



respond

Pre Budget Submission 2020



10 Priority Actions for Budget 2020

We call on the Government to consider the following recommendations as a priority

01

Reclassification of Approved Housing Bodies (AHBs)

The development of a time-lined action plan to explore all options to move AHBs 'off-balance sheet' to avoid negative long-term consequences.

02

Increase Capital Investment

To increase the capital budget for social housing building specifically for Capital Advance Leasing Facility (CALF) allocation and the associated Payment and Availability (P&A) allocation. This is to ensure the scheme keeps pace with the growing number of applications due to the increased capacity within sector.

03

National Affordable Rental Scheme

Introduce a National Affordable Rental Scheme to be delivered by AHBs and Local Authorities to address the housing needs of intermediate households.

04

Structured protocol between the Land Development Agency (LDA) and AHBs

The development of a structured protocol for engagement between the Land Development Agency (LDA) and AHBs would enable both parties to work closely together, ensuring a continuous pipeline of building land for social and affordable housing.

05

Restore Part V

Restore Part V to at least its original 20%. This was reduced to 10% in 2015. Part V housing units in developments are an effective way of ensuring some of the gains from an accelerating housing market go towards those at the lower end of the income distribution.

07

Tax Reforms Including

- Reforming the Vacant Site Levy.
- Waiving developer contributions for social housing developments.
- Reducing VAT on materials and services for renovating/reusing existing housing stock for social housing use from 23% to the lower rate of 13.5%.

09

Quality of Family Hubs

Resource improvement in the quality of Family Hubs. Measures needed include quality standards, inspections and further investment in trained and qualified support staff.

06

Offset regional imbalance in relation to the CALF and P&A model

In areas where there is an established need and demand for housing and the market rents are insufficient to sustain the cost of new construction/acquisition, there should be exploration of measures to offset the regional imbalance in relation to CALF and the P&A model. These measures could include the provision of a higher level of CALF (above maximum of 30%), longer loan duration, lower interest rates, regeneration funding and/or strategic infrastructure funding linked to the wider development framework in these regions to assist in delivery of much needed housing solutions that are financially sustainable.

08

Homeless Prevention

Continued and increased funding for primary and secondary homeless prevention services such as the Interim Tenancy Sustainment Protocol (ITSP) which should be rolled out nationally.

10

Housing First

Ring-fenced resources for the rapid implementation of the National Implementation Strategy for Housing First.

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Introduction



A secure place to call home is critical to the quality of life and wellbeing of individuals and families.

In Respond, we see the devastating impact that homelessness and insecure housing has every day, through our work with families and children. Consequentially, we believe that every person must have the right to a secure, affordable home that meets their needs throughout their lifetime. Respond's vision is that every family and individual in Ireland will have high-quality housing as part of a vibrant and caring community. Almost every facet of Irish society has expressed concerns about housing and homelessness,¹ from organisations working with people who are homeless to Trade Unions and the business sector concerned about the impact on workers unable to access affordable homes and the implications for the wider economy and inward investment. Leilani Farha, UN Special Rapporteur on the Right to Adequate Housing argues:

“”

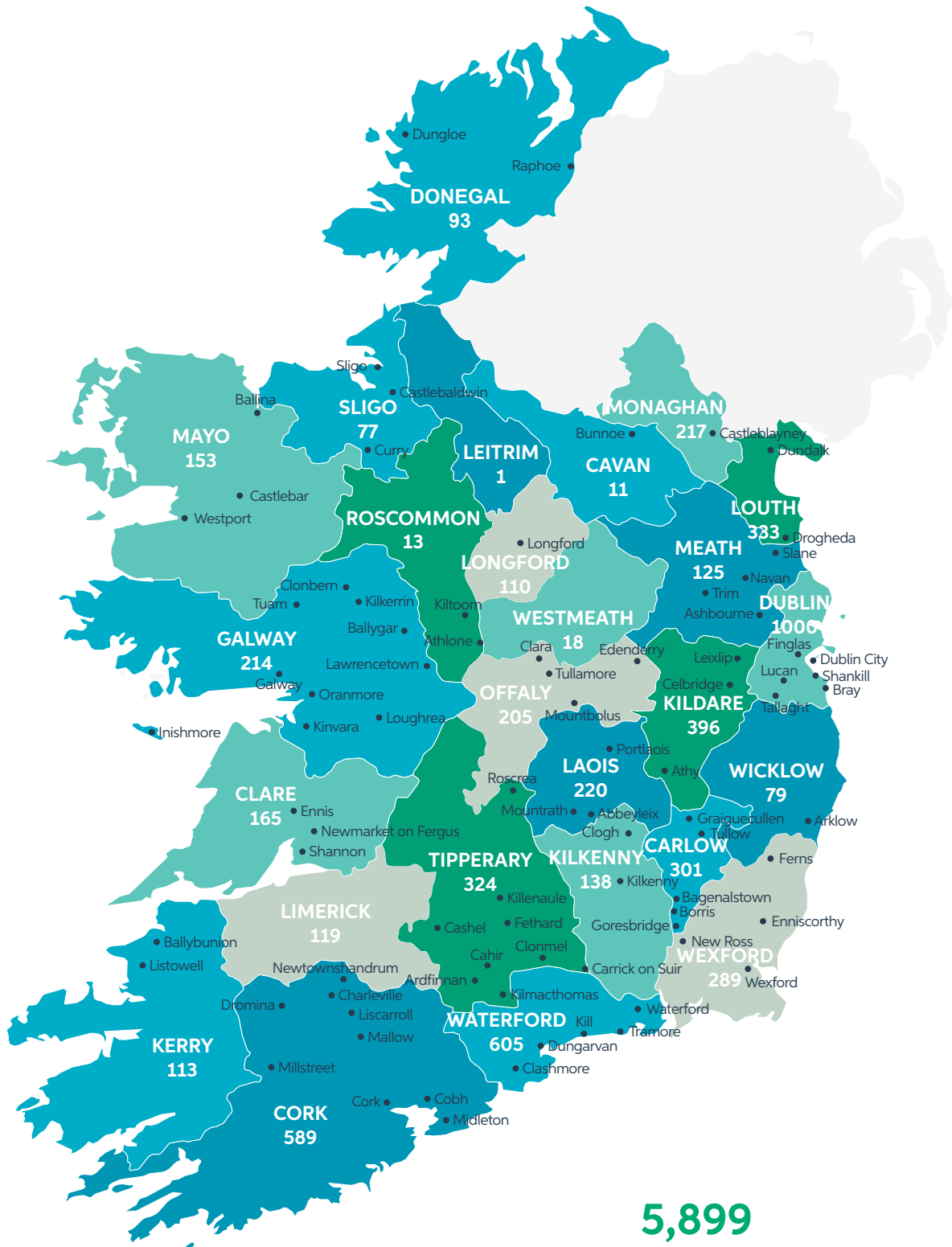
Housing is the basis of stability and security for an individual or family. The center of our social, emotional and sometimes economic lives, a home should be a sanctuary; a place to live in peace, security and dignity.²

