

The Social Security Department is responsible for the administration of Social

Department of Social Security

Security Legislation which provides for the payment of benefits under the contributory and the non-contributory schemes. These schemes cover the entire population which is in some way recipient of such benefits. The Department is mainly involved in ensuring that financial support is given to those sections of the community which are mostly in need, namely those with a low-income, the sick, the elderly and the unemployed.

The total expenditure on Social Security benefits for 2012 reached €782,574,545 and reflects an increase of €54,579,888 over the previous year.

Legislation

The rates of Social Security benefits and contributions as had previously been announced in the Budget Speech for 2012 increased proportionately to the €4.66 cost of living increase rise in wages as awarded by Government.

With effect from January 2012 the rate for self-employed farmers and breeders was reduced from 12% to 10% of the income declared with a minimum rate of €18.16 and a maximum rate of €37.85.

As in the previous year, the Gozo Branch once again managed to issue the annual reviews of Supplementary Allowance claims on time. The difference from previous years was that for the first time, staff performed their duties mostly via Telework. The total number of Supplementary Allowance claims reviewed amounted to 27,767 of which 25,573 were reviews to ascertain entitlement for year 2012/2013 and 2,197 claims pertained to late or change of status applications.

The Short Term Benefits Section also continued with the processing of Energy Benefit applications. A total of 2,214 new applications were assessed and the relative vouchers issued accordingly and another 283 vouchers were also issued to charitable institutions. The section also re-issued 3,638 vouchers which had expired and took action on 6,144 other cases pertaining to amendments to current claims as a result of changes in circumstances. Action was also taken on 266 cases as a result of benefit fraud investigations

New Social Security Measures

1. Pensioners in receipt of a social security pension were once again awarded the full cost of living as in the previous year with a 2/3 increase in the pension weekly rate and the remaining 1/3 paid as a cost of living bonus at the start of the year. Approximately 81,000 pensioners were entitled to this cost of living bonus.

2. Persons who reside in their own residence or with relatives started to benefit from the Senior Citizens Grant amounting to €300 per year effective from their 80th birthday.
3. The gradual reduction in the amount of service pension which is to be considered in the establishment of a social security pension rate continued and with effect from January 2012, the amount of €1066 from the service pension is no longer considered in the assessment process of the social security pension entitlement.
4. Another measure introduced during the year was aimed at ex-members of a religious community which gave them the option to settle any unpaid Social Security Contributions for the period when they formed part of the religious community.

Contributory Scheme

The Department continued with its duty to determine questions of cases of insurability. It also continued to issue exemptions from payments of the social security contributions to those expatriates insured in their home countries and also paying their dues there. The total revenue collected during 2012 in terms of the Social Security Act (Cap 318) amounted to **€606,330,379** and this reflects an increase of **€20,739,099** over the previous year.

These figures are broken down in the following table:

Type of Contributions	2011 (Actual)	2012 (Provisional)	(+ or -)
Class I - Contributions in respect of Private Industry	271,614,551	279,971,623	8,357,072
Class I - Contributions in respect of Government Employees	82,883,590	86,430,791	3,547,201
Class II - Contributions by Self-Employed persons	34,893,949	36,298,271	1,404,322
FURTHER CONTRIBUTIONS	1,503,145	2,279,351	776,206
State Contribution	194,696,045	201,350,343	6,654,298
TOTAL	585,591,280	606,330,379	20,739,099

Short Term Benefits

During 2011, the Short Term Benefit (STB) Section in Gozo continued with the normal duties related to the issue of short-term benefits. All Stagers have been integrated into one unit. This development even fine tuned the services rendered by Stagers and Claims without affecting payments of Sickness and Unemployment Benefits. Even so, with less staff and through the concept of teleworking, seasonal backlogs of SB payments during April-June (due to SPA bulk) and also during December, were addressed and reduced to

a minimum. Members of staff from Stagger A were assigned new duties to recover monies due to the Department and monitor arrears of revenue.

STB section reorganisation allowed former staff based in staggers who were previously involved in keying-in and verification of Ledger Sheets to be deployed to a new section. Call Centre Gozo has been created and staff trained to perform Call Centre information duties. Call Centre Gozo is currently teamed up with SPIC 159, but in the near future it will become a one whole independent unit performing customer care and information duties for the Social Security Department.

As in the previous year, the Gozo Branch once again managed to issue the annual reviews of Supplementary Allowance claims on time. The difference from previous years was that for the first time, 7/12 staff performed their duties mostly via Telework. The total number of Supplementary Allowance claims reviewed amounted to 28,535 of which 26,005 were reviews to ascertain entitlement for year 2011/2012 and 2,530 claims pertained to late or change of status applications. Total number of Marriage Grant Applications processed during 2011 was 1,473.

