

Number 43 of 2012

SOCIAL WELFARE ACT 2012

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ACTS REFERRED TO

Housing (Miscellaneous Provisions) Act 1992	1992, No. 18
Housing (Miscellaneous Provisions) Act 2009	2009, No. 22
Redundancy Payments Act 1967	1967, No. 21
Redundancy Payments Acts 1967 to 2011	
Social Welfare Act 1973	1973, No. 10
Social Welfare Act 2010	2010, No. 34
Social Welfare Act 2011	2011, No. 37
Social Welfare and Pensions Act 2008	2008, No. 2
Social Welfare and Pensions Act 2010	2010, No. 37
Social Welfare and Pensions Act 2012	2012, No. 12
Social Welfare Consolidation Act 2005	2005, No. 26
Social Welfare Law Reform and Pensions Act 2006	2006, No. 5

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Number 43 of 2012

SOCIAL WELFARE ACT 2012

AN ACT TO AMEND AND EXTEND THE SOCIAL WELFARE ACTS AND TO AMEND THE REDUNDANCY PAYMENTS ACT 1967.

[21st December, 2012]

BE IT ENACTED BY THE OIREACHTAS AS FOLLOWS:

PART 1

PRELIMINARY AND GENERAL

1.—(1) This Act may be cited as the Social Welfare Act 2012.

Short title, construction, collective citation and commencement.

- (2) The Social Welfare Acts and this Act, other than *Part 3*, shall and combe read together as one.
- (3) The Redundancy Payments Acts 1967 to 2011 and *Part 3* shall be read together as one and may be cited together as the Redundancy Payments Acts 1967 to 2012.
- (4) Sections 13, 15, 16 and 17 shall come into operation on such day or days as the Minister for Social Protection may appoint by order or orders either generally or with reference to any particular purpose or provision, and different days may be so appointed for different purposes or different provisions.

2.—In this Act—

Definitions.

"Act of 2006" means the Social Welfare Law Reform and Pensions Act 2006;

"Act of 2010" means the Social Welfare Act 2010;

"Act of 2011" means the Social Welfare Act 2011;

"Act of 2012" means the Social Welfare and Pensions Act 2012;

"Principal Act" means the Social Welfare Consolidation Act 2005.

PART 2

Amendment of Social Welfare Acts

Calculation of yearly average and alternative yearly average for pension purposes.

- 3.—(1) Section 108(2) of the Principal Act is amended—
 - (a) in the definition of "yearly average" by substituting "attaining pensionable age and where, in the case of a claim made on or after 13 July 1992, the average so calculated is a fraction of a whole number consisting of one-half or more it shall be rounded up to the nearest whole number and where it is a fraction of less than one-half it shall be rounded down to the nearest whole number;" for "attaining pensionable age;", and
 - (b) in the definition of "alternative yearly average" by substituting "attaining pensionable age and where, in the case of a claim made on or after 13 July 1992, the average so calculated is a fraction of a whole number consisting of one-half or more it shall be rounded up to the nearest whole number and where it is a fraction of less than one-half it shall be rounded down to the nearest whole number." for "attaining pensionable age.".
- (2) Section 114(3) of the Principal Act is amended—
 - (a) in the definition of "yearly average" by substituting "attaining the age of 65 years and where, in the case of a claim made on or after 13 July 1992, the average so calculated is a fraction of a whole number consisting of one-half or more it shall be rounded up to the nearest whole number and where it is a fraction of less than one-half it shall be rounded down to the nearest whole number;" for "attaining the age of 65 years;", and
 - (b) in the definition of "alternative yearly average" by substituting "attaining the age of 65 years and where, in the case of a claim made on or after 13 July 1992, the average so calculated is a fraction of a whole number consisting of one-half or more it shall be rounded up to the nearest whole number and where it is a fraction of less than one-half it shall be rounded down to the nearest whole number." for "attaining the age of 65 years."
- (3) Section 123 of the Principal Act is amended in the definition of "yearly average" (amended by section 17 of the Social Welfare and Pensions Act 2010) by substituting "section 125(1)(b) and where the average so calculated is a fraction of a whole number consisting of one-half or more it shall be rounded up to the nearest whole number and where it is a fraction of less than one-half it shall be rounded down to the nearest whole number." for "section 125(1)(b)."
- (4) Section 134(3) of the Principal Act is amended in the definition of "yearly average" by substituting "section 135(1)(b)(ii) and where the average so calculated is a fraction of a whole number consisting of one-half or more it shall be rounded up to the nearest whole number and where it is a fraction of less than one-half it shall be rounded down to the nearest whole number." for "section 135(1)(b)(ii)."

