

Chapter 40

Rural Social Scheme

Rural Social Scheme

40.1 The Rural Social Scheme (RSS) was introduced in May 2004. The initial aims of the scheme were

- to provide income support to low income farmers and fishermen on certain social welfare payments
- to allow for the provision of certain services of benefit to rural communities by harnessing the skills and talents of eligible participants.

It was also expected to free up Community Employment (CE) scheme places, so that others wishing to avail of training on CE schemes could avail of that training.

40.2 The RSS differs from the CE scheme administered through FÁS in that it is targeted at people who are actively farming or fishing but whose income from those activities entitles them to welfare payments. In contrast, the CE scheme is entirely targeted at the unemployed. It is an employment and training programme that is designed to position people to re-enter the workforce. A comparison of the RSS with the CE Scheme is set out at Annex A. The average working time under both schemes is 19.5 hours per week.

40.3 The Department of Community, Equality and Gaeltacht Affairs³⁰¹ had overall responsibility for the scheme up until September 2010 at which point responsibility transferred to the Department of Social Protection (the Department). The transfer was part of a wider adjustment of departmental responsibilities designed to incorporate all labour activation measures under one administration. Pobal³⁰², on behalf of the Department, provides a central payroll/payment function as well as providing other management and administrative services in respect of the scheme.

40.4 The scheme is managed at local level by 35 Local Development Companies³⁰³ and by Údarás na Gaeltachta (in the Gaeltacht areas). These are known as the implementing bodies and are the employers of the RSS participants.

40.5 A set number of participant places are available under the scheme. The quota has been set at 2,600 for the last four years. In addition, there are 130 supervisor positions.

40.6 The distribution of the participant quota among implementing bodies is based on the proportion of individuals in receipt of 'Farm/Fish Assist' benefits in the respective areas at the outset of the scheme.

³⁰¹ The functions previously carried out by that Department have now been transferred to the newly reconfigured Departments.

³⁰² Pobal is a not-for-profit company with charitable status that manages programmes on behalf of the Irish Government and the EU.

³⁰³ Local Development Companies deliver rural development and social inclusion programmes.

40.7 In order to qualify for participation on the RSS, a person must be actively farming or fishing³⁰⁴ and be in receipt of a qualifying social welfare payment³⁰⁵. Two other categories of person may also qualify for participation on the scheme. These are

- the dependent spouse of an eligible person who does not wish to participate in the scheme themselves or the spouse of a herd number owner who is themselves in receipt of one of the qualifying social welfare payments and is actively farming
- the child or a sibling of a herd number owner where they themselves are working on the farm and in receipt of one of the qualifying social welfare payments.

40.8 The relationship between the various parties to the scheme is managed through contract arrangements. The contract between the Department and Pobal originated with the first agreement made between the Department of Community, Equality and Gaeltacht Affairs and ADM Ltd (now Pobal) in 2005. The terms and conditions of that agreement automatically transferred to the Department of Social Protection when it assumed responsibility for the scheme. A further set of contracts renewable on 1 April annually govern the relationships between

- the Department and the implementing bodies³⁰⁶
- Pobal and the implementing bodies³⁰⁷
- the implementing bodies and the RSS participants
- the implementing bodies and the project sponsors
- the implementing bodies and supervisory staff.

Chapter Focus

This chapter reviews

- the extent to which the scheme output and contribution has been evaluated and the results reported
- the results of on-site reviews by my Office.

³⁰⁴ In general, actively farming means the person has applied for the EU Single Payment Scheme while actively fishing means the person has a registered fishing boat or is in possession of a specific fishing licence.

³⁰⁵ Qualifying social welfare payments are Farm/Fish Assist, Jobseekers Allowance, Jobseekers Benefit if previously on a FÁS Community Employment Scheme or the RSS in the previous 12 months, One-Parent Family Payment, Widow(er)/Surviving Civil Partners Pension (contributory or non-contributory), Disability Allowance. The adult dependent of a non-contributory State pensioner who themselves are under 66 years of age may also qualify.

³⁰⁶ Referred to as a memorandum of agreement.

³⁰⁷ Referred to as a letter of engagement.