The Short Term Benefits Section also continued with the processing of Energy Benefit applications. A total of 2,942 new applications were assessed and the relative vouchers issued accordingly and another 337 vouchers were also issued to charitable institutions. The section also re-issued 4,056 vouchers which had expired and took action on 434 Benefit Fraud cases.

Claims for short-term benefits dealt with during 2012, as compared with 2011, are as shown hereunder:

Type of Medical Certificate	2011	2012	+ or -
First/Final (less than 4 days)	73,051	76,014	2,963
First/Final (from 4 to 6 days)	28,428	29,453	1,025
First (open)	19,498	19,421	-77
Intermediate	92,559	96,088	3,529
Final	17,569	17,699	130
TOTAL	231,105	238,675	7,570

	Number Of Claims		
Type of Benefit	2011	2012	+ or -
Sickness Benefit	120,977	124,888	3,911

Unemployment Benefit	17,251	17,440	189
Special Unemployment Benefit	985	935	-50
Injury Benefit	2,899	3,053	154
Marriage Grant	3,293	3,610	317
TOTAL	145,405	149,926	4,521

Children's Allowances and other Family Benefits

Children's Allowance Benefit (CA)

During the year 2012 the Children's Allowance section reviewed all the Children's Allowance claims that were in payment with a view to establish the new Children's Allowance rates for the benefit year starting July 2012. The number of household in receipt of Children's Allowance benefit at 31st December 2012 was 43541.

Apart from the annual review as described above the Children's Allowance section received 2136 requests for an adjustment in the payment rate of the Children's Allowance benefit due to a change in the family's circumstances (additional children, termination of employment, students, etc.). These adjustments necessitate a review over and above the annual review indicated in the previous paragraph, due to the fact that these notifications of changes in circumstance are normally received after the annual review has been implemented. A further 732 claims were processed in connection with separation, marriage and deaths of one of the spouses.

During 2012 the Children's Allowance Section received 1710 new claims (1st time application). New claims fall under the Quality Service Charter (QSC). All claims received were processed within the time limit established by the QSC.

Maternity Benefit (MB)

2025 Maternity claims were received by the CA section in 2012. This benefit also falls under the QSC and all claims were processed and paid within the established time-frame.

Maternity Leave Benefit (MLB)

During 2012 the Maternity Leave Benefit was introduced. 1361 Maternity Leave Benefit claims were received and processed by the end of 2012.

Disabled Child Allowance (DCA)

During the year the CA section received 160 new applications for this benefit. 97 of these claims were accepted while 24 claims were rejected by the Medical Panel. At the end of 2012 the remaining 39 claims were still pending the Medical Panel examination. Thus the number of families who received DCA at 31st December 2012 stands at 870. During this year 113 claimants who were already in receipt of DCA had their claim reviewed by the Medical Panel.

Foster Care Allowance (FCA)

19 homes/institutes, which together host 145 children, had the Foster Care Allowance paid to them during 2012.

Foreign Correspondence

The CA section is also responsible for answering various queries sent by EU Member States (E and F Forms) regarding family benefits. A number of requests were generated from the CA section to establish competence/payment entitlement for family benefits.

Children's Allowance Payments

The following tables provide some statistical data for Children's Allowance payments during 2012:

The total number of households in receipt of the means tested Children's Allowance in 2012 was 21972 (total number of children was 34594).

CA for household with income less than €23,983	Number of Families
2012	
(i) One eligible child	12339
(ii) Two eligible children	7305
(iii) Three eligible children	1812
(iv) Four or more eligible children	516
TOTAL	21972

The total number of households in receipt of CAFR in 2012 was 21569 (total number of children was 33957)

CA for household with income more than €23,983	Number of Families
2012	
(i) One eligible child	11209
(ii) Two eligible children	8640
(iii) Three eligible children	1483
(iv) Four or more eligible children	237
TOTAL	21569

The total number of households in receipt of MB, MLB and the CA in 2013 was 4,047

Other Benefits	Number of Families
2012	

Maternity Benefit	2232
Maternity Leave Benefit	952
Disabled Child Allowance	863
TOTAL	4047

Contributory Pensions

The following table shows the number of persons in receipt of a Contributory Pension at the end of 2012.

Here the upward trend in the number of pensioners, especially the new retirees continued with a net increase of 1.71% being recorded in the number of retirement pensioners over the previous year.

As a result of the budget speech for 2012 all pensioners were awarded the full cost of living increase. Thus two-thirds of the cost of living increase €3.11 was added to the weekly pension rate and the remaining one third was given as a one time payment in advance for the whole year.

