severance payments totalling €nil.

5.7 Salary of Accounting Officer

As at 31 December 2021, the Accounting Officer's current salary is at the grade of Secretary General Level II, with an annual gross salary of €203,167 (as at 31 December 2020, €201,155).

Note 6 Miscellaneous

6.1 Compensation and legal costs

Payments/costs paid by the Department in the year

	Claims by					Total	Total
	employees		members of the public			2021	2020
	Personal injuries ^a	Breach HR/ employment policies ^b	Personal injuries ^c	Department schemes ^d	Other ^e		
Number of cases	22	2	8	5	14	51	498
	€000	€000	€000	€000	€000	€000	€000
Department's own legal costs	287	—	65	—	13	365	188
Payments by/on behalf of Department							
Compensation	306	12	1	—	—	319	3,856
Legal costs	36	77	—	196	238	547	649
Other costs	7	—	—	—	—	7	—
2021 Total	636	89	66	196	251	1,238	4,693
2020 Total	291	15	183	4,126	78	4,693	

- Notes
- ^a Total cases 22. Amounts paid in respect of individuals ranged from €10 to €112,269.
 - ^b Total cases 2. Amounts paid in respect of individuals ranged from €12,360 to €76,743.
 - ^c Total cases 8. Amounts paid in respect of individuals ranged from €53 to €50,183.
 - ^d Total cases 5. The largest individual payment was €169,161. An amount of €3.539 million (439 cases) was paid to survivors of Magdalen Laundries during 2021 (€3.566 million (458 cases) in 2020). Payments to survivors of Magdalen Laundries did not involve legal actions taken against the Department and have been excluded from the 2021 figures.
 - ^e Total cases 14. Total individual costs ranged from €3,551 to €66,163. 10 cases relate to legal costs to other parties. 2 cases relate to a decision by a superintendent registrar (SR). The other costs relate to a Legal Advisor under contract by the Department.

Cumulative costs of cases completed in 2021

	Claims by					Total
	employees		members of the public			
	Personal injuries	Breach HR/ employment policies	Personal injuries	Department schemes	Other	
Number of cases	8	2	2	5	12	29
	€000	€000	€000	€000	€000	€000
Department's own legal costs	298	—	3	—	—	301
Payments by/on behalf of Department						
Compensation	36	17	—	—	—	53
Legal costs	233	77	—	196	238	744
Other costs	2	—	—	—	—	2
2021 Total	569	94	3	196	238	1,100

6.2 EU funding

The outturn shown in Subheads A.1 and A.42 includes payments in respect of activities which are co-financed by the EU. Estimates and actual receipts are recorded in Note 4.1, subheads 7, 14 and 15.

Subhead description:	2021		2020
	Estimate	Realised	Realised
	€000	€000	€000
European Social Fund, programme for Employability, Inclusion and Learning/European Employment Services.	5,000	5,000	17
Fund for European Aid to the Most Deprived	460	3,928	5,235
Employment and Social Innovation (EaSI) programme.	—	374	—

European Social Fund (ESF), programme for Employability, Inclusion and Learning (PEIL) and European Employment Services

The European Social Fund (ESF) is the European Union's financial instrument for investing in people. The mission of the ESF is to help prevent and fight unemployment, to make Europe's workforce and companies better equipped to face new challenges and to prevent people losing touch with the labour market. The ESF PEIL Operating Programme (OP) ran from 2014 to 2020 and was the European Union's financial instrument for this purpose. In 2021, €3m and €2m was receipted from the ESF for the Department's JobsPlus and Back to Work Enterprise Allowance schemes respectively for expenditure during the PEIL period. The successor ESF Programme to PEIL is the ESF+ OP and this will run from 2021 to 2027.

Funds for European Aid to the Most Deprived

Funding of €3.9 million was received from the EU in respect of the Fund for European Aid to the Most Deprived (FEAD) programme which supports EU countries' actions to provide material assistance (including food and clothing) to the most deprived. Expenditure of €26 million has been incurred in the operation of this programme to December 2021. The EU provides funding to member states that match this funding with a minimum of 15%. Expenditure is eligible to 31 December 2023.

Employment and Social Innovation programme

The Employment and Social Innovation (EaSI) programme is a financing instrument at EU level to promote a high level of quality and sustainable employment, guaranteeing adequate and decent social protection, combating social exclusion and poverty and improving working conditions. The Department has worked with our social welfare counterparts in Greece and Finland (and NGOs in the three participating countries) to run a project called "Lone Parents Digital Activation" with co-funding from the EU under the EaSI measure. The maximum EU grant amount for the project is €1,245,926.97 (80% of the overall project budget) and this covers a 30-month project implementation period from November 2021 to April 2024. DSP is co-funding €105,000, with similar co-funding amounts from Finland and Greece. The initial tranche of €373,778 has been received from EaSI in December 2021. Further tranches will follow at the 12 month, 24 month and 30 month points (final balancing payment).

