

Preparation of a Social Housing Strategy

A Submission by the Citizens Information Board (June 2014)

Introduction

The Citizens Information Board (CIB) welcomes the opportunity to make a preliminary submission on the proposed Five-Year Social Housing Strategy. Such a Strategy is urgently required because of the growing number of people who cannot access suitable housing without support from the State. The CIB has over the years regularly highlighted social housing issues arising from feedback from its service delivery partners in various reports and submissions.¹ These service delivery partners (the national network of Citizens Information Services (CIS), the Citizens Information Phone Service (CIPS), the Money Advice and Budgeting Service and the National Advocacy Service for People with Disabilities (NAS) deal on an ongoing and regular basis with people who experience significant housing difficulties - including those reliant on Rent Supplement and unable to find accommodation, those unable to pay their mortgages, people at risk of homelessness and people with disabilities looking for community-based accommodation with appropriate supports.

The national network of CISs dealt with almost 58,000 housing queries from members of the public in 2013. 38% of housing enquiries related to local authority and social housing and a further 22% or 13,000 to private rented accommodation. CIPS, dealt with over 7,000 housing related calls. In addition, a number of social welfare related queries (which accounted for almost half of all queries in both CISs and CIPS) had a housing component in that they referred to Rent Supplement. There were 22,341 queries to CISs specifically in relation to Rent Supplement and Mortgage Interest Supplement in 2013 and 5% of social welfare queries to CIPS were about Rent Supplement.

CIB also provides the website www.keepingyourhome.ie as a public information resource along with the Mortgage Arrears Information Helpline which provides assistance to people in difficulties with mortgages or rent and had over 11,000 callers in the past 18 months. CIB also supports Threshold the housing advice agency to provide a specialist housing advice back up service to information givers in CISs.

As is widely acknowledged, since the 1990s, Ireland's housing system has undergone significant transformation that has particularly impacted on low income households characterised by escalating housing prices up to 2009 stimulated by

¹ See, for example, Submission to the Department of Social Protection with regard to Rent Supplement (CIB 2012) <http://www.citizensinformationboard.ie/services/social/>; *The Right Living Space* (Comhairle/DFI 2007); *Rent Supplement* (Comhairle/Threshold 2002)

increased demand, the contraction of the Local Authority social housing sector², the expansion of the private rented sector and a parallel and consequential increased reliance on this sector for social housing.³

The precarious position of Rent Supplement tenants in some areas as a result of the fluid nature of the private rented sector is highlighted regularly in queries to CISs and CIPS. Assisting people with unsustainable mortgage debt is a significant aspect of the work of MABS. The current policy emphasis on accommodating people with disabilities to live independently in the community raises important questions about how this is to be achieved and some of the work of NAS involves helping people to assert their right to independent living and to find accommodation accordingly.

Right to Adequate Accommodation

At the core of the social housing debate is the need for the State to recognise the right to adequate housing and to implement appropriate legislation and policies in this regard. This issue has come very much to the fore in recent decades due to the influence of various UN and EU Directives and Charters and a growing emphasis on the concept of social inclusion and equality as key components of shared citizenship. The Draft International Convention on Housing Rights states that: adequate housing is essential to freedom, dignity, equality and security. It is generally acknowledged that accommodation factors and related supports impact positively or negatively on people's quality of life.

The CIB believes that the provision of timely access to good quality housing for people who cannot do so by their own means is a fundamental prerequisite for social solidarity and should thus be given priority over and above other desirable social and infrastructural developments. Capital investment in building additional social housing would also have the obvious advantage of creating jobs.

Existing Social Housing Policy

Various housing policy statements and discussion documents over the years have promised substantial expansion in social housing investment in order to eliminate waiting lists of people in housing need. The Social Partnership Agreement, *Towards 2016*, made a commitment to progressing a social housing reform agenda and targets for social and affordable housing were set out in National Development Plan 2007-2013. These were based on an acknowledgement of the conclusions of the 2004 NESC report on housing⁴ of the need for substantial additional provision of social housing units over the period to 2012. *Delivering Homes, Sustaining Communities*⁵ sets out a programme for social housing recognising the current policy

² Between 2010 and 2013 the Local Authority capital budget for housing reduced by 62% (Irish Council for Social Housing, 2013).

