

Relate

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The journal of developments in social services, policy and legislation in Ireland

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Atypical work and social welfare

The term *atypical* work may be used to describe employment which differs from a conventional full-time work pattern. It includes part-time work, job sharing, rehabilitative work and casual work. It is possible to have some atypical employment and continue to qualify for certain social welfare payments. Here we look at how your entitlement to social welfare payments is affected if you are working some of the time.

Some social welfare payments may be claimed without restrictions on working – if you work it does not affect your entitlement to the payment. The main ones are the State Pension (Contributory) and the Widow's, Widower's or Surviving Civil Partner's Pension (Contributory). Both payments are taxable.

More complex issues arise in the case of people who are getting Jobseeker's Benefit (JB) or Jobseeker's Allowance (JA) and who do some work. If you are getting Jobseeker's Allowance and you have a spouse or partner who is getting social welfare or is working then this is taken into account (see page 5).

Recipients of the One-Parent Family Payment (OFP) may retain some or all of their payment while they work. Family Income Supplement may be payable as well as OFP.

Family Income Supplement is not payable with JB or JA but it may be payable to the spouse or partner of someone who is getting JB or JA.

If you are getting one of the payments for illness or disability, you are generally considered to be unable to work but you are allowed to do certain rehabilitative work. It is proposed to introduce a partial capacity benefit which would be payable to people who are unable to work full-time but who are able to do some work.

There are other conditions attached to getting any of the payments described here but we are examining only those conditions related to income from work.

In some cases, figuring out what is best for you can be quite difficult. The Citizens Information Website, citizensinformation.ie, has examples of different situations and how to work out which arrangements best suit your circumstances.

Jobseeker's Benefit and Jobseeker's Allowance

One of the primary conditions for getting either Jobseeker's Benefit (JB) or Jobseeker's Allowance (JA) is that you must be unemployed. However, you do not necessarily have to be totally unemployed – you must be unemployed for at least three days out of the six-day social welfare week (Monday to Saturday).

You must also be available for and actively seeking work. This means that if you choose to work part-time, you are not eligible for JB or JA on the days on which you are not working. If you choose job-sharing or similar options, you are not eligible for benefits. If you take a part-time job or a job-share because you cannot get full-time work, then you may be eligible for payments.

Days of unemployment

The social welfare week is regarded as a six-day week and does not include Sunday. If you are employed or self-employed on Sunday, that is not taken into account for the purposes of JB. Your income from Sunday work is taken into account in the means test if you are getting JA but it is not included as a day at work when assessing whether or not you are unemployed for three days out of six.

Reduction in working hours

If your hours of work in your employment are reduced but you still work each day, then you do not qualify for any JB or JA even if your income is reduced significantly. If you have a dependent child, you may qualify for Family Income Supplement provided you are still working at least 19 hours a week or 38 hours a fortnight.

Jobseeker's Benefit

In general, you must be unemployed in order to get JB. You must meet a number of other requirements as well, such as having enough Pay Related Social Insurance (PRSI) contributions, but we are concerned here only with what constitutes unemployment. You do not have to be fully unemployed; you can do some work and still get JB. If you are getting JB and you work or are self-employed for, say, two days in any week, you may be regarded as unemployed for the other four and, if you are considered to be unemployed, you would get one-sixth of the rate of JB for each of those days of unemployment. Particular rules apply to particular circumstances – these are outlined below. There may also be variations in the tax treatment of JB depending on the circumstances.

Substantial loss of employment

In order to qualify for JB, you must have suffered a "substantial loss of employment" and, as a result, you must be fully unemployed for at least three days in any period of six consecutive days. You are considered to have suffered a substantial loss of employment in any period of six consecutive days if you have lost at least one day of insurable employment in that period and, as a result, you are unemployed for at least three days out of six. This condition does not apply to people engaged in casual or systematic short-time employment.

This condition is clearly met if you become fully unemployed or if you lose one or more days of work a week and as a result are unemployed for at least three days out of six. If you choose to work part-time, you are not considered to be unemployed for the days you are not working. If you then decide to look for full-time work, you do not get JB for the days you are not working because you have not suffered a substantial loss of employment. If you are working part-time because you could only get a part-time job, then you may be able to get JB for the days not worked. However, when you exhaust your entitlement to JB you will not re-qualify for it because you will not meet this "substantial loss of employment" condition. You must claim JB for at least three days in any week – if you work four days or more, then no JB is payable for the other days.

Part-time workers becoming unemployed

Another condition of getting JB is that you are available for and genuinely seeking full-time work. If you are only available for and looking for part-time work, you do not meet this condition and you do not qualify for JB at all.

