



Housing for All

A Submission from Threshold
May 2021




Threshold
Solving housing problems,
preventing homelessness

Introduction

Threshold, a national housing charity founded in 1978, provides frontline advice and support services to people with housing problems. We have offices in Dublin, Galway and Cork and operate a National Freephone Helpline (1800 454 454) from 9am to 9pm, Monday to Friday.

Threshold provides several services directly to tenants in the private rented sector, conducts Advocacy and policy work at a national level and is a registered Approved Housing Body (AHB).

Threshold's Vision is an Ireland where everyone has access to affordable, secure, suitable, and good quality housing.

Our Mission is to prevent homelessness and to campaign for housing as a right by:

- i) Providing independent advice and advocacy to vulnerable people;
- ii) Delivering housing and supports for those in housing need;
- iii) Influencing housing policy and practice for the benefit of those in housing need.

In 2020, Threshold supported over 18,000 households with issues they were facing in their private rented tenancy and prevented over 4,000 households from losing their homes.

Threshold proposes a broad range of recommendations to ensure the Government's housing strategy "Housing for All" paves the way for healthy and sustainable private rented sector and access to secure, affordable housing for all.

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1. Enshrining the Right to Housing in the Irish Constitution

Threshold believes that housing is a human right. Access to adequate housing is a precondition for the enjoyment of other human and socio-economic rights, including the rights to work, health, privacy, and education. As part of the Home for Good coalition, we continue to call for a referendum to insert a standalone right to housing into the Irish constitution.

Policy-makers, including the Department of Housing, have in the past, proposed progressive housing policies, which have been blocked on the grounds that the constitutional protection of private property presents a strong barrier to legislative intervention. The constitution provides, at Article 43 and 40.3, for the protection of private property but without an equivalent right to housing. The absence of a right to housing means that the starting point of any analysis of the constitutionality of housing legislation begins from the individual right to private property.

In order to allow for measures to tackle the current housing and homelessness crisis, and to strengthen the housing sector against future crisis, a counterbalancing right to housing is required, alongside the existing right to private property. This would allow the legislature and the courts to balance the two rights against each other, subject to the usual requirements for proportionality and rationality, to more fairly mediate competing

interests. Not only does this create a fairer balance, it will better frame the State's role in housing, not only as a protector of private property rights but as a protector of our human right to safe and secure housing.

To this end, Threshold supports the position of the Home for Good coalition that a new standalone right be inserted into the constitution as follows:

Article 43A

1. The State recognises, and shall vindicate, the right of all persons to have access to adequate housing. The State shall, through legislative and other measures, provide for the realisation of this right within its available resources.”

2. Long-Term Housing Strategy

Threshold is seeking a twenty-year Housing Strategy to stretch beyond the lifetime of any one Government. Threshold believes this is necessary to deal with the cyclical nature of housing provision in Ireland driven by cycles of boom and bust. This will require the establishment of a Commission on the Future of Housing in Ireland, to consist of elected representatives and members of civil society. Threshold welcomes the inclusion of a commitment to the establishment of a Commission in the Program for Government and emphasises that the role of such a Commission is not to detract from the current pressing housing issues facing the country but to look to the future to ensure a sustainable and fair housing system,

We need a housing system that works for all people. This requires time, commitment, and a consistent and integrated approach. Housing strategies that only last the lifetime of one government are insufficient and keep us in a highly problematic boom-bust cycle of housing provision.

3. Improve the Viability of the Private Rented Sector

Indefinite Tenancies

Threshold proposes the removal of ‘no fault’ evictions from the Residential Tenancies Act and the restriction of tenancy terminations on the grounds of sale. The home is a refuge and must be protected regardless of tenure. In comparison to the homes of owner-occupiers and social housing tenants, the homes of private renters are treated as commodities. The grounds for eviction contained in legislation governing the sector undermines every protection offered to private renters, as demonstrated in the report Threshold launched in 2020, entitled “Security and Agency in the Irish Private Rental Sector”.¹

Allowing a tenant to be removed from their home underlines the lack of understanding that the property is the tenant’s home and it only secures the tenants status as a second-class citizen. With one in five Irish families living in rented housing, this section of the Act is not compatible with the type of

¹ “Security and Agency in the Irish Private Rental Sector” M. Byrne, (2020)
https://www.threshold.ie/assets/files/pdf/security_and_agency_in_irish_private_rented_sector_july2020.pdf

private rented sector we require in Ireland today. We must provide secure, sustainable tenancies of indefinite duration.

