Budget 2023

Recommendations to Government:

FOCUS Ireland

Challenging homelessness. Changing lives.

Focus Ireland Budget 2023 Recommendations to Government:

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Focus Ireland have already submitted our full budget proposals to all relevant Government Ministers in recent months. This more concise document outlines the key actions which we are calling for the Government to include in Budget 2023. You can review our full Budget Submission at https://www.focusireland.ie



Section 1: Policy recommendations requiring no budgetary allocation

Policy and practice recommendations to address homelessness efficiently and effectively						
Social housing	 Restore priority for homeless households in allocating social housing. Increase the supply of social and affordable housing for individuals with complex support needs. Expand the priority areas for SHIP and CALF (Capital Advance Leasing Facility) acquisitions to include cases where a landlord has decided to sell, and the household is at risk of homelessness if Local Authority or AHBs (Approved Housing Body) does not acquire the property. 					
Emergency Accommodation	 Prioritise households in emergency accommodation for over a year for intensive case management to facilitate exits out of homelessness. 					
Housing First	 Permit greater local flexibility on use of 2 bed units for Housing First where no 1-beds are available. Conduct feasibility review for pilot programmes applying Housing First principles and practice to young people and families who are homeless and have complex support needs. 					
Housing First for Youth	 Ensure that all Local Authorities consider Housing First for Youth as part of implementing the Youth Homelessness Strategy. 					
Homeless HAP	 Extend Homeless HAP and streamline timelines across all local authorities to simplify process for vulnerable recipients. 					
Evidence- Informed Policy	 Collate and publish data on a wider definition of homelessness and 'housing insecurity' in line with FEANTSA's ETHOS Light framework.¹ Standardise the criteria for the monthly homeless figures, with a view to expanding and standardising the categories of homelessness that are included. 					
Housing-led solutions to Gender-based Violence	 The new agency under the Department of Justice with responsibility for domestic and gender-based violence, should seek to represent relevant inter-departmental stakeholders from DHLGH, DCEDIY and Housing Sections of Local Authorities. Given the prevalence of domestic violence in the home (as noted in Dr. Mayock's research),² solutions to gender-based violence should be housing-led addressing the immediate housing needs for those experiencing gender-based violence. 					

Private Rented Sector	• Develop and implement a new strategy for the Private Rented Sector.
SHIP and CALF Acquisitions	• Explore solutions to provide funding for SHIP and CALF acquisitions of properties where households are at risk of homelessness outside of the 200-unit annual acquisitions ceiling.
Direct Provision	 Implement White Paper on Direct Provision to ensure all those seeking international protection can be afforded adequate housing and live in the community.

^{1.} See: FEANTSA, ETHOS Light, European Typology for Homelessness and Housing Exclusion <u>fea-002-18-update-</u> ethos-light-0032417441788687419154.pdf (feantsa.org)

^{2.} Mayock, P., Bretherton, J. and Baptista, I., 2016. Women's homelessness and domestic violence:(In) visible interactions. In Women's homelessness in Europe (pp. 127-154). Palgrave Macmillan, London.

Section 2: Introduction

As Ireland begun to emerge from the Covid-19 pandemic, 2022 has brought unprecedented levels of uncertainty right across Irish society and the global community. There is a deepening cost-of-living crisis right across Europe and economies recovering from the pandemic have been hit again by the conflict in Ukraine. Ireland is rightly playing its part to help with the shocking humanitarian crisis caused by the conflict.

Notwithstanding all these external shocks, the national housing and homelessness crisis remains the dominant social, economic, and political challenge of our time. Figures published by the Department of Housing, Local Government and Heritage (DHLGH) in June 2022, show the number of people who are officially homeless has risen again above 10,000, a level not seen since before the pandemic. There were 10,568 people in emergency homeless accommodation in July, 2,436 more than a year ago. Of the 10,568 people currently in homelessness, over 3,000 children are now homeless together with their families.

Homelessness is past the point of crisis. It is now a social emergency which requires urgent action.

The lifting of emergency legislation passed by Government during the pandemic in April 2021 led to a worrying rise in the number of pending evictions in the private rented sector. Data from the Residential Tenancies Board (RTB) shows that the number of Notices of Termination (NOTs) received by the Board increased by 89% compared with the number of intended evictions for the same period in 2020. Adding to this pressure, is the worrying trend of landlords leaving the market.

There has been a significant increase in the number of NOTs served in 2022, with a larger proportion of landlords citing an intention to sell and exit the property market, further reducing supply. As Focus Ireland's evidence-informed approach is to move beyond 'managing' homelessness and towards ending long-term homelessness for good, we know that the primary solution is building more social and affordable housing. The construction industry is experiencing continued delays due to the disruption of Covid-19, which led to a drop in the number of completions of new-build homes that were expected by the end of 2021.

With high demand and persistent under-supply, property costs continue to increase as demand outstrips supply. While Covid-19 brought a high degree of uncertainty, the Government responded with innovative and successful interim solutions. These solutions temporarily prevented monthly flows into homelessness.

As always, there are lessons to be learned in times of crisis. Recent crises have demonstrated the potential for innovative solutions and joined-up thinking to solve complex problems.

