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# **INOUE Submission on the General Scheme of the Social Welfare and Pensions Bill 2017**

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## INTRODUCTION

The Irish National Organisation of the Unemployed (INOU) *“is a federation of unemployed people, unemployed centres, unemployed groups, community organisations and Trade Unions. The INOU represents and defends the rights and interests of those who want decent employment and cannot obtain it. We promote and campaign for policies to achieve full employment for all. We also campaign for an acceptable standard of living for unemployed people and their dependents. The INOU is an anti-sectarian, anti-racist, non-party political organisation which promotes equality of opportunity within society.”* (Mission Statement)

The organisation has over 210 affiliated organisations and 2,600 individual members. We work at the local and national level on issues affecting unemployed people through the provision of training and welfare rights information services; analysis of Government policies and related advocacy work; and working with a wide range of other organisations on issues of common concern.

## CONTEXT

On April 18<sup>th</sup> the Department of Social Protection (DSP) launched their *Welfare Cheats Cheat Us All* campaign, a campaign that in many respects runs contrary to the Department’s own mission statement and three key objectives.

In the DSP’s Statement of Strategy 2016 to 2019, the Department’s mission is state as *‘To promote active participation and inclusion in society through the provision of income supports, employment services and other services’*. And the three stated objectives are to: *‘put the client at the centre of services and policies; drive cost, efficiency and effectiveness; and develop staff, structures and processes’*.

A campaign of this nature implies a certain understanding of the second objective i.e. that better use of resources can only be achieved through control and anti-fraud measures that are be seen to be tough. However, this creates the danger that in the Department’s drive for a more efficient and effective service the positive impact of really putting the *‘client at the centre of services and policies’* is not realised. Through our media work, the INOU is keenly aware that the issue of fraud and control is one that is regularly discussed in national and local media. The depictions of people who are in receipt of social welfare payments, in particular jobseekers and one parent family payments, can be very negative and impact on people’s health and well-being.

The Department also incorporates and oversees the National Employment Service, which requires a different relationship with clients and service users: a relationship of trust rather than suspicion. The INOU strongly believes that engaging with people, providing them with good information and advice, facilitating them to make informed choices, would lead to a more effective and efficient use of the Department’s resources. Where is the information

campaign advising people of *'payment pending wages'* or *'fast-tracking system for customers who sign off to take up employment or training for a short period (up to 12 weeks)'* or Family Income Supplement? Information campaigns that would support people on their welfare to work journey, support people who are in low paid jobs and require additional supports to make ends meet. These are the types of campaigns that could make a positive impact on people's lives, ensure that people not only perceive but experience the range of Departmental services as ones that truly *'put the client at the centre of services and policies'*.

## **GENERAL SCHEME OF THE SOCIAL WELFARE AND PENSIONS BILL 2017**

On May 9<sup>th</sup> the General Scheme of the Social Welfare and Pensions Bill 2017 was published. It contains four parts dealing with: the preliminary and general aspects of the proposed bill; amendments to Social Welfare Acts, the Pensions Act 1990, and the Civil Registration Act 2004. Of particular concern to the INOU is Part 2: Amendments to Social Welfare Acts and how these legal changes could amplify the negative impact of the current campaign's message.

This submission will cover sections dealing with the publication of names, addresses, fines and other penalties; false statements and offences, including offences relating to bodies corporate; decisions by automated information technology systems.

### ***Publication of names, addresses, fines and other penalties***

The INOU believes that the publication of names and addresses is an issue for consideration under the Data Protection Act. Comparisons have been made with the Revenue tax defaulters list, but it may well be the case that such a comparison is not appropriate. The stated *"objective of the provision is to contribute to a reduction in fraudulent activity through increasing public awareness of the consequences of fraudulent activity"*. But the purpose of the list and the information it contains, to 'raise public awareness', may not constitute sufficient, or indeed appropriate, grounds for use of the data under data protection rules 1, 2, 3 and 6. The advice, and indeed a decision, by Data Protection Commissioner should be sought to clarify this matter.

On the issue of privacy, there are a couple of questions that the Department of Social Protection must carefully consider:

- How will the Department prevent others from publishing, or republishing, the list?
- How will they prevent others from retaining, and publishing, the list past the three month period?

- Will the Department seek to prevent others retaining or using this information to use as data for consideration when assessing any application for other services or supports i.e. employment, financial, insurance, housing (public and private) or other?
- Will the DSP ensure that this 'data' is removed from search engine results relating to the Welfare or other state websites after the 3 month period?

It is imperative that there is accurate information out in the public domain, and that people understand clearly the terms and conditions that apply to whatever social welfare payment they are receiving. To ensure that there is such clarity and accuracy social protection services must engage constructively with their service users on an on-going basis and through a variety of media. The danger of the current campaign and the proposal to publish the list of people found guilty of an offence is that they run contrary to the ethos that should underpin a more constructive relationship.

The reality is that fraud, as most people understand the term, is relatively small, and that where overpayments arise, they are that, overpayments, arising because of miscommunications, misunderstandings, and error on both sides of the counter. Seeking to address this issue in a negative manner, a manner that feeds into negative stereotypes, ultimately does no service to the Department, its staff and its services users.

As the national organisation of the unemployed, we are keenly aware that, even with an improving economy, many people still struggle to find decent employment. These include young people who feel lost in the system; older people suffering from age discrimination; women who can't afford good childcare and people living in rural areas who struggle to access reliable public transport. The organisation is equally concerned at the potentially negative impact of this campaign and the Bill's proposals on the Department's own work to engage with and encourage a wide range of employers to give serious consideration to employing unemployed people, and in particular those who are long-term unemployed. Ensuring better outcomes from this work, would lead to more effective use of public resources.

### ***False Statements and offences, including offences relating to bodies corporate***

Notwithstanding the fact that the State requires mechanisms to reclaim monies improperly spent or acquired, one of the difficulties this section presents will be for people, even allowing for the fact that they have been found guilty of an offence, whose only income is their social welfare payment.

Under current arrangements if it is decided that a person has been overpaid, even if that overpayment has arisen through no fault of their own, that person can be required to pay it back over time, up to an amount no greater than 15% of their main social welfare payment.

If a person is then found guilty of an offence they can then be subject to a 9 week penalty of up to 25%. In Note 2 on page 10 it says *“Where a person is subject to a reduced payment rate in accordance with these provisions, the recoupment of any relevant overpayment for which that person is liable, will be deferred until the person’s reduced rate ends. The application of a reduced payment rate and the recoupment of any overpayment will not be implemented in a concurrent manner.”* So if the person has had the overpayment rate applied already, can it be assumed that up to 25% will be applied to the full payment the person would otherwise receive, and after a 9 week period they will revert to the ‘overpayment rate’?

The INOU is aware of cases whereby when it became apparent the person was receiving an overpayment, they entered into an arrangement with the Department to resolve the issue but were then subsequently brought to Court, sometimes on a point of law and sometimes to act as a deterrent. Will the introduction of a higher penalty rate and the publication of the names of people found guilty of an offence increase this practice? Surely it would be better to create a more interactive and supportive service that ensures overpayment does not arise, and one where service users feel they can raise problems and have them addressed constructively.

It is welcome that the person has the right to appeal to the Chief Appeals Officer; and, that the 25%, or less depending on the person’s circumstances and individual considerations, will not apply to increase for a Qualified Adult or Qualified Child Increase. The latter will be particularly important for families whose sole income is their social welfare payment, through which they try to meet their living costs. Without which it is impossible to realise the Department’s mission: *‘To promote active participation and inclusion in society through the provision of income supports, employment services and other services’*.