It is critical to review the operation of the rented sector in the light of both Covid-19 and the wider housing crisis. The impact the moratorium had on reducing the numbers families and children in homelessness is evidence that the insecurity of the private rented sector is a driver of family homelessness in particular. It indicates that introducing increased security of tenure in the private rented sector is a key measure in moving Ireland out of this enduring housing and homeless crisis.

Threshold is particularly concerned over the number of smaller landlords leaving the sector, particularly on the grounds of sale. These landlords provide a valuable resource and efforts should be made to retain these properties within the sector. While additional units come to the market from the Build-to-Rent sector, these units are often unaffordable for low- or middle-income tenants. Moreover, properties available to the market from smaller landlords tend to be dispersed among the housing stock leading to greater integration of low-income tenants in mixed tenure settings which are not achieved by large scale apartment developments in the build to rent sector.

Retain small-scale landlords in the market

Threshold is particularly concerned over the number of small-scale individual landlords leaving the sector, particularly on the grounds of sale. Landlords who own between one and three properties are providing almost 70% of all

rental tenancies. These landlords provide a valuable resource and efforts should be made to retain these properties within the sector.

While additional units come to the market from the Build-to-Rent sector, these units are often unaffordable for low- or middle-income tenants. Moreover, properties available to the market from smaller landlords tend to be dispersed among the housing stock leading to greater integration of low-income tenants in mixed tenure settings which are not achieved by large scale apartment developments in the build to rent sector.

A rebalancing of the taxation system may go some way to retaining individual small-scale landlords in the rental sector. There is inconsistency in the way rental income is taxed. Currently an individual landlord's income from rent is taxed at the standard PAYE rates, with some limited tax-deductible allowances. USC and PRSI are payable on the rental income. Landlords with registered companies pay between 25% and 40% in corporation tax, but no USC or PSRI. Real Estate Investment Trusts are exempt from corporation tax. Where a homeowner rents a room in their own home they can claim rent-a-room relief earning up to €14,000 without paying tax.

Move to long-term leasing as standard.

The promotion and support of long-term leases is an effective way to ensure security of tenure for tenants and the viability of the private rental market as a realistic tenure of choice. This is the next natural step in the evolution of the private rented sector. An intelligent use of the taxation system is an appropriate vehicle to encourage landlords to offer long-term leases.

Tax measures could be targeted at small-scale landlords, those with between one and three properties, who house an overwhelming majority of tenants in Ireland. Many of those landlords who bought for financial security in their retirement are now approaching that time of their life and may find a long-term lease agreement an attractive option. It is our view that incentivising these landlords to offer long-term leases would be an efficient use of public resources.

Long-term leases will give greater security of tenure to the tenant as well as increased peace of mind to the landlord. Long-term leases can give private renters the security of knowing that the home they rent is their home for the foreseeable future. Such security will allow private renters to settle into and establish their place in the community, make long-term plans and establish strong foundations, particularly important if starting a family; all experiences afforded to owner-occupiers and social housing tenants.

There have been some small steps toward this in recent times, for example changes to the Housing (Standards for Rented Houses) Regulations. The regulation now allows for unfurnished property to be leased, provided that a tenancy agreement for ten years or more is in place. It may be possible to extend this further, where a tenant may wish to lease an unfurnished property but for a shorter period.

Rent arrears.

Threshold advises that the current approach to dealing with rent arrears in private tenancies in Ireland must change to one that sustains tenancies as opposed to one that ends tenancies. Given the high cost of rents, meeting rental payments can become unmanageable very quickly. Private renters are at greater risk of poverty and social exclusion, more likely to be burdened by debt, have gone without heat at least once in the year and are more likely to have utility arrears than owner-occupiers.²³⁴

Currently, where a tenant accrues any amount of rent arrears, the landlord can issue them with a 28-day notice to pay these arrears, followed by a 28-day notice to quit if the arrears are not paid. There are a number of issues with this approach. Providing a tenant with 28 days to pay rent arrears is an insufficient period. Private renters are the only group who face losing their home in such a swift manner, often with limited support or guidance. The Mortgage Arrears Resolution Process (MARP) is in place for owner-occupiers in arrears or pre-arrears as is the Mortgage-to-Rent scheme. Tenants of Local Authorities have the option of engaging in repayment plans over extended periods.