It is this type of innovative and collaborative 'whole of government approach' that is needed to better tackle homelessness. The Government's commitment to building more social and affordable homes as outlined in 'Housing for All' is welcomed, however urgent action is needed to realise these targets. Focus Ireland has long advocated that preventing homelessness should be our priority and that the solution to homelessness is homes, not emergency shelter.

While successive budgets have increased the total expenditure on homelessness, our "Focus on Homelessness" research³ shows that three-quarters of expenditure is on emergency/crisis or 'passive' measures to provide immediate shelter, instead of 'active' measures to achieve long-term, stable housing.⁴

The proportion of expenditure on 'active' measures which alter the circumstances of the person at risk of or experiencing homelessness, has declined year on year. It is vital that we ensure our budgetary priorities are directed towards 'active homeless measures' (such as prevention and building public homes), while also ensuring that emergency accommodation is available to those in need.

At EU level, Focus Ireland welcomes the Government's commitment to the Lisbon Declaration to end homelessness by 2030. The 2023 budget is an opportunity for this shared European commitment to be expressed in a strategic roadmap, setting out key milestones to ending homelessness. Focus Ireland welcomes the opportunity to engage with government stakeholders on this.

So many households are struggling to pay their bills including rent or mortgages. Budget 2023 must not fail them, as if it does we will see rising levels of homelessness and poverty in Ireland in the coming year.

3. Focus on Homelessness Special Edition Vo. 2 June 2020 https://bit.ly/3xb4b0F

4. See discussion of 'active' and 'passive' homelessness measures in '7-years of homelessness spending – it's time for change' https://bit.ly/396Exyv

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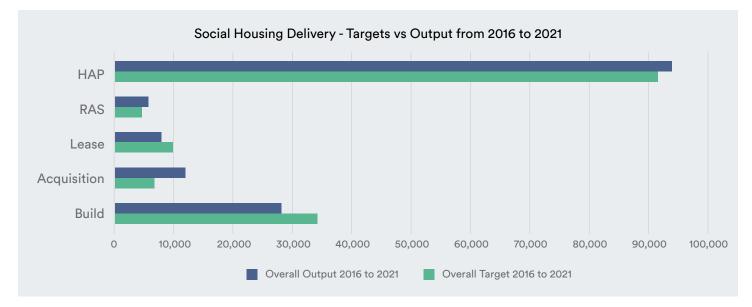
Section 3: Expenditure proposals

Department of Housing, Local Government & Heritage

A. Increasing Social Housing Supply

Housing for All's commitment to providing an additional 90,000 social housing units by the end of 2030 is very welcome and necessary, as is the increased capital investment of €4bn for housing in line with ESRI recommendations. Nonetheless, achieving this level of output will be challenging to meet. Increasing the supply of social housing will continue to face serious challenges and we recognise the difficulties of achieving the social housing targets given the continuing effects of Covid-19, and its effect on construction supply chains, the fallout from Brexit, rising inflation costs, expected interest rate rises, the cost-of-living crisis, and wider geopolitical uncertainty.

While targets and ambition are important, they are meaningless if they are not delivered upon, and the reality is that social housing output has been far lower than needed across the last decade and that private rental subsides have been overly relied upon in place of sufficient social and affordable housing.



Source: Data from gov.ie - Social Housing Delivery - Progress against Targets (www.gov.ie)

We remain far from reaching the number of social housing units we need. In 2021, only 5,202 new builds, 1,270 acquisitions, and 2,711 leases were added to the social housing stock.⁵ This is in the context of the Social Housing Needs Assessment 2021 showing a total number of 61,880 qualified households, with approximately 60,000 HAP tenancies in place nationwide.

Gov.ie- Social Housing Delivery - Progress against Targets: <u>https://assets.gov.ie/111499/84fa9712-fa4a-472f-ac74-05bc2246838c.xlsx</u>

Actions Focus Ireland Believes will Improve the Delivery of Social Housing

Land Development Agency

The establishment of the Land Development Agency (LDA) in 2018 was a positive move towards utilising public land for development and presents an opportunity to ramp up the building of social homes and cost rental homes on public land at scale. However, thus far, the pace of delivery of the potential 21,000-26,000 homes that could be delivered on public land has been slower than is required. Housing for All provided an additional €1bn to the LDA to bring total capital available to €3.5bn to enable the delivery of new affordable homes on public lands that otherwise would not have been delivered or would be delivered much more slowly.

Land Development Agency

- Ensure sufficient budget and resources is available to State Agencies responsible for land transfer to the LDA to ensure that public lands are speedily transferred so construction can commence urgently.
- Ensure the budget allocation to the LDA is sufficient so that it has the resources to ensure that a minimum of 20% social, 20% cost rental and 60% 'affordable for sale' is provided on all LDA land.

While design, planning and construction of previously undeveloped land will always take time, recent reports suggest that many of the homes that are to be built by the LDA will not enter the planning process until 2025 at the earliest, and that some sites are not expected to enter the planning system until 2028, with building not commencing until potentially into the next decade for some sites.⁶ Every barrier must now be removed to ensure that the LDA and the other State Agencies with reponsibility for transferring land, can deliver the maximum amount of social housing, cost rental or affordable rental housing as soon as possible.

