

Executive Summary

Recommendations
to Government for
Budget 2024

Challenging
homelessness.
Changing lives.

FOCUS
Ireland



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Context

In 2023, homelessness increased at an alarming and unprecedented rate, with further record levels being reached. Figures released from the Department of Housing, Local Government and Heritage (DHLGH) from May 2023 show that 12,441 persons were in emergency accommodation, including 3,699 children.¹ In short, the rate of homelessness in Ireland has never been higher since records began in 2014.

Chronic housing undersupply coupled with an unstable and shrinking rental market continues to push more people into homelessness. The decision to lift the Winter Moratorium on Evictions on April 1st resulted in monthly rises in homelessness, the final impacts of which will become clearer towards the end of 2023. Inflation has made it harder for many families to meet their housing costs as well as creating new challenges to building housing.

As nearly 14,000 Notices of Termination were received in the last nine months up to the end of March 2023, many people are facing eviction with no secure housing solutions to fall back on. A new strategy for the private rented sector is urgently needed, and the current public consultation phase needs to be swiftly followed by the publication of a new approach which is capable both of responding to the immediate crisis and building towards long-term sustainability for the sector.

Although the contraction of the private rental sector and the cost-of-living crisis resulted in many people losing their homes, the rise in homelessness is primarily explained by a collapse in households being able to exit homelessness rather than a rise in those entering homelessness.

¹ Department of Housing, Local Government and Heritage
<https://www.gov.ie/en/collection/80ea8-homelessness-data/> (pg. 1)<[https://www.gov.ie/en/collection/80ea8-homelessness-data/%20\(pg.%201\)%0d>](https://www.gov.ie/en/collection/80ea8-homelessness-data/%20(pg.%201)%0d>)



May 2023

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We welcomed the delivery of 7,433 total new builds by Q4 2022, however, this outcome fell below the annual 9,000 target as set out in Housing for All, and the successive shortfall every year in new-build social housing since 2016 leaves a chronic gap between target and delivery. Strikingly this record delivery of social housing did not have any discernible impact on the scale or duration of homelessness.

There is not enough emergency homeless accommodation for the numbers requiring it, and Local Authorities are responding by ‘pushing back’ on households presenting as homeless, requiring them to stay with family or friends rather than offering emergency accommodation. This informal accommodation is often inappropriate, and the policy creates a large reservoir of uncounted and invisible homelessness and housing need.

Homelessness is no longer a marginal social issue affecting the most vulnerable, it is a symptom of a systemic failure of our housing system which undermines economic growth and harms the quality of lives of a large proportion of Irish people, particularly the young. The European Commission noted that the impact of housing undersupply in Ireland will likely impact labour supply growth and competitiveness.²

We cannot afford to fall short on home building targets. The ESRI Quarterly Economic Commentary highlights the need for continued state investment and policy action in the housing market. Focus Ireland endorses the ESRI’s view that the surplus in Government finances should be directed at structural public investment initiatives such as housing.³ While progress has been made in housing delivery and tackling vacancy, we remain without a whole-of-Government response to the homelessness crisis.

As family homelessness and child homelessness is rising, it is important that all relevant agencies and Departments are working collaboratively on solutions. A whole-of-Government response to homelessness would encompass ‘active’ measures, such as increased investment in homelessness prevention, strengthening the Government’s safety-net schemes, expediting the delivery of social and affordable housing, introducing legislation to stabilise the private rental market, and ensuring adequate social safety-nets to insulate vulnerable households against poverty and the risk of homelessness.

² Economic forecast for Ireland https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/ireland/economic-forecast-ireland_en

³ Quarterly Economic Commentary Spring 2023
https://www.esri.ie/system/files/publications/QEC2023SPR_0.pdf

Policy recommendations requiring no budgetary allocation

As this is a Pre-Budgetary Submission, its core recommendations require the allocation of funding in the 2024 Government Budgetary process, however, it is important to remember that there are several policy changes and practical measures which could significantly address the scale and impact of homelessness which require minimal or no additional cost. Focus Ireland recommends the following targeted policy measures to prevent further increases in homelessness.

Social housing	<ul style="list-style-type: none"> › Establish a process for allocation of social housing which gives fairer access to households trapped in homelessness for long periods.
Emergency accommodation	<ul style="list-style-type: none"> › Prioritise households in emergency accommodation for over a year to receive intensive case management to facilitate exits out of homelessness.
Housing First	<ul style="list-style-type: none"> › Permit greater local flexibility on use of 2 bed units for Housing First where no 1-beds are available.
Best interests of the child	<ul style="list-style-type: none"> › Introduce legislation which would require Local Authorities to regard the best interests of the child when responding to families presenting as homeless.
Reform of Housing Act 1988	<ul style="list-style-type: none"> › Publish a review of the Housing Act 1988 with recommendations for legislative reform to reflect current demographics and housing needs.
Child Poverty and Well-Being Unit	<ul style="list-style-type: none"> › Child Poverty and Well-Being Unit to convene an inter-departmental working group on child and family homelessness with Tusla and DHLGH to achieve solutions in the best interests of the child.
Youth homelessness	<ul style="list-style-type: none"> › Remove barriers to procurement in the 'CAS for Careleavers' scheme (the targeted Capital Assistance Scheme providing homes for young adults leaving the care system) in line with the Norris Review. › Include 'CAS for Careleavers' delivery in Local Authority targets.
Rent arrears for HAP	<ul style="list-style-type: none"> › Align rent arrears arrangements for HAP tenants with those for social housing tenants, with a view to avoiding evictions into homelessness due to minimal accruals of arrears.