² Exploring Household Debt in Ireland (2020), https://www.tasc.ie/assets/files/pdf/tasc_household_debt_report-exec_summary_for_policy_makers-web.pdf, https://www.tasc.ie/assets/files/pdf/household_dept_report_final_3320.pdf

³ CSO “Household Finance & Consumption Survey” (2020), <https://www.cso.ie/en/releasesandpublications/ep/p-syi/statisticalyearbookofireland2020/soc/householdfinanceconsumptionsurvey/>

⁴ CSO “Survey on Income and Living Conditions (SILC): Enforced Deprivation 2019”, <https://www.cso.ie/en/releasesandpublications/ep/p-smdep/surveyonincomeandlivingconditionssilc/enforceddeprivation2019/resultsandanalysis/>

If private renting is to be a legitimate tenure choice in Ireland, then a new system, to support tenants and landlords in cases of arrears, is needed. Threshold successfully supports hundreds of tenants, who have accrued rent arrears, each year. We know from our work that rent arrears do not have to result in the tenant losing their home or the landlord being out of pocket. We also know that most tenants do not wilfully refuse to pay their rent. Rent arrears can accrue as a result of sudden income loss, family/relationship breakdown, illness, delays in the processing of or disruption to social welfare payments, delays in the administration and payment of HAP, a landlord's refusal to accept HAP or rent supplement or a rent increase. These tenants deserve more than a 28-day warning notice and 28 days to quit.

Threshold proposes the following:

- An increase in the warning notice period from 28 days to 90 days
- The establishment of a “Rent Arrears Fund” to provide low/zero-interest loans to renters in arrears or to pay off the debt where the tenant cannot feasibly do so.
- Where the tenant can demonstrate any of the following during the 90-day warning period, the landlord may not issue a notice of termination for rent arrears:
 - Evidence of engagement with the Money Advice and Budgeting Service
 - Evidence of a pending application for rent supplement or the Housing Assistance Payments
 - Evidence of a pending application to the Rent Arrears Fund

- Engagement in any process under the remit of the Residential Tenancies Board, which relates to the arrears in the tenancy.
- Engagement in any process under the remit of the Workplace Relations Commission, which relates to the refusal of the landlord to accept a form of social housing support (e.g., rent supplement of the Housing Assistance payment)
- Evidence of proactively seeking to engage in a repayment plan with the landlord.

Establishment of a Deposit Protection Scheme

Threshold welcomes the Government's commitment to the establishment of a Deposit Protection Scheme in the Programme for Government. Threshold has advocated for this scheme for over ten years.

Threshold proposes the establishment of a "custodial" model as proposed in the "Assessment of Feasibility of a Tenancy Deposit Protection Scheme in Ireland". It is not necessary for the Residential Tenancies Board (RTB) to operate the scheme. The RTB or the Department could put the scheme out to tender. There are several experienced providers delivering such schemes in Northern Ireland, England and Scotland. Some are delivered on a not-for-profit basis and others are for profit.

Moving the scheme forward will require a revision of the enacted legislation, as it is cumbersome and unwieldy. Work needs to commence now in order to allow the establishment of a scheme in the medium term. The scheme has

been in the making for 10 years. Given the history of deposit retention, this money needs be held independently for the benefit of all.

Moreover, as rents have risen deposits have become even more unaffordable for low-income tenants, the loss of a deposit is a source of poverty in the sector. As previously noted in the majority of cases, which reach the RTB, it is found in the majority of cases that the landlord has unlawfully retained all, or part of, the deposit and it is ordered returned (RTB Annual Report 2019).⁵

Affordability

Threshold welcomes indications that a system of indexing rent increases to the Consumer Price Index will be put in place when the Rent Pressure Zone legislation falls at the end of 2021. Threshold has held this position for a long period of time and are of the view that it is the fairest way of achieving rent certainty in the sector as a whole. High rents are one of the most significant challenges to security of tenure in the rental sector. One in five homes in Ireland is privately rented, yet this sector is also the most expensive and least secure form of housing in Ireland.