- (5) Section 178A (amended by section 5 of the Act of 2012) of the Principal Act is amended by inserting the following subsection after subsection (3):
 - "(3A) In this section 'yearly average' means the average per contribution year of contribution weeks in respect of which the husband or claimant has qualifying contributions, voluntary contributions or credited contributions in the appropriate period specified in subsection (2)(b) and where the average so calculated is a fraction of a whole number consisting of one-half or more it shall be rounded up to the nearest whole number and where it is a fraction of less than one-half it shall be rounded down to the nearest whole number.".
- **4.**—(1) Section 109 (amended by section 4 of the Act of 2006) of State pension the Principal Act is amended-

(contributory) – amendments.

- (a) by substituting the following subsection for subsection (8):
 - "(8) Subject to subsections (8A) and (9), regulations may provide for entitling to State pension (contributory) a claimant who would be entitled to that pension but for the fact that he or she has a yearly average of less than 48.",
- (b) by inserting the following subsection after subsection (8):
 - "(8A) Where a claimant referred to in subsection (8)
 - (a) attained pensionable age before 1 January 2013, and
 - (b) a yearly average of less than 20,

he or she is required to have qualifying contributions in respect of not less than 260 contribution weeks since his or her entry into insurance.",

- (c) by substituting the following subsection for subsection (14):
 - "(14) Subject to subsection (15), regulations may provide for entitling to State pension (contributory) a person who would be entitled to that pension but for the fact that the contribution condition in subsection (1)(c) is not satisfied, where that person-
 - (a) has attained pensionable age before 1 January 2013, and
 - (b) having earlier ceased to be an employed contributor became, as a consequence and at the time of the coming into operation of section 12 of the Social Welfare Act 1973, an employed contributor in respect of whom contributions reckonable for the purposes of the contribution conditions for entitlement to State pension (contributory) were payable.".

(2) This section comes into operation on 1 January 2013.

Respite care grant — amendment.

- **5**.—(1) Section 225 (amended by section 9 of the Social Welfare and Pensions Act 2008) of the Principal Act is amended in subsection (1) by substituting "€1,375" for "€1,700".
 - (2) This section comes into operation on 1 June 2013.

Employment contributions — amendment.

- **6.**—(1) Section 13(2) of the Principal Act is amended in paragraph (b) by deleting "in excess of €127".
 - (2) This section comes into operation on 1 January 2013.

Schedule 3 — amendment.

- 7.—(1) Rule 1 of Part 2 of Schedule 3 to the Principal Act is amended by substituting the following paragraph for paragraph (9) (amended by section 10 of the Act of 2011):
 - "(9) in the case of—
 - (a) a fisherman, the gross income derived from any form of self-employment, or
 - (b) a farmer entitled to or in receipt of farm assist, the gross yearly income which the farmer or his or her spouse, civil partner or cohabitant may reasonably be expected to receive from farming or any other form of self-employment,

less any expenses necessarily incurred in carrying on any form of self-employment;".

(2) This section comes into operation on 3 April 2013.

Child benefit – amendments.

- **8.**—(1) Section 221 of the Principal Act is amended by substituting the following subsection for subsection (1) (amended by section 8 of the Act of 2011):
 - "(1) Subject to this Act, a qualified person shall be paid a monthly benefit—
 - (a) of the amount set out in column (2) of Part 4 of Schedule 4 for a qualified child referred to in column (1) of that Part of that Schedule opposite that amount for any entitlement to child benefit that occurs during the period beginning on 1 January 2013 and expiring on 31 December 2013, and
 - (b) of €130 for each qualified child in respect of any entitlement to child benefit that occurs on or after 1 January 2014.".
- (2) Schedule 4 to the Principal Act is amended by substituting the following Part for Part 4 (amended by section 8 of the Act of 2011):