Features of the Scheme

40.9 The main features of the scheme are outlined in Figure 161.

Figure 161 The RSS at a Glance

Annual Participants	2,600
Age Profile of Participants ^a	79% between 25 and 60 21% over 60
Gender Breakdown ^a	Male 80%; Female 20%
Eligibility Route^a	Farm Assist – 45% JBCE ^b – 26% CE – 15%
Duration of Participation ^c	42% for six years 22% for five years 15% for four years
Cost	
2004 – 2010	€257 million
2010	€44 million
Pay cost percentage	91%
Compliance and Material Allowance	€5 per participant per week ^d
Type of Work	
Work Measures^a	Percentage Participants^e
Environmental maintenance work	36%
Village and countryside enhancement projects	29%
Social care and care of the elderly, community pre-school and after-school support groups	12%
Maintenance and enhancement of waymarked ways, agreed walks, bog roads etc.	8%
Community administration/clerical duties	5%
Projects relating to not-for-profit cultural and heritage centres	5%
Any other appropriate community-based projects that may be identified during the course of the Scheme	4%
Energy conservation work for the elderly and less well-off	1%

Source: Pobal and Department of Social Protection

- Notes:
- a Data taken from 2010 Performance Indicator Report.
 - b Jobseekers Benefit from previous participation on CE scheme.
 - c At the commencement of the scheme in 2004, participants were expected to vacate their positions after three years of service. This requirement changed in July 2007. A participant may now remain on the scheme indefinitely provided eligibility is maintained.
 - d This is to cover health and safety requirements, insurance and travel expenses for supervisors. Prior to 2010, the amount paid was €15.24 per participant per week. It covered, in addition to the above costs, employer's PRSI (now paid directly to Pobal) and materials and tools.
 - e Percentages will vary according to the date the measurement was taken. For example, there may not be as many participants working on environmental maintenance work during the winter period. The data shown in Figure 161 represents the percentage of participants working on each measure during the week ended 26 March 2010.

Scheme Cost and Contribution

40.10 The net cost of the scheme is the excess of the cost over the welfare entitlements that would be paid in its absence.

40.11 Figure 162 provides a basic comparison of the RSS costs for the year 2007³⁰⁸ with the underlying welfare entitlements.

Figure 162 Comparison of RSS Costs for 2007 with underlying Social Welfare Entitlements^a

	Amount	Percentage
	€m	%
Payroll and Support Costs	47.7	100%
Social Welfare Cost	22.8	48%
Extra RSS Cost	24.9	52%

Source: Department of Social Protection and Social Cost Benefit Analysis Report 2009

Note: a This does not take account of payments which continue to be made directly to RSS participants with an underlying social welfare entitlement stemming from One-Parent Family Payment, Disability Allowance or Widow(er)'s Pension (contributory and non-contributory). The 2010 Performance Indicator Report estimates that less than 1% of participants fall into this category.

40.12 The additional cost to the Exchequer of the RSS scheme (excluding the effects of personal taxation and social insurance) when measured against the cost that would have arisen had participants continued to receive their underlying social welfare entitlements, was approximately 52% of the overall cost of the scheme. On this basis, an estimated €134 million of the overall cost of the scheme to date (€257 million) is attributable solely to the scheme. The balance of €123 million represents social welfare costs which are likely to have been incurred in the absence of the scheme.

Social Benefits and Costs of the Scheme

40.13 While the net cost of the RSS represents extra outlay to the Exchequer, this investment gives rise to additional benefits at community level. A social cost benefit analysis of the RSS was carried out on behalf of the Department of Community, Equality and Gaeltacht Affairs³⁰⁹ by an independent researcher and published in January 2009. This type of analysis is designed to simultaneously capture the non-financial and financial benefits and costs of the scheme. From the financial benefit viewpoint it focuses on the additional financial returns leveraged by the additional scheme outlay both at the level of individual income and community benefit. By extrapolation from a sample of local measures the financial benefits were estimated at 2.89 times the input cost.

³⁰⁸ The 2007 data was taken from a Social Cost Benefit Analysis Report published in 2009. A similar result was obtained by this Office when estimating the cost attributable solely to the scheme, using data in respect of one weeks payroll in 2010.

³⁰⁹ The contract for this work was managed by Pobal on behalf of the Department.

40.14 Overall the social cost benefit analysis found that

- the RSS produces a wide range of both financial and non-financial costs and benefits for individual RSS participants and their families, for communities, and for the State, at local and national levels
- non-financial benefits include quality of life improvements, through increased social contact, increased social capital and greater access to training, advice and information for individuals and their families
- for communities, activities are being supported and in some cases stimulated, which are vital to maintaining the fabric of rural communities.

