

Citizens Information Board Submission: Rent Supplement

Submission to the Department of Social Protection with regard to Rent Supplement, based on issues raised by people using Citizens Information Services.

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1 Introduction

The Citizens Information Board (CIB) has a statutory function to provide feedback on the effectiveness of current social policy and services and to highlight issues of concern to users of those services.

In order to capture and analyse people's experiences, we rely on information provided by 'service delivery partners' - local Citizens Information Services (CISs), the national Citizens Information Phone Service (CIPS), the Money Advice and Budgeting Service (MABS), and the National Advocacy Service (NAS) - who have a daily engagement with people who need information, advice and advocacy.

This submission draws in particular on evidence provided by CISs and CIPS. In 2011, these services assisted more than 824,000 members of the public with over 1.2 million queries covering all aspects of public/social services.

CISs and CIPS send in a short 'social policy return' to the Citizens Information Board when they become aware of what may be a policy issue. This might be a problem with the policy itself (e.g. an anomaly, gap or inconsistency that leaves people without a service or support that they need) or with the way in which policy is administered (e.g. processing delays, information deficits or communication difficulties). CIB receives close to 1,000 such returns per quarter, which are indicative of the key policy issues that are emerging in CIS/CIPS' interactions with the public.

This submission focuses on Rent Supplement, which on the evidence of the policy returns is one of the core concerns for people needing income/housing support at this time.

2 Statistical Overview

In the first half of 2012, CIS's dealt with 10,600 Rent Supplement related queries nationally.

During the most recent reporting period (quarter three of 2012), over 10% of all social policy returns to CIB from CISs concerned Rent Supplement (RS), making it the single most reported-on policy issue during this period. This continues the pattern experienced throughout 2012, during which the level of feedback regarding Rent Supplement has been extremely high, and the concerns expressed often particularly serious in terms of the impact on the lives of often vulnerable people. In order to further validate the content of these returns, CIB asked the national Citizens Information Phone Service (CIPS) to conduct a sample statistical survey with respect to callers contacting them with a Rent Supplement query. CIPS had since the beginning of 2012 indicated that large numbers of callers were raising concerns about Supplementary Welfare Allowance in general and Rent Supplement in particular. Since CIPS takes many hundreds of calls each day from all around the country, the service is particularly well placed to pick up on widespread and/or critical issues regarding policy and service delivery.

The CIPS sample survey (September 2012) of 200 callers with Rent Supplement queries produced the following statistics. Each call was classified according to the main issue being presented. They are, however, not mutually exclusive and many Rent Supplement claimants face two or more of these difficulties:

Policy Issue	No. (%)
Rental limits applied to private rented accommodation considered unrealistic (too low for the area).	58 (29%)
DSP staff unavailable to respond to queries on applications for RS.	43 (21.5%)
The 30-hour (i.e. full-time work) limit debars low income workers who may require support with rent.	31 (15.5%)
Delays in processing RS payments.	26 (13%)
A lack of clarity on what office or body is responsible for processing RS claims for specific areas.	23 (11.5%)
Gaps in coverage (e.g. as regards the housing needs of separating families)	19 (9.5%)
Total	200 (100%)

This submission will provide information, analysis and case study material with regard to the issues listed above.

3 Policy Context

CIB is cognisant of the broader economic context within which the decision was made in **Budget 2012, to increase the minimum contribution that RS claimants would have to pay towards their rent, the setting of lower maximum rent limits** and the Department's stated aim of reducing the inflationary impact of RS on rent prices. . We acknowledge the content, of the DSP's *Rent Review Limits Report 2011*.

CIB recognises that the **centralisation of Rent Supplement processing** is intended to achieve efficiencies, thus cutting costs and providing a more streamlined service.

CIB acknowledges further the Government's intention to **transfer responsibility for providing for the housing needs of long-term Rent Supplement recipients** to housing authorities on a phased basis, via a new Housing Assistance Payment (HAP), thus returning Rent Supplement to its original purpose of a short-term income support.

4 Case Study Evidence and Analysis

4.1 Reduction in Maximum Rent Limits for RS Recipients

Much of the feedback received by Citizens Information Services points to the very real difficulties experienced by individuals and families attempting to move into or remain in rented homes. The feedback suggests that the new maximum rent limits fall short - sometimes significantly so - of the minimum rent being charged for accommodation suitable for the different household types. This is compounded by the increase in the minimum contribution required from RS tenants.

