



SWA Housing Income Support in the Private Rented Sector

A National Policy Seminar hosted by the Combat Poverty Agency on the
launch of an Agency commissioned research study:

‘Housing Income Support in the Private rented Sector – a survey of recipients of SWA rent supplement’

by

Mr Donal Guerin,
Researcher, Cork City Partnership.

Seminar Proceedings 26th July 1999

Contents:	Page
1. Composite Summary of Policy Issues Raised	2-5
2. Platform Respondent's Contributions	6-20
3. Comments and Contributions from Seminar Participants	21-28
4. Final Responses from Platform	29-30
5. List of Seminar Participants	31

Composite Summary of Policy Issues Raised

1. The Private Rented Residential Sector and the Irish Housing System

The seminar noted the need to:

- 1.1 Recognise wider issues with relation to how economic growth, rising disposable incomes and the rate of household formation are impacting upon overall housing demand by raising demand for a restricted supply of private rented residential housing and consequentially impacting upon rates of rent increase across the sector.
- 1.2 Recognise the degree of inter-connection that exists across all housing tenures and how developments in owner occupation and social housing provision impact upon the private rented residential sector. In particular, recognise how rising house prices have sustained and pushed-up the rate of rent increases over the period since 1997, while at the same time the numbers on waiting lists for social housing resident in the sector have grown due to rising house prices and a decline in the rate of social housing completions as a percentage of overall housing output.
- 1.3 Recognise the limitations that currently obtain for the significant numbers of low-income welfare dependent households in receipt of SWA rent supplementation for long-term residence (i.e. over twelve months) within the private rented residential sector. In particular, recognise that the support needs of vulnerable households (e.g. elderly, previously resident in a hostel or homeless) are not being supplied by private landlords. Recognise that the long-term housing needs of all these households might otherwise be better met by direct social housing provision from local authorities and housing associations.
- 1.4 Recognise the need to maintain short-term income maintenance for housing costs through SWA rent supplementation for households temporarily in receipt of welfare benefits and resident in the private rented residential sector. Ensure that the safety net features of SWA rent supplement (e.g. flexibility and speed of response) are maintained.

2. The Role of SWA Rent Supplementation

The seminar noted the need to:

- 2.1 Recognise the extent to which SWA rent supplement has developed into a mainstream housing income support for the estimated 40,000 households in receipt of rent supplement at any given time in the private rented residential sector. Recognise that demand for accommodation by rent-supplemented tenants is a significant element of overall demand for private rented accommodation. Also that rent supplements help to underpin rental income in the sector and that maximum rent levels set by Health Boards probably serve to set minimum levels for market rents in certain areas and for particular types of accommodation.
- 2.2 Recognise the contradiction that exists whereby private tenant households with inadequate incomes (e.g. due to low paid employment) but not in receipt of welfare benefits remain ineligible for SWA rent supplementation. Recognise the

contribution this makes to the persistent unemployment and poverty trap associated with SWA rent supplementation.

- 2.3 Recognise the major anomaly that exists whereby private sector tenant households in receipt of SWA rent supplementation, and otherwise eligible for social housing are not able to claim rent allowance to cover their social housing rental payments if they manage to obtain a social tenancy.
- 2.4 Recognise the need to reform the role of SWA rent supplementation by placing it within the remit of local authorities, thereby developing a housing income support integrated as one of the options open to local authorities. Also improve the regulatory function of local authorities to achieve improved compliance with statutory provisions governing minimum standards for private rented accommodation and landlord registration. The policy goal in this instance being the restriction of rent supplementation to accommodation that complies with regulations.
- 2.5 Recognise that the transition period taken to achieve this reform does not negatively impact upon the current supply of accommodation to SWA tenant households.

