



# Income supports for older people

## *Entitlements for Older People Factsheet 1*

Social insurance and means-tested payments are available for older people. Generally payments are made up of a personal payment for yourself and extra amounts for your dependent spouse/partner and any dependent children, called qualified adults and qualified children. Qualified adult increases for state pensions are paid directly to the dependent adult (for applications since September 2007).

The payments described in this factsheet are mainly made by the Department of Social and Family Affairs.

### **Social Insurance (PRSI) payments**

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You need enough PRSI contributions to qualify for certain payments. Requirements can vary but in general you need to meet three conditions:

- » Have paid social insurance contributions before a certain age
- » Have a certain number of social insurance contributions paid and
- » Have a certain average number of contributions paid or credited over the years since you first entered insurance

At present, to qualify for a contributory pension you need to have paid at least 260 full-rate contributions. To qualify for a maximum pension you need to have a yearly average of at least 48 paid or credited contributions.

You should apply to the Department of Social and Family Affairs for your pension at least three months in advance.

## State Pension (Transition)

This is payable to people aged 65 who have retired from the workforce and who have enough PRSI contributions. One of the conditions for receiving State Pension (Transition) is that you must be 'retired'. This means that you must not be in insurable employment or self-employment – if you have earnings, they must be less than €38 a week from employment or €3,174 a year from self-employment. This condition ends when you reach the age of 66. At age 66, you transfer to the State Pension (Contributory).

## State Pension (Contributory)

This is payable from the age of 66 to people who have enough PRSI contributions. You are allowed to have income from other sources while you receive this pension, but both your income and your pension are taxable. There are a number of pro-rata State Pensions (Contributory) which are paid at a lower rate. These were introduced to deal with problems and anomalies that arose as a result of people paying different types of social insurance contributions or not paying contributions for various reasons.

## Widow's/Widower's Pension (Contributory)

You may be eligible for this payment if you are widowed, have not remarried and are not cohabiting. Either you or your deceased spouse must have enough PRSI contributions. You can transfer to the State Pension (Transition) at the age of 65 or to the State Pension (Contributory) at the age of 66.

## Means-tested payments

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A means test is used to establish what amount of payment, if any, you may qualify for. Any means you may have, such as weekly income or savings, are taken into account for these payments, but not your own home. You must also satisfy the 'habitual residence' condition. This depends on a number

of factors and is decided by the Department of Social and Family Affairs (DSFA). If you are unsure whether you would qualify for a payment, it is generally advisable to apply anyway. Apply to the DSFA.

## State Pension (Non-Contributory)

This means-tested payment is for people aged 66 or over who do not qualify for a State Pension (Contributory). You must meet the habitual residence condition. You can have means of up to €30 per week and still qualify for a full pension.

## Widow's/Widower's Pension (Non-Contributory)

This means-tested payment is for someone who is widowed, not entitled to a contributory pension; not remarried or cohabiting and has no dependent children. At age 66 you transfer to the State Pension (Non-Contributory).

*Note: The Pre-Retirement Allowance has been closed for new applicants but people who were on the payment when the scheme closed can remain on it until they reach 66.*

## Private pensions

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Occupational pensions are organised by employers to provide pensions to employees on retirement or to surviving dependants on the death of an employee. Personal pensions or Personal Retirement Savings Accounts (PRSAs) are organised individually by self-employed people or employed people who do not have an occupational pension scheme.

You need to deal directly with the pension provider to find out exactly what benefits your pension gives you. The Pensions Board is the statutory regulatory body for occupational pensions and PRSAs. If you have a complaint, the Board will advise you about your rights. The Pensions Ombudsman investigates and decides on complaints relating to occupational pensions and PRSAs.

Generally, you may have income from other sources, for example, from work, if you are receiving a pension. There are some restrictions on people receiving both a pension and employment income from the public sector – you should check with your pension provider.

## Other income supports

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The Living Alone Increase is a supplementary payment for people in Ireland, getting an Irish social welfare pension and living alone. It is also available to people under the age of 66 who get certain other social welfare payments (for example, disability payments).

An Over-80 Increase is paid automatically to people receiving an Irish social welfare pension when they reach 80.

The Island Increase is an increase in the weekly payment of certain payments from the DSFA, or an EU equivalent, to people who are aged 66 or over and living on an island off the coast of Ireland. The Increase compensates for the additional costs of living on these islands compared to living on the mainland.

Apply to the Department of Social and Family Affairs for these payments.