This feedback runs counter to the expectations of the Department's *Rent Limits Review Report 2011* but is based on real outcomes of the changes to RS maximum limits and minimum tenant contributions, as reported by those most directly affected.

It may be that the discrepancy between expectations that RS reductions would have a deflationary effect on rents and the experience of citizens as represented by CISs, which suggests this is not taking place is partly due to the fact that increasing numbers of people in full-time employment, who would previously have bought homes, are denied mortgage finance and remain within the rented sector. Rent Supplement claimants are therefore competing in a relatively crowded rental market which is perhaps less open to manipulation through the mechanism of Rent Supplement limits than might have previously been the case.

Case evidence suggests that many Rent Supplement claimants, amongst them some particularly vulnerable people, are – as a result of Rent Supplement reductions – not only experiencing significant hardship but are in some cases at real risk of homelessness. Having to negotiate rent reductions directly with unwilling landlords compounds the stress of already-vulnerable people.

The following are indicative examples of case evidence received by CIB from CISs nationwide.

This lone parent has one 10-year-old child. She already had to bargain with the landlord [re her previous rent limit]. Landlord has refused to lower rent any further. The tenant is very fearful that she will have to declare herself homeless. She has been on OFP since leaving her husband after years of domestic violence. She is distraught [that] after just getting her only child settled in the local school, she may have to move to emergency accommodation. (Meath CIS)

A young woman with a two-year-old child cannot afford her apartment [as] her rent is being revised and her landlord will not reduce her rent. She was referred [to the CIS] by the Community Addiction Team. They are afraid that she and her child will become homeless; she is only surviving with considerable support from various services. (Co Wicklow CIS)

Caller was from a homeless project calling on behalf of a service user who is under 22 and therefore receiving a reduced jobseeker's payment of €100. She was applying for RS for the first time having lived in a hostel for a period. She will have to make a contribution of €30 per week. This is the case of a young and vulnerable adult trying to be independent and make a new life for herself but she will be forced to live on €70 per week. (Citizens Information Phone Service).

Client in recovery from depression and moved into independent accommodation six months ago on leaving hospital, supported by mental health services in the community. She has received a letter from DSP [regarding the reduced RS limits]. She has approached the landlord who is not prepared to reduce rent. She will have to move out unless she is prepared to make up the difference off the record. She is not prepared to do this as she would struggle to pay and it would involve her in fraud. There is no accommodation advertised within the new caps. As a result, this vulnerable person who is being supported by the community mental health services is going to have her stability undermined by having to move if accommodation can be found or, even worse, become homeless if not. (Co. Sligo CIS)

A 75-year-old lady has been getting Rent Supplement for eight years in the same property. She has received a letter concerning the reduced RS limits and informing her that she must negotiate a lower rent or else find another property. The caller was her landlord, who has been in contact with a local auctioneer – local rents are all above the new RS levels. (Citizens Information Phone Service).

A couple with two children have been told [by DSP] to reduce their rent. The landlord has agreed to a reduction only if the tenant will pay the balance by way of an increased management fee. The 'top ups' that were becoming a thing of the past are now being brought back.

This person advised the CIS that she has a previous history of homelessness having lived on the streets for five years before getting rented accommodation. She has two children both going to primary school and receives OFP. As a result of new lower RS limits, she has been informed that she must negotiate a reduction in rent with the landlord or else move to a different property. She is very distressed, claiming the landlord is refusing to reduce the rent any further. She is concerned about finding a new place to live and also new schools etc., which would

cause untold stress. In this area, close to commuter-belt, the rents are particularly high and she is fearful that she will have to move to a more rural part of the county (Citizens Information Phone Service).

CIB/CIS Recommendations:

That the **maximum Rent Supplement limits and the minimum tenant contribution be reviewed again at the earliest opportunity**, with attention given to ongoing changes in the rental market that are likely to be strengthening landlords' market position and thereby weakening the position of those claiming Rent Supplement.

That consideration is given, to **a direct negotiation between the DSP and landlords where RS is awarded**, as takes place under RAS.

4.2 Processing and Communication Deficits

The centralisation of the RS processing system - though intended to introduce greater efficiency in a situation of rising demand for support under the Supplementary Welfare Schemes - is reported by CISs to have given rise to significant problems, amongst which are **communication difficulties**; a **lack of clarity** as regards responsibility for processing claims; and **processing delays/errors**. The following CIS evidence is indicative of significant difficulties regarding, in particular, the Central Rent Units (CRUs).

