

Pre-Budget Submission

to the
Department of
Employment Affairs
and Social
Protection


Threshold
Solving housing problems,
preventing homelessness

www.threshold.ie



Threshold is a national housing charity with regional advice centres in Dublin, Cork and Galway. We provide frontline services across Ireland to people experiencing problems in their tenancies. Our primary objective is to prevent homelessness by advocating for tenants through our advice services and through our dedicated national Tenancy Protection Service (TPS). Our vision is an Ireland where everyone has access to affordable, secure, suitable and good quality housing.

In this pre-budget submission to the Department of Employment Affairs and Social Protection we put forward the following recommendations for the prevention of homelessness and the enhancement of the Community Employment Scheme.

Threshold's Recommendations to the Department of Employment Affairs and Social Protection Budget 2020

1. (a) An increase in rent supplement limits to reflect rent increases since Q2 2016.
(b) Conduct a cost-benefit analysis to determine the impact that removing rent supplement limits entirely would have on rents in the PRS.
2. Ensure rent supplement and the Interim Tenancy Sustainment Protocol (ITSP) remain available long-term to those who, due to individual circumstance, require the greater flexibility rent supplement has to offer compared to the Housing Assistance Payment (HAP).
3. Establish a three-year Community Employment (CE) scheme which credits the in-depth nature of the job related training and constant mentoring that Threshold CE employees receive.
4. An increase in or relaxation of the training allowance limits for CE participants.

Preventing Homelessness

It is our experience that the most effective response to homelessness is to prevent people from becoming homeless in the first instance. Through our services we are aware that the most significant cause of homelessness has been through people losing their homes in the PRS. In 2018, over 1,400 of the families who sought our assistance were at risk of homelessness on foot of receiving a notice of termination (NOT) from their landlord. Low and middle income households are finding it increasingly difficult to access affordable secure private rented housing.

1. Rent Supplement Limits

Once issued a NOT, these households must source alternative housing in the PRS. For those households who remain in receipt of rent supplement, the payment must be sufficient to meet the rents asked and to avoid homelessness and financial deprivation. The revised rent supplement limits in July 2016 were warmly welcomed by Threshold and resulted in immediate relief for many tenants. However, the national average rent increased 27% between Q2 2016 and Q4 2019¹ while rent supplement limits have remained largely unchanged.

The below table shows the shortfall between current rent supplement limits and average rents². There is no correlation between the rent supplement limits and current market rent.

¹ RTB Rent Index Q4 2019 – comparison of standardised average rent, https://www.rtb.ie/images/uploads/Comms%20and%20Research/RTB_Rent_Index_2019_Q4_%284%29_FINALE_WEB.pdf (accessed 14/07/20)

² Based on the Daft.ie Rental Price Report Q1 2020 <https://www.daft.ie/report/2020-Q1-rental-daftreport.pdf> (accessed 14/07/20) and Rent Supplement limits <https://www.gov.ie/en/publication/79fdae-maximum-rent-limits/> (accessed 14/7/20)



Table 1: Rent Supplement Shortfall

We understand there are concern that increase in the rent supplement limits would provide an impetus for landlords to renegotiate their lease agreements to the new limits and potentially create a rise in the rental floor resulting in rent increases for all tenants³. However, the rent certainty measures, the rent pressure zone (RPZ) legislation and the Residential Tenancies Board (RTB) inspection and sanction regime can prevent such unintended consequences.

We appreciate the Department operates flexibility in assessing tenant’s needs and applications, particularly during the COVID-19 pandemic and for those individuals leaving a relationship with domestic violence. At their current levels, the rent supplement limits restrict the number of properties tenants can set out to secure. While many tenants will view properties outside of the limits and offer to pay “top-ups” to landlords, they are at a disadvantage to those tenants with greater purchasing power and so are less likely to secure a home in the PRS. These households may then enter homeless accommodation or stay with family and friends becoming the “hidden homeless”. For those that do secure a home and pay a “top-up” they can experience intense financial deprivation.