## Household Benefits Package

The Household Benefits package (from the Department of Social and Family Affairs) is made up of:

- » A gas or electricity allowance
- » A telephone allowance
- » A free television licence

To qualify for the Household Benefits Package, you must be:

- » Aged 70 or over, or getting a Carer's Allowance (or be the nominated carer of someone getting Constant Attendance or Prescribed Relative's Allowance) *or*
- » Aged under 70, getting a qualifying payment (these include all State Pensions) and living alone or only with excepted people *or*
- » Aged between 66 and 69, satisfy a means test and living alone or only with excepted people

You must also be permanently residing (that is, on an all-year-round basis) at the address at which you wish the allowance to be applied, no other

person in the household can be getting the allowance and you must be the registered consumer/account holder. In general, if you live in a nursing/retirement home where the accommodation is not fully self-contained, you will not qualify for the Household Benefits Package. However, if you are aged 70 or over and live in a nursing/retirement home with a telephone account in your own name, you may qualify for a Telephone Allowance.

## Free Travel

If you are over the age of 66 or getting a carer's or certain other social welfare payments, you can get a Free Travel Pass, entitling you to free travel on most CIE public transport services (including Iarnród Éireann, Bus Éireann and Dublin Bus, DART and LUAS services). Free Travel is also available on certain public transport services offered by a large number of private bus and ferry operators in various parts of the country. You can also use your Free Travel Pass on any of the schemes under the Rural Transport Programme.

People who are entitled to free travel are also entitled to have their spouse/partner travel free with them or may be entitled to a Companion Pass on medical grounds. If you are aged 66 or over then the All-Ireland Free Travel Scheme will entitle you to travel for free on transport services operating internally in Northern Ireland using a Senior SmartPass card.

## National Fuel Scheme

This is a means-tested payment to help people who have difficulty affording their own heating costs. You may qualify if you receive certain payments from the Department of Social and Family Affairs or the EU equivalent. If you live in an area where there is a ban on smoky coal, you may also be eligible for a smokeless fuel supplement.

## Carers

If you are providing full-time care to someone who is ill or incapacitated, you may qualify for a carer's payment. See *Factsheet 3: Illness and caring* for more information.

## Refuse charges

In some of the 34 local authority areas (City and County Councils), low-income households are eligible for a waiver on waste charges. Waiver arrangements vary between local authorities and are not available at all in some areas. Contact your local authority directly.

## Working in retirement

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If you are receiving a means-tested payment, working or being self-employed affects the amount of that payment. You should check with the Department of Social and Family Affairs before taking up work to see what the effect will be. You can have up to €200 earnings per week from insurable employment and up to €30 other means without it affecting the amount of your State Pension (Non-Contributory).

See *Factsheet 2: From work to retirement* for more information on working in retirement and how you are taxed.

## State pensions

Payment		Maximum personal rate	Increase for qualified adult		
State Pension (Contributory)	Yearly average contributions		Under 66	Over 66	
	48 or over	230.30	153.50	206.30	
	20-47	225.80	153.50	206.30	
	15-19	172.70	*115.10	*154.70	
	10-14	115.20	*76.80	*103.20	
*These rates apply to claims made since 6 April 2001.					
State Pension (Transition)	48 or over	230.30	153.50	206.30	
	24-47	225.80	153.50	206.30	
State Pension (Non-Contributory)		219.00	144.70	<i>Two pensions are paid where both spouses are over 66</i>	
Invalidity Pension		Under 65	Aged 65	Under 66	Over 66
		209.80	230.30	149.70	206.30
Widow's/Widower's Pension (Contributory)		209.80	Claimant under 66		
		230.30	Claimant over 66		
Widow's/Widower's Pension (Non-Contributory)		204.30	Claimant under 66		

## Useful addresses

**Department of Social and Family Affairs**  
Pension Services Office  
College Road, Sligo  
Lo-call: 1890 500 000  
[www.welfare.ie](http://www.welfare.ie)

**The Pensions Board**  
Verschoyle House  
28/30 Lower Mount Street  
Dublin 2  
Tel: (01) 613 1900  
Lo-call: 1890 656 565  
[www.pensionsboard.ie](http://www.pensionsboard.ie)

The Citizens Information Board is the statutory body which supports the provision of information, advice and advocacy on the broad range of social and civil services to the public. It provides the Citizens Information website and supports the voluntary network of Citizens Information Services and the Citizens Information Phone Service.

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You can find more information on all the entitlements covered in this factsheet in the booklet *Entitlements for over sixties*, available from your local Citizens Information Centre or visit [www.citizensinformation.ie](http://www.citizensinformation.ie).

Citizens Information 

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