Housing on public lands should not be offered for sale because of an inadequate LDA budget, and should only take place on the basis of providing socially mixed communities or where existing structures are unsuitable for social or cost rental housing. All 'affordable for sale' property should be sold on an 'ensuring affordability' programme outlined below.

Prioritise making vacant homes available for use as social housing

1. Streamline data in relation to vacancy and develop agreed definitions of vacancy and dereliction amongst stakeholders

While it is understood that widespread reform, policy change, and a rapid build programme of social and affordable housing is needed to address current housing shortages, prioritising vacancy could make a significant contribution to ending homelessness and improving supply. According to the CSO,⁷ over 48,000 vacant dwellings were identified in both the 2016 and 2022 census. This figure represents consistently vacant dwellings and excludes other categories such as holiday homes. While data on vacancy exists, there are inconsistencies in defining and monitoring vacancy which could be addressed by DHLGH in the form of agreed definitions, data collection and action plans. Focus Ireland is calling for the following actions to help improve housing supply from vacant/derelict stock.

7. Central Statistics Office, Census 2022. Housing - CSO - Central Statistics Office

^{6.} See Irish Times https://www.irishtimes.com/politics/2022/06/11/planning-for-state-sites-to-accommodate-12000-homes-will-not-begin-until-2025-or-later/

Streamline funding and resources to address vacancy

- Ensure funding and resources are available for a mimimum of one full-time vacant homes officer in each Local Authority.
- Streamline the coordination of vacant housing officers in Local Authorities to better identify vacant housing stock at county level and bring stock back into use.
- Establish and resource a Vacancy and Dereliction Unit in the Department of Housing, Local Government & Heritage, with an initial fund of €500,000, to support effective actions to bring vacant homes into use as social housing.

2. Incentivise owners to bring vacancy properties back into use as social housing

Review and implement changes to the Repair and Lease Scheme

• DHLGH to undertake a comprehensive review of the Repair and Lease Scheme with a view to incentivise greater take up of the scheme in line with the recommendations from the Joint Committee on Housing, Local Government and Heritage's report on Urban Regeneration.

Matching demographics to unit size

Despite its well documented limitations, the Social Housing Needs Assessment (SHNA) gives us some guidance to allow us to plan for the type of households in need. To date, Local Authorities have been largely led by availability from private developers and Part V, which means that the unit type has been dictated by the private market. Local Authorities should be planning housing by reference to the local Social Housing Needs Assessment, based on the need to ensure that appropriate stock is available to accommodate various household sizes. Where the market is not providing such units, the Local Authority needs to guide overall supply through its planning processes and act directly by building for purpose.

Prioritise the construction of 1-bed and larger units

• Resource the DHLGH and Local Authorities to enable the monitoring and delivery of 1-bed and 4-5 bed housing units in line with Social Housing Needs Assessment.

B. Private Rented Sector

All other elements of the strategy to tackle homelessness depend upon a sufficient supply of affordable housing, which must be delivered through new build or renovation of existing vacant or derelict stock. While all elements of the housing system continue to face serious challenges, the driver of rising homelessness continues to be a lack of social and affordable housing. This has led to an over-reliance on the private rental market, which is susceptible to volatility and fluctuations associated with wider economic policies. As the DHLGH is aware, supply constraints in the face of continuing high demand in the property market, is placing considerable pressure on the private rental market. The rental market is also the key driver of exits from homelessness. Of those who exited homelessness in 2021, approximately 61% exited via HAP.⁸

Table 2.7: Current Tenure									
Breakdown of the	2020		2021		Change 2020 / 2021				
Current Tenure	No. of HH	%	No. of HH	%	No. of HH	%			
Private rented accomodation (with and without Rent Supplement)	28,194	45.6	25,437	42.9	-2,757	-9.8			
Living with parents	14,825	24.0	15,046	25.4	221	1.5			
Living with relatives / friends	6,431	10.4	6,506	11.0	75	1.2			
Emergency accommodation / None	6,188	10.0	6,040	10.2	-148	-2.4			
Other ⁹	4,562	7.4	4,603	7.8	48	0.8			
Owner occupier	1,682	2.7	1,615	2.7	-65	-3.9			
Total	61,880	100.0	59,247	100.0	-2,633	-4.3			

Source: gov.ie Summary of Social Housing Assessments 2021 - Key Findings (www.gov.ie)

There were 25,437 people on the Housing List in 2021 who were living in private rented accommodation (with or without rent supplement). Beyond the official wating list, a further 60,000 households in HAP tenancies at the of 2021. The number of households eligible for social housing which are being accommodated in private rental housing is increasing demand of a shrinking stock, particularly in urban areas, pushing rents to unsustainable levels and pushing lower income households who are ineligible for social housing into serious deprivation and poverty. Landlords leaving the rental market is a key driver in the rising number of households becoming homeless. The Government needs to act in the Budget to help keep landlords in the market which will help to reduce the numbers of people becoming homeless. Focus Ireland is calling for the following actions:

Targeted Taxation Measures for Small Landlords

Most of the debate on landlord taxation by commentators and landlord representatives has concentrated on the general treatment of landlord income and comparisons between the tax treatment of individual and corporate landlords. Focus Ireland recognised that there are critical issues to be considered here in relation to how a well-regulated private rental market would best operate within a functioning housing system. However, we do not believe that this is the appropriate debate at this stage and runs the risk of benefiting landlords who had no intention of leaving the market while not dissuading those who plan to sell. The current incentives structure for landlords should be reviewed, balancing these measures with security of tenure for tenants to prevent people from falling into homelessness and to ensure the availability of rental market properties.