Budget 2020 is a timely opportunity for Government to assess the impact of current policy approaches and their ability to deliver better outcomes for people, communities and the economy. Policy choices are critical to providing person-centered, sustainable solutions to the housing and homeless crisis, reflecting best practice. As the housing crisis has continued, the extent and variety of policy responses has grown along with it. Respond's position as a provider of both housing and homeless services, listening to tenants and users of our services, gives us unique insight into the effectiveness of these approaches.

¹ Bray, J., (2019) "The big issue of 2019's local elections? Housing, housing, and housing". The Irish Times. Available online at: <https://www.irishtimes.com/news/politics/the-big-issue-of-2019-s-local-elections-housing-housing-and-housing-1.3897640>

² Farha, L. Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context. Available on-line at: <https://www.ohchr.org/en/issues/housing/pages/housingindex.aspx>

About Respond



5,899
HOMES BUILT BY
RESPOND TO DATE

Respond believes that every person has the right to a secure, affordable home that meets their needs throughout their lifetime.

Our vision is that every family and individual in Ireland will have high-quality housing as part of a vibrant and caring community. Respond, a not-for-profit housing association, have been working all around Ireland for 37 years. We are proactively responding to the housing and homelessness crisis by providing on-the-ground solutions and we are working hard to identify ways to support people to move out of homelessness into secure homes quickly. We own and manage 4,526 social homes with approximately 9,500 tenants across the 26 counties in the Republic of Ireland.

In Respond, we place emphasis on acute need and on the provision of support for tenants to lead fruitful lives in vibrant communities.

We provide emergency accommodation with support for families who are homeless in six Family Hubs, funded by the Dublin Region Homeless Executive, Limerick City and County Council and the Health Services Executive, where our goal is to support families to move into secure homes as quickly as possible, leaving homelessness behind.

Our experience to date indicates that families experiencing homelessness often need ongoing, wraparound support in relation to access to housing, mental and physical health services, family or parenting support and a range of other issues. We also continue to work with families once they have moved on to ensure the sustainability of these exits. In addition to housing and related work, we also provide Day Care Services for Older People, Early Education, Childcare, Family Support and Resettlement services.

Approved Housing Bodies (AHBs), such as Respond, are not-for-profit organisations that have a social purpose; providing for people's housing needs by working in close co-operation with the Government, local authorities and relevant agencies. In particular, we work in partnership with local authorities to support the provision of housing and, in many cases, additional supports.

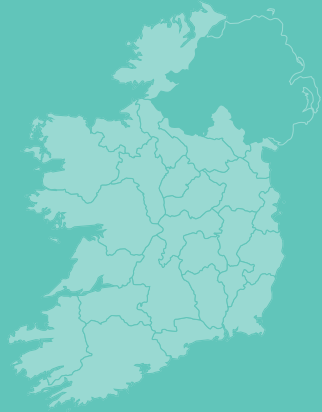
The Government has acknowledged that AHBs are central to the meeting of Ireland's social and affordable housing needs, with Rebuilding Ireland recognising that AHBs will deliver one-third of the 50,000 additional social homes needed by 2021.

Respond in Numbers*

Building homes

26

counties in the
Republic of Ireland



5,899

homes built by Respond to date



1,086

homes in construction and onsite



4,526

Social housing units owned and managed



€561m

invested to date in social housing**

2,500[‡]

units to be built by 2023



Improving lives

9,507

Tenants



143

Estates nationally
(with 55 homes
on other estates)[§]



6

Family Hubs
(emergency
accommodation plus
wraparound support)[†]



306

Families
supported in
family hubs



* Unless otherwise stated these figures are as Quarter 3 2019

** As at 31/12/2018

† Since Quarter 4 2016

‡ As per Respond Strategic Plan 2018 – 2023)

§ These homes are acquisitions, Mortgage to Rent, Part V's etc.

A human right to housing

The ultimate focus of any housing and homelessness strategy has to be on providing a safe, secure and affordable home appropriate to the needs of families and individuals. In calling for a right to housing, Respond adds its voice to those of other homeless service providers³, the Simon Communities of Ireland, Threshold⁴, the Mercy Law Resource Centre⁵, the Constitutional Convention⁶, and the UN Special Rapporteur on the Right to Adequate Housing⁷. A right to housing would provide a 'floor' in respect of access to adequate housing for all, obliging the state to reasonably protect and fulfil that right. It would also significantly guide all future State housing policy, decision-making, implementation and budgetary allocations. Research has suggested that the absence of a legal right to housing in Ireland has had a substantial impact on the levels of stigma being faced by those using homeless services⁸. In 2014, the Constitutional Convention recommended the inclusion

of legally enforceable socio-economic rights in the Constitution including the right to housing. In 2017 the Right to Housing Bill sought to insert a right to housing into the Constitution by amendment to Article 43. The Bill was defeated in the Dáil but referred for further consideration to the Joint Committee on Finance, Public Expenditure and Reform. The Oireachtas Committee on Finance, Public Expenditure and Reform should examine this issue without further delay.

