



Department of Social and Family Affairs

Payments Strategy

April 2008



Payment Strategy

- Government Policy
 - Government decision of 7th December 2004

“Increasing the use of ePayments by Government Departments and in the Public Sector and the question of ePayments generally”



Payment Strategy

- Replace all paper based payment instruments by end 2010
 - Over 1m books & 5.5m cheques
- Reduce paper fraud
- Reduce cost and improve efficiency



Payment Strategy

- Customer will choose where they will be paid
- Electronic payment to a-
Financial Institution
(bank, building society, credit union etc) by
Electronic Fund Transfer (EFT)
or
Payment to a Post Office by Electronic
Information Transfer (EIT) using their Social
Services Card.



Implementation Approach

- To replace Personalised Payable Order (PPO) books at renewal time and cheques on a phased basis
- 470,000 book payments will be paid by Electronic Information Transfer (EIT) at the Post Office of their choice in 2008



E-payment statistics

- In January 2007, 48.6% of customers were paid by electronic means.
- In January 2008 this had increased to 53.2%
- By June 2008, 70% of our customers will be paid electronically either to a financial institution or at a Post Office.
- By the end of 2008, 81% of our customers will be paid electronically.



Stakeholder Communication/Consultation

- Customer Representative Groups including the Disability Sector
- Citizen Information Board (CIC's)
- Information Officer briefings
- Customer forums
- Irish Postmaster's Union



Stakeholder Communication/Consultation (cont.)

- National publicity campaign
 - Customer mailshots
 - Advertising in Post Offices
 - Information events – national & local



Communication Objective

- Outline Strategy and implementation approach
- Get support for the initiative
- Build confidence in the initiative
- Answer questions
- Information Officers to act as a channel for any issues raised



Benefits to Customers

- Budget increases implemented immediately
- People can still go to the Post Office
- Household Budgeting facility



Benefits to Customers (cont.)

- Customers do not need to own or nominate a bank account to receive payment
- Quicker response to changes in customer circumstances
- Lost or stolen Social Services cards will not identify the Post Office of payment
- Cards do not show the address of the holder



Challenges

- Customer resistance to change
- Age profile of customer – the majority of PPO customers are in the elderly category
- Pensioners in long term care in hospitals or nursing homes
- The remaining 19% of customers who are paid by paper based instruments



Overcoming the challenges

- Prepaid cards for the unbanked?
- Information officers briefed and available in Post Offices to answer any questions
- Post Offices ready for the change
- Poster campaign in Post Offices
- Letters to individual customers
- We will continue to move customers from paper based payment methods to electronic payments



The future

- The DSFA will continue to hold information sessions with representative groups and other stakeholders
- Information campaign will be run in conjunction with the implementation plans from 2008 onwards