4.2.1 With respect to **communication difficulties** - principally the unavailability of the staff of the Units to people trying to find out about the progress of their RS claims - Dublin City Centre CIS comments that "*not all of the CRUs have a fax number and/or email address listed; the CRUs' telephones are not answered on a regular basis and if they are answered, hold times can be very long.*" The CIS offers an example of an attempt to get through to the Dublin 24 CRU (1890 800 698), which is advertised on the DSP website as being operational from 2.15pm to 4.30pm each day. Telephoning on behalf of a client, "*we were on hold with music from 2.20pm until we hung up the phone at 4.54pm. The client left after 40 minutes (with no resolution) but we attended to other clients while on hold. How could people be expected to bear the cost of [such lengthy and possibly fruitless] calls? The Dublin 24 Unit does not have a fax number listed so we could not contact them that way.*"

4.2.2 As regards **lack of clarity** and consequent widespread confusion regarding where to claim, Dublin City Centre CIS makes the following comment:

[While] the 'Central Rent Units' page on www.welfare.ie is an improvement, it is not clear enough with regard to residential addresses and locations to always make it possible to identify where an application should be sent [and] implies a knowledge which it is not feasible to expect a member of the public to have (e.g. 'all areas covered by Xxx Health Centre' and 'all new and existing rent claims .. formerly dealt with by Xxx'). Local Health Centres which used to handle RS do not always know which is the correct CRU for their area. The CRUs themselves do not seem familiar with each other's areas, so if a person sends his/her form to the wrong unit ... it can often end up lost in limbo rather than being forwarded to the correct unit. [This] can lead to an applicant losing out on a period of genuine

entitlement. [Finally], it is confusing that there are several Central Rent Units, as some service users get details of one unit and think that because it is a 'central' unit, it covers all areas.

The following case is illustrative of the apparent level of confusion not only amongst RS applicants but also amongst DSP personnel:

A client found accommodation in Dublin 12. He went to his nearest Health Centre and was told that Rent Supplement was no longer being processed from that office but no one could tell him who was accepting the applications. The CIS were turned to for help and contacted the Superintendent's office for that area. Nobody in that office knew where to send the application and we were given a local Health Centre number. We called and were re-directed to the office which had initially given us their number. We then called the SWA Unit. It was suggested that the Dublin 12 Central Rent Unit was the appropriate address, but this was not the case as this unit covers Dublin North. We then contacted the Dublin 2 Central Rent Unit; the client's address was not on their list and they could not suggest the right office. By calling all Health Centres in the Dublin 12 area, the CIS eventually found the correct office. It had not been centralised. (Dublin City Centre CIS)

4.2.3 With respect to **delays in claim processing**, CIB is conscious that this is an issue across a number of DSP schemes at this time, whilst acknowledging recent improvements to waiting times for e.g. in relation to jobseekers payments. Delays result not only in loss of income leading to, in some cases, substantial hardship, but also significant distress and anxiety. In the case of Rent Supplement, delays can also bring with it the risk of loss of a tenancy.

Of the many cases reported by CISs, the following are indicative of processing errors (including lost documentation and RS being withdrawn and restated without explanation), the unavailability of DSP staff to deal with enquiries (urgent or otherwise) and the absence of a facility to take direct representation from people in exceptionally difficult circumstances.

A family comprising a husband, his disabled wife, and their adult son moved into rented accommodation more suitable for a disabled person than their previous tenancy had been, and made an application for RS. This application was lost. (The man had proof of posting.) A new application was made, followed by many attempts by the applicant and CIS staff to get information as to progress. Eventually, [they were granted] RS at a much lower level than had originally been sanctioned and informed that the adult son would have to make a separate application. This took a further two months to process. The man was extremely distressed at owing arrears of rent and fearful of homelessness. He still faces the possibility that the RS will be stopped because of the new RS limits, despite having already renegotiated and obtained a reduction on the rent originally asked for. This family needs wheelchair-suitable accommodation. Their distress is compounded by the fact that they have not been able to put their case in person to a DSP staff member. (Dun Laoghaire CIS)

A man with a pregnant wife and three children waited over two months for his application to be dealt with, under severe pressure from his new landlord, and unable to make contact with the CRU. (Dun Laoghaire CIS)

Person has been homeless for 17 months and has finally found somewhere to live but is about to lose it and become homeless again because of delays in the Rent Supplement section.