³ This was facilitated by the enactment of the Residential Tenancies Act (2004) which formalised requirements in relation to landlord/tenant obligations, security of tenure, dispute resolution and the registration of tenancies and the related establishment of the Private Residential Tenancies Board (PRTB).

⁴ National Economic and Social Council (2004), *Housing in Ireland: Performance and Policy*, National Economic and Social Council, Dublin.

⁵ Department of the Environment, Heritage and Local Government (2007), *Delivering Homes, Sustaining Communities: Statement on Housing Policy*

context. Proposed reforms were aimed at improving service provision, ensuring that social housing is delivered in a way that is fair and efficient, that housing support is available where necessary and that there is choice.

The Planning and Development Act 2000 requires each planning authority to develop a strategy for ensuring the housing of the existing and future population of the area. The NESC 2004 report argued that “a housing strategy must assess the existing and future need for housing, ensure that housing is available for persons with different levels of income, that a mixture of housing types and sizes are developed to match the different categories of households (including the special requirements of elderly persons and persons with disabilities) and counter undue segregation”(NESC 2004:119). Part V of the Planning and Development Acts 2000-2004 required most new housing developments to reserve up to 20% of the land for social housing or affordable housing.

The 2011 Housing Policy Statement⁶ referred to meeting the housing support needs of those unable to provide for their accommodation from their own resources and set out the following options for development:

- Transferring responsibility for providing for the housing needs of long-term Rent Supplement recipients to housing authorities on a phased basis
- An accelerated rate of transfer of households from Rent Supplement to RAS
- Sourcing of increased rental stock
- Delivery of permanent, new social housing
- In conjunction with NAMA, sourcing and providing suitable residential units for use as social housing
- Enhancing the role of the voluntary and cooperative sector – “approved housing bodies will be at the heart of the Government’s vision for housing provision” – including, through the use of loan finance and the provision of housing for market sale and rent as well as social rent.⁷

The ongoing and growing shortage of suitable social housing, widely acknowledged by both the Government and by the public as now reaching crisis proportions, runs counter to stated social housing policy over the years.

Social Housing Structures Already in Place

There are a number of structures and mechanisms already in place which can act as important building blocks in the Social Housing Strategy:

- Existence of the Housing Agency

⁶<http://www.environ.ie/en/DevelopmentHousing/Housing/PublicationsDocuments/FileDownload,26867.en.pdf>

⁷ This was seen as having the potential to further promote the evolution of mixed tenure communities.

- Implementation Plan on the State's Response to Homelessness May 2014 to December 2016
- The National Housing Strategy for People with a Disability
- Mechanisms for involving the private rented sector (Rent Supplement, Rental Accommodation Scheme)
- The emerging Housing Assistance Payment scheme
- A strong not-for-profit housing sector with potential for expansion
- Protocols for acquiring NAMA properties⁸
- Local Authorities acting as intermediaries between tenants and private landlords (RAS)

An important focus of the Social Housing Strategy should be to integrate all the above elements into an overall policy framework with clear implementation plans, targets (short, medium and longer term) and outcomes monitoring.

The Government's intention to transfer the administration of Rent Supplement from the Department of Social Protection to Local Authorities on a phased basis and the introduction of the new Housing Assistance Payment offers an opportunity to address a number of important issues including:

- Ensuring that people in receipt of rent assistance can live in good quality accommodation
- Ensuring that landlords whose tenants are directly supported by the State are fully compliant with all housing legislation and tax obligations
- Enhancing tenant choice by making it attractive for mainstream landlords to accept tenants whose rent is supplemented by the State
- Meeting the housing support needs of those in employment.

The Role of Rent Supplement in Social Housing

The extent and purpose of the Rent Supplement scheme has changed radically since its original introduction as a short term 'safety net' measure. This has resulted in the private rented sector becoming a form of social housing for many groups. The length of time people remain on Rent Supplement is a clear indicator that it has become a core element in social housing provision. However, it has remained to date part of the social welfare system as distinct from being integrated into the broader social housing provision system administered by the Department of the Environment and Local Authorities. This is a matter which needs to be dealt with in the proposed Social Housing Strategy to ensure as far as possible all social housing supports are fully integrated.