Social Cost Benefit Analysis

The methodology used by the researcher who drew up the report was as follows

- Six geographical areas were chosen within which a measure³¹⁰ level analysis could be undertaken, with one measure analysed in each. These six areas were chosen to represent a mix of geographical location and measure size, and therefore capture a range of RSS experiences, in terms of both scheme management and the rural contexts in which they are located.
- The non-financial costs and benefits of the RSS were identified through discussions with the implementing bodies and RSS teams in each of the six selected areas and through a review of supporting documentation.
- Estimation of the range of financial benefits and costs arising from the implementation of the measure reviewed was based on a combination of locally derived data (e.g. local costs, local financial benefits) and information supplied by the Pobal payroll system.

VFM Review

40.15 The Evaluation Unit of the Department of Community, Equality and Gaeltacht Affairs began a value-for-money review of the RSS in early 2010 prior to the transfer of the scheme to the Department of Social Protection. However, the review has not been progressed following the transfer of functions. It may be included as part of a wider policy review of labour market activation measures by the Department of Social Protection which is being scoped at present.

Performance Information

40.16 No targets are set at a local level or national level for the scheme. It would be useful to focus monitoring of the scheme on particular outputs related to the categories of work supported by the scheme. These might include, *inter alia*

- the number of man-hours engaged on specific activities. For example, the number of man-hours engaged on meals-on-wheels activities or on the maintenance and upkeep of playing pitches
- number of homes supported to avail of the Warmer Homes Scheme
- number of kilometres of walkways cleared.

³¹⁰ A measure is a category of work that is supported by RSS participants. There are eight measures under the RSS.

40.17 Pobal is responsible for developing and implementing a system for capturing and reporting performance information related to the scheme. In September 2007, a case studies report was published³¹¹ illustrating the contribution being made by the RSS to the lives of participants and rural communities. In addition, performance indicator reports have been produced for the years 2006/2007, 2008 and 2010.

40.18 The performance data is captured based on a survey of implementing bodies and an analysis of the Pobal payroll system at a particular point-in-time. In 2006/2007 and 2010, a random sample of participants and community groups supported under the scheme was also surveyed. The type of information reported includes

- the number of community groups/organisations supported under the scheme and the allocation of participants to the eight categories of work supported by the scheme
- a gender breakdown of participants under each category of work
- a classification of participants by age, location by county, RSS payment rates and eligibility background (i.e. what was their underlying social welfare entitlement).

40.19 In general, the indicators captured relate to participants more so than to projects. The information captured is specific to a particular point-in-time and may not therefore be representative of the situation pertaining for the whole of the year. Pobal state that further metrics to capture community and project benefit are being developed.

40.20 Implementing bodies are required under the terms of their contract with the Department to submit progress reports on the operation of the scheme and, following contract year-end, a report outlining how the aims and objectives of the scheme were achieved in the context of agreed evaluation criteria and performance indicators and any other information which may be agreed with the Department. There was no evidence that the reports as referred to in the contract with the implementing bodies are sought or provided to the Department.

40.21 There is no single database of projects supported under the RSS. A national database of all projects approved for support under the RSS would position the Department to better monitor the work being carried out under the RSS at a national level and would provide key information for policy analysis and review.

Administrative Compliance

40.22 While inspections of payroll administration by Pobal are carried out by the Department on a quarterly basis, no audits or inspections of the administration of the RSS payroll or the RSS scheme in general have been undertaken at the level of the implementing body since transfer of the scheme to the Department of Social Protection. Prior to March 2010, verification of the payroll data and inspections of non-payroll data were undertaken by the Inspectorate Division of the Department of Community, Equality and Gaeltacht Affairs.

³¹¹ The Rural Social Scheme – Making a Difference in Rural Ireland.

Conclusion – Output and Performance

The outlay by the State on the scheme in 2010 was €44 million and €257 million has been spent on it since 2004.

The participants are persons with entitlement to various welfare benefits and the cost of those benefits would account for 48% of the overall cost of the scheme to date.

The financial benefits of the scheme to individuals, communities and the State have been estimated to be almost three times the additional outlay.

Because the scheme aims to achieve benefits at the project level it differs from other welfare schemes where the focus is primarily on participants. As such, it is important to consider whether measures of performance can be developed and reported that relate to the various categories of work encompassed in the scheme so as to inform allocation decisions and demonstrate value.