Tax Relief Measure for Landlords to Remain in Rental Market

The current trends observed by Focus Ireland services regarding the significant rise in Notices of Termination (NOTs) is leading to increased evictions in the private rental market and remains a primary driver of monthly entries into homelessness. Introducing a grant scheme whereby landlords receive funding to upgrade properties on the condition that they commit to longer leases, would provide both an incentive for landlords to remain in the market until social housing supply levels improve, and a more adequate level of security of tenure for tenants.

Focus Ireland proposes a tax relief measure for small landlords which explicitly links a commitment to remain in the market (i.e., temporarily forego the right to sell the property) with a tax relief scheme which accrues over a period of 6 years. Others are in a better position to assess the most cost- effective level of relief, however one option would be to accrue all, or part of the difference between the lower and the higher rate of tax, to be payable in the final year – in a scheme like the Special Savings Incentive Account (SSIA) scheme in the past. While there is some risk of high rates of landlords selling at the end of scheme, it is important to note that there is no incentive to do so, and a lot will depend on the housing market at that time. If the scheme is successful, and still necessary, further phases could be considered.

Capital Gains Tax Relief for Properties Retained as Rental Accommodation

The 2017 Report of the Working Group on the Tax and Fiscal Treatment of Rental Accommodation Providers , and the recent Tax Strategy Group papers¹⁰, examined the option of introducing a Capital Gains Tax (CGT) relief of 4 per cent per annum where a property is purchased with a tenant in situ and is retained as a rental property for a minimum of five years.

Focus Ireland welcome the introduction of such a scheme and recognise that some rental properties will inevitably be sold, and these must be retained as rental accommodation, but we believe a CGT relief scheme needs to go further than just targeting properties that are being acquired and retained as rental accommodation. We recognise that some landlords need to sell their properties and that measures to keep such properties in the rental market, without disruption to the sitting tenants, are needed at this point.

We believe that CGT relief schemes could be used to go further than just targeting properties where the landlord has decided to sell and could incentivise landlords to remain in the market. CGT relief should be explored for landlords with 1 or 2 properties which are linked to a commitment to remaining in the market in the medium term (i.e., foregoing the right to evict to sell, replace the tenant with a family member or upgrade the property for several years). This could incentivise owners who are considering eviting-to-sell in the next five years to retaining their rental property for longer if it is financially worthwhile.

Grant Scheme for Landlords to Remain in Market

- Focus Ireland is calling for DHLGH to consider a grant scheme under which landlords receive funding to upgrade properties on the condition of commiting to long leases.
- The duration of the leases could be dependent on the scale of grant received.
- Homeless Quarterly Progress Report- Quarter 4 2021, March 2022 <u>https://assets.gov.ie/214265/8f4d513a-3ec5-42d6-91ed-3bcbe85f184c.pdf</u>
- 9. See https://assets.gov.ie/190638/5704d804-88fc-4414-933a-c2928f330bc6.pdf
- 10. See gov.ie Budget 2023 Tax Strategy Group papers (www.gov.ie)

Housing Assistance Payment (HAP)

HAP remains the primary exit vehicle from homelessness in 2021, representing approximately 61% of all exits. However, the number of households able to exit so far in 2022 has fallen sharply mainly due to the significant shortage of private rental accommodation, specifically using HAP, which has heavily been relied on in recent years, making up between 60-70% of exits between 2016-2021. A total of 394 households exited homelessness using HAP in the first half of 2022, compared with 2,000 households in the first half of 2021. The number of active HAP tenancies in the State was 60,747 on 31 December 2021, an increase of 4.5% on the same date in 2020. There are now over 120,000 households in need of social housing. There were 59,247 on the social housing waiting lists at the end 2021¹¹.

Focus Ireland believes that the private rental sector is not a suitable provider of social housing, however, we recognise that the private rental sector will remain essential in meeting the needs of tens of thousands of households over the coming decade until social housing stock is increased. It is therefore essential that (i) social households are supported while they are waiting in the private rental sector and (ii) that landlords are incentivised to remain in the rental market, as we are already seeing a significant reduction in the number of properties available to rent. Despite the rise in market rents year on year, HAP rates have not increased since 2017. This means there is a widening gap between HAP rates and market rates, with tenants picking up the difference by way of 'top-ups.' This gap falls on HAP tenants who, by definition, have extremely limited financial means. The following actions are required to improve the security of HAP tenancies for households.