AMOUNTS OF CHILD BENEFIT DURING THE PERIOD BEGINNING ON 1 JANUARY 2013 AND EXPIRING ON 31 DECEMBER 2013

Qualified child in respect of whom child benefit is payable	Monthly rate of child benefit payable per qualified child during the period beginning on 1 January 2013 and expiring on 31 December 2013
(1)	(2)
	€
1. Each of the first 3 qualified children	130.00
2. Each qualified child in excess of 3 qualified children	140.00

- (3) This section comes into operation on 1 January 2013.
- 9.—(1) Section 115 of the Principal Act is amended—

State pension (transition) amendments.

- (a) by substituting the following subsection for subsection (6) (amended by section 4 of the Act of 2006):
 - "(6) Regulations under subsection (5) shall provide that State pension (transition) payable by virtue of those regulations shall, subject to subsection (6A), be payable at a rate less than that specified in Schedule 2, and the rate specified by the regulations may vary by reference to the yearly average so calculated, but any increase of that pension payable under section 117(2) shall be the same as if the claimant had a yearly average of not less than 48.",

and

- (b) by inserting the following subsection after subsection (6):
 - "(6A) In the case of person who, on 31 December 2012, is entitled to or in receipt of a pension by virtue of regulations under subsection (5) which includes an increase under section 117(1), subsection (6) shall not operate so as to reduce the rate of the increase payable under section 117(1) below the rate that may be prescribed.".
- (2) This section comes into operation on 1 January 2013.
- 10.—(1) Section 21(1) (amended by section 14 of the Act of 2010) Rates of selfof the Principal Act is amended-

employment contributions.

- (a) in paragraph (a) by substituting "€500" for "€253",
- (b) in paragraph (b) by substituting "€310" for "€157",
- (c) in paragraph (c) by substituting "€500" for "€253",

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 - (d) in paragraph (ea) (inserted by section 6 of the Act of 2006) by substituting "€500" for "€253", and
 - (e) in paragraph (f) by substituting "€500" for "€253" in each place in which it occurs.
 - (2) This section comes into operation on 1 January 2013.

Voluntary contributions — amendments.

- 11.—(1) Section 25 (amended by section 11 of the Act of 2010) of the Principal Act is amended—
 - (a) in subsection (1)(b)—
 - (i) in subparagraph (i) by substituting "€250" for "€126",
 - (ii) in subparagraph (ii) by substituting "€500" for "€317", and
 - (iii) by deleting subparagraph (iii),

and

- (b) by deleting subsections (2) and (3).
- (2) Section 26(1) of the Principal Act is amended by substituting " \in 500" for " \in 253".
 - (3) This section comes into operation on 1 January 2013.

Jobseeker's benefit — duration of payment.

- 12.—(1) Section 67 of the Principal Act is amended—
 - (a) in subsection (1) by substituting "(3), (3A), (3C), (4A) or (4C)" for "(3) or (4)",
 - (b) in subsection (3) by substituting "234" for "312",
 - (c) by inserting the following subsection after subsection (3B):
 - "(3C) Where subsection (3A) does not apply to a person and that person has—
 - (a) in any period of interruption of employment, qualifying contributions in respect of not less than 260 contribution weeks in the period between his or her entry into insurance and any day of unemployment, and
 - (b) on 3 April 2013, been in receipt of jobseeker's benefit for more than 156 days,

subsection (1) shall have effect as if '312 days' were substituted for '156 days' for the remainder of such period of interruption of employment.",

- (d) by deleting subsection (4),
- (e) by inserting the following subsection after subsection (4B):
 - "(4C) Where subsection (4A) does not apply to a person and that person has—

- (a) in any period of interruption of employment, qualifying contributions in respect of less than 260 contribution weeks in the period between his or her entry into insurance and any day of unemployment, and
- (b) on 3 April 2013, been in receipt of jobseeker's benefit for more than 78 days,

subsection (1) shall have effect as if '234 days' were substituted for '156 days' for the remainder of such period of interruption of employment.",

and

- (f) in subsection (5)(b) by substituting "subsections (1) and (3)" for "subsections (1), (3) and (4)".
- (2) This section comes into operation on 3 April 2013.
- **13**.—(1) Section 341 of the Principal Act is amended—

Recovery of overpayments by deductions from social welfare payments.