As an AHB, we have direct experience of barriers to our effectiveness and efficiency. Respond also provides homeless services, working specifically with families and children who are homeless. Here in our pre-budget submission we outline some of our recommendations in relation to our work, the overall delivery of social and affordable housing and responding to homelessness. We ask the Government to support them in Budget 2020.



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- 3 Simon Communities in Ireland, (2018) Making the Case for a Right to Housing in Ireland. Available online at: <http://www.simon.ie/Portals/1/Docs/policies/Position%20papers/The%20Right%20to%20Housing%20-%20An%20Introduction%20Discussion%20Document%2005.pdf>
- 4 Threshold, (2018) Annual Report 2017. Available online at: <https://www.threshold.ie/download/pdf/thresholdannualreport2017updated.pdf?issuul=ignore>
- 5 Mercy Law Resource Centre, (2016) The Right to Housing in Ireland. Available online at: <https://mercylaw.ie/services/policy-work/>
- 6 The Convention on the Constitution, (2014) Eighth Report of the Convention on the Constitution. Available online at: http://escr-irl.org/wp-content/uploads/2016/01/CC_ESC_Report.pdf
- 7 Burns, S., (2018) "UN Backs calls to make housing a constitutional right in Ireland." The Irish Times. Available online at: <https://www.irishtimes.com/news/social-affairs/un-backs-calls-to-make-housing-a-constitutional-right-in-ireland-1.3527000>
- 8 Watts, B., (2013) "Rights, Needs, and Stigma: A Comparison of Homelessness Policy in Scotland and Ireland". European Journal of Homelessness 7(1). Available online at: https://www.feantsaresearch.org/download/bw_paper7468819885919133327.pdf

Housing



Context

The current housing crisis is, at its core, a crisis in social housing and it is having negative impacts on the overall housing market with wider impacts on health, transport and the economic sustainability of the country. Figures from the most recent Social Housing Needs Assessment (2018) show that of 71,858 households assessed as qualifying for housing support, as of 11 June 2018, and that the four Dublin Authorities account for 43.4% of the national total. The majority (54.2%) of those who qualify for social housing are unemployed and in receipt of social welfare payments/assistance, down 10,370 (-21%) since the previous assessment. Twenty-four percent are in employment either full-time, part-time or self-employed, an increase of almost 8% since 201a7. Single person households are the predominant household grouping in need of social housing. Just under 60% of households qualifying for social housing are currently in the private rental sector and over a quarter of all households qualifying for support are waiting more than seven years for a social housing.

The Government published Rebuilding Ireland – the Action Plan on Housing and Homelessness in July 2016, promising to provide 47,000 new social homes by 2021. This was later revised upwards to 50,000 homes. Following a 94% decline in capital expenditure between 2008 and 2013⁹, Respond welcomes the acceleration in social housing construction that has taken place under Rebuilding Ireland.

As a key stakeholder in Rebuilding Ireland, we are committed to playing our part. Further acceleration is required to meet the Nevin Economic Research Institute's (NERI) recommended target for 10,000 social housing new builds per year and indeed our own ambitious goal to

deliver 2,500 homes over the next five years. The housing system is vulnerable to external budgetary and financial impacts and changes to existing internal processes. However, Respond recognises that there is scope to improve and provide innovative solutions to structural challenges in areas such as land management, access to social housing finance and barriers to construction, which can be implemented within the current frameworks to improve social housing supply.

Rebuilding Ireland also includes a target to deliver 84,000 Housing Assistance Payment (HAP) tenancies. Rebuilding Ireland proposes to have 125,000 people in HAP tenancies. The cost of this approach to housing is approximately 0.3 billion a year and by 2021, this may more than treble to €1 billion a year¹⁰, bringing us into the realm of the costs of the new Children's Hospital per annum which remain unconfirmed¹¹. The Department of Public Expenditure and Reform have also queried this provision of social housing support on a value for money basis¹². Reliance on the Private Rental Sector (PRS) for the delivery of significant numbers of social housing tenancies is placing additional pressure on this volatile segment of the housing market where rents continue to increase and supply is at record low levels¹³.

Rebuilding Ireland also includes a target to deliver 84,000 Housing Assistance Payment (HAP) tenancies. Rebuilding Ireland proposes to have 125,000 people in HAP tenancies.

9 Hayden, A., Norris, M. (2018) "The Future of Irish Council Housing". Available online at:

[https://www.ucd.ie/socialpolicyworkjustice/t4media/The_Future_Of_Council_Housing_\(Norris_Hayden\).pdf](https://www.ucd.ie/socialpolicyworkjustice/t4media/The_Future_Of_Council_Housing_(Norris_Hayden).pdf)

10 Fitzgerald, C (2019) Almost €700 million paid to private landlords in rent subsidies last year. Available online at: <https://www.thejournal.ie/housing-private-payments-4507508-Feb2019/>

11 Bray, J and Horgan-Jones, J (2019) Children's hospital report says final cost will exceed €1.73bn. Available online at: <https://www.irishtimes.com/news/ireland/irish-news/children-s-hospital-report-says-final-cost-will-exceed-1-73bn-1.3854289>

12 O'Callaghan & Kilkenny, P (2018) Current and Capital Expenditure on Social Housing Delivery Mechanism. Available online at: <https://igees.gov.ie/wp-content/uploads/2018/07/19.-Current-and-Capital-Expenditure-on-Social-Housing-Delivery.pdf>

13 See Daft Rental Reports. Available online at: <https://www.daft.ie/report/ronan-lyons-2019q2-daftrentalprice> and RTB Rent Index Reports. Available online at: <https://onestopshop.rtb.ie/research/ar/>