HAP

- The maximum rent limit on HAP properties should be urgently increased to reflect increases in market rents over the last 6 years.
- The practice of 'top-ups' to landlords should end. This would mean that Local Authorities collect all rent due directly from tenants.
- HAP tenants in arrears should be treated similarly to social housing tenants.
- No household should pay more than 30% of their net income on housing costs.
- Local Authorities should establish a transparent process to review HAP payments

Prevention

Focus Ireland has long advocated for the prevention of homelessness as a key solution. This means targeting resources and supports towards effective interventions, prior to an individual or family becoming homeless. For example, Focus Ireland's Advice and Information service provides customers with individualised advice and caseworkers where required, try to prevent them from becoming homeless where possible or to assist them in finding emergency accommodation. International experience has demonstrated the importance of targeted prevention. 'For example, Finland, an early adopter of the Housing First model in Europe, saw homelessness fall by 35% between 2008 and 2015.¹²

An important part of this success has been the targeting of prevention, where advice and information services specifically targeted at arrears, often termed "housing counselling," provides customers with guidance on their housing issues before it reaches the point of eviction and subsequently homelessness. While Ireland's monthly homelessness figures have continued to rise in 2022 and are now at record levels, we acknowledge that many Local Authorities are carrying out important preventative work at the regional levels.

- 11. Summary of Social Housing Assessments 2021 Key Findings, March 2022: <u>https://assets.gov.ie/219921/a5419e65-a5ff-4c84-80de-1f18919e0c73.pdf</u>
- 12. Fighting homelessness through the Finnish Housing First model The Progressive Post

However, the degree of variance between Local Authorities in their approaches remains a key challenge for our frontline services in assisting customers. We would welcome the streamlining of preventative services across all Local Authorities to improve the consistency in homelessness prevention nationwide.

Homelessness Prevention Unit

• Establish and resource a Homelessness Prevention Unit in the Department of Housing, Local Government & Heritage, linked to the Homeless Inter Agency Group, with an initial fund of €500,000 to support effective prevention actions.

Ending Family Homelessness – Housing First for Families

According to the latest homelessness figures, there were over 3,137 children in homelessness in July 2022. Focus Ireland is deeply concerned about the rising figures in family and child homelessness, and moreover the long-term impact of childhood homelessness, which is widely recognised as a traumatic life event and adverse childhood experience with lasting impacts into adulthood. The recent EU Child Guarantee highlighted that Ireland's Child Poverty rate is higher than the EU average. As a Member State with a rate of children at risk of poverty or social exclusion above the EU average of 23.4%, under the EU Child Guarantee Ireland is obliged to spend at least 5% of their European Social Funding allocation on actions that contribute to children's equal access to, amongst other things, decent housing.¹³

Focus Ireland looks forward to working with other sectoral and Government stakeholders on the national implementation plan for Ireland to improve outcomes for vulnerable children. Ireland will receive €451 million as part of the European Social Fund between 2021 and 2027. As part of the EU Child Guarantee, Ireland must spend €22.5 million on programmes tackling child poverty. A small portion of this should be used to develop, implement, and then evaluate a pilot 'Housing First for Families' programme to help 90 families with complex needs who have spent more than two years in homelessness (including in a Family Hub).

This provides Ireland with an impetus, backed by funding, to launch a Housing First for Families programme. The overwhelming majority of families that are homeless only require affordable housing and some short-term tenancy support to settle in. However, a small proportion of families, estimated to be around 10-15% of the families that become homeless, have complex support needs. Unlike individuals with complex needs who have a high risk of persistent long-term homelessness, families with complex support needs have a risk of moving in and out of homelessness over lengthy periods, with repetitive traumatising effects upon children. Ireland has already achieved success in implementing Housing First for adults who have high levels of need. Focus Ireland proposes a structured 'Housing First for Families' pilot to address the needs of families who have been homeless for more than 24 months, many of whom have complex needs which present barriers to securing a home and need intensive support to address these issues and sustain their housing.

Housing First for Families

• Allocate €3.6m to develop, implement and evaluate a pilot 'Housing First for Families' response for 90 families around Ireland who have complex needs and have been homeless for more than two years.

13. See Children's Rights Alliance Q&A https://bit.ly/3gCMaSR

Achieving the 2030 Lisbon Declaration

Focus Ireland welcomes the Government's commitment to the Lisbon Declaration to work with EU Member States to end homelessness by 2030. To achieve this goal, Focus Ireland believes it is vital to set out key milestones to ending homelessness.

Lisbon Declaration

• Make funding available at Assistant Principal Officer level in Homeless Unit to ensure delivery of Ireland's commitment to Lisbon Declaration to end homelessness by 2030.

Department of Public Expenditure and Reform

Section 10 Funding

An increase in Section 10 general funding is required to support prevention services. Focus Ireland's Advice and Information service receives thousands of queries every month, to support customers at risk of homelessness and to prevent homelessness through case management, legal advice, or advocacy where required. For instance, our advice and information services received a total of 38,406 queries in 2021. Many of these queries required continuous casework support to help prevent homelessness or provide additional supports to those in emergency accommodation. Additionally, our Tenancy Sustainment Support services works with customers in multiple regions to keep them in their homes and provide support and guidance.