An audit or inspection function which extends to the administration of the scheme by local implementing bodies should be reinstated in order to inform the Department on scheme compliance matters.

40.23 In response to the report's findings on performance monitoring, the Accounting Officer stated that the nature of the work undertaken by RSS participants and the broad range of measures across which work is categorised had been recognised as imposing difficulties in applying targets and in developing data capture and reporting frameworks. Since transfer of the RSS to the Department, the RSS Unit had been examining the feasibility of Pobal extending its recently developed on-line reporting facilities for other programmes to include a performance management and project database for the RSS to be effective for 2012 at the latest. This, the Accounting Officer expected, would enable a more structured approach to planning the delivery of RSS resources locally with improved ability to set targets and measure performance across the activity measures.

40.24 In relation to the contractual requirement for implementing bodies to prepare annual progress reports the Accounting Officer stated that while this had been part of the annual agreement with implementing bodies up to the end of 2010, annual progress reports were not collected and analysed in a consistent manner due mainly to resource constraints in the RSS Unit within the former Department of Community, Equality and Gaeltacht Affairs. Part of the reason for non-pursuit of progress reports related to the publication of progress reports on the RSS as part of each implementing bodies' annual report and accounts.

40.25 With regard to the lack of RSS inspections at the implementing body level, the Accounting Officer stated that negotiations had been initiated with the Department of the Environment, Community and Local Government to avail of the services previously provided by the Inspectorate Services Division of the Department of Community, Equality and Gaeltacht Affairs³¹² given their considerable experience and existing functions with respect to the implementing bodies under other programmes.

³¹² Functions now transferred to the newly reconfigured Department of the Environment, Community and Local Government.

Result of On-site Audit Reviews

40.26 The audit reviewed administration of the scheme at the level of the implementing bodies. Three such reviews were carried out in April 2011.

Scheme Administration – Projects

40.27 The scheme is not always advertised annually as required under its rules. Implementing bodies tend to issue application forms to community groups of which they are aware, prior to the annual renewal date or promote the scheme through the local press, the Community Forum operated under the aegis of each local authority and through public meetings.

By not advertising the scheme annually in a comprehensive manner, there is a risk that potentially important projects may be lost to a community because of a lack of awareness on the part of potential project promoters of the RSS and the support it may be able to provide for projects with possible economic and social benefits for the local economy and community generally.

40.28 In responding to my report, the Accounting Officer stated that annual advertising of the availability of the scheme to community organisations is considered good practice and would be emphasised in the revised operational rules proposed for the scheme. In addition, the Department proposed to issue an annual circular to implementing bodies requesting them to advertise for new work.

40.29 Not all rules of the scheme are applied by the local implementing bodies. For example, one implementing body reviewed did not at the time of audit in April 2011 have contracts in place with its project promoters in respect of the year 2010/2011. Neither is there a standard contract template with project promoters, for use by all implementing bodies.

40.30 Where contracts were in place, their terms and conditions were not always adhered to. For example, in one implementing body, a number of projects/community groups covering a particular geographic area had been grouped together under one contract. The contract required each of the groups covered by its terms to sign the agreement. This had not been done. Furthermore, project promoters had not submitted formal quarterly reports to the implementing body on scheme progress (showing tasks completed and ongoing).

The review identified the need for a standard contract template with project promoters for use by implementing bodies. The Department should periodically review compliance of implementing bodies with the requirement to have contracts in place to govern the relationship with project promoters.

40.31 The Accounting Officer stated that a revision in April 2011 to the agreement under which implementing bodies deliver the scheme, provided explicitly for valid contracts or agreements to be put in place with project promoters. She stated that the agreement was being supplemented with revised operational rules that included template agreements for use between implementing bodies and project promoters. With regard to the practice of grouping a number of project/community groups together under one contract, the Accounting Officer stated that the Department had sought and received assurances that this practice had been discontinued and that separate contractual arrangements were in place for the 2011/2012 contract year.

40.32 The type of work that may be supported under the scheme is not clear. For example, while the rules state that caretaking, secretarial, maintenance and minor works for which the Department of Education and Skills provides funding in the form of grants are not eligible for RSS support, it does not address grants provided by other government departments. For example, it was noted that one particular implementing body had provided support to the Western Regional Fisheries Board (a State body now incorporated in Inland Fisheries Ireland) for the ongoing maintenance and enhancement of the grounds of Aasleagh Lodge and angling access areas along the Erriff River.