While the Rent Pressure Zones have had some success in moderating rent increases, rents remain high throughout the country. For this reason, as well as the limited housing supply, which has been even further constrained by the impact of COVID-19, it is essential that a form of rent regulation is in place once the Rent Pressure Zone regulations come to an end in December 2021.

⁵ RTB Annual Report 2019

https://www.rtb.ie/images/uploads/Comms%20and%20Research/RTB_2019_Annual_Report_English.pdf

Threshold propose the following for all private rented tenancies,

- There should be no exclusions from the measures e.g., student accommodation, new builds, specific forms of accommodation such as co-living or build to rent units.
- Index rent increases to take effect from January 2022 to the Consumer Price Index
- Cap rent increase at 20% over a 5-year period
- Limit the frequency of upward rent reviews to an annual basis under the new CPI indexed rent regulation.
- Amend Section 19 of the Residential Tenancies Act, which outlines how rent can be increased, to reflect the changes.

Such measures will need to remain in place until housing in Ireland becomes accessible and affordable to all. The proposals outlined in this document are designed to achieve this vision.

Dwelling Specific Rent Register

Threshold continues to advocate for the establishment of a dwelling specific public rent register. A rent register is vital for tenants looking for a home they can afford. While RTB has been provided with greater powers to enforce rules pertaining to the setting of rent, people in need of a home do not have the information necessary to ensure the rules are being adhered to. The means there is a much greater chance of tenants paying more than the permitted rent.

Without accurate information, new tenants are unable to determine the lawfully permitted rent and therefore are unable to enter into a contract with the landlord in an informed manner. Tenants who do not have this knowledge are unable to assert their rights to challenge an illegal increase. Without a rent register rents are *de facto* decontrolled between tenancies, meaning rent certainty measures in practice can only fully protect sitting tenants.

The prices of all residential units sold are currently available on the Property Price Register (PPR). This is to inform the market and ensure that it functions effectively. A similar register would ensure the same visibility and transparency for the private rented sector. The PPR provides a good model for the proposed rent register as aside from identifying the units, as under the PPR, no other private information is given, Threshold proposes that a dwelling be entered onto the register at the time that it is registered with the RTB and the register be updated, free of charge, whenever the rent is adjusted.

Licensees

Licensees are one of the most vulnerable groups renting in Ireland, with very limited rights. Threshold is calling for a review of the category of licensee with the view to abolishing the category of licenses in domestic and non-domestic contexts and whether they should be replaced with circumscribed tenancy rights such as recourse to the RTB, as has been provided to residents in Purpose Built Student Accommodation.

Traditionally students and young people perhaps starting out in their first job tend to rent a room in someone else's home. Unfortunately, we see more people coming to our service who are licensees being taken advantage of by the person they are renting from. The licensor in these instances is often not the homeowner but is a "head tenant" and who sublets the rooms, with or without the homeowner's knowledge. The clients have no recourse to the RTB if there has been any misconduct by the licensor, such as deposit retention, eviction with little notice, rent increases and even intimidation.

Recognise Lending Institutions and Receivers as Landlords

Threshold has long advocated for the legal definition of 'landlord' to be changed to explicitly include both lending institutions and receivers so that the rights established under landlord and tenant law cannot be undermined or ignored as is currently the case. We hope to see the current Government introduce the necessary legalisation without delay.

Such a change would impose a requirement on a lender that has commenced repossession proceedings to terminate a tenancy in the manner provided for by the Residential Tenancies Act and would also impose a responsibility for repairs as well as the return of the tenant's deposit upon the expiry of the tenancy. At the end of December 2020, 15,138 buy-to-let mortgage accounts were in arrears, there were 4,469 Buy-to-Let accounts with receivers appointed and 391 Buy-to-Let properties in the lenders' possession. These tenants deserve no less than any other tenant; they deserve their tenancy to be respected with repairs and essential maintenance delivered in a timely way as with all other tenancies.