Focus Ireland has long advocated for the prevention of homelessness in the first place where possible, as opposed to managing homelessness in shelters or emergency accommodation. As the latest housing figures have reached over 10,000 in total, our services are coming under intense strain and require adequate funding to prevent further rises in homelessness. Moreover, with inflation at a 22-year high of 6.7%, there is a need to increase funding for staff resources in line with inflation and service level agreements.

Section 10 funding

Increase section 10 general funding to reflect inflation and service level agreements.

The rising cost of inflation is causing considerable challenges across the sector, where vital preventative services and wrap-around supports are targeted to prevent homelessness. The latest figures from Eurostat¹⁴, have recorded an inflation increase of 9.6% in June 2022. With inflation expected to continue an upward trend, sectoral service level agreements must reflect these significant changes in the wider economic environment to avoid service disruption or a fall in productivity or capacity within the sector.

14. Irish inflation estimated at 9.6% in June - Eurostat (rte.ie)

Department of Social Protection

Increase Core Social Welfare Payments

Budget 2007 benchmarked the minimum social welfare rate at 30 per cent of Gross Average Industrial Earnings (GAIE). Today, that figure is equivalent to 27.5 per cent of the average weekly earnings data being collected by the CSO. In 2022 the updated value of 27.5 per cent of average weekly earnings equals €235, implying a shortfall of €27 between current minimum social welfare rates (€208) and this threshold.

The current deficit highlights a need for Budget 2023 to further increase minimum social welfare rates and commit to converging on a benchmark equivalent to 27.5 per cent of average weekly earnings. This is even more crucial considering recent increases to core household costs such as rent, energy, heating, and food costs.

Increase core social welfare payments

• Increase minimum weekly social welfare payments by 10% to reflect inflation.

Fuel Poverty

The cost-of-living crisis is leading to an increase in fuel poverty, as Focus Ireland frontline services have observed in recent months. Households at risk require additional support in Budget 2023

Fuel Allowance

- Increase fuel allowance by €15 per week to account for inflation and extend payment period to 32 weeks.
- Extend fuel allowance to low-income families in receipt of Working Family Payment and for single adult households in receipt of SWA.

Lone Family Payment

There are several factors contributing to the disproportionate number of lone parents in homeless accommodation, but the treatment of lone parents by the welfare system, and in particular its interaction with the labour market, is one of the key policy areas where reform is much needed. Despite reforms to social protection arrangements for lone parent families, lone parents are at greater risk of deprivation than other working-age adults¹⁵.

Lone Family Payment

- We recommend for the income disregard to increase from €165 to €200 due to inflationary pressures, and the disproportionate impact on lone parent families.
- 15. <u>An Independent Review to Identify the Supports and Barriers for Lone Parents in Accessing Higher Education and to</u> Examine Measures to Increase Participation (assets.gov.ie)

Additional Needs Payment

Many families and single adult households exiting homelessness are dependent on the additional needs payment to assist their transition to a rented property. Furthermore, with the rising cost of inflation and in particular rent and fuel increases, greater numbers of low-income families and single adult households are struggling financially and require the additional needs payment to help pay their bills. The additional needs payment is an essential safety net for vulnerable families and single adult households to assist with their expenses and avoid arrears. However, to continue being effective in safeguarding vulnerable groups against poverty and social exclusion, the additional needs payment must be increased in line with inflation.

Additional Needs Payment

Increase additional needs payment by 10% to reflect annual increases in inflation.

Activation for people with a history of homelessness or young people at risk of homelessness People with an experience of homelessness often experience barriers in the labour market and may even find it hard to access mainstream labour market measures. Focus Ireland's experience through the PETE (Preparation for Education, Training and Employment) programme shows that people exiting homelessness respond very positively to additional supports when re-entering the labour market. The PETE programme is tailored to the needs of each individual and provides flexible, wrap-around supports, to enable labour market inclusion for people with experience of homelessness. This targeted intervention has been successful in Focus Ireland services and we believe this programme could be replicated nationally to improve social inclusion and labour market outcomes in local communities across Ireland.

Rent Supplement

A revision of maximum rent limits for the Rent Supplement scheme has not taken place for many years, with the result that the rent caps are now significantly out of line with market rents. While the extension of the ban on evictions arising from Covid-related rent arrears was welcome, such bans only delayed the impact of accumulated debt and are not a lasting solution to the problems faced by tenants in an insecure rental market.

Rent Supplement

- Retain Rent Supplement eligibility for tenants who have been renting for less than six months.
- Align maximum rent limits with market rents, and review annually.

Department of Children, Equality, Disability, Integration and Youth

European Child Guarantee

The European Commission's new European Child Guarantee provides an opportunity and a framework to make targeted investments to improve the welfare of our most vulnerable children, as the Government has already acknowledged.¹⁶ Children experiencing homelessness and severe housing deprivation are a priority group within the Child Guarantee,¹⁷ with the provision of adequate and affordable family housing (including increased social housing) a key recommendation. Given Ireland's high level of child poverty and family homelessness, the funding available through the ESF+ to support the implementation of the Child Guarantee can make meaningful strides towards eradicating child poverty and child homelessness. Focus Ireland welcomes the opportunity to work with Government partners to implement the national action plan for the EU Child Guarantee.