It would be useful to clarify the RSS rules particularly in regard to the type of work that should or should not be supported under the scheme and to address the risk of overlap with other State schemes.

40.33 In this regard, the Accounting Officer stated that the Department proposed to refine the description of measures currently used and to define more clearly the range of bodies and community organisations that could access the scheme. Under the current operational rules, work undertaken must be additional to existing service provision and the associated project must not be in receipt of public funds for the same purpose or be eligible for funding from another public source. All implementing bodies were aware of the need to address deadweight and displacement when establishing whether a project should be supported. These requirements have been extensively addressed in the revised operational rules for the scheme.

40.34 The Accounting Officer noted that the work performed for the former Western Regional Fisheries Board had been agreed between the relevant implementing body and the Board. The implementing body considered the work to be fully compatible with the RSS and had agreed to take on elements of the work of a CE scheme that had ceased, as part of the development of the Western Way long-distance recreational walking route. The implementing body had a large number of RSS participants in that area of south-west Mayo.

40.35 There is a need for the implementing bodies to maintain better documentation of project evaluation and selection processes, including the criteria against which projects are assessed. Only one of the three implementing bodies visited had documented the project selection and evaluation process in 2010. The type of information which could be contained within an evaluation report includes - date the scheme was advertised, number of applications received, number of late applications, members of the evaluation committee, selection criteria used, and the project appraisal results.

Project selection should be based on a systematic evaluation of all project proposals.

40.36 In responding to this aspect of my report, the Accounting Officer stated that the Department proposed to set out requirements for more formal project evaluation and selection processes to be undertaken by implementing bodies. These requirements would form the basis for improved project tracking and performance monitoring.

40.37 While acknowledging the benefits of flexibility and the ability to respond to the needs of the most disadvantaged in communities when circumstances require, the core project deliverables in applications that go to contract need to be more specific and quantified. For example, the work to be carried out for a community childcare facility, as defined in its contract, was '*occasional auxiliary support to childcare as RSS resources allow*'. Projects should also clearly distinguish recurring work from once-off requirements and specify in respect of each type of work the number of hours of RSS support being requested and the timeframe for which that support is required.

Project deliverables should be clearly specified in project proposals and subsequent contracts.

40.38 The Accounting Officer stated that the Department recognised that improvements could be made in determining deliverables by more clearly defining the work to be undertaken, improving project selection processes and requiring better quality contracts to be put in place between implementing bodies and project promoters.

Scheme Administration - Participation

40.39 Implementing bodies in general do not advertise the scheme annually, seeking applications to participate from eligible individuals. Instead, they tend to operate a waiting list system from which vacancies are filled.

There is a need to ensure that access to the scheme is open and transparent.

40.40 The Accounting Officer stated that the advertising of vacancies to eligible persons is considered good practice and this requirement would be reflected in future guidance and in the revised operational rules for the scheme. She stated that the rate of participant turnover on the scheme was around 5% annually.

40.41 The continuing eligibility of participants was not subject to regular independent checks against Department of Social Protection databases and has been reliant to a large extent on participants informing the implementing body of any change in their circumstances that might affect their entitlement to continue on the RSS or the amount of their payment³¹³. In the case of participants in receipt of certain underlying social welfare entitlements, (Farm/Fish Assist, Unemployment Allowance, Unemployment Benefit), the proper functioning of the scheme has been reliant on the relevant participants informing the Department of Social Protection of their participation in the RSS in order to identify any potential payment overlaps.

40.42 Independent verification of eligibility became possible with the transfer of the operation of the scheme to the Department of Social Protection. However, access to the relevant Department systems was only obtained by staff in the RSS Unit of the Department in early 2011 and, at the date of audit, had not been used for eligibility checking.