4. Prevent Homelessness

Investment in Homeless Prevention

Threshold proposes that 20% of the homeless budget is ring-fenced for homeless prevention, with an emphasis on funding services that prevent homelessness occurring in the first instance.

The most effective way to prevent homelessness is by ensuring that households can remain in their current rented home. Prevention is cheaper than emergency homeless accommodation, avoids unnecessary human misery and is the morally appropriate response to homelessness. Homeless prevention, as a solution to homelessness, is currently underfunded.

Between 2016 and 2021, the budgetary allocation for homeless services more than tripled, increasing from €70 million to €218 million, while homeless prevention accounted for only 4% of expenditure in 2020 compared to 7% in 2016.

Threshold is calling for increased investment in services providing advice and advocacy to those at risk of homelessness, such as Threshold's Tenancy Protection Service and the Single Person Pilot. In 2020, the Tenancy Protection Service prevented over 4,000 households from losing their homes in the private rented sector. Single people are disproportionately represented on the homeless list and in an effort to address that Threshold established a project specifically to tackle the gap in supports. Between December 2019 and December 2020, 360 clients were supported by the Single Persons Pilot

project in Dublin. Of the cases closed, all but 6 were prevented from entering homelessness, a success rate of 89%. Investment in, and importantly promotion of, this type of dedicated service, on a national basis, is vital to ensure those at risk of homelessness receive the assistance they require in a timely manner.

Homeless prevention must be at the forefront of all investment in homeless service provision, policies, and strategies. This will allow us to keep reducing the numbers experiencing homelessness.

Tenancy Sustainment Protocol for the Housing Assistance Payment

Threshold is proposing the establishment of a Tenancy Sustainment Protocol for the Housing Assistance Payment (HAP). Threshold currently operates the Interim Tenancy Sustainment Protocol (ITSP), which allows for increased Rent Supplement payments where tenancies are at risk due to rent increases. Threshold has successfully delivered this in partnership with the Dublin Regional Homeless Executive and the Department of Employment Affairs and Social Protection since 2014. The ITSP has been an effective and low-cost intervention in preventing homelessness for 6,375 households since 2014.

As HAP has replaced Rent Supplement as a long-term housing support, and rents remain high, there is a need for a Tenancy Sustainment Protocol for HAP.

Local Authorities, who are responsible for the operation of HAP, have discretion in approving HAP payments up to 20% above the designated limits. Where the Local Authority has already approved a 20% increase and the landlord increases the rent, as is their right, the Local Authority is unlikely to increase the HAP payment any further. It is then down to the renter to pay the shortfall as sourcing alternative more affordable housing is not an option as rents remain high and affordable supply low. This puts the renter under intense financial pressure, at risk of accruing rent arrears, falling into debt, experiencing deprivation and of losing their home, possibly entering homelessness. Renters are a group at real risk of homelessness.

It is unreasonable to permit rent increases under law without a corresponding increase in support to the tenant, unless that tenant's financial situation has improved, which is currently captured by the differential rent system. However, as HAP allows for a greater contribution from a HAP tenant than other social renters, sectors of this group are increasingly under pressure, which is why we believe a protocol to protect these tenants is timely.

Of the rent increase cases Threshold worked on in 2020, the average rent increase, for tenants classed as at risk of homelessness, was €182 a month. This equates to an increase in annual rental expenditure of €2,184 per household per year. This is money that many tenants, particularly HAP tenants do not have to spare. Approving an increase in the HAP payment, once the rent is valid, will cost the Local Authorities far less than providing homeless services.

The establishment of a Tenancy Sustainment Protocol for HAP, operated by Threshold would provide the following:

- Verification that the rent increase is valid
- A space for negotiation on the rent between the tenant and the landlord
- Assurance for the Local Authority that an increase in the payment is justified and will prevent homelessness
- Ongoing support for the tenant should issues arise
- Peace of mind for the landlord contributing to confidence in the HAP scheme
- A reduction in Homeless HAP approvals
- A reduction in homeless presentations
- Financial savings to the Local Authority and State as homelessness is prevented.