⁸By April 2014, 518 housing units had been completed with a further 166 units contracted where completion work is ongoing.

Key factors to be taken into account

- The position of people reliant on Rent Supplement is made more difficult by the fact that, the level of supplement payable sometimes lags behind rises in open market rents;
- The competition for private rented accommodation between different income groups and household types makes it difficult for Rent Supplement tenants to find accommodation;
- People who are housed in the private rented sector and who rely on Rent Supplement payments may sometimes be forced to live in accommodation at the lower end of the market which is sometimes of poor quality;
- The emergence in recent decades of the private rented sector⁹ as an alternative source of social housing, while solving an immediate problem in the short-term, is unsatisfactory because of the absence of adequate long term housing protection for individuals in need.

There are evidently some positive aspects of the Rent Supplement Scheme and these should be reflected in the Social Housing Strategy. These can be identified as:

- Providing a relatively rapid response to housing need, particularly in comparison to the excessive waiting times typically associated with access to Local Authority rented housing
- Ensuring a housing safety net for those unable to access the owner occupied or social housing sectors
- Offering a choice of accommodation in relatively accessible areas within mixed communities

What the Social Housing Strategy should include

- There is need at the outset to acknowledge that there is a serious social housing shortage and that meeting this shortfall will require significant capital expenditure by the exchequer in the short, medium and long –term;
- The long-term goal should be that all social housing is secure, affordable, good quality accommodation which provides maximum opportunities for personal, family and community development;
- Funding levels and structures (in terms of continuity and security) need to maximize the contribution of voluntary/community organizations who are most likely to be aware of people’s accommodation needs and, also, in some

⁹ An organised/regulated private rental sector operates as part of social housing provision in other jurisdictions, such as France, Germany and other European states.

instances keen to develop innovative housing models;

- The Social Housing Strategy should include provisions for a mixed economy of social housing provision – by Local Authorities, by the not-for-profit sector and by the private sector – targets should be set for each sector;
- The Strategy should include provision for the full implementation as far as resources permit of both the State’s Response to Homelessness Plan and the National Housing Strategy for People with a Disability;
- A single agency should be given overall responsibility for the Social Housing Strategy – the Housing Agency would appear to be well placed to take on this role;
- A fully transparent assessment process is required to establish people’s need for short-term social housing assistance – access to the current Rent Supplement system may be over-reliant on the opinion of an individual CWO.
- On the supply side there is potential to apply the public/private partnership concept to the provision of rental accommodation. There would appear to be scope for some joint financing of housing in the private rental sector.

The Strategy needs to include provision for the following:

- A significant increase in the number of Local Authority housing units built or acquired and the setting of clear targets in this regard
- Maximising the contribution of the private rented sector by ensuring that the administration of the Housing Assistance Scheme is efficient and user friendly for both tenants and landlords
- Introducing legislation to allow maximum rent rises/rent control for fixed periods in the private sector linked to the Consumer Price Index
- Further stimulation of not-for-profit housing associations through the development of stronger statutory-voluntary partnerships at local level
- Mechanisms for more regular and timely reviews of rent caps (the mechanisms in place to date are not sufficiently adequate to keep pace with market changes)
- Additional protocols for monitoring the implementation of landlord-tenant legislation
- Exploring the possibility of making the equivalent of a Housing Assistance Payment to households in severe mortgage distress as an alternative to repossession

- Ensuring that mortgage-lending is tightly regulated and closely monitored to eliminate over-borrowing
- Enhancing provision for 'special needs housing' for those who have a particular support need in addition to a housing need, including, in particular, frail and dependent older people, people with disabilities, homeless people and people who are victims of domestic violence
- Acknowledgement of the need for some people (e.g. people with a disability, people with mental health difficulties) to have additional housing supports in order to live in the community

The CIB looks forward to making a more detailed submission in due course as the consultation process on the Strategy evolves.