As in previous years the maximum pensionable income for Social Security purposes was once again increased by the cost of living allowance to reach the amount of €17,417.

Type of Benefit	2011	2012	+ or -
Retirement Pension	9,239	8,277	-962
Increased Retirement Pension	2,775	2,139	-636
National Minimum Retirement Pension	8,793	8,858	65
Decreased National Minimum Pension	117	115	-2
Increased National Minimum Ret. Pension	3,040	3,095	55
Two-Thirds Pension	34,653	37,136	2,483
Invalidity Pension	658	512	-146
Increased Invalidity Pension	213	176	-37
National Minimum Invalidity Pension	4,973	4,514	-459
Decreased National Minimum Pension	9	6	-3
Widow's Pension with Service Pension	400	333	-67
National Minimum Widow's Pension	8,169	8,249	80
Widow's Special Allowance	-	-	-
Widow's Benefit	-	-	-
Widow's Allowance	-	-	-
Early Survivor's Pension	1,963	1,843	-120
Survivor's Pension	5,901	6,253	352
Disablement Pension	316	308	-8
Orphan's Allowance	15	18	3
Parent's Allowance	-	-	-
TOTAL	81,234	81,832	598

During the period under review, contributory pension revisions (Retirement, Widows and Invalidity) were undertaken in connection with new collective agreements that came into effect during the said year and by virtue of the service pension budget measure announced in the budget for this year. The collective agreements were of companies/organisations with which pensioners were employed with prior to their retirement.

During 2012, as a result of the privatisation of Malta Shipyards Ltd, an exercise to analogue all ex-Malta Shipyards pensioners with the salary structure for Government employees was also carried out. The total number of pensioners involved in such exercise exceeded 4,000.

Invalidity Pensions

The number of Invalidity Pension cases assessed and reviewed under the new system during 2012 amounted to 1,872 up to the end of the year. From this amount there were 577 new claims, 1,051 expired cases that had to be re-examined by the medical board while another 244 cases re-applied after their claim or review was rejected by the medical board. Furthermore, 186 claimants who had their claim rejected by the medical board opted to lodge an appeal with the Umpire's office. The Umpire's office changed the medical board's decision and awarded an Invalidity Pension in 73 appeal cases, it confirmed the decision of the medical board for 97 appeal cases, 17 cases were withdrawn by appellant and another 16 cases were cancelled.

Non Contributory Scheme

The number of persons in receipt of non-contributory Age, Visually Impaired, Mentally/Severely Disabled, and Carer's Pension/Allowance paid under the Act. There was an increase of 1.63% when compared to the previous year in all the beneficiaries.

Type of Pension/Allowance	No of Beneficiaries as on 31.12.2011	No of Beneficiaries as on 31.12.2012	+ or -
Old Age	4,956	5,007	51
Visually Impaired	197	212	15
Mentally/Severely Disabled	2,313	2,391	78
Carer's	159	141	-18
OAA	-	-	-
TOTAL	7,625	7,751	126

Assistances

Non-Contributory Benefits are granted to heads of household who are incapable of work, persons registered as unemployed, to carers of a relative on a full time basis; single unmarried parents, to aged persons who could not qualify to a contributory pension, to drug addicts undergoing a rehabilitation programme, to disabled persons and to persons who suffer from a chronic illness. There are also benefits in kind such as the issue of free medical aid. All these assistances are subject to a means test.

During the period in review action was also taken to automate the social and unemployment assistances.

The following table shows the number of households benefiting from non-contributory Assistance paid under the Act. There was a marginal increase in the number of beneficiaries of 0.28% as compared to the previous year. This decrease is mainly representative of beneficiaries in receipt of Sickness Assistance and Supplementary allowance.

Type of Assistance	Number of Beneficiaries as on 31.12.2011	Number of Beneficiaries as on 31.12.2012	+or-
Unemployment assistance	5,777	5,762	-15
Social Assistance*	11,795	11,965	170
Sickness Assistance	13,746	13,639	-107
Milk Grant	134	111	-23
Leprosy Assistance	42	35	-7
Tuberculosis Assistance	0	0	0
Supplementary Allowance	26,590	26,734	144
TOTAL	58,084	58,246	162

* Social Assistance means SA/SAF/SUP/DAD

During 2012, the Department carried out 5903 financial investigations to determine the eligibility or otherwise to Free Medical Aid (another form of assistance in kind provided for under the Act).