3. The Operation and Administration of SWA Rent Supplement:

The seminar noted the need to:

- 3.1 Meet the Government commitment under Partnership 2000 to introducing an appropriate tapering mechanism to alleviate and eliminate the unemployment and poverty traps associated SWA rent supplementation. In particular to eliminate the unemployment trap associated with the 100% withdrawal rule for those recipients re-entering the workforce in full-time employment (i.e. more than 30 hours per week) and who are not entitled to retain SWA supplementation under certain work incentive programmes. Also for recipients engaged in part-time work (up to 30 hours per week) who experience a sharp reduction in rent allowance of £1 of SWA lost by way of higher rent contribution for every additional £1 of net income. Also to address the SWA poverty trap whereby irrespective of the level of social welfare income paid, the post-rent income does not rise above the appropriate SWA level, which is the lowest social welfare payment. The effect being to claw-back on a pound for pound basis the higher rates of welfare entitlement arising from qualification through invalidity, old age, single parenthood and being a carer.
- 3.2 Integrate the SWA rent supplement with other income maintenance payments.
- 3.3 Ensure SWA service users have a role in the delivery of rent supplementation.
- 3.4 Improve effective co-ordination between statutory agencies in the administration of SWA, with particular use given to the introduction of one-stop-shops for service users.

4. Fiscal Treatment of Private Rented Accommodation

The seminar noted the need to:

- 4.1 Target existing incentives to encourage the development of a greater supply of quality accommodation to the lower end of the market occupied by SWA recipients.
- 4.2 Ensure that any new fiscal incentives include grant-based aids to ensure improvement in the conditions of particular types of accommodation (e.g. bedsits) and that obtain value for money.
- 4.3 Formulate fiscal incentives that are self-financing and that include tax deductibility for refurbishment costs
- 4.4 Seek the creative use of fiscal incentives to obtain general reforms in the private rented sector as a whole and to ensure compliance under the law in relation to standards and registration

5. Housing Management

The seminar noted the need to:

- 5.1 Recognise the costs of housing management to landlords with a large number of SWA tenants and consider the use of special contractual agreements between local authorities and private landlords for long-term SWA recipients with assessed special needs who are currently on social housing waiting lists.
- 5.2 Seek to separate the management and maintenance needs of private rented stock from the investor ownership of private rented property by offering, on a contractual basis to housing associations, the management and maintenance functions of properties where rental income is subvented by SWA rent supplement. Such arrangements should obtain whether the investor is an individual or an institution and would seek to benchmark management and maintenance standards to the sector as a whole.
- 5.3 Improve the resolution of landlord-tenant disputes, particularly in relation to overholding and deposit retention, through the introduction of a dedicated housing court as well as the introduction of rental deposit boards. Guard against the introduction of a heavily bureaucratic system.
- 5.4 Consider extending the remit of the rent tribunal for controlled tenancies to include arbitration over the rate of rent increase allowable upon the renewal of tenancy agreements for long-term SWA tenant households.

6. Future Policy Developments and Reforms for Private Rented Residential Housing

The seminar noted the need to:

- 6.1 At a national and local policy development level adopt a Partnership approach to the development of future policy initiatives for private rented residential housing.
- 6.2 Address as a matter of urgency the issues of increasing security of tenure for private rented tenant households via the introduction of longer leases and the right to renew tenancies at a fair rent.
- 6.3 Introduce a mechanism to ensure greater rent stabilisation and certainty of the rate of rent increase for private rented tenant households that provides greater choice for low income and welfare dependant tenant households.
- 6.4 Improve compliance with current legislative requirements and ensure consistency in the enforcement of current regulations in relation to minimum standards and landlord registration. With particular reference to minimum standards of accommodation, improve technical guidance to local authorities from the Department of Environment and Local Government.
- 6.5 Remove the bias toward owner occupation currently prevailing in housing policy and adopt a tenure neutral housing policy.
- 6.5 Adopt a rights-based approach to the provision of housing generally and ensure the greater enforcement of current rights. In particular ensure the right to equal access to private rented housing for all groups is enshrined in legislation and eliminate discrimination on the basis of ethnicity, gender, age, sexual orientation, household composition and whether a potential tenant household is a recipient of SWA rent supplementation.