If you had been working part-time and you become fully unemployed, you may be eligible for JB provided you are available for full-time work. If you are considered eligible, then you get JB for the six days. However, you may only qualify for a reduced rate of JB if your earnings in the relevant tax year were less than €300 a week (the relevant tax year is the second-last complete tax year, so in 2011 the relevant tax year is 2009). In these circumstances you may apply for JA and, if that would be to your advantage, you may be paid JA.

Similar rules apply if your part-time work is reduced. For example, if you were working a three-day week and this is reduced to two, you do not get any JB if you are only available for part-time work. However, if you are available for full-time work in this situation you get JB for four days. If you are only entitled to a reduced rate of JB you may be better off on JA.

Spare-time work

As a general rule you may not get JB for any day during which you are employed or self-employed. However, it is possible to do some spare-time work and still get JB for the day in question. (This is sometimes called subsidiary work but the term subsidiary employment has a specific meaning in a social welfare context. It is employment which is not normally the principal means of livelihood and includes, for example, employment as an attendant at state examinations and employment at a polling station during an election. You do not pay PRSI on income from such subsidiary employment.)

If you are offered spare-time employment, you should always check with the Department of Social Protection (DSP) to see whether or not your JB will be affected as the rules and the practice are not totally clear-cut.

For the purposes of social welfare, spare-time work is work that could have been done while you were in full-time employment. If your full-time work involved normal working hours you might be able to do spare-time work from, say, 8 pm to 11 pm and still get JB for the day in question. If you normally did shift work or worked non-standard hours then such spare-time work might not be possible. If the spare-time work involved very late hours, the DSP may take the view that you are not actually available for work the next day. If you actually had the spare-time job while working full-time you would find it easier to meet the requirements.

The DSP guidelines state that if you had the spare-time work for six months before you lost your full-time work, you would be considered to be unemployed and could continue doing the spare-time work. However, if the spare-time work is continued for a long time, the view could be taken that the spare-time work is now your main occupation and you are not unemployed at all. Much depends on the facts of each individual case.

There is a further complication on the spare-time work rule. If you have fewer than 117 paid PRSI contributions in the three years before becoming unemployed, you may not earn more than €12.70 a day from spare-time employment. There is no earnings limit if you have more than 117 paid contributions.

Your spare-time work income is subject to PRSI, tax and the Universal Social Charge (USC) in the normal way.

These rules on spare-time employment should not be confused with those covering systematic short-time working or casual employment (see below) or self-employment.

Systematic short-time working

If you normally work full-time but short-time working is introduced on a temporary basis, this is known as systematic short-time working. If the short-time working involves a three-day week, you may get JB for the other two days provided you meet the normal conditions. In this situation, the social welfare week is five days. You get two-fifths of the normal amount of JB. There are no rules as to how long you can continue short-time working. However, you may, in certain limited circumstances, claim a redundancy payment which would mean that you would become totally unemployed.

There is a very strict procedure for this and you should not embark on that procedure without getting advice. It should be noted that for redundancy purposes the definition of short-time that applies is different to that used for social welfare purposes.

Your income from work is subject to PRSI, tax and the USC in the normal way. Your income from JB is exempt from tax. Income from JB is never subject to PRSI or USC but some of it is usually taxable. However, it is not taxable at all in the case of systematic short-time workers.

Job-sharing and week-on/week-off

If you worked full-time and then entered a job-sharing arrangement, you are not eligible for Jobseeker's Benefit because you have voluntarily opted to work fewer hours or fewer days. If you are recruited into a job with a job-sharing arrangement (and you are available for full-time work) you may get JB for the days on which you are unemployed but this depends on the precise arrangements involved.

If you are working week-on/week-off, you are in the same situation as job-sharers unless, of course, you come under the heading of systematic short-time working. Your entitlement to JB for the week off depends on whether you are available for work during the week off.

Casual work

Casual work is work in which:

- You are normally employed for periods of less than a week
- The number of days and the days of the week you work varies with the level of activity in the business and
- You have no assurance of being re-employed in the job when a period of employment ends

Generally speaking, you do not get JB for a day on which you do casual work unless it can be brought within the spare-time work rules. For each day on which you are unemployed, one-sixth of the normal rate of JB is payable provided you are unemployed for at least three days. (In this situation the social welfare week is six days.) So, if you got casual work for two days you would get four-sixths of the normal rate of JB for that week – this is different from the systematic short-time work situation.