- (a) in subsection (7) by substituting "Subject to subsection (7A), any benefit," for "Any benefit,", and
- (b) by inserting the following subsections after subsection (7):
 - "(7A) The weekly amount of any benefit or assistance to be deducted for the purposes of the recovery of any benefit, assistance, supplement or payment in accordance with subsection (7) shall not, without the prior written consent of the person liable to repay the overpayment, exceed 15 per cent of the weekly rate of benefit or assistance to which the person concerned is or becomes entitled.
 - (7B) In subsection (7A) 'weekly rate' means the appropriate weekly rate of benefit or assistance payable to a person under Part 2 or Part 3, but does not include any increases under Part 2 or Part 3 of such benefit or assistance as the case may be.
 - (7C) A person who is in receipt of any benefit or assistance, other than supplementary welfare allowance, from which a deduction is being made for the repayment of any benefit, assistance, supplement or payment in accordance with subsection (7), shall not be entitled to claim for supplementary welfare allowance under section 196.".
- (2) Section 196(1) (amended by section 9 of the Act of 2010) of the Principal Act is amended by inserting ", section 341(7C)" after "section 341(7)".

14.—The Principal Act is amended—

One-parent family payment — amendments.

- (a) in section 172(1), by substituting the following paragraph for paragraph (b) of the definition of "relevant age" (inserted by section 4 of the Act of 2012):
 - "(b) in any other case—

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- (i) 12 years in respect of any claim for oneparent family payment relating to any day during the period beginning on 3 May 2012 and expiring on 3 July 2013,
- (ii) 10 years in respect of any claim for oneparent family payment relating to any day during the period beginning on 4 July 2013 and expiring on 2 July 2014, and
- (iii) 7 years in respect of any claim for oneparent family payment relating to any day occurring on or after 3 July 2014;",
- (b) in section 178B (inserted by section 5 of the Act of 2012)—
 - (i) by substituting the following subsection for subsec-
 - "(2) A person to whom this section applies shall, subject to subsection (3), continue to be entitled to the payment referred to in subsection (1) as follows:
 - (a) during the period commencing on 27 April 2011 and ending on 3 July 2013, until the youngest child attains the age of 18 years;
 - (b) during the period commencing on 4 July 2013 and ending on 2 July 2014, until the youngest child attains the age of 17 years;
 - (c) during the period commencing on 3 July 2014 and ending on 1 July 2015, until the youngest child attains the age of 16 years.",

and

- (ii) by substituting the following subsection for subsec-
 - "(5) This section shall cease to have effect on 2 July 2015.",
- (c) in section 178C (inserted by section 5 of the Act of 2012)—
 - (i) by substituting the following subsection for subsection (2):
 - "(2) A person to whom this section applies shall continue to be entitled to the payment referred to in subsection (1) as follows:
 - (a) during the period commencing on 3 May 2012 and ending on 3 July 2013, until the youngest child attains the age of 14 years;
 - (b) during the period commencing on 4 July 2013 and ending on 2 July 2014, until the youngest child attains the age of 12 years;
 - (c) during the period commencing on 3 July 2014 and ending on 1 July 2015, until the

youngest child attains the age of 10 years.",

and

- (ii) by substituting the following subsection for subsection (4):
 - "(4) This section shall cease to have effect on 2 July 2015.",

and

- (d) in section 178D (inserted by section 5 of the Act of 2012) by substituting the following subsection for subsection (2):
 - (2) This section shall cease to have effect on 2 July 2015.".
- 15.—(1) Section 290 of the Principal Act is amended—

Budgeting in relation to social welfare payments — amendments.