Child Support Workers

Focus Ireland services (in partnership with DRHE (Dublin Regional Homeless Executive) and other Local Authorities) are the largest provider of specialist support for families and children experiencing homelessness. Each Focus Ireland team includes a specialised, trained child support worker. Some children need this support to cope with the trauma of homelessness, either because of challenges they were facing before becoming homeless, or trauma experienced because of becoming homeless, or both. Not only do our Child Support Workers help to address some of the detrimental impacts of homelessness, by extension, they help to reduce the pressure and stress on parents.

This enables parents to engage much more effectively both with supporting their children through a traumatic experience, as well as on the process of exiting homelessness. The Child Support Worker posts in the Focus Ireland family teams are currently funded by HSE Social Inclusion, Tusla, Local Authorities or public donations, but there are insufficient posts for the children that need them. There are a substantial number of children with assessed needs who cannot be allocated a Child Support Worker. Each Child Support Worker has an annual caseload of approximately 45 children. Four additional workers, at an estimated cost of €240,000, could support over 180 children per year. The best approach to the deployment of these workers should be considered in a review of family homeless services, as recommended by the Ombudsman for Children in *No Place Like Home*¹⁸.

Child Support Workers

- Allocate funding for four additional Child Support Workers in Tusla, to support approx. 180 vulnerable children per year.
- 16. "Ireland to 'sharpen' focus on child poverty in line with EU scheme" <u>https://www.irishexaminer.com/news/arid-40297355.html</u>
- 17. See Section 2.2 of the Commission Staff Working Document accompanying the document Proposal for a Council Recommendation establishing a European Child Guarantee (2021), available here: https://ec.europa.eu/social/main.jsp?langld=en&catld=89&furtherNews=yes&newsld=9968#navltem-2
- 18. See No Place Like Home; Children's views and experiences of living in Family Hubs | Ombudsman for Children (oco.ie)

Family mediation for young people at risk of homelessness

Family breakdown is a significant driver of youth homelessness among both older minors and young adults. In appropriate instances, skilled family mediators can intervene to resolve the issues that caused the break, support reconciliation, and prevent or end a young person's homelessness. Focus Ireland operates two forms of 'family mediation' services with Tusla; one designed for families where relationship issues are likely to result in a young person becoming homeless; and the second for families where the relationship has temporarily broken down and a young person is accessing homeless services. The programmes work intensively with a small number of extremely vulnerable young people (in most cases under-18s) and their families and/or carers with the aim of preventing admissions to care or crisis admissions to homeless services. A major longitudinal study into youth homelessness in Ireland,¹⁹ commissioned by Focus Ireland, recommended the establishment of a family mediation service to prevent and address such cases of youth homelessness. This led to the establishment of Focus Ireland's current service with Tusla.

Family Mediation Services

• Resource three additional Family Mediators for Cork, Limerick and Waterford, at an estimated annual cost of €190,000.

Aftercare

It is well established from national and international research that young people who have experienced State care are at an increased risk of homelessness on reaching adulthood. Planning and resourcing Aftercare can play a critical role in helping vulnerable young people avoid homelessness and establish independent lives. In this context, the government has made a welcome commitment to ensuring that every young person leaving State care who needs an aftercare worker should be allocated one. In order to reach this goal, a workable caseload for Aftercare workers should be ensured to provide meaningful Aftercare support, particularly to those young people with complex needs who are most vulnerable to homelessness. Focus Ireland aims to maintain a caseload of 15–20 young people per Aftercare worker, in line with international best practice.

Aftercare

- Allocate a ring-fenced budget for Aftercare
- Resource Tusla to increase the number of Aftercare workers to a ratio of one Aftercare worker for every 20 young people
- Extend eligibility for Aftercare support up to 24 years old, in line with definition of youth adopted in National Youth Homelessness Strategy. This is especially relevant for those with complex support needs and could be reviewed within 4-5 years.

19. Mayock et al (2014) Young People, Homelessness and Housing Exclusion. Dublin: Focus Ireland. P.183. <u>https://www.focusireland.ie/wp-content/uploads/2016/03/Mayock-and-Parker-2017-Living-in-Limbo-Homeless-Young-Peoples-Paths-to-Housing-FINAL-BOOK.pdf</u>

Tusla National Out of Hours Service

The Tusla National Out-of-Hours Service provides emergency foster care or residential placements for children and young people until they can return home or are admitted into Alternative Care. Currently, there are 26 emergency placement beds available to this service, 6 of which are provided privately. These placements were occupied throughout 2021, leading to an additional 117 children and young people being placed in emergency hotel accommodation due to inadequate capacity.

National Out of Hours Service

 Resource Tusla to operate 2 additional units in partnership with Voluntary Sector Providers, each with the capacity for 5 emergency placements, at a cost of €2 million per annum for a total of 10 new emergency placement beds.