The PRS is not working for many private renters or those in receipt of Rent Supplement/Housing Assistance Payment (RS/HAP) payments. HAP is expensive, insecure and brings little long-term benefit to the tenant or the State, which is paying high market rents for the properties¹⁴. Most families and individuals want to settle down in a community and have a sense of continuity, especially for their children. HAP does not represent a long-term solution to those who need secure housing. The findings from Simon Communities snapshot survey, 'Locked Out of the Market XII' in March 2019, found that 92% (517 properties) of all properties available to rent were above rent supplement/HAP limits¹⁵. Local authorities are permitted to authorise discretionary uplift in HAP payments of up to 20%. At the end of Quarter 4 2018, 26.6% of households supported by HAP were being provided with the discretionary uplifts. This excludes those households accommodated through the Homeless HAP arrangements in Dublin¹⁶. 48% of respondents in receipt of HAP who were surveyed by Threshold, pay a 'top-up' directly to the landlord ranging from €20 to €575 a month. The average 'top-up' payable was €177¹⁷. Funding Approved Housing Association projects is more cost effective and continuing to support HAPs endangers future funding.

Most families and individuals want to settle down in a community and have a sense of continuity, especially for their children. HAP does not represent a long-term solution to those who need secure housing.

The Government has identified a significant gap in affordable housing provision for people who are earning incomes but cannot afford to rent or buy a property that is suitable for their needs and their location¹⁸. While there is much debate on it, the housing cost-to-income ratio, whereby housing costs should make up no more than 30% of net income in order to be defined as affordable¹⁹, is probably the most commonly used approach.



The Economic and Social Research Institute (ESRI) found that 16% of households spend more than 30% of their net income on housing, with this figure rising to 70% for the lowest quartile of the income distribution²⁰. The lack of affordable housing, whether renting or buying, therefore impacts those living in poverty the hardest.

In addition, the current Capital Advanced Loan Facility (CALF) and Payment and Availability (P&A) model backed by market rents allow for enhanced delivery in areas where rents are high. However, this methodology can act as a disincentive to investment in areas where rents

14 Horgan-Jones, Jack (2019) Housing subsidies not providing value for money – PAC available online at:

<https://www.irishtimes.com/news/ireland/irish-news/housing-subsidies-not-providing-value-for-money-pac-1.3938558>

15 Simon Communities of Ireland (2019) "Locked Out of the Market XIII The Gap between Rent Supplement/HAP Limits and Market Rents". Available online at:

<https://www.simon.ie/Portals/1/EasyDNNNewsDocuments/219/Simon%20Communities%20Locked%20Out%20of%20the%20Market%20XIII.pdf>

16 Threshold and St Vincent de Paul (2019) "The Housing Assistance Payment (HAP): making the right impact?". Available online at:

https://www.threshold.ie/download/pdf/00881_hap_survey_report_2019_-_web.pdf

17 Threshold and SVP ibid

18 Department of Housing, Planning and Local Government, Statement by Minister Eoghan Murphy TD on Affordable Homes Initiative (2019). Available online at: <https://www.housing.gov.ie/housing/rebuilding-ireland/affordable-housing/statement-minister-eoghan-murphy-td-affordable-homes>

19 It is important to consider variant approaches, however, including that which is outlined in a recent ESRI paper on the topic, whereby the '30% rule' is applied only to the 'bottom 40% of the income distribution': ESRI (2018) "Exploring Affordability in the Irish Housing Market. Available online at:

<https://www.esri.ie/publications/exploring-affordability-in-the-irish-housing-market/> p.6

20 ESRI 2018 ibid <https://www.esri.ie/system/files?file=media/file-uploads/2018-06/WP593.pdf>

are lower e.g. outside cities and commuter belt areas. Respond, as a national organisation operating in all 26 countries in the Republic of Ireland, are anxious to work all across the county in urban and rural communities. However, the current CALF and P&A model can preclude us from doing this reinforcing regional imbalance. This is despite stated Government policy to support rural and regional development as a 'key part of improving the quality of life in rural areas, small towns and villages'²¹ (see Project Ireland 2040, the Rural Regeneration and Development Fund, the National Planning Framework, the Town and Village Renewal Scheme etc.). It is necessary to offset the regional imbalance in relation to CALF and the P&A model, in areas where there is an established need and demand and the market rents are insufficient to sustain the cost of new construction/acquisition.

The reclassification²² of Tier 3 AHBs into the local government sub-sector is a significant threat to social housing supply. Under this system, the providers of social homes will have to compete with other interests for funding at a time when there is much competition for affordable housing. This may increase the unit cost; it also increases risk and delay.

Housing does not exist in isolation but is part of a community impacted by the wider socio-economic context. Some areas, estates and communities around the country are significantly affected by poverty, inequality and disadvantage. In Respond, we are committed to developing vibrant and diverse communities empowering individuals, families and communities to reach their full potential. Increasingly, evidence supports an understanding that some people face severe multiple disadvantages all at the same time with poverty featuring as the significant background factor. The more extreme the severe and multiple disadvantage is the greater the role poverty plays²³.

The impact of austerity and the reduction in funding for the Community and Voluntary sector with the onset of the economic crisis has been well documented²⁴ (See Brian Harvey (2014))²⁵. The effect of these cuts and the reduction in support and community services have been significant with communities suffering multiple disadvantage and cohorts of people, especially young people, being left behind²⁶.

Earlier this year Senator Lynn Ruane highlighted:

“”

dismantling of the National Community Development Programme and replacing it with the much more narrowly focused Social Inclusion and Community Activation Programme was hugely significant and has had profoundly negative consequences.²⁷

It is clear individual organisations dealing with the impact of these changes on a daily basis cannot solve these issues alone. A whole system approach is needed to address severe and multiple disadvantage in communities all round Ireland, with sustained collaboration and coordination at all levels. The people and communities impacted need to be involved in any, and all, such processes²⁸. Prevention and early intervention is key, research in Scotland, Hard Edges Scotland, documents the numerous 'missed opportunities' for preventative interventions²⁹.