Summarising the difficulties they have experienced in attempting to assist people struggling with Rent Supplement claims, Dún Laoghaire/Rathdown CIS comments:

A substantial backlog of [RS claims] has built up ... In most cases, applicants have been unable to get information as to the progress of their application ... The phone number provided is almost never answered. [In addition to the delays and lack of communication], there have been instances where applications have been lost and the applicant left without proper advice as to what is required. All of this places already vulnerable people in [even greater] insecure situations.

CIB/CIS

Recommendations:

That an **audit of RS processing procedures and capacity (vis-à-vis volume of applications) be conducted as a matter of urgency, particularly within the Central Rent Units**, and that clear and transparent targets be set and monitored as regards (for example) processing times and a significant reduction in the rate of abandoned calls.

That **improvements be made to DSP/RS information sources in relation to the administration of claims** (including the relevant section of www.welfare.ie) in order to achieve significantly enhanced clarity and user-friendliness (e.g. with respect to which office any given RS applicant should apply to). Regular updating would be required as and when any further developments take place with respect to RS processing.

That a **system of automated (e.g. text messaging) acknowledgment of applications be introduced** to include information about current average processing times **and/or that an online system for processing and updating the status of RS applications be put in place**. This would reduce the number of enquiries to the Units, allowing staff to focus on processing. It would also enable tenants to confirm to landlords that RS applications are in process.

That consideration is given to offering **a transparent system/facility for urgent representations** to be made in situations where unusual hardship and vulnerability applies.

4.3 Gaps in Coverage

Two critical gaps with respect to Rent Supplement coverage are referred to with some frequency in social policy returns from CISs. The first concerns full-time low-income earners who are debarred from claiming RS. The second concerns separating/separated families, where there are joint custody/access arrangements; in these latter cases, it would appear from CIS evidence that while one parent might receive RS for the appropriate family size (i.e. parent plus number of dependent children), the other parent (typically the father with joint custody/access) will receive RS only for single-person accommodation and thereby not be in a position to accommodate his/her children during periods of access/joint custody.

The following case evidence is indicative of that received from CISs with regard to such gaps in coverage:

This man is working part-time and in receipt of FIS and Rent Supplement. He has been offered a full time job on minimum wage. If he accepts he loses the Rent Supplement and the calculations show that he would be €69 worse off by accepting the job.

An employee has been asked by his employer to increase his working hours from 24 to 30 per week. He will lose Rent Supplement and therefore be worse off and struggle financially even though he will be working increased hours.

This man's hours of work have been reduced. His ex-partner gets OFP and RS. He takes his children a number of nights per week but is now struggling to pay for rental accommodation and feels that the system is treating him unfairly in that he is not considered eligible for RS for family accommodation.

CIB Recommendations:

That the **debaring of those in full-time work (30 hours per week or over) from the Rent Supplement scheme be ended.** (This would be in line with the conclusion of the Joint Oireachtas Committee on Jobs, Social Protection and Education, which in its March 2012 report on the Single Working Age Payment (SWAP) recommended a redesigning of support for housing and health costs in order to facilitate the transition to employment. The Committee cited a 2011 Forfás report that argues that financial supports for housing should depend on income rather than employment/unemployment status.)

That **separated parents who are able to establish that they have joint custody/regular overnight access** to their children be assessed for RS on the basis of their actual family size (i.e. to include those children and enable appropriate family housing to be accessed).

5 Summary of Recommendations

That the **maximum Rent Supplement limits and the minimum tenant contribution be reviewed again at the earliest opportunity**, with attention given to ongoing changes in the rental market that are likely to be strengthening landlords' market position and thereby weakening the position of those claiming Rent Supplement.

That, consideration is given to a **direct negotiation between the DSP and landlords where RS is awarded**, as takes place under RAS.

That an **audit of RS processing procedures and capacity (vis-à-vis volume of applications) be conducted as a matter of urgency, particularly within the Central Rent Units**, and that clear and transparent targets be set and monitored as regards (for example) processing times and a significant reduction in the rate of abandoned calls.

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That consideration is given to offering a **transparent system/facility for urgent representations to be made in situations where unusual hardship and vulnerability applies**.

That the **debarment of those in full-time work (30 hours per week or over) from the Rent Supplement scheme be ended**.

That **separated parents who are able to establish that they have joint custody/regular overnight access** to their children be assessed for RS on the basis of their actual family size (i.e. to include those children and enable appropriate family housing to be accessed).

CIB acknowledges the contribution of all Citizens Information Services who have forwarded evidence to CIB with regard to RS queries, and the particular contributions of the Citizens Information Phone Service (CIPS), Dublin City Centre CIS and Dún Laoghaire/Rathdown CIS in the production of this submission.