5. Social Housing Supports

Review of the Housing Assistance Payment.⁶

HAP is providing an important short-term housing support and preventing further people experiencing homelessness. Threshold have identified several areas that need to be reformed if this support is to meet the needs of low-income households in the private rented sector.

⁶ HAP: making the right impact? (2019)

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

Topping up- the cost of HAP (2019)

https://www.threshold.ie/assets/files/pdf/toppinup_survey.pdf

Currently, HAP limits are insufficient to access private rented accommodation for many on low incomes. It fails to provide security of tenure and cannot meet the needs of people who want to live with a sense of security regarding their long-term accommodation need. It also fails to recognise the difficulties and discrimination facing some vulnerable households trying to access housing in the private rented sector, who must compete with other prospective tenants who may be seen as more desirable by landlords.

Renters are finding it increasingly difficult to access affordable and secure private rented housing, particularly those eligible for HAP. Current HAP limits fall short of market rent and must be increased. The HAP limits were last reviewed in July 2016 while the national average rent increased 26% between then and Q4 2020. Realistic HAP limits are an essential mechanism for ensuring all people can access housing, from which they can build a home, a sustainable life and live with dignity.

While there may be concern that increasing the HAP limits could potentially create an increase in the rental floor resulting in rent increases for all tenants, the rent certainty measures, the Rent Pressure Zone (RPZ) legislation and the new inspection and sanction regime of the RTB can help prevent such unintended consequences. Continuing to keep the HAP limits low does not keep *de facto* rents low, it simply masks the problem, as tenants simply must find the additional money. Government policy is in effect pushing some households into debt and rent arrears. This can ultimately put private renters at risk of homelessness. This too can have an impact on landlords who may

be struggling to pay a mortgage, creating a distrust of HAP and possibly cause landlords who experience difficulties with HAP to leave the market.

In addition, Threshold recommend a review of HAP and its interaction with the private rented sector to determine the next steps for HAP, given the changing landscape of housing and renting in Ireland, particularly since HAP was first introduced. The length of time to process applications, the payment of rent from the date the application is processed as opposed the date the tenancy commenced, the payment of rent in arrears, and the non-payment of a deposit all need to be addressed to reflect the realities of the private rental market. The roll out of an information and awareness raising campaign to educate landlords on HAP and the equality legislation is recommended. An investigation into landlord and agent refusal to accept HAP should also be included in a review of HAP.

6. Improve Standards in the Private Rented Sector.

An ‘NCT for housing’

Threshold proposes an NCT style system of certification to ensure minimum standards are met in the private rented sector. Standards and repairs remain one of the main concerns facing tenants in the private rented sector and brought to Threshold for advice, guidance, advocacy, and support.

The issue of substandard accommodation is real and significant, with the majority of properties inspected not meeting the basic legal requirements.

The introduction of such a system would see the burden of proof for compliance with minimum standards rest with the landlord, who would be

required to provide a certificate of fitness to the local authority prior to a property being rented. In our view this would promote greater compliance across the board.

The NCT system will, after initial set up, become a cost saving measure. It will result in a reduction in cases pertaining to standards brought to the RTB freeing up valuable resources. It will facilitate more targeted inspections of private rented properties by the Local Authority and free up resources to take the appropriate action to have same brought up to standard. There is cross party support for this, a motion to the Dáil on same receiving support all round in November 2017.

In addition, Threshold identify and call for the introduction a legal definition for overcrowding in private rented accommodation into minimum standards legislation as a supporting piece of legislation to increasing and maintaining standards of private rented accommodation.

Targeted schemes to improve energy efficiency measures for the private rental sector.

Threshold is calling on Government to deliver targeted schemes to improve energy efficiency measures for the private rental sector. This is necessary to future proof the private rental stock, limit fuel poverty among renters, make renting comfortable for older people or those with ill health and to make private renting a sustainable tenure. In addition, improving energy standards in the private rented sector would contribute to the reduction of our carbon emissions.

Targeted schemes designed specifically for the private rented sector are necessary. The Home Renovation Scheme, which ran from 2013 to 2018, was available to landlords. Unfortunately, only 2.6% of properties which benefited from the scheme were registered as rental properties. Such schemes will need to be designed in consultation with landlords, owner management companies and experts in retrofitting. Particular care and guidance must be given to landlords when they set about retrofitting their properties to ensure the tenants are not unnecessarily evicted for the work to be undertaken.

