

# Review of Dublin City Council Scheme of Lettings – Impact on the Homeless Crisis

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## Introduction

Dublin City Council is currently considering a number of changes to the scheme of letting priorities for social housing. The most dramatic proposal is to remove ‘homelessness’ as one of the grounds for priority access to social housing.

The reasons behind the proposal are complex, but relate to competing ideas of ‘fairness’ in allocating scarce resources and to anxieties about the impact of the current system on the choices made by families facing homelessness. However, insufficient attention has been given to the impact it would have on the overall level of homelessness.

In 2017, 318 of the 1,586 lettings of Social Housing went to homeless families. Under the proposed new scheme, few of these families would have been allocated social housing. If, as seems likely, they would have then remained homeless, family homelessness would have stood at 1,439 at the end of 2017 (as opposed to 1,121), and would have cost the taxpayer an additional €17,800,000.

There are some measures in the proposed changes and in the subsequent discussion which might have the effect of reducing that impact, but it is quite unclear what is proposed and the impact is uncertain. For councilors to introduce such a radical change in social housing allocations in the midst of a homeless crisis is a huge and potentially very expensive risk.

Deputy Chief Executive, Brendan Kenny has proposed that after the measures are introduced their impact will be assessed. Focus Ireland argues that changes of such potentially damaging and costly impact should be fully assessed *prior* to being introduced. We are asking that the proposed changes are put on hold while their likely impact is assessed by an independent expert on homelessness and a wider range of options is considered.

The rest of this note sets out the basis for Focus Ireland’s concerns about the proposal to end the practice of ‘homeless priority’ in Dublin City Council. These concerns are based on our experience as the city’s designated ‘Family Homeless Action Team’ and our role in working with the majority of homeless families in the city for over two decades.

Many of the considerations we raise here in relation to homeless families may well also apply to homeless individuals and to childless couples, who continue to make up a large proportion of Dublin’s homeless population. However, data on the role of social housing allocations to these groups is not available to us. The absence of published data on such a large group is further reason for putting the proposal on hold and seeking expert advice.

**Homelessness is not static – families move into homelessness and out of it.**

The underlying causes of Dublin’s family homelessness crisis are fairly simple – there is insufficient housing available for everyone who needs it – but the way the problem manifests itself is complex and rapidly changing.

Family homelessness in Dublin continued to rise in 2017, but it was not rising as quickly as it was in previous years. But behind this reasonably positive news, there is a more worrying pattern of a very substantial increase in the number of families becoming homeless. This increased flow into homelessness has been largely balanced by a similar increase in the number of families leaving homelessness. So while more families became homeless across Dublin in 2017 than in any previous year (976), more families also left homelessness (883) – so that the final number of families only went up by only 93 (from 1028 in December 2016 to 1121 in December 2017).

One way of seeing this is the total number of families that experienced even a short period of homelessness has grown very rapidly.

Total number of families experiencing any measured length of homelessness per year

2015	2016	2017
1,123	1,647	2,098

Dublin Regional Homeless Executive and the City Council, along with voluntary sector partners such as Focus Ireland and Threshold, have been working at full capacity to reduce the number of families becoming homeless and maximising the numbers moving out of homelessness.

Without Government action to give tenants greater rights when their landlord (or their landlord’s lender) is selling up, it is hard to see that much more can be achieved preventing the flood into homelessness. In addition to the 883 families supported out of homelessness across all four local authorities in 2017, a further 817 families were prevented from entering homelessness using a combination of HHAP and social housing stock.

Given this already considerable Dublin-level work on preventing homelessness, and the apparent unwillingness of the Government to strengthen the rights of tenants, the Council should assume that the pattern of flows into homelessness is likely to continue in the same

pattern – probably rising to an average of around 100 per month in 2018. Any changes in the pattern of exits from homelessness then will have a very rapid and significant impact on the total number of families in emergency homeless accommodation.

### **Impact of the proposals on exits**

Focus Ireland’s Family Homeless Action Team provides case management support, on behalf of the DRHE and the local councils, to the majority of families who are homeless in Dublin. The data from these services show that 1 in 3 of the families we supported to move out of homelessness moved into the private rented sector (with HHAP) while the remaining two thirds relied on social housing to exit homelessness. This experience tallies closely with figures produced by the DRHE for the housing SPC in February 2018 which showed that 578 (40%) of all households (i.e. families and singles in all four local authorities) exiting homelessness went into the private rental market, while 856 (60%) of household were supported using social housing stock.

Given the reliance on exits to social housing for homeless families, a decision to close off social housing allocations to them, or to severely reduce them, will lead to a rapid growth in the number of families in emergency accommodation, unless alternative exit routes are developed.

### **What is proposed instead of priority social housing allocations?**

#### **Can Homeless Housing Assistance Payment compensate?**

In the discussion of the proposal, council officials have indicated that the staffing levels in the ‘place finders’ service will be increased. This is expected to increase access to private rented accommodation and compensate for the ‘lost’ social housing allocations. However, this proposal relies heavily on the private rented vacancies actually being available for the accommodation finders to find.

Recent reports from property website daft.ie has shown a private rental market with escalating rents and reduced availability<sup>1</sup>.

Exits to private rented accommodation are already much higher than has ever been achieved in the past, even before the housing crisis. Many homeless organisations already operate their own rental finding services in addition to ‘Place finders’ and there is good reason to believe that we are nearing the point where any expansion of the place finder’s team will not yield significantly more properties.

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<sup>1</sup> <https://www.daft.ie/report/2017-Q4-rental-price-daft-report.pdf>

In addition to this lack of available supply there is the problem of a growing number of HAP landlords requiring significant levels of topping-up from €100 to €300 a month and even work references from prospective tenants.