1. (a) We recommend the rent supplement limits be reviewed upward to reflect the changes in market rent.
- (b) Alternatively, we recommend a cost-benefit analysis be undertaken to determine the impact that removing rent supplement limits entirely would have on rents in the PRS.

2. Rent Supplement and the Interim Tenancy Sustainment Protocol

³ <http://www.welfare.ie/en/pressoffice/Pages/pa270315.aspx>

Through our close work with the Department, operating the Interim Tenancy Sustainment Protocol (ITSP), Threshold can assist those at immediate risk of homelessness. Through the ITSP, Threshold facilitates access to an enhanced rent supplement payment for households who are at risk of homelessness on foot of a rent increase. We support and advocate for clients throughout the ITSP Protocol process, from application stage right through to tenancy sustainment. Threshold is well placed, due to its expert knowledge of the rental market and mediation in landlord and tenant relationships, to ensure that rent uplifts are a measure of last resort.

Between its inception in 2014 and December 2019, 6,339 households, (9,707 adults and 10,662 children) received support from the ITSP. While the majority of rent supplement tenants are now transitioning to HAP, which can pay an additional 20% discretionary payment there are a number of households, relying on the ITSP, whose rents exceed the HAP cap and the 20% additional payment.

While these tenants have the option of “topping-up” the rent to bridge any potential gap, a household is only permitted to pay 30% of their total income towards their rental cost, inclusive of their statutory contribution in line with the differential rent scheme. The above issue presents a real risk to these households as they will be unable to afford the “top-ups” required to pay the rent. Nor will they be in a position to find alternative housing, as there is a severe shortage of private rental property at affordable rents. It is vital that these tenants continue to be supported under the rent supplement scheme to remain in their home.

In addition to these tenants, there are a small number of tenants whose landlords are not fully tax compliant and so ineligible for HAP. In these cases the tenants risk losing their home if the DEASP insists on them transferring to HAP and ceases the rent supplement payment. This situation is due to no fault on the tenants’ part. Ending the rent supplement payment will have no positive impact for the tenant and no negative consequence for the landlord. In the cases which have come to our attention, the landlords are engaging with the Revenue Commissioner to rectify the situation but in the interim HAP cannot be paid. It is necessary that rent supplement payments remain for tenants who are put in situations such as this and at risk of losing their home.

2. Ensure rent supplement and the Interim Tenancy Sustainment Protocol (ITSP) remains available long-term to those who, due to individual circumstance, require the greater flexibility rent supplement has to offer over the Housing Assistance Payment (HAP).

The Community Employment Scheme

Threshold relies upon the Community Employment Scheme (CE) to deliver our essential frontline services. We currently operate a scheme in our Cork and Dublin offices. Our

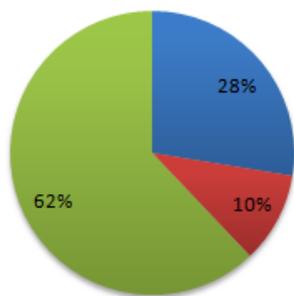
Dublin office has approval for 15 participants and a CE supervisor. Our Cork office has approval for 3 participants.

Threshold has proven track record within the CE scheme with a high progression rate into employment and education. Below is a breakdown of those rates for the participants in the Dublin office spanning from 2016 – 2020:

- Progression rate to full time employment is at 68%; employment placements range from NGO's to private company's; E.G. Crosscare, Acquired Brain Injury Ireland, Dublin County Council to the Mental Health Reform
- Internal progression within Threshold employment is 52%, which is 72% of our overall employment progression totals
- We have 28% of participants who did not progress/left the scheme; combining a mix of factors such as, CE contract naturally ended/not renewed/employee moved location/ back to education/family & personal issues
- We also have a small subset of 10% of participants who transfer to other community employments schemes for reasons such as location/travel difficulties etc.

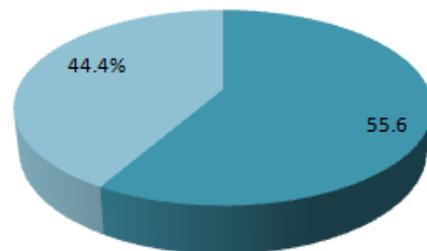
Overview of CE scheme 2016 - 2019

■ Terminated scheme ■ Transfer to another scheme
■ Progressed to employment



CE Scheme Internal Progression

■ Threshold ■ Other Employment



Threshold is proud of the scheme we offer and the progression of our participants. We see potential for further development and success.