21 Department of Rural and Community Development (2019) Rural Development. Available online at: <https://www.gov.ie/en/policy-information/6a7566-rural-development/>

22 Eurostat and the Central Statistics Office (CSO) deemed 14 of the largest Tier 3 Approved Housing Bodies (AHBs) to be part of the General Government sector and, as a result, on the Government's Balance Sheet. This may have significant negative consequences for the funding of AHBs in the medium to long-term, limiting their capacity to source funds from Government or external sources.

23 Fitzpatrick et al (2019) Hard Edges Scotland. Available online at: <https://lankellychase.org.uk/resources/publications/hard-edges-scotland/>

24 Hearne, R (2015) The Silent Destruction of Community Growth. Available online at: <https://www.irishexaminer.com/viewpoints/analysis/the-silent-destruction-of-community-growth-345068.html>

25 Harvey, B (2014) Sate Funding and dissent presentation at NUIM conference Local resistance, global crisis, 13th June 2014. Available online at: <https://www.maynoothuniversity.ie/sites/default/files/assets/document/Brian%20Harvey.pdf>

26 Ruane, L (2019) 'We need to change society radically from the ground up'. Available online at: <https://www.thejournal.ie/readme/opinion-lynn-ruane-argues-that-strong-communities-are-crucial-to-strong-democracies-4484364-Feb2019/>

27 Ruane, L (2019) *ibid*

28 Fitzpatrick et al (2019) *ibid*

29 Fitzpatrick et al (2019) *ibid*

Recommended Solutions

The recommended solutions below focus on mechanisms to accelerate the building of housing and to address issues that may slow down housing output, specifically focusing on policy reversal on reclassification, supply, land, reforming tax and planning policy. In addition, we highlight the need to resource and support communities impacted by multiple disadvantage.

Housing Acceleration

- Policy reversal
- Supply
- Land
- Innovation
- Reform tax & planning

Slow housing supply

- Tier 3 AHB reclassification
- HAP's



30 McManus, D., (2019) Joint Committee on Housing Planning and Local Government debate. Available online at: https://www.oireachtas.ie/en/debates/debate/joint_committee_on_housing_planning_and_local_government/2019-07-02/

31 Holland, K. (2019) "Eurostat move will not curb social housing, Eoghan Murphy vows" The Irish Times. Available online at: <https://www.irishtimes.com/news/social-affairs/eurostat-move-will-not-curb-social-housing-eoghan-murphy-vows-1.3385829>



Take AHBs off the State's balance sheet

We call on Government to develop a time-lined action plan to explore all options to move AHBs 'off-balance sheet' to avoid negative long-term consequences. Reclassification to the Irish local government sub-sector will require AHBs to compete directly with other Government priorities in health, education and transport³⁰ for funding. Respond welcomes the Government's affirmation of the continued centrality of AHBs to their programme of social housing delivery.³¹



Increase Capital Investment

To increase the capital budget for social housing building specifically for Capital Advance Leasing Facility (CALF) allocation and the associated Payment and Availability (P&A) allocation. This is to ensure the scheme keeps pace with the growing number of applications due to the increased capacity of the sector. This should be distinct from increases in funding for the Housing Assistance Payment scheme. There must be a forward looking approach to delivering more social and affordable homes, moving away from reliance on the private market.



Offset regional imbalance in relation to the CALF and P&A model

To offset the regional imbalance in relation to CALF and the P&A model there should be exploration of the provision of a higher level of CALF, longer loan duration and strategic infrastructure funding linked to the wider development framework in the region.



Reduce reliance on the Housing Assistance Payment (HAP)

The State must reduce its reliance on the HAP system. Social housing offering lifetime tenancies or 'forever homes' at a more reasonable cost is the sustainable solution to the housing and homelessness crisis. A reduction in the use of HAP properties would bring savings to the State, which should be ring-fenced for social housing delivery.



- 32 Burke-Kennedy, E. (2016) Homeowners vote, and homeowners like high house prices. Available online at: <https://www.irishtimes.com/life-and-style/homes-and-property/homeowners-vote-and-homeowners-like-high-house-prices-1.2524119>
- 33 National Economic and Social Council, (2011). "Approaches to Land Management, Value, and Betterment" Housing in Ireland: Background Paper 7. Available online at: http://files.nesc.ie/nesc_background_papers/NESC_112_bg_7.pdf
- 34 Kelly, O., Scott, P., (2019) "City Vacant: Dublin's hundreds of multimillion-euro empty sites and properties" (2019). The Irish Times. Available online at: <https://www.irishtimes.com/news/environment/city-vacant-dublin-s-hundreds-of-multimillion-euro-empty-sites-and-properties-1.3635595>
- 35 Indecon. (2019) "Indecon Report on the Taxation of Vacant Residential Property 2018. Available online at: <https://www.gov.ie/en/publication/055675-vacant-property-tax-indecon-report/>



Return to State-Operated certification of buildings

The Building Control (Amendment) Regulations (BC(A)R) is greatly adding to the cost of building yet failing to ensure any significant additional safeguards for building control. The self-certification process of building control has been in place since 2014. Estimates for the increased costs of BCAR run to an additional €25,000 per typical property³². This is in comparison with a centralised system of building control in Northern Ireland, which costs approximately €200 e.g. the old Clerk of Works. The BC(A)R system requires an urgent cost-benefit analysis, including a study of building control methods and cost in other jurisdictions.



Restore Part V to 20% of any new housing development

Restore Part V to at least its original 20%. This was reduced to 10% in 2015. Part V housing units in developments are an effective way of ensuring some of the gains from an accelerating housing market go towards those at the lower end of the income distribution³³. There should be no option for developers to buy-out or in any other way secure a derogation from this obligation. Restoration to at least 20% social or affordable provision on development sites would also have a positive impact on tenure mix, which is the stated policy of Government.