This unstable environment places children and young people at significant risk. The risk is particularly acute for children who access this service at a later stage, often with an increased complexity of need, and presents the danger of children transitioning from crisis intervention services into adult homeless services upon reaching 18.

CAS for Careleavers

The 'CAS for Careleavers' programme, operated by Tusla, for acquiring appropriate units for young people leaving care is one of the most successful Government initiatives in recent years, and will over time build up a significant stock of housing ring-fenced for young vulnerable care-leavers.

CAS for Careleavers

• Capital funding for CAS for Careleavers should be continued at present levels for at least 5 years before a further review.

Department of Justice

Domestic Violence

Domestic or family violence was the declared cause of homelessness for 6% of families in emergency accommodation and may be a contributing factor in a larger proportion of cases.²⁰ Focus Ireland welcomed the Government's recent publication of the third Strategy on Domestic, Sexual and Gender-based Violence (DSGBV) entitled Zero Tolerance²¹. In particular, the Strategy highlights the findings of the Tusla Review of Accommodation for Victims of Domestic Violence²², which indicated an urgent need for a more integrated political and administrative response to DSGBV in Ireland across the whole of Government. National responses and solutions to domestic violence should be housing-led, considering the centrality of the home in domestic violence issues, and the cross-cutting nature of homelessness and domestic violence²³.

It is critical that every person experiencing violence and abuse in their home will be able to find safe accommodation. In recognition of the cross-cutting issues impacting women and families in the home, cross-departmental cooperation should be established through a domestic violence homelessness taskforce involving relevant stakeholders in the Departments of Justice (DOJ), Housing, Local Government and Heritage (DHLGH), Department of Children, Equality, Disability, Integration and Youth (DCEDIY).

Domestic Violence

• Resource a domestic violence homelessness taskforce to include cross-departmental decision-making capacity with DOJ, DHLGH and DCEDIY.

- 20. Long et al (2019) 'Family Homelessness in Dublin: Causes, Housing Histories, and Finding a Home'. Insights into Family Homelessness. Series 2019 | Vol.2 No.1. https://www.focusireland.ie/resourcehub/research/
- 21. gov.ie Third National Strategy on Domestic, Sexual and Gender-Based Violence (www.gov.ie)
- 22. Review of Accommodation for Victims of Domestic Violence Tusla Child and Family Agency
- 23. Mayock, P., Bretherton, J. and Baptista, I., 2016. Women's homelessness and domestic violence:(In) visible interactions. In *Women's homelessness in Europe* (pp. 127-154). Palgrave Macmillan, London.

Department of Health

Invest in Health-related Homeless Services

Under Section 54 of the Health Act, 1953, the Department of Health/HSE continue to have joint responsibility (along with the Department of Housing, Local Government and Heritage/Local Authorities) for responding to homelessness. Despite this, the proportion of homeless services funded by the HSE has fallen significantly over the last decade – partly due to substantial cuts in HSE funding to homeless services during the austerity period and partly due to the increase in Department of Housing Section 10 funding in response to the quadrupling of homelessness from 2014 onwards. This reduced HSE funding of homeless services has not just created general funding pressures in the sector but has shifted supports away from care and case management approaches and towards 'shelter only' provision.

This disengagement of the HSE from homeless provision has been reversed to a great extent in recent years, firstly through a new commitment to funding Housing First services and more recently due to the impact of the Covid-19 pandemic. It is now timely to consolidate this new financial commitment in the context of an all-Government strategy to move towards ending homelessness. The link between adequate housing and public health became clearer than ever during the Covid-19 pandemic.

Health services for homeless people

• Agree at Cabinet level which aspects of homeless services are to be funded by the HSE (Social Inclusion) and which by the DHLGH Section 10 funding, and provide adequate funding accordingly (adjusting core costs for inflation).

Mental Health

Mental health supports play a critically important role in preventing homelessness, as well as ensuring a successful exit from homelessness; poor mental health can be the trigger that causes homelessness, while failure to provide for mental health needs can undermine the impact of housing supports. Increased funding for the HSE National Social Inclusion Office during the Covid-19 public health emergency has significantly improved access to healthcare for persons experiencing homelessness. We support the commitment to consolidate improvements and continue to increase access to health supports, including mental health supports, within Housing for All. To ensure this is achieved, adequate budgetary provision is required.

Youth Mental Health

Young people experiencing homelessness are in crisis and need specialised supports. They have not yet experienced independent living and lack the support networks available to most other young people. Homelessness is a traumatic life experience for everyone, but for young people who are without support networks it involves multiple disruptions to their development and transition to adulthood, which they are forced to face alone.

Present waiting times for mental health appointments are extremely long. Delays in accessing support can exacerbate stress and discourage many from seeking appointments before their situation is at an advanced level of crisis. For young people experiencing homelessness, poor mental health is a significant factor in inhibiting successful transitions into a secure home and independent living.

Youth Mental Health

- Allocate €1 million to provide mental health nurses for youth homelessness programmes and children in homeless accommodation.
- Provide adequate funding and resources to decrease waiting times for a first appointment to a maximum of 10 weeks, as provided within Sláintecare.