Investigations

During the year under review, 201 new cases, submitted by the Benefit Fraud Directorate were considered and decided upon by the Management Committee. From these cases 104 benefit payments were suspended, 73 cases reviewed, another 31 required further investigations by the Department, whilst 29 were not in breach or it was deemed that the evidence provided was inconclusive and hence it was decided that benefits should not be suspended. Where applicable, all the necessary work to recoup the benefits overpaid was carried out.

Apart from the above cases, the Benefit Fraud and Investigation Directorate passed on to the department two exercises involving hundreds of cases where a possible fraud has occurred. At the time of the drawing up of this report, the cases are still under consideration by the Department.

As reported last year, apart from the cases reviewed following investigations carried out by the Benefit Fraud and Investigations Directorate of the Ministry for Education, Employment and the Family, the Department embarked upon an extensive and intensive exercise on the review of means-tested benefit cases.

The objective was to increase the review of such cases to ensure that each case is reviewed at least annually. Although beneficiaries are duty bound to inform the department of any change in their circumstances, and that every effort is made by the Department to obtain as much information as possible to ensure the timely adjustment of benefit entitlements as a result of changes in circumstances, there are still cases where clients fail to report changes of circumstances in time, either through carelessness or abusively.

Moreover, from April 2010, the department engaged a professional social worker. The role of the social worker is principally to assist the Department in assessing the social situation of families on social benefits. Furthermore through her background and work the social worker has strengthened the network and communication of the Department with the other entities that deal directly with the most vulnerable members of society. This enhances the value of our social welfare system.

During the year under review, the Department's social worker has carried out regular visits and also dealt with a whole array of agencies and entities such as Appogg, Fejda and Mount Carmel Hospital. Several families have benefitted from the work carried out in this field.

Appeals to the Umpire

The following table shows how the number of appeals that were up for one or more hearings during 2012 as dealt with as compared with the same figures for 2011

Appeals	2010		2011		2012	
A. No of Appeals for hearing:						
(i) Brought forward from previous years	781		922		982	
(ii) Lodged during the current year	1190	1971	884	1806	846	1828
B. No of Appeals settled:						
(i) Decided against appellant	449		315		611	
(ii) Decided in favour of appellant	31		36		66	
(iii) Withdrawn by appellant	155		188		319	
(iv) Cancelled	35		34		50	
(v) Revoked by Division	344		241		76	
(vi) <i>Sine Die</i>	4		7		7	
(vii) Awaiting reply from appellant/Department	31	1049	3	824	0	1129
Outstanding Appeals		922		982		699

Appeals re Invalidity Cases	2010		2011		2012	
A. No of Appeals for hearing:						
(i) Brought forward from previous years	0		68		105	
(ii) Lodged during the current year	85	85	203	271	186	291
B. No of Appeals settled:						
(i) Decided against appellant	13		74		97	

(ii) Decided in favour of appellant	3		68		73	
(iii) Withdrawn by appellant	0		8		17	
(iv) Cancelled	1		16		16	
(v) Revoked by Division	0		0		0	
(vi) <i>Sine Die</i>	0		0		0	
(vii) Awaiting reply from appellant/Department	0	17	0	166	0	203
Outstanding Appeals		68		105		88

Strategic Development and International Relations Directorate

This Directorate forms an integral part of the Department's management and organisational set up. The Directorate consists of the Strategic Development Unit, the International Relations Unit and the Customer Care Section including the Department's District Offices.

Strategic Objectives

The Strategic Development Unit (SDU) continued to meet its statutory obligation to lead and deliver a range of projects, as well as providing a supporting role to other areas on key projects while monitoring projects which the Department of Social Security undertakes.

This Unit in 2012 was responsible for the ongoing development of the Department's human resources primarily through training, the availability of information and tools to assist the employees of the Department, improving the quality of services and information provided and evaluating effectiveness of actions taken as well as the customer care service delivery.

Quality Service Audits

The SDU continued with its internal quality service audits of the Department's processes with the scope of evaluating and improving the Department's service delivery and internal processes.

Two Quality Service Audit reports were submitted to the Department's senior management in March and September 2012 covering all the Department's operations in the Contributory and Non-contributory sections, in all its back and front offices around Malta and Gozo. As from this year the International Relations Unit has also been included in the quality service auditing process.

These reports contain details of the specific exercises carried out, findings, conclusions and recommendations for improvement. These are analysed by management and recommendations made are considered for implementation. Recommendations which are taken on board are followed up until concluded. More improvements in work practices and service delivery are in the pipeline.

Internal training

As stated in last year's report, towards the end of 2011, the Strategic Development Unit drew up a Training Plan for all staff of the Department in close collaboration with the Centre for Research and Training (CDRT) and the Human Resources Directorate within Ministry. Such courses will address the specific personal development needs of each employee and will cover 2012 and 2013.