Facilitate AHBs to purchase vacant properties

The Vacant and Derelict Sites Registers have identified 200 sites in Dublin city over 0.05 acres that could be developed for residential use³⁴. However, given the variation in size and cost of regeneration across these sites, it is unclear how many of these properties Local Authorities could easily bring back into use. Furthermore, an independent report by Indecon (2018) last year found that simply imposing a punitive vacant property tax might not be effective in bringing these units into use³⁵. Thus, the best approach may be to enable Local Authorities to purchase, on a compulsory basis, vacant properties on behalf of AHBs, with the AHBs bearing the cost of purchase, regeneration, and maintenance.



Introduce a National Affordable Rental Scheme

Introduce a National Affordable Rental Scheme to be delivered by AHBs and Local Authorities to address the housing needs of intermediate households. Intermediate households are households that struggle in the private rental sector and the market for homeownership, but may not be eligible for social housing or, even if they are eligible, are unlikely to be allocated any, given its scarcity³⁶. This must focus on household income and ability to pay rents sought. A National Affordable Rental Scheme would be in addition to ongoing work on cost rental projects where rent costs are based on the cost of delivery. This includes the Enniskerry Road 'Pathfinder' project, with which Respond is involved. International evidence indicates that systems such as this are not only financially viable; they can form the core of national social housing policy while still adhering to the principle of affordability³⁷.

36 -
 37 National Economic and Social Council (2014) "Financing of Social Housing in Selected European Countries" NESC secretariat papers No. 11. Available online at: http://files.nesc.ie/nesc_secretariat_papers/No_11_Financing_of_Social_Housing_in_Selected_European_Countries.pdf
 38 National Economic and Social Council (2018) "Urban Development Land, Housing and Infrastructure: Fixing Ireland's Broken System". NESC Reports No. 145. Available online at: http://files.nesc.ie/nesc_reports/en/145_Urban_Development_Land.pdf
 39 Chance, D., "Tax landlords 'Aggressively' to cut rents – ESRI" The Irish Independent. Available online at: <https://www.independent.ie/business/personal-finance/property-mortgages/tax-land-hoarders-aggressively-to-cut-rents-esri-38236604.html>



Retrofitting existing stock

Provide a retrofitting budget of at least €20m for older targeted social housing stock of AHBs to upgrade as a measure to address fuel poverty and help meet climate action targets.



Provide state owned lands or serviced sites to AHBs for development

Land in public ownership is a significant resource available to the State. 1,900 hectares of state-owned land has been identified as suited to housing, 1,700 hectares owned by Local Authorities and the Housing Agency and 200 hectares in the ownership of other state and semi-state bodies. This has potential to provide at least 50,000 housing units and is not even all the state-owned land potentially available³⁸. The NESG (2018) report is very relevant here in particular the recommendation for a multi-annual release of land for AHBs to support the development of social housing output and well affordable rental housing. The partnerships between Local Authorities and AHBs should be strengthened, supporting the transfer of sites and developments from council ownership to AHBs. Providing state-owned land or serviced sites from Local Authorities to AHBs would reduce the overall build cost, thus enabling AHBs to increase significantly their social house-building pipelines and plans.



Establish a structured protocol for engagement between the Land Development Agency and AHBs

A structured protocol for engagement between the Land Development Agency (LDA) and AHBs would enable the Land Development Agency to work closely with AHBs, ensuring a continuous pipeline of building land for social and affordable housing. This will assist in providing much-needed homes and support the government to meet its targets for building social and affordable rental housing.



Reform the Vacant Site Levy

Respond supports recent calls from the ESRI to reform this tax to eliminate loopholes and tax vital urban areas more appropriately³⁹. In 2018, the value of residential development land increased by an average of 12% across Ireland. The existing Vacant Site Levy is a limited deterrent to hoarding much needed development land. The vacant site levy for a given area should be set at a rate equivalent to the year-on-year increase in the price of land plus 2%. This would constitute an “accelerator tax” and would act as a financial incentive for landowners sitting on residentially zoned land to develop the lands themselves or to sell to those, such as AHBs, who would develop on the land.

40 Property Industry Ireland, PII Pre-Budget 2019 Submission 2018. Available online at: <https://www.propertyindustry.ie/Sectors/PII/PII.nsf/vPages/Publications~pii-pre-budget-2019-submission-02-07-2018!OpenDocument>

41 Commission on Taxation, (2009) “Commission on Taxation Report 2009”. Available online at: <https://researchrepository.ucd.ie/handle/10197/1447>

42 Collins, M., (2011) “Implementing a Site Value Tax for Ireland”. Available online at: <https://www.nerinstitute.net/research/implementing-a-site-value-tax-for-ireland/>



Reduce VAT on social housing

In order to reach the Rebuilding Ireland targets for social housing, Respond proposes a VAT reduction on materials and services for renovating/reusing existing housing stock for social housing use from 23% to the lower rate of 13.5%. This would have an immediate positive impact on the delivery of social housing. We support calls from Property Industry Ireland for a reduction of the VAT rate from 13.5% to 9% on new housing units up to a certain selling price⁴⁰. In order to achieve stated targets, we argue that VAT on all new social homes should be set at 0% for the duration of the housing emergency.



Introduce a Site Value Tax

Respond support the introduction of a Site Value Tax (SVT) in order to make better use of our existing national housing stock and available land. In 2009, the Commission on Taxation admitted that there was a “strong economic rationale” for a land value tax, but did not ultimately recommend it due to challenges in valuation, implementation, and communication surrounding the tax⁴¹. However, the Commission drew this conclusion outside the context of a housing crisis in which land use is a central concern, as it is today. Respond supports NERI’s recommendation⁴² of implementing a rudimentary version of the tax, using available data on Local Authority population, while developing the land registry of the Property Registration Authority to facilitate more fine-grained implementation.