Expenditure proposals

Department of Housing, Local Government & Heritage

A. Increasing social housing supply

Increase the delivery of social and affordable housing

- › Prioritise building social housing and meeting the target of building an average of 10,000 under capital plan and adjust for construction inflation at approx. 10%
- › Publish analysis on interim reports identifying any barriers arising to meet targets

Activate uncommenced planning permissions

Expedite unused planning permissions for social and affordable housing

- › Establish sub-group of National Homeless Action Committee (NHAC), convened by Minister for Housing to review unused planning permissions
- › Expedite approx. 10k unused planning permissions suitable for social and affordable housing units in 2024 at an estimated cost of €300 million

CAS for care leavers (Tusla CAS)

Continuation and expansion of CAS for care leavers

- › CAS for Care Leavers should be continued and expanded to meet the levels of projected need for this type of accommodation among young people leaving care
- › Multi-annual funding for the scheme should continue to expedite the purchase and allocation of properties
- › Delivery of homes under this programme should be included in Local Authority targets

B. Private rented sector

Incentives for small landlords to remain in private rental market and increase security for tenants

- › Increase wear and tear rates to 25% per annum to improve standards where renovations do not result in the termination of an existing tenancy under Section 34 and the property remains in the private rental market for the following 5 years
- › Provide 100% capital allowance for retrofitting costs for landlords to improve energy ratings where renovations do not result in the termination of an existing tenancy under Section 34 and property remain in the private rental market 5 years
- › Capital Gains Tax relief at 4% per annum for rental properties acquired with tenants-in-situ, conditional upon remaining in rental market
- › Parity in taxation of corporate and individual landlords – a flat rate of 25 percent on Case V income for small landlords who opt to become ‘professional landlords’ by foregoing grounds of termination under Section 34, giving additional security to their tenants

Strengthening the eviction-ban ‘safety-net’ measures

Expand Tenant in Situ scheme to meet demand

- › Increase national Tenant in Situ guideline to approx. 5,000 to reflect demand

Resource LAs and AHBs for Tenant in Situ scheme

- › Resource approx. 60 additional Local Authority staff to be employed in housing sections across the 28 local authorities to support the Tenant in Situ scheme, at an estimated cost of €3.8 million per annum
- › Designate a special repair budget for tenant-in-situ purchases for LAs and AHBs
- › Develop a funding mechanism for TiS purchase of multi-unit developments involving complex issues

HAP

Increase HAP budget

- › Increase HAP budget by €10.9 million to reflect allowable 2% increase in Rent Pressure Zones and automatically apply increase to all HAP recipients payment

Reform HAP

- › The maximum rent limit on HAP properties should be urgently increased to reflect increases in market rents over the last 6 years
- › Ensure that no household is paying more than 30% of their net income on housing costs. Where legally allowable rent increases cause these safeguards to be breached, HAP subsidies should be increased

Department of Social Protection

Core social welfare payments

Core Social Welfare payments

- A minimum €27.50 adjustment in core social welfare rates to reflect rising costs and avoid a real term cut
- Increase the Qualified Child Increase for those under 12 by €10 and for those over 12 by €15 to prevent an increase in child poverty

Additional needs payment budget

Additional needs payment

- Increase additional needs payment budget for Community Welfare Officers by 10% to reflect rising costs and inflation

Rent supplement

Rent Supplement

- › Align maximum rent limits with market rents, and review annually

Targeted supports for lone parent households and jobseekers

Adjust housing income disregard for OPFP, JST and WFP

- › Adjust housing income disregard in assessment for One Parent Family Payment, Jobseeker's Transitional Payment, and Working Family Payment to approx. €300 to reflect current housing costs

Adjust Fuel Allowance and extend to WFP and Jobseekers

- › Adjust Fuel Allowance for inflation resulting in a weekly increase of €24.30
- › Extend Fuel Allowance to recipients of Working Family Payment and all Jobseekers

Department of Children, Equality, Disability, Integration and Youth

Targeted supports for children and young people in homelessness

Child support workers

- › Ensure that all children in homelessness with more complex needs are provided with a Child Support Worker funded under Tusla
- › Resource approx. 37 Child Support Workers under Tusla at an estimated cost of €2 million per annum

Crisis intervention service emergency care placements

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 €2.8 million per annum for a total of 10 new emergency placement beds

Residential care

Residential care

- › Resource Tusla to achieve 50:50 private:public provision of residential care by 2025

Aftercare

Aftercare

- › Resource Tusla to increase the number of Aftercare workers to a ratio of one for every 20 young people

Department of Health

Investment in mental health services for homelessness

Mental health inreach in homeless services

- Allocate €5 million funding for mental health inreach services within homeless accommodation, including in Private Emergency Accommodation

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To see our full pre-budget submission visit
<https://www.focusireland.ie/knowledge-hub/policy/>

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