Family Income Supplement

If you are getting Jobseeker's Benefit, you do not qualify for Family Income Supplement (FIS). If you are working part-time or have casual income and you have at least one dependent child, it may be that you would be better off getting FIS rather than getting JB. Whether or not this is so depends on your precise circumstances including the income of a spouse or partner and the number of dependent children in your family.

If your spouse or partner is working, he or she may be eligible for FIS even if you are getting full or reduced-rate Jobseeker's Benefit.

Jobseeker's Allowance

As with Jobseeker's Benefit, one of the conditions for getting Jobseeker's Allowance is that you are unemployed for at least three days of the six-day week. You must also pass a means test. It is possible to work for up to three days a week and still get JA for the other three days.

However, some of the income you get from work is taken into account in the means test, as is some of any income received by your spouse, civil partner or cohabiting partner. (Income from other sources and capital are also taken into account but we are focusing here on income from work.)

Income from virtually all kinds of part-time or casual work is taken into account but your income from working as a home help with the HSE is not. However, if you are getting JA and your spouse or partner has income from working as a home help then this income *is* taken into account in the means test.

Income from your part-time or casual work is assessed as follows:

- The Department of Social Protection finds your average gross assessable weekly earnings. This is usually your average earnings in the previous 13 weeks but another period may be chosen if it is more representative. Any earnings from Sunday working are included in finding the average.
- PRSI contributions, pension contributions and union subscriptions are then deducted from your gross average earnings. Tax, the Universal Social Charge, private health insurance, travel costs or any other payments are not deducted.
- For each day that you were working, €20 of your earnings each day is disregarded up to a maximum of €60 a week.
- Your means for the purposes of qualifying for JA are 60% of the remainder.

So, if your weekly means are assessed at €100 and you are single, you qualify for the maximum weekly personal rate of JA less €100. This amounts to €88 a week for people aged 25 and over.

Seasonal work

Earnings from seasonal employment are assessed during the season while you are actually working. These earnings are not taken into account in the off-season when you are not working.

Your spouse or partner

Any other source of income and any capital that you have is, of course, also taken into account. Among other things, the income of your spouse or partner is assessed. (Spouse or partner includes a civil partner or a cohabiting same-sex or opposite-sex partner.)

Dependent spouse/partner

If your spouse or partner is not getting a social welfare payment or a FÁS or Vocational Training Opportunities Scheme (VTOS) training allowance in his/her own right, then your entitlement to Jobseeker's Allowance is the appropriate weekly rate of Jobseeker's Allowance for your family circumstances minus your weekly means as assessed.

So, if your weekly means are assessed at €100, this amount is subtracted from the personal rate of €188 with the increase for a qualified adult (€124.80) added to it. You would also get the full rate of increase for any qualified children.

Spouse or partner's social welfare payment or training allowance

If you have a spouse or partner who is getting a social welfare payment in his or her own right or is getting a training allowance from FÁS or the VTOS, then your weekly means are regarded as half the amount assessed. If the amount assessed is €100, your weekly means would be regarded as €50 and you would get the personal rate of Jobseeker's Allowance less €50. You would not get any increase for a qualified adult and you would get the half-rate increase for a qualified child. Your spouse or partner would be getting a half-rate payment for each qualified child as well.

Spouse or partner who is employed or self-employed

Your spouse or partner's income from employment is assessed in the same way as yours is, that is, there are disregards of €20 a day up to a maximum of €60 a week and the means are then assessed as 60% of the remainder. Your spouse or partner's income from self-employment is assessed in full. Your means and those of your spouse or partner are added together and if they are less than the total amount of Jobseeker's Allowance payable to a couple then you qualify for some Jobseeker's Allowance payment.

Maximum payment rule

There is a further complication on the rules about receipt of Jobseeker's Allowance. If you are one of a couple and your spouse or partner is getting a weekly social welfare payment, then the total amount payable to both of you cannot be greater than the maximum amount that would be payable if only one of you was claiming and the other was a qualified adult. So, if your spouse is getting Jobseeker's Benefit, the maximum additional income you can get in Jobseeker's Allowance is the

qualified adult rate of Jobseeker's Benefit. If your spouse is on reduced rate Jobseeker's Benefit, the assessment of what is payable to you is based on the full rate of Jobseeker's Benefit.

Family Income Supplement

If you are getting Jobseeker's Allowance, you cannot also qualify for Family Income Supplement. However, if your spouse or partner is employed, he/she could qualify for Family Income Supplement if you have at least one dependent child. Again, as with Jobseeker's Benefit, it may be the case that, if you have some income from employment, you may be better off getting Family Income Supplement rather than Jobseeker's Allowance – this depends on your specific circumstances.