Greater use of Compulsory Purchase Orders

The State should make greater use of compulsory purchase powers, as was done in the past. This creates the possibility of building homes on sites particularly well positioned for residential development, in this time of emergency need.



Waive developer contributions for social housing developments

Developer contributions to new housing developments vary from Local Authority to Local Authority. In Respond’s experience, development contributions by ourselves as the AHB, in Developer led housing schemes, can make the acquisition of new housing units’ cost-prohibitive for the social housing provider. To that end, we recommend that development contributions be waived when the development is social housing or for that part of the development that is social housing in Developer led schemes. To ensure fairness in any implementation, Developers may be refunded any development contributions paid once social housing has been delivered.



Resource and support communities impacted by multiple disadvantage

Restore funding for community development projects to pre austerity levels and support them to implement a whole system approach to prevent and address severe and multiple disadvantage in communities all round Ireland. This must facilitate sustained collaboration and coordination at all levels.

40 Property Industry Ireland, PII Pre-Budget 2019 Submission 2018. Available online at: <https://www.propertyindustry.ie/Sectors/PII/PII.nsf/vPages/Publications~pii-pre-budget-2019-submission-02-07-2018!OpenDocument>

41 Commission on Taxation, (2009) “Commission on Taxation Report 2009”. Available online at: <https://researchrepository.ucd.ie/handle/10197/1447>

42 Collins, M., (2011) “Implementing a Site Value Tax for Ireland”. Available online at: <https://www.nerinstitute.net/research/implementing-a-site-value-tax-for-ireland/>

Homelessness

4

Context

The homelessness crisis is concentrated both geographically and demographically. Dublin's homeless population is by far the highest in Ireland, which is similar to the situation in most other countries where homelessness is concentrated in capital cities. This is attributable to the high population of capital cities and the fact that people often migrate to cities when in housing difficulties seeking a change in opportunities and/or services and supports. Homelessness is not randomly distributed across the population but is most likely to impact those on low incomes and living in poverty and those in vulnerable populations, with non-Irish national families being three times more likely to be homeless⁴². People who have disabilities are twice as likely to be homeless⁴³ and those from a travelling background are nine times as likely as the general population⁴⁴.

However, the starkest demographic trend, and indeed that which most clearly characterises the current crisis, is the increase in family homelessness since 2014. Whereas the official figure for those in emergency accommodation has increased by 215% from July 2014 to July 2019, that of family homelessness has risen by 400% in the same period, with vulnerable populations such as non-Irish nationals and single parents being disproportionately represented⁴⁵. It is important to note that monthly figures reported do not include rough sleepers and those who

are living in 'hidden homeless' situations staying with friends or family as they have no other choice. They also do not include adults and children in domestic violence refuges, those in direct provision, hospitals or prison.

The impact of homelessness on these families is increasingly well documented by qualitative research. A report released last year by the Children's Rights Alliance⁴⁶ found that homelessness has profound impacts on the basic needs, social and emotional development, and school life of children⁴⁷.

A recent report by the Irish Human Rights and Equality Commission (2019) finds that the effects on children ranged from feelings of low self-esteem and isolation leading to self-harm, to exhaustion and developmental delays, to illness and infectious diseases from living in cramped conditions and having limited access to health services⁴⁸.

43 Central Statistics Office, (2016) Census 2016 Results: Profile 5 – Homeless Persons in Ireland. Available online at: <https://www.cso.ie/en/csolatestnews/pressreleases/2017pressreleases/pressstatementcensus2016resultsprofile-5-homelesspersonsinireland/>

44 Grotti, R., Russell, H., Fahey, É., Maître, B., (2018) Discrimination and Inequality in Housing in Ireland (IHREC and ESRI), p.ix. Available online at: <https://www.ihrec.ie/app/uploads/2018/06/Discrimination-and-Inequality-in-Housing-in-Ireland.pdf>

45 Department of Housing, Planning and Local Government, Homelessness Report April 2019 (2019). Available online at: <https://www.housing.gov.ie/homeless-report-april-2019>

46 McKenna, G., Scanlon G., (2019) Home Works: A Study on the Educational Needs of Children Experiencing Homelessness and Living in Emergency Accommodation p. 46. Available online at: https://www.childrensrights.ie/sites/default/files/submissions_reports/files/Home%20Works%20Study%20on%20the%20Educational%20Needs%20of%20Children%20Experiencing%20Homelessness%20-%20Full%20Report.pdf

47 Respond are a member of the Children's Rights Alliance.

48 Irish Human Rights and Equality Commission, (2019) "Comments on Ireland's 14th National Report on the Implementation of the European Social Charter". Available online at: <https://www.ihrec.ie/documents/comments-irelands-14th-national-report-implementation-european-social-charter/>

A report released last year by the Children’s Rights Alliance found that homelessness has profound impacts on the basic needs, social and emotional development, and school life of children.

While there is no substitute for ambitious and innovative development of our social housing system, protecting the dignity of those using homeless services must remain a priority as long as the crisis persists. One emerging issue is consistent service provision. Even across Family Hubs, generally conceived to be a better form of accommodation for homeless families, services are provided by a wide variety of actors, from NGOs to private companies. Consequently, supports have ranged from brief intervention visiting services to the intensive wraparound services that characterise Respond’s approach. One substantial variable across homeless services for families is access to support staff. This issue is particularly acute for those families who are still “self-accommodating” and thus do not have access to a long-term case manager who may be resident in one particular hotel or hub⁴⁹. However, the Office of the Children’s Ombudsman found that even across Family Hubs there is much variation in access to, for example, child support staff, which parents experiencing homelessness report as being beneficial for ensuring that children have the opportunity to play and develop⁵⁰.

A review of international evidence conducted by the Simon Communities (2019) suggests that prevention services work best when they are universally accessible and part of a broader homeless strategy that involves rapid rehousing services and a strong supply of housing⁵¹. Respond welcomes the expansion of powers of the Residential Tenancies Board (RTB) under the Residential Tenancies Amendment Act and hopes it will play a key role in supporting families and individuals to stay in their homes.