3. Period of Time on the CE Scheme

The current model allows for one year for CE placements for those aged between 21 and 55 years. However, if a CE participant is working towards a major award/industry recognised

equivalent their time on CE can be extended by up to an additional 2 years to complete this award i.e. total participation of 3 consecutive years in which to complete any outstanding modules.

In the case of Threshold, the majority of training undertaken is centred on information provision, advice and advocacy. Our CE participants are primarily those who are interested in the field of advice and support. The majority of our employees have already achieved a major level 7 award.

In 2019, we had 5 participant come through the scheme, 1 with at least a level 7 Major while all others came in with a level 8 degree prior to their time on CE.

Threshold's scheme is somewhat unique in the challenges it presents to participants which requires intensive induction and ongoing training in:

- Customer Service
- IT Skills
- Helpline Skills
- Data Entry
- Complex legislation including the Residential Tenancies Acts 2004-19
- Advocacy and Representation Skills
- Data protection
- Social welfare right through Tenancy Protection Service

It is our experience that participants are only beginning to settle into the role approaching the 12 months period and often do not feel ready to take the step into employment at that stage. From an organisational perspective the induction, training and ongoing support and supervision of CE participants is intensive. We rely upon the CE scheme to deliver our service yet the uncertainty impacts upon the organisation as we could lose a participant to one or more of the reasons mentioned above.

Whilst we are usually supported in seeking extensions, it would be better to have a longer term approved at the commencement and would suggest up to three years as an appropriate time on our scheme.

- An example of a model for a scheme such as Threshold would be a three years Community Employment scheme which credits the in-depth nature of the job related training and constant mentoring our CE employees receive.

3. Establish a three year Community Employment scheme which credits the in-depth nature of the job related training and constant mentoring our CE employees receive.

4. Incentives for Training

The individual learning plan (ILP's) is designed to identify and develop the individual's education and training needs through one to one meetings with the CE Supervisor. Again the varying skills and education levels of CE participants means again a one size fits all approach does not work.

The current training budget of €250 per person for external training is underused, primarily because participants cannot access the level of training desired. Participants who enter into a scheme with a major award already achieved often find that the spectrum and budget of the training on offer does not complement a level 7 or higher award. The typical costing for QQI Level 6 minor award is €500.

- While external QQI training courses are highly regarded by CE employees, allowing accelerated courses means an employee may access a range of job related training otherwise not on offer to them, while simultaneously garnering their practical work experience in the day to day running of the scheme

- The increase/relaxation of the training allowance would greatly incentivise future applicants and hopefully improve numbers. A participant could then work toward a major award that complements their CE position as well as their as their training already completed, simultaneously gaining the practical work experience on site within the office

- Below is a table of training undertaken within the last completed scheme:
 - The majority of courses are centred in area of information provision, advice and advocacy, but within Level 6. After the level 6 award is achieved the next desirable course of action would be the Diploma at level 7. At the moment this is restricted by both the short term nature of the scheme as well as the allocated training grant.

 - For example, a course such as the IPA Professional Diploma in Housing costs €1350. A partial grant towards a course like this would be a valuable aid to those whose career goals are in line with the sector

Information Advice & Advocacy	QQI Level 6 minor	€	500.00
HR Management	QQI Level 6 Minor	€	270.00
Training in the Voluntary Sector	QQI Level 6 minor	€	300.00
Social & Civil Information	QQI Level 6 minor	€	500.00
Social Welfare Rights	QQI Level 6 minor	€	500.00
Nutrition	QQI Level 6 minor	€	250.00

- An increase in the training allowance limits for the CE participants will not only encourage participant to engage in a more aligned course of studies, it will also open up varieties of choices to choose from.

4. An increase in or relaxation of the training allowance limits for CE participants.



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”