In this regard, training started in the second quarter of 2012 with various courses that had been identified by the Management. These included Customer Service, Handling Work Stress, Dynamic Communications, Personal Effectiveness using email, Communicating Effectively using email, Introduction to Data Analysis and a tailor made course in Time Management for Teleworkers to which all the Department's teleworkers in Malta and Gozo attended. Another course, Motivation Skills was addressed for the newly appointed District Managers and Regional Coordinators. More courses are scheduled for 2013.

Furthermore, between February and July 2012 five half day training sessions entitled 'Information Sessions on Refugee Rights' were held in conjunction with UNHCR and Aditus. These were aimed at the staff working in sections which deal with claims for assistance by such persons.

Information and Data Protection Office

The Information and Data Protection Office continued to deal with queries related to the administration of the Data Protection and Freedom of Information Acts. The office dealt with 8 major requests for information or clarification on Data Protection issues besides innumerable verbal requests for advice. The office also dealt with 16 requests for information concerning Ombudsman Cases.

During 2012, the office continued to update the Department's website and also its internal intranet portal which contains substantial information which staff requires for the day to day delivery of its duties. As part of this Office's duties to coordinate the participation of staff in media programmes to disseminate information to the public, it oversaw the Department's participation in various programmes on local TV & Radio stations to provide the necessary information to the general public and create awareness on social security matters.

This office continued to take care of the Department's publications. It drew up a social security leaflet with information on all its benefits which was distributed to all households in Malta and Gozo. It also prepared an information booklet on how the application form for a Retirement Pension is to be filled in which is now being distributed with each and every application sent to prospective pensioners. Similarly it also prepared an informative booklet providing similar information to all parents applying for Children's Allowance with the aim of facilitating the process to fill in applications for this benefit.

Furthermore, a pocket-sized card with information about where to find the Department's customer care offices was drawn up and is given to our calling customers while the DSS Link, the Department's in-house magazine has been re-vamped and given a new image with various informative articles about social security matters for staff in the Department's quest to continuously train and keep staff updated with social security developments.

Customer Care and District Offices

In order to reach the goals laid down in its mission statement, the Department of Social Security provides its services, apart from its Head Office in 38, Ordnance Street Valletta and another back office in St. Francis Square in Victoria Gozo, also from 24 District Offices spread around the Maltese Islands, 22 in Malta and 2 in Gozo. Through such an

approach, the Department aims at reaching out to provide assistance and advice on social security matters in the community.

The district offices mentioned above are situated in the localities of Balzan, Birkirkara, Fgura, Hamrun, Luqa, Marsa, Mosta, Nadur (Gozo), Naxxar, Paola, Qormi, Rabat, Sliema, Qawra, San Gwann, Siggiewi, Valletta, Victoria (Gozo), Vittoriosa, Zabbar, Zebbug, Zejtun, and Zurrieq. The work carried out at district office level mainly consists of dealing with customers' queries, filling in of applications for contributory and non-contributory benefits and pensions, and the registration under the Social Security Act of newly employed workers. The registration of unemployed persons is also carried out at district offices by means of finger reading machines except for Mosta and Vittoriosa where this service is available at the Employment & Training Corporation's premises within the same locality.

The District Offices of Qawra, Valletta, Msida and Vittoriosa are integrated in a complex under the name of ACCESS. The main aim of the Access Complex is to make it easier for the residents of that particular region to access a number of related services in an integrated manner (one-stop shop) comprising mainly of the Appogg Agency, the Social Security Division and the Employment & Training Corporation. This concept could expand to other regions in the future.

During 2012, the Department served an estimated total of 730,000 customers through its 24 front offices around Malta and Gozo. The majority of these, around 82%, were served face to face while the rest mainly by telephone. The figures obviously include returning customers which is quite common among our customers, especially since most of these are people benefitting from non-contributory benefits and hence are economically inactive. The above figures show that through all its front offices, the Department of Social Security in 2011 served, face to face or by telephone, an estimated average of 2,800 persons a day or 122 persons a day per office.

District Offices' Reform

A major reform got underway in 2012 which led to the restructuring of district offices and appointments of Regional Coordinators and District Managers. The continuing expansion of the Department has seen its business activities spread across the mainland. This naturally imposed entirely new demands on the Department's services and challenges to managing the operations staff. The most important feature of this reform is the Regionalization of the District Offices. While all District Offices remain an integral part of the Department, they are now operating on a regional basis, both in terms of management of resources as well as to the provision of service.

