

PUBLIC SERVICE PERFORMANCE REPORT 2023

DEPARTMENT OF SOCIAL PROTECTION

OPENING STATEMENT

by

Niall Egan, Assistant Secretary General

to the

**JOINT OIREACHTAS COMMITTEE
ON SOCIAL PROTECTION, COMMUNITY AND RURAL
DEVELOPMENT AND THE ISLANDS**

Wednesday 26th June 2024

CHECK AGAINST DELIVERY

1. Introduction

I thank the Chairman and members of the Committee for their invitation to attend here today to discuss the 2023 Public Service Performance Report, and in particular the elements of the report which are relevant to the performance of the Department of Social Protection. I have responsibility for Corporate Affairs in the Department and I am joined by my colleagues Mr Alan Flynn, Principal Officer for Budget and Estimates and Ms Michelle Reilly, Principal Officer for the Department's Statistics Unit.

Following an extensive redesign, this is the 1st year of publication of the report, in its current format, by colleagues in the Department of Public Expenditure, NDP Delivery and Reform. The report is extensive, at over 210 pages, and it provides a high-level overview of performance across all Government Departments.

As the Committee members will be aware, the tasks and challenges facing different Government Departments vary widely both in terms of type and scale, from those with a pure policy focus to those, like the Department of Social Protection, which have both a policy focus and responsibility for the delivery of complex operational schemes and services at national scale. Nonetheless the report attempts to provide a common framework to present key statistics, pertinent to the domains of the Departments, in a clear and concise manner.

In addition to its core performance budgeting focus on financial metrics, key output measures and some focus on outcomes, the report has expanded in recent years, adding sections on :

- Equality Budgeting
- Green Budgeting
- Spending Reviews
- The Well-being Framework, and
- Sustainable Development Goals.

Where relevant to the Department, we have tried to address all of these sections in the briefing which we provided to the Committee in advance of this meeting. The PSPR has, due to its publication schedule, a natural lag from relevant statistics whether Departmental or from the CSO, focussing as it does on the calendar year prior to publication.

2. 2023 Performance in the Department of Social Protection

Secretary General McKeon provided an introduction to the DSP section of the PSPR – the second year of this feature, which provides an opportunity for some qualitative commentary to the quantitative and statistical elements, which form the core of the report.

As he set out, 2023 was another eventful and busy year in terms of service delivery for the Department – Departmental staff continue to be faced with ongoing challenges in mobilising as part of the cross-

Government and, indeed whole of societal, response to challenges in supporting those arriving in Ireland from Ukraine and elsewhere. To date almost €975 million in expenditure has been provided to support over 107,000 refugees fleeing war in Europe. But the Department's engagement with Beneficiaries of Temporary Protection is not just income support, with over 60,000 customer engagements to provide employment advice, 35,000 referrals to job vacancies, employment or training programmes with over 20,000 of these refugees progressing to employment.

Overall the Department spent almost €25 billion in 2023. A key factor in delivering this level of performance has been continued focus on growing the Department's digital customer base, with over 7.3 million transactions delivered through the Department's MyWelfare and Welfare Partners digital portals last year.

Analysis of demand for the Department's core services shows that, in 2023 demand were up on average by more than 30% compared to before the pandemic. Despite this increase, scheme processing times have remained stable.

This level of Social Protection expenditure was delivered throughout 2023 by the Department's staff via a mixture of weekly, periodic and once off supports, and is a critical social investment, which supports individuals, families and communities across the entire country. This investment is key in providing social cohesion, particularly in times of significant challenges for people with the cost of living as we have seen

over the last two years. The Department also worked through 2023 on delivering significant policy reforms across its portfolio, including progressing areas such as Pensions, Automatic Enrolment, Pay Related Benefit and PRSI.

I want to once again take this opportunity to put on record my sincere thanks to my colleagues across the Department for their hard work and commitment in delivering these essential supports and services. I also want to thank and acknowledge the important role of our partners in helping the Department support so many people across the country, week in and week out throughout the year.

The Department acknowledges that we are not perfect, and performance is closely monitored by the management team, taking action to redirect resources as necessary to meet challenging performance targets, as is regularly required in such a dynamic and fast moving environment.

As you can see from the briefing, for a number of reasons, we did not achieve all our processing time targets last year, including in areas such as Invalidity Pensions, Disability Allowance and Child Benefit.

But areas where we need to improve are both carefully monitored and actively managed and I am happy to report that all three of the above areas are now meeting their targets in recent months.

A core objective of the Department, as recognised in the PSPR, is the reduction of poverty. Social transfers continued to perform in reducing the at risk of poverty rate in 2023.

The 2023 national consistent poverty rate is 3.6%, which equates to 185,385 people. This figure has decreased from 4.9% in 2022 and 4.2% in 2021. This is the lowest rate of Consistent Poverty recorded since the start of the SILC survey. It puts the Government on track to meet the ambitious target set out in the Roadmap for Social Inclusion “To reduce the national consistent poverty rate to 2% or less of the population”.

The 2023 At Risk of Poverty rate is 10.6%, which equates to 545,856 people. This is a decrease on the 2022 At Risk of Poverty rate, which was 12.5% and the 2021 rate, which was 11.8%.

The 2023 SILC data show that social transfers (excluding pensions) continued to perform well in reducing the at-risk-of-poverty rate, from 34.1% before social transfers to 10.6% after social transfers. This equated to a poverty reduction effect of almost 69% in 2023.

By international comparison, this is an exceptionally strong performance. According to 2022 EU SILC data, Irish social transfers have the highest level of impact in reducing income inequality in the EU-27. Recently published analysis by the OECD “Addressing inequality in budgeting” finds that, for the working-age population, the

Irish taxation and social protection systems are the most redistributive in the OECD.

A notable feature of recent years, in addition to rate increases, has been the response to inflation in the form of once-off measures. This is also captured in the CSO's 2023 SILC analysis which now contains metrics that measure the impact of one-off payments introduced by the Government to address the rise in the cost of living.

3. Conclusion

Beyond the PSPR, the Department publishes a range of statistics in its long-standing annual report, its annual statistical report and other publications, including the most recent Actuarial Review of the Social Insurance Fund. Another innovation in this space in the Department's Quarterly Statistical report, made available online since 2021, which provides a regular quarterly 'heartbeat' for key statistics and is available to all via the Department's web site. This document is also more dynamic and, in recent editions, has extended to include statistics on Additional Needs Payments, an area of keen interest to the Committee.

The broad overview I have presented of social protection performance in 2023 is developed in detail in the briefing material provided to the committee. There is little doubt that 2024 has brought continuing challenges for social protection, and the Department tries to provide an

agile, flexible and collaborative response to those pressures. I am proud that Department has demonstrated its ability and flexibility to effectively support the most vulnerable, as evidenced in the last few years in particular and it is our aim to continue to do so into the future.

I am conscious that last year I committed to preparing a separate report on key Departmental metrics for this Committee's information to supplement the PSPR. This report is currently being prepared and, in this context, I am particularly keen to hear suggestions for potential metrics to be included in this additional report or indeed in any possible improvements for the Department's element of the Public Service Performance Report.

I look forward to hearing the committee's views and welcome any questions members have for my colleagues and I.

Thank you.

ENDS