- (a) in subsection (1) by inserting ", subject to section 290B," after "may be withheld",
- (b) in subsection (3)(a) by inserting ", other than any functions performed by a local authority under section 23 (amended by section 8 of the Housing (Miscellaneous Provisions) Act 2009) of the Housing (Miscellaneous Provisions) Act 1992" after "authority", and
- (c) by inserting the following subsections after subsection (3):
 - "(4) On and after the commencement of section 15 of the Social Welfare Act 2012, an amount of benefit under this section shall not be withheld where the purpose of such withholding of benefit is the separate payment, by the Minister, of rent to a local authority pursuant to this section and regulations made under it.
 - (5) Nothing in subsection (4) shall affect any withholding of benefit under this section where—
 - (a) the purpose of such withholding of benefit is to provide for the separate payment, by the Minister, of rent to be paid by a beneficiary to a local authority, pursuant to this section and regulations made under it, and
 - (b) such withholding of benefit and such separate payment has effect immediately before the commencement of section 15 of the Social Welfare Act 2012.
 - (6) Where—
 - (a) a beneficiary has consented to the withholding of an amount of benefit under this section before the commencement of section 15 of the Social Welfare Act 2012,

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- (b) the purpose of such withholding of benefit is to provide for the separate payment, by the Minister, of rent to be paid by a beneficiary to a local authority pursuant to this section and regulations made under it, and
- (c) such withholding of benefit and such separate payment has not taken effect before the commencement of section 15 of the Social Welfare Act 2012.

nothing in subsection (4) shall prevent the taking effect of such withholding of benefit and such separate payment.".

(2) The Principal Act is amended by inserting the following sections after section 290:

"Budgeting in relation to certain rent payments.

290A.—(1) This section applies to a beneficiary who is a tenant of a housing body and entitled to a benefit prescribed under this section.

- (2) The Minister may make arrangements for—
 - (a) the deduction, subject to section 290B, of a sum of money from a benefit paid to a beneficiary, and
 - (b) the payment, on behalf of the beneficiary, of that deducted sum to a housing body for the purpose of the payment of the rent payable to the housing body by that beneficiary.
- (3) The Minister—
 - (a) may enter into an agreement with a person, for a specified period, for the purpose of carrying out the arrangement referred to in subsection (2), and
 - (b) shall, where he or she enters into such agreement, by order specify the person with whom the agreement has been entered into and the period for which that agreement has effect.
- (4) A deduction and payment made pursuant to this section shall cease-
 - (a) where the beneficiary—
 - (i) ceases to be entitled to a benefit prescribed under this section,
 - (ii) ceases to be a tenant of a housing body, or
 - (iii) dies,

or

- (b) where such deduction and payment are discontinued in accordance with this section
- (5) A deduction and payment made pursuant to this section shall be discontinued where the housing body concerned consents to such discontinuance and a housing body shall not unreasonably withhold its consent to such discontinuance.
- (6) The Minister may, after consultation with the Minister for Environment, Community and Local Government, make regulations in respect of all or any of the following:
 - (a) the form and manner of an application for—
 - (i) the deduction and payment pursuant to this section, and
 - (ii) the discontinuance of such deduction and payment pursuant to this section;
 - (b) the form and manner of an application for the variation of—
 - (i) an amount, subject to section 290B, to be deducted and paid to a housing body, and
 - (ii) the housing body to which the payment is made;
 - (c) the form and manner of an application to a housing body for consent to the discontinuance of a deduction and payment pursuant to this section;
 - (d) any documentation relating to an application referred to in paragraphs (a) to (c);
 - (e) the benefits from which deductions pursuant to this section are made.
 - (7) In this section 'housing body' means—
 - (a) a housing authority within the meaning of section 23 (amended by section 8 of the Housing (Miscellaneous Provisions) Act 2009) of the Housing (Miscellaneous Provisions) Act 1992, or
 - (b) a body standing approved of for the purposes of section 6 of the Housing (Miscellaneous Provisions) Act 1992.

ns on 290B.—(1) Where a sum of money is to be deducted under section 290A from a benefit to

Limitations on budgeting under sections 290 and 290A. which that section applies that is payable to a beneficiary to which that section applies, the deduction shall not exceed 25 per cent of the weekly rate of that benefit.