The number of full-time opening District Offices (called parent offices) in the mainland were downsized to 16 with the remaining 5 offices (called satellite offices) opening daily but on shorter schedules of 5 to 6 hours daily. Furthermore basic customer care service, besides that from Gudja, was extended through another 7 Local Councils. The table below explains the plan visually.

PARENT DISTRICT OFFICES OPENING FULL-TIME	SATELLITE DISTRICT OFFICES	CUSTOMER CARE SERVICE OFFERED BY LOCAL COUNCIL
ZEBBUG RABAT QORMI ZURRIEQ	SIGGIEWI LUQA	ATTARD
ZABBAR BIRGU PAOLA ZEJTUN	FGURA	GUDJA
HAMRUN VALLETTA	MARSA SAN GWANN	PEMBROKE

SLIEMA MSIDA		
B'KARA BALZAN MOSTA QAWRA	NAXXAR	GHARGHUR MELLIEHA ST. PAUL'S BAY

The District Offices across the mainland were divided into 4 clusters. The clusters consist of 4 parent offices and one or two satellite offices. This organisational set up was necessary due to geographical issues as well as taking into consideration the size of the catchment area and its social demands. These clusters are grouped under 4 regions – North, South, Inner Harbour West and Inner Harbour East, as highlighted in different colours. With regards to the Local Councils from which the Department is offering basic customer care service, this is currently being offered from Attard, Gudja, Pembroke, Gharghur, Mellieha, St. Paul's Bay, Xaghra and Gharb. The customer care service from the other Local Councils is planned to start in the future.

Provision of customer care through Local Councils

In its quest to extend its services in the Community, the Department's long-term vision is to provide basic customer care service through Local Councils. Following the agreement reached with the Gudja Local Council in 2010 which led to the successful launching of a pilot project in August of that year, the project was during 2012 extended to another seven Local Councils. As also explained above, these Local Councils are Attard, Gharghur, Pembroke, Mellieha, San Pawl il-Bahar, Gharb (Gozo) and Xaghra (Gozo).

Appointments of Regional Coordinators and District Managers

The District Offices' Reform saw the addition of a new grade – Regional Coordinator. In essence the four Regional Coordinators are now acting as the assistants to the Assistant Director (Customer Care) for their respective regions and will have to primarily address issues/problems in their regions themselves, e.g. staff needs and issues, rosters, providing a District Manager at the satellite offices twice a week, sending replacement staff, service from their respective Local Councils, etc.

The Regional Coordinators however have to work together as a team, with their respective District Managers and with management (primarily the Assistant Director Customer Care) to ensure that the service delivery at local council level, at satellite district office level, at parent district office level and at regional level, hence at national level, is uniform and of the highest quality throughout.

In line with the District Offices' Reform, 2012 saw also the appointment of new District Managers. As to be expected in such an important role, the area manager has a wide range of responsibilities. These include providing their teams with a stimulating and supportive environment, maintaining and increasing standards of customer service, driving team performance and training and development of the operations staff. District Managers will have a large measure of autonomy, working alongside with Regional Coordinators and the Assistance Director Customer Care.

Refurbishment of District Offices

Various maintenance works were carried out during 2012. Major refurbishments were carried out in the branches of Hamrun, Hal Luqa, Haz Zabbar and Birgu. The most significant refurbishment project undertaken was that of Birgu District Office housed in the Cottonera Access Centre. The extensive refurbishment included reinforcement of the

ceilings, plastering, electrics, plumbing, drainage, kitchen and bathroom installations and a new reception area.

The branch of Hamrun also went through major refurbishment with the extension of a new office and bathroom on the ground floor. It is envisaged that refurbishment works continue in 2013 to the first floor and finalised with the installation of a new lift to improve accessibility.

The District Offices of Hal Luqa and Haz Zabbar went through slight internal refurbishment works which included changes to the layout and plastering and painting.

Training for District Officers

Information sessions on refugees' rights were held during 2012 in collaboration with the UNHCR (Malta) and ADITUS to upgrade the knowledge of the staff to achieve operational excellence. Preparations got underway to deliver training sessions to all front line personnel regarding legal terms and definitions and insurability issues. The sessions will be held in 2013. Customer service training courses were also delivered to district managers to enhance their competence when dealing with staff and serving the public.

It is the intention of the Strategic Development Unit to collaborate closely with the Centre for Research and Training (CDRT) to deliver specialised courses in customer service skills to all the District Office staff. Plans are underway for the delivery of training courses on telephone call handling techniques and data protection.

District Managers also participated in programmes aired on radio and television with the aim of promoting the services rendered by the Department in general and to make the general public more aware of the benefits paid under the Social Security Act.