Given this picture, it would be highly risky to assume that exits into the private rented sector could be tripled to compensate for the loss of exits to social housing.

### **Would the same number of homeless households still be allocated social housing?**

In responses to some councillors, officials have indicated that the same number of social houses would continue to be allocated to homeless households, but that the allocation would not be on the basis of their homelessness. If this were the case, our concerns would not be valid, but since it seems implausible that over 300 homeless families are already at the front of the housing queue, it is hard to see how such an outcome could be achieved. If other forms of administrative prioritisation are to be used, then some thought would need to be given to their impact on the whole housing/homelessness system. We are not aware of any data on how many homeless families would qualify for social housing in the absence of homeless priority, and without this it would be very unwise to rely on this measure.

### **What would be the impact of allocating social housing to HAP tenants?**

A further proposal from the Council is that households that took up the option of HAP would, while moving to the 'transfer list' retain some level of priority in the housing list. The 20% of housing allocations which currently go to 'homeless households' would instead go to HAP tenants. Allowing households that take up HAP to retain their 'time on list' priority in the transfer list is itself a welcome step, and follows a successful approach adopted in other areas, as it removes one of the disincentives to take up HAP. However, the detail of this scheme has not been published (would it only apply where HAP tenancies were terminated by the landlord, or would it apply even where there was a secure on-going tenancy in place?). Without the details of the scheme it is hard to assess its impact, but it is highly unlikely that a significant proportion of the HAP tenancies 'freed up' by moving tenants from HAP to social housing could be recycled to support other families to move out of homelessness.

### **Would the proposal reduce time spent in Homelessness?**

One part of the rationale for the deprioritisation of homelessness in the scheme of lettings is analysis undertaken by the DRHE that shows that most of the take up of HHAP is in the first 6 months of homelessness.

We do not dispute these findings, they are in line with exit analysis undertaken by Focus Ireland. It is a source of grave concern to all of us that despite the higher than ever exit rate from homelessness, the number of families homeless for more than two years continues to rise (figure 1).

**Figure 1: Time experiencing homelessness for families in Dublin Region**



This graph tracks the changes in the duration of homelessness of families experiencing homelessness on given dates. Sourced from Questions submitted by Dublin City Councillor and Quarter 4 report from the Dublin Region Homeless Executive

Source: Dublin Region Homeless Executive



The Focus Ireland analysis indicates that families that have the most insecure pattern of housing prior to becoming homeless are the ones which are most likely to remain in homelessness in the longer term.

This suggests that families which have higher levels of social challenges and are most vulnerable are the ones who are finding it hardest to exit homelessness. This is not a surprising finding, but requires some reflection as to what is the best policy response.

The current proposal from Dublin City Council to close off the option of social housing for these families does not appear to be in their best interest and is likely to have long-term consequences for them and their children.

### What can we learn from different approaches to priority allocations

It is important to recognize that the issue of social housing allocations during a housing shortage raised real questions of fairness and impact. Different jurisdictions have made different responses to this, and the impacts are there to be seen. In the UK generally, homeless families have had absolute priority for social housing for over 30 years, and the issues arising from this have been studied and responded to over that time. For instance, Scotland responded to the question of how you balance the needs of ‘homeless priority’ households with those in

overcrowded and dangerous accommodation by broadening the concept of 'homelessness' so that not only families in emergency accommodation benefit from homeless priority. In Wales, they radically changed the way local authorities prioritized and responded to different forms of household.

### **Look at the options and impacts before deciding.**

At first sight, Councillors appear to be asked to decide whether to continue with 'homeless priority' or not; but in reality the range of choices and systems is much more complex and exactly what is being proposed to replace the current system is unclear.

There are some recommendations in the schedule which we believe can be safely proceeded with, for instance

- Those in difficult or severe overcrowding situations should be able to avail of HHAP
- That those who take up HHAP should retain their time on the housing list and
- Additional resources should be allocated to the place finder service.

If these 3 proposals are enacted, current social housing levels are retained, and the rationale is correct we are likely to quickly see a decrease in the number of families experiencing homelessness. In addition, we believe that specific priority should be given to young care leavers who are at risk of homelessness.

However, the proposal in relation to abolishing homeless priority, while addressing valid and important issues is, at best, unproven and has a real risk of making an appalling situation even worse, with devastating consequences for families. The impact of the proposed changes might be to close off a route out of homelessness for over 300 families, resulting in a bill for an additional €18m; on another view it will make no difference at all as all the families will be allocated social housing, but on a different basis. To make a decision with such enormous impact with such little information in the middle of housing crisis would be unwise.

There are number of internationally recognised experts, in Ireland and elsewhere, who have studied that impact of housing allocations systems on homelessness in a variety of contexts.

We are asking that Dublin City Councillors postpone their decision on the new scheme of lettings pending an expert report on how best to amend the scheme so as to reflect the need for fairness and to have the most beneficial impact on homelessness. The review would look at a range of options for ending, broadening or changing prioritisation on the housing list, and the likely impact of each on flows out of homelessness and the choices made by households facing (or at risk of) homelessness.

While a number of experts could be considered to undertake this review, we would draw your attention to three whose work in this area we are aware of through our research programme.

Prof Suzanne Fitzpatrick of Herriot Watt University, Edinburgh, who has worked with a number of public authorities and studied the impact of such systems in England, Scotland, Northern Ireland and Wales.

Prof Nicholas Please, Housing Studies Unit, York University, England, who has reported to the British Government, local authorities and other Governments on the impact of housing allocations systems.

Prof Michelle Norris, UCD, who is the leading expert in Ireland on social housing and Chair of the Housing Finance Agency

23<sup>rd</sup> March 2018