One-Parent Family Payment

It is possible to work full-time and qualify for some One-Parent Family Payment if you do not earn more than €425 a week. Again, we are looking here only at income from work; income from other sources is also taken into account.

- If your gross earnings are €425 or more a week, you do not qualify for any payment. If your gross earnings are less than this, your earnings are assessed as your gross pay less PRSI, pension contributions and trade union subscriptions (but not tax, Universal Social Charge or other payments).
- If your gross earnings are less than €146.50 a week, you may qualify for the full amount of One-Parent Family Payment.
- If you earn between €146.50 and €425 a week, you may qualify for a reduced amount of One-Parent Family Payment.
- If you have been getting some One-Parent Family Payment for at least a year and your earnings increase to above €425 a week, your payment is continued at half the usual rate for six months and it then ceases.

If you are working and getting One-Parent Family Payment, you may also qualify for Family Income Supplement. If you become unemployed, you may qualify for Jobseeker's Benefit at half-rate. You do not qualify for Jobseeker's Allowance.

Payments for sickness and disability

In general, sickness and disability payments are paid to people who are unable to work either temporarily or permanently. (There is no requirement of inability to work in order to qualify for Blind Pension.) However, if you are getting one of these payments, you may be allowed to do work of a therapeutic or rehabilitative nature and you may be able to participate in training or education in order to enable you to take up work in the future.

In all cases you must get permission from the Department of Social Protection before taking up rehabilitative work. The Department then assesses whether or not you would benefit from the employment.

Illness Benefit

The majority of people on Illness Benefit are temporarily out of work because of illness and return to their normal employment within a short time so the question of doing any work does not arise.

If you are on Illness Benefit for at least six months, you may be allowed take up rehabilitative work for a maximum of 20 hours per week. You must get written approval from the Department of Social Protection. Both your income from the work and your benefit are subject to tax but Illness Benefit is not taxable for the first six weeks. The income from work is also subject to the Universal Social Charge but your benefit is not.

Invalidity Pension

Invalidity Pension is a long-term payment. The rules in relation to rehabilitative employment are the same as for Illness Benefit except that you are not required to have been on Invalidity Pension for a specified minimum period.

Partial capacity scheme

Legislation to provide for a partial capacity scheme was passed in December 2010 (see *Relate*, January 2011). This scheme is designed for people who are getting Illness Benefit or Invalidity Pension and who may be able to do some work (not just rehabilitative work). It is expected that this scheme will be introduced before the end of 2011.

Disability Allowance

You may earn up to €120 a week from rehabilitative work without affecting your entitlement to Disability Allowance. Your income from work is assessed as the total income less PRSI, pension contributions and union subscriptions (but not tax or the Universal Social Charge).

If you earn more than €120 a week from rehabilitative work, half of your earnings between €120 and €350 are not taken into account. All earnings over €350 are assessed in full. If you have no other means, €422.50 is the maximum amount you can earn and still keep an entitlement to the minimum personal payment of €3.

Blind Pension

The Blind Pension is means-tested. Unlike other disability payments, there is no general requirement that you are unable to work. So, it is possible to work in regular employment and get some Blind Pension. If you work in regular employment, whether full-time, part-time or on a casual basis, the income from that work is taken into account in the means test. If you have weekly means of more than €192.60, you cannot get any Blind Pension payment.

However, if you take up rehabilitative employment, the same disregards apply as for Disability Allowance. In the case of Blind Pension, if you have no other means, €427.60 a week is the maximum amount you can earn from rehabilitative employment at present and still keep an entitlement to the minimum personal payment of €3.

Part-time workers and Illness Benefit

If you are working part-time and become ill, you may find that you do not qualify for the full rate of Illness Benefit. This is because the full rate is payable only if you have average weekly reckonable earnings of at least €300 a week in the relevant tax year. Average weekly earnings are calculated by dividing the total reckonable gross earnings by the actual number of weeks worked in that year.

Community and voluntary sector funding

A brief account of funding for the community and voluntary sector was given in *Relate*, November 2010. Some changes have been made since then and these are described here. One major change was the abolition of the Department of Community, Rural and Gaeltacht Affairs and the transfer of responsibility for its various programmes to a number of other departments. The local and community development programmes and related programmes have all transferred to the Department of the Environment, Community and Local Government.

Local and community development

Over the past few years, the rationalisation of local and community development projects has been taking place. This has resulted in a reduction in the total number of Local Development Companies (sometimes known as Integrated Local Development Partnerships) from 94 to 52. There are 15 Local Development Companies in urban areas and 37 in rural areas.