The district office staff of the Valletta, Qawra, Msida and Birgu branches in collaboration with other entities participated in various activities held at their respective Access Centres with the aim to promote the services of the Department in the community through information leaflets and first hand advice on social security matters.

Web based applications

2012 saw the launch of web based applications to be used by district office staff. The new applications include the generation of the Social Security Number and the standard District Office Call Letter (DOCL). Other major applications in the pipeline are the automatic assessment of the Pink Form and the generation of financial statements. It is envisaged both applications will be released on the live environment in 2013.

Participation in media programmes

A number of District Managers participated in various programmes aired on local radio and television stations with the aim of promoting the services rendered by the Department in general and to make the general public more aware of the benefits paid under the Social Security Act.

International Relations Unit

The Department's international obligations

The Department of Social Security (DSS) has substantial international obligations to meet. Such obligations stem primarily from Malta's membership in the EU as well from a

number of bilateral agreements it has with non-EU countries ie Australia and Canada. Another bilateral agreement with New Zealand is in the offing. In this context, 2012 was another productive year for the International Relations Unit (IRU) which has continued to work on a number of important tasks listed hereunder.

Life Certification

The Life Certification system is providing the DSS with the necessary tools to maintain adequate contact with pensioners not living in Malta who receive a Maltese pension, with whom hitherto the Department had had no direct communication.

By means of this system, the International Relations Unit is in a position to know about significant changes in each pensioner's circumstances. A Life Certification template is mailed to the pensioner's address which s/he has to return to us with the necessary information about any change in address and/or status and with information details of the next of kin whom we can contact in case of need. The Certificate needs also be endorsed and stamped by an official witness. Such a system is proving useful in cases of unreported deaths of pensioners as it minimizes the payment of undue pension payments.

The following are the number of Life Certificates which the IRU despatched during 2012.

To Maltese pensioners living in	Amount
Canada	840
Australia (Non-Mutual)	235
United Kingdom (Non-Mutual)	263
Rest of Europe	100
Rest of the World	53

It is pertinent to mention that the Department of Social Security has a data exchange agreement in place with the Australian authorities, through which data concerning mutual customers is exchanged on a regular basis. The Life Certificates issued to Maltese pensioners living in Australia are in fact issued to those who do not draw any pension from Australia and therefore are not covered by this agreement.

Participation in Meetings Abroad

The field of Social Security has a more concrete and important dimension when seen in a wider international perspective considering that the scope of social security is to protect the citizen. IRU staff members have actively participated in several meetings held abroad, covering a wide spectrum of social security related issues. Thus, through its active participation, the issues, concerns point of view of Malta, as a Member State of the EU were voiced. During the year under review, the IRU has continued to actively participate in the Administrative Commission on Social Security for Migrant Workers and the MISSOC network (both standing committees of the European Commission). Members of the IRU have also participated in a number of meetings of the Social Questions Working Party, The working party on Applicable Legislation and the SSC Communication Network Workshop. The Unit has also participated in other one-off meetings dealing with several social security issues within an international perspective.

Determination of Legislation Applicable

One of the main responsibilities of the IRU is the determination of the legislation applicable. Such duties emanate from Regulation (EC) 883/2004.

Out of the requests forwarded to the IRU for a continued liability to the Maltese scheme, while performing duties in another Member State, the Unit accepted 338 cases. It then analysed and vetted all the requests in accordance with Regulation (EC) 883/2004. Accordingly, the Unit issued 338 A1 forms (Certificate concerning the Social Security legislation which applies) for each accepted case as requested by the Regulation.

Also in connection with the above-mentioned insurability duties carried out by the IRU, during the year 2012 this unit was involved in various meetings with foreign investors to discuss social security issues, emanating from the EU Regulation mentioned above. The IRU staff carried out the necessary research and analysed all cases presented. Having gone through this laborious exercise, the appropriate advice was given to the respective Ministries/entities involved, regarding the insurability position of staff members engaged in the operations set up by these investors

Issuance of Eforms

All benefits paid under Regulation (EC) 883/2004, fall under the responsibility of the IRU. These obligations imply the exchange of information with other Member States, in respect to the various benefits. In this regard, during 2012, the IRU issued the following forms:

FORM	AMOUNT
E301 (CERTIFICATE OF INSURANCE FOR UNEMPLOYMENT BENEFITS)	383
E104 (CERTIFICATE OF INSURANCE FOR SICKNESS BENEFITS)	113
E205 (CERTIFICATE OF INSURANCE FOR PENSION PURPOSES)	563
U002 (CERTIFICATE OF INSURANCE FOR UNEMPLOYMENT BENEFITS)	17
E213 (Medical Report)	5
E001 (REQUESTS AND PROVISION OF GENERAL INFORMATION)	285
E210 (NOTIFICATION OF DECISION CONCERNING A CLAIM FOR PENSION)	49

New pension claims received by the IRU

The following table provides data about the number of incoming pension claims received by Malta from other countries and the number of outgoing claims made by Maltese residents claiming a foreign pension from another EU Member State concerning their past employment there:

2012	Incoming	Outgoing
UK	60	154
Australia	306	259
Canada	30	121
Other	59	32
Total	455	566

Number of queries dealt with by the IRU

During the year under review, the IRU front desk office received around 4064 queries from the general public. 3,264 of these queries came by email. More than 800 other queries reached the IRU by letter, fax, or by the persons themselves.

