**DIFFICULTIES FOR PUBLIC SERVICE PENSIONERS IN QUALIFYING FOR THE HOUSEHOLD BENEFITS PACKAGE BEFORE AGE 70**

Once a person reaches the age of 70 (and is legally resident in Ireland), he or she can qualify for the Household Benefits Package (HHB). The value of the HHB at present is €580 a year (€160 for a TV licence and €35 a month towards electricity or gas bills). It is a non-statutory scheme governed by Operational Guidelines in the Department of Social Protection.

In certain circumstances, people can qualify for the HHB under the age of 66 (eg if in receipt of Invalidity Pension), but the group that the RSPSA is making a case for is those **public service pensioners who are aged between 66 and 70** and who do not qualify for the State Pension (Contributory). It is considered that the current operational guidelines, insofar as they deal with that age group, are somewhat arbitrary and lacking in equity.

In general, the pensioners, who are adversely affected, are people who were recruited before April 1995 and paid PRSI at a modified rate. In broad terms, because they do not qualify for the State Pension (Contributory), they can only qualify for the Household Benefits Package if they satisfy a means test. As with all social welfare schemes, the full details are more complex and specific than this broad outline; they can be found on <https://www.gov.ie/en/publication/3bacea-operational-guidelines-household-benefits-package/>. There is no indication in the HHB scheme that it is linked to social insurance contribution record and, given that most recipients can qualify for it without means test, it is not per se a means tested benefit. The current qualifying conditions of the HHB package are such that a number of public service pensioners between the age of 66 and 70 find themselves at a disadvantage compared to other pensioners.

In addition, a person, who would qualify for the HHB at age 66 as a recipient of the State Pension (Contributory), **can be disqualified if their spouse is a public service pensioner** who does not also have a State Pension (or other social welfare payment).

In the 2020 Budget, eligibility for the HHB package was broadened for people under 70 to allow for another adult to reside in the household, provided that other adult is not a spouse or partner. This change, while welcome, has further highlighted the position of public service pensioners. The scenarios below (which have been confirmed as correct by the Department of Social Protection) illustrate the vagaries of the scheme. We are seeking that the Household Benefits Package be paid to all public service pensioners on reaching the age of 66.

**Household 1 - Qualifies for HHB**

Retired CEO of major private company, aged 67, living alone, and in receipt of the State Pension (Contributory) plus an occupational pension of €100,000 a year.

**Household 2 - Qualifies for HHB**

Retired public servant, aged 67, living alone and in receipt of a Widow’s Pension (Contributory) plus an occupational pension of €40,000 a year.

**Household 3 - Does not qualify for HHB**

Retired public servant, aged 67, living alone and in receipt only of an occupational pension of €25,000 a year.

**Household 4 - Does not qualify for HHB**

Retired CEO of major private company, aged 67, living with spouse and in receipt of the State Pension (Contributory) plus an occupational pension of €100,000 a year. The spouse is a retired public servant in receipt of an occupational pension of €25,000 a year.

**Household 5 - Qualifies for HHB**

Retired CEO of major private company, aged 67, living with adult daughter and in receipt of the State Pension (Contributory) plus an occupational pension of €100,000 a year. The adult daughter is working and has an annual salary of €35,000 a year.

**Household 6 - Qualifies for HHB**

Retired CEO of major private company, aged 67, with a Rent-a-Room lodger and in receipt of the State Pension (Contributory) plus an occupational pension of €100,000 a year. The Rent-a-Room lodger pays rent of €10,000 a year.

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