The boards of these companies are drawn from community, farming and enterprise organisations as well as state agencies and local authorities. They are involved with City and County Development Boards, among others, in facilitating and promoting co-ordinated delivery of services in local areas. They have contracts with some government departments to deliver various programmes. The rural companies deliver the LEADER aspects of the Rural Development Programme.

All 52 companies (as well as some other organisations) are involved in delivering the Local and Community Development Programme, which aims to tackle poverty and social exclusion through partnership and constructive engagement between people in disadvantaged communities and the Government and its agencies. A number of community development projects, of which there were about 160, have been integrated either with the Local Development Company or through an alternative mechanism. This process is still continuing. This programme has funding of €63 million for 2011; this is about a 3% reduction on the 2010 allocation.

RAPID

The RAPID Programme (Revitalising Areas by Planning, Investment and Development) aims to ensure that priority attention is given to tackling poverty and social exclusion within designated RAPID areas nationally. The RAPID Leverage Schemes aim to support small-scale projects identified locally by Area Implementation Teams in each of the RAPID areas. These schemes have been co-funded by various agencies and the projects have focused on estate

enhancement, graffiti removal, traffic calming, community closed-circuit television, health and sports facilities and the provision of play groups. Funding for these schemes has been reduced to €2.5 million in 2011 (from €9 million in 2009).

Dormant Accounts

The Dormant Accounts (Amendment) Bill 2011 is currently being discussed by the Oireachtas. It provides for the abolition of the Dormant Accounts Board and the transfer of its functions to the Department of the Environment, Community and Local Government. It is not intended to change the purposes for which dormant accounts funding will be used, that is, to support people who are economically or socially disadvantaged, people who are educationally disadvantaged and people with disabilities. The fund is not currently open for applications.

The value of the Dormant Accounts Fund was almost €82 million in August 2011. An amount of about €47 million is maintained in a reserve account to meet future claims by account owners. Information on disbursements from the fund can be found at:

www.environ.ie/en/community/dormantaccounts.

The change in legislation means that, in future, there will be a disbursement scheme set out each year by the Minister for the Environment, Community and Local Government after consultation with other relevant Ministers. The scheme must be brought before the Oireachtas. Applications will then be invited by the relevant government departments for programmes or projects. The Minister for the Environment, Community and Local Government will then approve specific applications and the list of approved projects will be published.

Pobal

Pobal is the organisation which manages a range of programmes to promote social inclusion, reconciliation and equality and to counter disadvantage through local economic development.

The Citizens Information Board provides independent information, advice and advocacy on public and social services through citizensinformation.ie, the Citizens Information Phone Service and the network of Citizens Information Services. It is responsible for the Money Advice and Budgeting Service and provides advocacy services for people with disabilities.

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It is involved with various government departments in managing, among other programmes, the Local and Community Development Programme, RAPID, the Dormant Accounts Fund and the Community Services Programme.

Family support services

The Family Support Agency, which is now under the remit of the Department of Children and Youth Affairs, is responsible for:

- The Family and Community Services Resource Centre Programme
- The scheme of grants to voluntary organisations that provide marriage or bereavement counselling or provide counselling services for children

There are 107 Family Resource Centres (FRCs) throughout the country. They aim to combat disadvantage and support families. The Programme emphasises the involvement of local communities in tackling the problems they face, and the creation of successful partnerships between voluntary and statutory agencies at community level. People from marginalised groups are involved at all levels of the organisation, including voluntary management committees. The services provided include education and training opportunities, childcare, breakfast clubs, homework and after-school clubs, and youth work services. The FRC programme has funding of almost €16 million in 2011.

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Support for national organisations

The scheme of support for national organisations in the community and voluntary sector started in 2008. The scheme provided three-year funding to certain national organisations towards core costs. A new funding scheme was advertised in December 2010. The criteria by which applications for funding were assessed were:

- The extent to which proposals focus on disadvantage
- The impact of the funding and the projected outcomes
- Level of added value within the sector
- Viability, value for money and governance
- Level of co-operation, integration and consolidation with similar or allied organisations

There were 149 applications and 63 organisations were granted funding. Of these, 46 had received funding under the 2008–2010 scheme. A list of those that are getting funding is on the website of the Department: environ.ie.

Volunteer Centres

There are currently 22 Volunteer Centres which act as brokers between potential volunteers and organisations seeking volunteers. The centres have a common database and a common approach. They also work with organisations to develop their volunteer management capacity as well as facilitating Garda vetting for smaller organisations. They get funding from the Department of the Environment, Community and Local Government.

Citizens Information

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