Apart from pension claims, the Unit had 101 cases of persons transferring their Unemployment Benefits to Malta under Art 64 of Reg. (EC) 883/04. For each of these cases the form U009 has been issued to the Member State of origin confirming that the jobseeker in question has been registered as a jobseeker in Malta. For 9 out of these 101 cases, we were asked to provide monthly feedback on their job-seeking activities and a U013 form was issued for these 9 cases.

On the other hand, 4 persons opted to transfer their Maltese benefits to another Member State. Form U2 has been issued to these persons.

The IRU also provided information to the continuous flow of requests emanating from EU institutions and social security institutions in other Member States, ranging from clients' personal information to requests for contribution records. The IRU continued to strengthen its internal IT infrastructure and services in order to process claims and requests with more efficiency, thus offering a better service to our customers.

Computerisation Programmes

Regular meetings were held between officers from the Social Security Department and Malta Information Technology Agency (MITA) to continue and enhance software of SABS (Sistema għal Beneficċji Socjali). Amongst others, substantial effort was allocated to the following:

Completion of Budget 2011 changes Automated Assessments of UA and SA Benefits
Inclusion of LPG Gas Allowance in EB vouchers
The issue of 45,000 one time payments to Beneficiaries at poverty risk
Pension reform initiatives
Generation of Statistics and Reporting to OECD, NSO and EPD for PROST population

Staff

During 2012, the staff complement of the Social Security Department increased by five persons when compared to the complement on 31st, December 2011, including, those members of staff seconded from IPSL, as shown in the following table:

	31.12.2011	31.12.2012
General Service Grades	232	251
Industrial/Messengerial	55	41
IPSL	14	13
Total	301	305

The staff at the Administration Section, the Computer Section, and the Reconciliation Section is shown in the returns of the Ministry for Justice and the Family (Social Security).

Of the staff referred to in the table above, 73 in the General Services Grade and 3 in the Industrial / Messengerial Grade, were performing duties at the Social Security Department in Gozo.

Payments

The following table shows the expenditure on Social Security Benefits payable under the Social Security Act, (Cap. 318) during 2012. This table comprises the contributory and the non-contributory benefits issued by the department.

Expenditure on the Schemes administered by the Department

Table 1

Type of Benefit	2011 ACTUAL EUR	2012 PROVISIONAL EUR	(+or-)
Pensions in respect of Retirement	367,721,401	395,780,261	28,058,860
Pensions in respect of Invalidity	26,692,511	25,042,675	-1,649,836
Pensions in respect of Widowhood	104,891,402	*115,432,362	10,540,960
Benefit in respect of Industrial Injuries	1,388,835	1,524,653	135,818
Benefit in respect of Unemployment	2,204,170	2,336,819	132,649
Children's Allowance	36,967,024	39,929,602	2,962,578
Maternity Benefit	2,259,895	2,552,367	292,472
Sickness Benefit	6,444,522	6,963,126	518,604
Ophan's Allowance	72,852	*91,861	19,009
Marriage Grant	790,944	875,084	84,140
Bonus	48,694,470	54,348,447	5,653,977
TOTAL (I)	598,128,026	644,877,257	46,749,231
Pensions in respect of Age/Visually Impaired	19,974,198	20,459,813	485,615
Pensions in respect of Disability	10,524,223	11,174,520	650,297
Social Assistance	64,834,478	69,216,928	4,382,450
Handicapped Child Allowance	727,931	744,144	16,213
Medical Assistance	17,296,361	*19,179,755	1,883,394
Bonus	9,794,721	10,301,474	506,753
Supplementary Allowance	6,714,719	6,620,654	-94,065
TOTAL (II)	129,866,631	137,697,288	7,830,657
GRAND TOTAL (I) + (II)	EUR 727,994,657	782,574,545	54,579,888

*14 PAYMENTS WERE ISSUED DURING 2010 INSTEAD OF 13

JOSEPH CAMILLERI
Director General (Social Security)