6.3 Late interest payments

	2021	2020
	€000	€000
Interest payments	<u>8</u>	<u>12</u>

6.4 Deferred surrender

Deferred surrender comprises savings in 2021 of €1.2 million in capital expenditures in the following subheads that were carried over to 2022.

	€000
Description of subhead:	
A.2 (v) Office equipment and external IT services	820
A.2 (vi) Office premises expenses	<u>380</u>
	<u>1,200</u>

Appendix A Department of Social Protection Summary of Programme Expenditure

	2021 €million	2020 €million
Vote 37		
Gross expenditure	18,152	16,472
Less non-scheme expenditure		
Administration	(545)	(536)
SIF subvention	(2,606)	—
Grant to Citizens Information Board	(59)	(56)
Miscellaneous services and grants to the Low Pay Commission	(6)	(4)
Vote 37 scheme expenditure (A)	14,936	15,876
Social Insurance Fund		
Gross expenditure	15,668	14,823
Less non-scheme expenditure		
Administration	(244)	(221)
National Training Levy	(797)	(717)
Social Insurance Fund scheme expenditure (B)	14,627	13,885
Total Department scheme expenditure (A+B)	29,563	29,761

Scheme expenditure breakdown

Payments by scheme and category	2021 €million	2020 €million
Pensions		
State Pensions (Contributory)	6,186	5,835
State Pensions (Non-Contributory)	1,083	1,049
Widows'/Widowers'/Surviving Civil Partners' Pension	1,651	1,586
Bereavement Grant	—	—
Total	8,920	8,470
Working Age Income Supports		
Jobseeker's Allowance	1,567	1,657
One Parent Family Payment	561	565
Jobseeker's Benefit	336	416
Redundancy and Insolvency Benefit	25	48
Maternity Benefit	267	258
Paternity Benefit, Parents Benefit and Adoptive Benefit	50	19
Basic Supplementary Welfare Allowance	95	115
Farm Assist	59	66
Deserted Wife's Benefit	64	68
Other Working Age- Income Supports	15	18
Exceptional and Urgent Needs payments	43	41
Treatment Benefits and Health and Safety Benefit	116	92
Widows'/Widowers'/Surviving Civil Partners' Pension (Non-Contributory)	13	14
Deserted Wife's Allowance	1	1
Covid-19 Pandemic Unemployment Payment	4,019	4,979
Total	7,231	8,357
Supplementary Payments		
Rent Allowance	—	—
Fund for European Aid to the Most Deprived (FEAD)	6	5
Magdalen Laundries and other Institutions Payments	4	4
Rent Supplement	123	133
Household Benefits Package	274	263
Telephone Support Allowance	18	18
Fuel Allowance	316	290
Free Travel	91	95
Total	832	808

Working Age Employment Supports

Community Employment Programme	320	341
Back to Education Allowance	54	66
Back to Work Enterprise Allowance	29	39
TÚS Community Work Placement Scheme	79	84
JobsPlus	3	5
Other Working Age – Employment Supports	13	12
Youth Employment Support Scheme/Work Placement	1	2
Rural Social Scheme	50	53
Jobs Initiative	13	15
Local Employment Scheme	19	18
Jobs Club	4	4
Partial Capacity Benefit	25	25
Covid-19 Wage Subsidy	16	2,707
Employment Wage Subsidy Scheme	4,571	1,371
Total	5,197	4,742

Illness, Disability and Carers

Disability Allowance	1,829	1,812
Illness Benefit	677	650
Invalidity Pension	730	760
Carer's Payment	978	975
Carer's Support Grant	257	228
Domiciliary Care Allowance	202	193
Wage Subsidy Scheme	16	18
Disablement Benefit	70	70
Blind Pension	12	13
Death Benefit	10	10
Injury Benefit and Medical Care	11	12
Disability Activation Supports	10	14
Total	4,802	4,755

Children

Child Benefit	2,090	2,102
Working Family Payment	338	377
Back to Work Family Dividend	10	13
Back to School Clothing and Footwear	52	54
School Meals	58	53
Child Related Payments	33	30
Total	2,581	2,629

Net expenditure on all schemes

29,563	29,761
---------------	---------------

Appendix B Accounts of bodies and funds under the aegis of the Department of Social Protection

The following table lists the bodies and funds under the aegis of the Department where the Department has an obligation to present financial statements. It indicates, at the account signing date, the period to which the last audited financial statements relate and the date on which they were presented to the Oireachtas.

Body/Departmental fund	Last accounting period	Date of audit report	Date received by Minister/Department	Date presented to the Oireachtas
Social Insurance Fund	2020	22 Sep 2021	22 Sep 2021	7 Oct 2021
Pensions Authority	2021	24 Jun 2022	28 Jun 2022	—
Citizens Information Board	2020	20 Dec 2021	21 Dec 2021	30 Mar 2022