40.43 The audit examined the Department of Social Protection records for a sample of 65 randomly selected participants in order to verify, in particular, the underlying social welfare entitlement and to ensure that no invalid overlapping payments were made to participants while being paid under the RSS. Matters noted in the course of that examination were

- Two participants were claiming a Qualifying Adult Increase on the basic RSS payment rate while their spouses were in receipt of Carer's Allowance payments. In one case, this resulted in an overpayment of €16,724. It is being repaid at a rate of €20 per week. Pobal is re-examining this participant's entitlement to remain on the RSS. The second case also resulted in an overpayment. The amount currently outstanding is €4,753. It is being repaid at a rate of €15 per week.
- One participant left the scheme for several weeks during 2005 during which time he signed on for Unemployment Assistance. He applied to re-join the scheme later that year and was accepted. The Accounting Officer stated that this occurrence is considered unusual and relates to a particular set of individual and local circumstances.

³¹³ Since 2010, participants with a spouse or partner were required to obtain a completed declaration form from the Department's local/branch office confirming the rates of any social welfare payment made in respect of themselves and their spouse or partner before a renewal of contract was permitted. This requirement was extended to all participants in 2011.

40.44 Other findings of the audit included

- Temporary contracts only, covering the two-month period up to the end of May 2011, and not the usual yearly contracts, had been issued to participants at the date of our on-site reviews. A means assessment by the Department of all participants had not been completed in time for the annual renewal of contracts in April 2011. By the closing date for submission of means declarations, only 85% of participants had complied. Subsequent actions by the Department secured a return of approximately 98% of declarations.
- One of the implementing bodies had not, at the date of our on-site review in April 2011, put contracts in place with its RSS participants, either for the year 2010/2011 or for the two-month period to end May 2011 under the temporary contract arrangement. This has subsequently been addressed. The implementing body in question informed us that the delay occurred due to the workload and the length of time it took to clear queries around renewals.

40.45 The amount of overpayments to scheme participants which have been recovered since 2006 is in excess of €250,000³¹⁴. A further €231,782 remains to be recouped in relation to 54 live cases³¹⁵. In 16 of those cases, (representing almost 75% of the total value of overpayments on live cases) the amount of the individual overpayment is in excess of €5,000. Two particularly large overpayments to participants were noted when reviewing one of the implementing bodies. The overpayments were caused by incorrect claims for a Qualifying Adult Increase on their basic RSS entitlement³¹⁶. The ineligibility dated back to the participant's commencement on the scheme. One of the overpayments amounted to approximately €1,000 and the second was for €4,000. The amounts are being repaid in instalments in the amounts of €5 and €40 per week respectively.

Now that the Department of Social Protection has assumed responsibility for the scheme, a more independent and frequent verification of aspects of eligibility is possible. Roles and responsibilities of the various parties involved in implementing the scheme should be reviewed with a view to ensuring that the scheme is administered in a joined up way and that overpayments through ineligibility are eliminated.

The extension of means testing to the scheme needs to be completed as quickly as possible so as to lessen the possibility of ineligible payments being made to participants. A policy with regard to recoupment is needed for any ineligible payments discovered.

The Department/Pobal should review the compliance of implementing bodies with the requirement for participant's contracts.

³¹⁴ There is no central record of the corresponding value of overpayments. Pobal are working to produce this information from a manual review of files. Overpayments cover both routine adjustments due to changes in a participant's circumstances and overpayments arising from incorrect claims for payment in circumstances where there is no entitlement.

³¹⁵ Participants are currently making repayments through payroll deductions.

³¹⁶ The participants had failed to notify their implementing body of their spouse's earnings which were in excess of the permitted income limit.

40.46 With regard to eligibility checking of participants, the Accounting Officer stated that prior to 2011, participants were not required to prove their continued eligibility for the scheme. She stated that following transfer of responsibilities for the RSS to the Department, the RSS Unit was enabled to undertake enquiries into the eligibility and means of all participants. She stated that a programme of eligibility checking began in early 2011 when renewal of participant contracts was made conditional on participants providing a completed means declaration. IT systems were put in place on 1 February 2011 and arrangements were made to ensure staff members were provided with appropriate access and training on the use of the various Department systems.

40.47 She stated that the Department's work on assessing eligibility was ongoing and would form the basis for new control checks on the scheme in future. The examination of means had commenced and was intended to be completed in the Autumn of 2011 for the majority of participants. The requirement would still remain for individual participants to inform the implementing body of any change in circumstances that would affect their rate of payment on the scheme.

40.48 The Accounting Officer also stated that the Department's work to revise the operational rules was designed to give clearer definition to roles and responsibilities and to update arrangements for establishing eligibility in addition to providing updated procedures for managing overpayments. She stated that internal procedures were being strengthened to improve compliance and control checks in order to reinforce existing arrangements for eligibility checking.