7. Promote Affordable Supply

Increase Local Authority and Approved Housing Body housing provision.

The most viable and long-lasting mechanism to stabilising Ireland's housing sector is through the increased role of and investment by the State in building housing, as committed to in the Programme for Government. This means increasing the stock of housing owned by the Local Authorities and Approved Housing Bodies, which according to Threshold's analysis, should equal 25% of total housing stock by 2040. While the Programme for Government commits to building 50,000 homes over the next five years, Threshold is asking the Government to set the more ambitious target of 75,000 homes over five years, to work toward a more substantial share of housing stock by 2040.

National Strategy for Single Persons

As we have seen, the Covid-19 crisis has highlighted the often-precarious housing situations of single people, for example, dependence on shared accommodation and the health risks attached. Therefore, a national strategy for this cohort is necessary to ensure that the need for a shared room is eliminated.

Currently single persons constitute 52% of the housing waiting list. They are particularly dependent on private rental housing. Supports such as HAP and rent supplement are not sufficiently generous to secure accommodation for this cohort historically, which often forces single people to accept less than adequate housing. In addition, social housing developments are in the main 2-, 3-, 4-bed accommodation. There is a serious miss-match between the proportion of single person households on the list and properties developed by Local Authorities or AHBs. Void units, due to their standard size, are rarely allocated to single persons in large urban authority traditional social housing developments. Moreover, void units in traditional estates could be subdivided to accommodate a greater diversity of tenant and therefore benefit the community at large.

Cost Rental

Threshold welcomes the Government's commitment to the delivery of cost rental housing. This tenure has the potential to meet the needs of middle-income earners and in particular single person households. If delivered at a large enough scale, it can have a moderating impact on market rents, reduce social inequality, reduce poverty and lead to re-investment in further cost-rental housing.

It is vital that cost rental housing is affordable for a person's lifetime. This means they can still afford the rent during times of unemployment, ill-health, maternity leave and retirement. Threshold recommends a number of measures to ensure that this is the case.

Cross-subsidisation is one mechanism that can be used to ensure affordability across a broader range of incomes. Cross-subsidisation requires those who can afford to pay more to do so, allowing those who cannot afford to pay as much to pay less. Under this model rents can be calculated on a differential basis similar to local authority rental schemes, whereby rent is calculated based on a person's means. This means that as one moves through the different stages of their life and their income goes up or down for various reasons their home will always be secure. It is possible for cross-subsidisation to operate within one scheme or across a range of schemes. Operating a cross subsidisation scheme on a larger scale creates greater affordability.

The provision of a payment, such as rent supplement, is another option to ensure affordability. Such a payment would bridge the gap for this middle cohort of tenants or at times of reduced income and ensure that state funds are paid toward a state asset. As the rents would be stable, not subject to market increases and the cost eventually paid off in full, the cost to the state will reduce over time.

Another option to bring down the cost is to extend the time for repayment of finances so reducing the monthly repayment cost allowing for lower rents.

Conclusion

Threshold welcome this opportunity to contribute to Housing for All. We recognise and appreciate the Government's commitment to the establishment of Deposit Protection Scheme, the creation of indefinite tenancies, a referendum on housing, the development of cost-rental, a reduction in the reliance on HAP and the establishment of a Commission on Housing.

We are hopeful that Threshold's further recommendations will be incorporated into Housing for All. We have set out a comprehensive set of recommendations to transform and future proof the private rented sector as well as the housing system in Ireland. The aim is to prevent an increase in homelessness and ensure access to secure, affordable, and suitable housing for all during the COVID-19 pandemic, its aftermath and into the future.

The COVID-19 pandemic reveals, beyond a doubt, the precariousness of the private rented sector in its current form, the risks involved in our over-reliance on it to meet long-term housing need and the shortcomings of our housing system. It also presents the opportunity to take the steps needed to resolve the issues in our ill-functioning housing system.



Rialtas na hÉireann
Government of Ireland

The Scheme to Support National Organisations is funded by the Government of Ireland through the Department of Rural and Community Development.