- (2) Where the withholding of an amount of benefit is to be made under section 290 from a benefit under that section payable to a beneficiary under that section, the deduction shall not exceed 25 per cent of the weekly rate of that benefit.
- (3) Where an amount of benefit is withheld under section 290 in respect of a beneficiary referred to in that section and—
 - (a) that beneficiary and that benefit are, respectively, a beneficiary to whom, and a benefit to which, section 290A also applies, and
 - (b) that beneficiary makes an application under section 290A for a deduction from that benefit in respect of the same week,

the deduction under section 290A shall, subject to subsection (1), be made in the first instance and the withholding of an amount of benefit under section 290 shall only continue to be made where—

- (i) the amount of the deduction under section 290A is less than 25 per cent of the weekly rate of benefit payable to that beneficiary in that week, and
- (ii) the combined amount of a deduction under section 290A and a withheld amount under section 290 does not exceed 25 per cent of the weekly rate of benefit payable to that beneficiary in that week."

Entitlement to jobseeker's benefit — amendments.

- 16.—(1) Section 62 of the Principal Act is amended—
 - (a) in subsection (1)(d) by substituting "7 consecutive days" for "6 consecutive days",
 - (b) in subsection (5)—
 - (i) in paragraph (c) by substituting—
 - (I) "4 days" for "3 days", and
 - (II) "7 consecutive days" for "6 consecutive days",

and

- (ii) by deleting paragraph (d),
- (c) by inserting the following subsection after subsection (9) (amended by section 4 of the Act of 2006):

- "(9A) In the case of a person to whom subsection (11) does not apply, the number of days of unemployment in respect of which that person shall be entitled to job-seeker's benefit in any payment week shall be limited so that the total of—
 - (a) the number of days in that payment week in respect of which jobseeker's benefit is paid, and
 - (b) the number of days in that payment week which are not days which form part of a period of interruption of employment,

shall not exceed 6.

- (9B) In the case of a person to whom subsection (9A) applies, the amount payable by way of jobseeker's benefit for any day of unemployment in a payment week shall be determined in accordance with subsections (10) and (10A).",
- (d) in subsection (10) (inserted by section 16 of the Act of 2012) by substituting "Subject to subsections (10B) and (11)," for "Subject to subsection (10B),",
- (e) in subsection (10C) (inserted by section 16 of the Act of 2012) by substituting "In this Chapter" for "Without prejudice to subsection (5)(d), in subsections (10) and (10A)", and
- (f) in subsection (11) (amended by section 4 of the Act of 2006) by substituting "in any payment week" for "in any week".
- (2) Section 67(8) of the Principal Act is amended by substituting "Subject to section 141(3C), for the purposes of this section," for "For the purpose of this section,".
 - **17**.—Section 141 of the Principal Act is amended—

Entitlement to jobseeker's allowance — amendments.

- (a) in subsection (3) (amended by section 5 of the Social allowance—welfare and Pensions Act 2010) by substituting—
 - (i) "4 days" for "3 days", and
 - (ii) "7 consecutive days" for "6 consecutive days",
- (b) by inserting the following subsection after subsection (3B) (inserted by section 5 of the Social Welfare and Pensions Act 2010):
 - "(3C) For the purposes of section 67(8), where in any week of unemployment a person is entitled to job-seeker's allowance—
 - (a) in respect of 7 days of unemployment, the number of days of unemployment in respect of which jobseeker's allowance shall be treated as though it were a day in respect of which jobseeker's benefit was paid shall be 6, and

(b) in respect of less than 7 days of unemployment, the number of days of unemployment in respect of which jobseeker's allowance shall be treated as though it were a day in respect of which jobseeker's benefit was paid shall be 6, reduced by the number of days in that payment week which are not days which form part of a continuous period of unemployment.",

and

(c) by deleting subsection (5).

PART 3

Amendment of Redundancy Payments Act 1967

Amendment of section 29 of Redundancy Payments Act 1967.

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- 18.—(1) Section 29 of the Redundancy Payments Act 1967 is amended by inserting the following subsection after subsection (5) (inserted by section 15 of the Act of 2011):
 - "(6) Notwithstanding the provisions of this Act, a rebate shall not be made to an employer in respect of a lump sum payment paid to an employee under section 19—
 - (a) where the dismissal by reason of redundancy, referred to in section 19, or
 - (b) in respect of an employee to whom section 12 applies, where-
 - (i) the date of the notice of intention to claim, referred to in section 12(1)(b), or
 - (ii) the date of the termination of the contract of employment of the employee concerned, referred to in section 12(2),

occurs on or after 1 January 2013.".

(2) This section comes into operation on 1 January 2013.