40.49 In relation to participants' contracts the Accounting Officer stated that the Department had communicated the obligations on implementing bodies to ensure contracts were in place with each participant. She stated that future checks on implementing bodies would include a requirement to ensure that valid contracts were in place for each participant and supervisor.

40.50 Pobal stated that it applied a standard, agreed procedure for managing recoupment of RSS overpayments which arose, usually on a day-to-day basis as participants' circumstances, and, therefore, their benefit entitlements, changed. It would liaise with the Department on the subject of compliance regarding participants' contracts and implementation of a recoupment policy on foot of the means testing exercise.

Conclusion

The total cost of the Rural Social Scheme is approximately twice the welfare entitlements of the participants. A social cost benefit analysis found that the financial benefits covered represented nearly three times the additional scheme outlay. This suggests that, providing that such a scheme meets the test of affordability, it can make a positive contribution to public value.

The audit results suggest a need to

- have greater rule clarity and consistent access practice for both projects and participants supported by the scheme
- improve project selection and evaluation processes
- improve monitoring and reporting of performance
- ensure that participant eligibility is regularly validated by reference to Department of Social Protection information
- ensure that audit and inspection of the scheme extends to administration by local implementing bodies.

The findings of this report, particularly in relation to administration of the scheme at project level and output and performance reporting, could inform the approach to implementation of the new Tús initiative³¹⁷, given the similarities between both schemes in terms of the type of project work which may be undertaken by participants.

³¹⁷ A community work placement scheme providing short-term working opportunities in community and voluntary organisations for unemployed people.

Annex A Comparison of the RSS with Community Employment Scheme

Community Employment (CE) is an employment and training programme administered by FÁS which helps long-term unemployed and other disadvantaged people to get back to work by offering part-time and temporary placements in jobs based within local communities (voluntary organisations and public bodies involved in not-for-profit activities). After the placement, participants are encouraged to seek permanent, part-time and full-time jobs elsewhere based on the experience and new skills they have gained while in the CE scheme.

The number of CE places available was 23,300 in 2010.

From 1 January 2011 policy and funding responsibility for FÁS functions in relation to community employment services (including the CE programme) was transferred to the Department of Social Protection. Under a Service Agreement/Framework Document with the Department, FÁS remains responsible for the day-to-day operation of CE.

There are two different categories of community employment, each with its own set of eligibility requirements – the Part-time Integration Option and the Part-time Job Option.

The Part-time Integration Option is for people of 25 or over who are receiving social welfare payments for one year or more. This option allows participants to work for a maximum of one year. The sponsor of the programme will plan and manage the placement and may also offer training and skills development opportunities during the placement.

The Part-time Job Option is for people who are 35 or over and in receipt of social welfare payments for three years or longer. This option provides participants with part-time work placements of up to six years in the case of over 55's and up to three years for those under 55. This option is designed to give extended access to employment to older people who may have been unable to secure regular employment for some time.

Voluntary organisations and public bodies may sponsor projects which are for community and public benefit. To facilitate the provision of development and training for participants, FÁS encourages projects to employ 15 or more participants and a full-time supervisor.

Evaluation of the CE scheme has been undertaken in the course of a Forfás review of labour market programmes. Key output data captured in relation to the CE programme include the number of participants who complete the programme and those that fail to complete it. It also captures data on the outcomes for participants – such as the number who moved into employment or into further education or training after finishing the programme.

Some of the key comparative features of the RSS and the CE scheme are

Points of Similarity

- Both schemes stem from an underlying social welfare entitlement.
- The working hours and payment rates are the same under both schemes.
- Both support projects in the community where a need has been identified but not displacing or replacing existing jobs.

Points of Difference

- In order to qualify for the RSS, an individual must be engaged in farming or fishing. No such requirement applies to the CE scheme.
- With the CE scheme, participants must be in receipt of qualifying social welfare payments for a minimum of one year or three years depending on the CE Option. The RSS participant can qualify for RSS after just one underlying social welfare claim.
- RSS participants can remain on the scheme up to retirement age. The maximum time a CE participant can remain on the scheme varies between one year and three to six years depending on the CE Option and the age of the participant.
- The number of participants on the CE scheme is approximately nine times the number on the RSS.
- There is a large training element associated with the CE scheme. In general, training under the RSS is limited to health and safety requirements.