Women’s homelessness can differ significantly to men’s in terms of the causes, experiences and pathways out of homelessness⁵². There has been a feminisation of homelessness in Ireland during the current housing crisis with women accounting for 42% of the adult homeless population which rises to 44% in the Dublin area⁵³. This is further complicated for women when they are pregnant with health concerns for both mother and child. In addition, there can be difficulty accessing healthcare and prenatal programs, which can result in potential prenatal complications going unnoticed⁵⁴. While there are no figures currently available for the number of children born into homelessness, one service reported that 27 women who were homeless and pregnant accessed their services in 2017⁵⁵.

49 Focus Ireland, (2018) *ibid*

50 Ombudsman for Children’s Office, (2019) *No Place Like Home: Children’s Views and Experiences of Living in Family Hubs*. Available online at: <https://www.oco.ie/app/uploads/2019/04/No-Place-Like-Home.pdf>

51 Pleace, N. (2018) *Preventing Homelessness: A Review of the International Evidence* available online at: <https://www.simon.ie/Portals/1/EasyDNNNewsDocuments/223/Preventing%20Homelessness%20-%20A%20Review%20of%20International%20Evidence.pdf>

52 Mayock, P & Sheridan, S (2015) *Simon Communities of Ireland*. Available online at: <http://womenshomelessness.org/wp-content/uploads/2018/01/Women-Homelessness-and-Service-Provision.pdf>

53 National Women’s Council of Ireland (2018) Available online at: https://www.nwci.ie/images/uploads/NWCI_Womens_Health_and_Homelessness_-_6th_April_2018.pdf

54 Homeless Hub. *Homelessness, reproductive health & pregnancy*. Available online at: <https://www.homelesshub.ca/blog/homelessness-reproductive-health-pregnancy> accessed 19th Aug 2019.

55 RTE (2018) *“Increase in pregnant women accessing homeless hostels”*. Available online at: <https://www.rte.ie/news/ireland/2018/0308/945868-homeless/>

Recommended Solutions

The recommended solutions below focus on the prevention of homelessness, improving the quality of emergency responses to homelessness and Housing First. There are also some recommendations in relation to research and data collection. However, the ultimate focus has to be on providing secure homes for individuals, families and children who are in emergency accommodation as quickly as possible.



Continue to fund homelessness prevention services

Continued and increased funding is essential for primary and secondary prevention services such as the Interim Tenancy Sustainment Protocol (ITSP), operated by Threshold which should be rolled out nationally. All local authorities should provide the 20% uplift where a household requires it to improve affordability and as a homeless prevention measure. We also recommend the introduction of legislation to place homelessness prevention on a statutory footing, akin to the Welsh model, matched with appropriate levels of statutory funding.



Ensure the adequacy of the Housing Assistance Payment (HAP)

In the shorter term ensure Housing Payments are keeping pace with market rents increases and ensure the national roll-out of the Homeless HAP Scheme.



End self-accommodation and provision of Emergency Accommodation in hotels and B&Bs

Put in place timelines to end the practices of self-accommodation and providing emergency accommodation to families in hotels and B&Bs, as recommend in the Office of the Children's Ombudsman 2019 report⁵⁶.

⁵⁶ Ombudsman for Children's Office, (2019) No Place Like Home: Children's Views and Experiences of Living in Family Hubs. Available online at: <https://www.oco.ie/app/uploads/2019/04/No-Place-Like-Home.pdf><https://www.focusireland.ie/wp-content/uploads/2018/08/Focus-Ireland-Pre-Budget-Submission-2019-Final.pdf>



Resource improvement in the quality of Family Hubs

Improvements in the quality of Family Hubs must be resourced, see specific details below.

Measures needed include:

- Quality Standards: National Quality Standards Framework urgently needs to be rolled out nationally.
- General improvements: Efforts to improve the standard of homeless accommodation must also address issues of space, noise and facilities within services. International evidence and good practice must inform these improvements
- Inspections: An independent inspections regime must be implemented to ensure quality and consistency in terms of service provision.
- Complaints system: To ensure that the voices of those directly affected by these issues remain centered in this process, implement a consistent and accessible complaints system in all homeless services.
- Further investment in trained and qualified support staff will assist with both the challenges of exiting homelessness and the difficulties inherent in experiencing homelessness.



Provide affordable transport for families who are homeless

Respond supports the recommendations for reviewing the system of providing LEAP cards to families in homeless accommodation, with one possible outcome being the transferal of the scheme to existing schemes in the DEASP or DES⁵⁷. Ensuring that both parents and children have access to LEAP cards, regardless of whether the children are school-going, will facilitate families travelling to viewings of potential move-on properties and help the families with both necessary and recreational travel. Ensure facilities are located with accessibility to public transport and within walking or cycling distances to services.



Resource emergency services targeting women who are homeless and pregnant

It is essential to resource specific emergency services (accommodation and support) providing stability, support and access to healthcare targeting women who are homeless and pregnant.



Housing First

Ring-fenced resources for the rapid implementation of the National Implementation Strategy for Housing First so they are not absorbed into meeting the costs of emergency accommodation. Social and affordable housing targets must include standalone targets to deliver a supply of one-bedroom units required to meet existing and future national Housing First targets.



Research and Data

Research: A review and evaluation of Family Hubs nationally should be undertaken in 2020, led by the Dublin Regional Homeless Executive, to guide and influence service provision across the many service providers. This should involve all key stakeholders, including NGOs. Respond would welcome being part of this process.

Data: The development and implementation of improved practices in data collection, disaggregation and reporting concerning homelessness among families is critical. It will allow for better understanding and contextualising families' pathways into homelessness, their experiences while homeless and, importantly, their pathways out of homelessness into homes of their own.



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