Platform Respondent's Contributions

1. Mr. JOHN MURPHY

Department of Environment and Local Government,
Chair of Interdepartmental Committee on Issues Relating to the Possible Transfer of
Administration of Rent and Mortgage Interest Supplementation from Health Boards to Local
authorities

The report [Housing Income Support in the Private Rented Sector] was of particular interest to me in my capacity as Chairman of an interdepartmental committee (IDC) on the implications of transfer of responsibility for SWA rent assistance to local authorities. The IDC has recently completed its report which will be published very shortly. Arising from the IDC's Report, proposals have been put to government as to what action should be taken and there will be a programme of work in relation to devising new arrangements on identifying criteria and dealing with a lot of issues that have been mentioned in this research.

Another reason why it was of interest to me is that I am representing the DELG on the newly formed Commission on the Private Rented residential Sector, which held its first meeting last Thursday (22 July 1999) and will be setting out a fairly intensive programme of work with a view to completing a report to government by June of next year (2000).

That commission is looking at a wide range of issues to do with the private rented sector including, of course:

- issues like security of tenure,
- trying to examine and identify how to remove any constraints on the provision of accommodation,
- looking at the extent to which the private rented residential sector could meet a wider range of housing needs and,
- move away from the situation where it has been like a residual sort of tenure.

There are a whole lot of issues there that we will be looking at fairly intensively over a fairly short period of time. We have to look at this in a wider context, taking account at what's happening in the housing scene generally in relation to the price of housing, the gap between the demand and supply of housing and other issues of that nature, including changes in the planning regime.

Something that was commented on at the first meeting of the commission on the private residential rented sector was the extent to which developments or problems in one sector of housing percolate through to other sectors. Some of the problems identified in this study to some extent are a consequence of other developments in the wider housing market. If we are to devise new arrangements for the private rented sector generally or if we're trying to devise new arrangements for SWA rent assistance to meet the needs of a particular group of clients, we have to have regard to those wider issues.

Just to pick up on a few sort of more detailed issues. As I said, a lot of what's covered in this report was also identified by people on the IDC on SWA rent and

mortgage assistance. For example, the extent to which SWA may have started out as a safety net but has developed into a mainstream housing support. We examined the profile of SWA over a period of years looking at this, and concluded that there are significant groups of people whose needs might otherwise be met by social housing who are in the SWA system. There are also significant groups of people for whom SWA rent assistance is a more appropriate form of assistance. There are different types of claimants inside the system. A significant number of people are there for a fairly short period of time, other people are there for a much longer period of time. So in devising new arrangements for SWA the challenge is to find means of meeting the needs of those who have established a longer-term housing need more appropriately in the context of housing policy. Secondly, for those for whom SWA is a form of short-term income support ensuring that that form of support, a safety net if you like, and the capacity to respond quickly and flexibly is still there.

Another issue, which is particularly important to the DELG and to local authorities, is the question of the standard of accommodation. Our own Minister is on record as making it clear if local authorities have the responsibility in this area then we have to take account of the regulatory role of the local authorities. It is essential that if a particular standard is set that we meet that.

There are a number of difficulties in this area at the moment some of which have to do with co-ordination between different statutory agencies, some of which may result from certain data protection issues and so on. There is a need for greater enforcement of the existing regulations and this is something that we have been in touch with local authorities about. Local authorities have found a fair degree of difficulty in enforcing the regulations. There is a wider issue of what the appropriate regulatory regime is, and to some extent that reflects a wider debate about the place for regulations in different government bodies.

It is an issue that the Commission on private rented residential sector will be looking at from the point of view of providing safeguards for tenants while doing this in a way that doesn't significantly constrain the supply of rented accommodation. Certainly I think it would be our view that the restriction of rent assistance to accommodation that complies with regulations should be the goal. There is a difficulty that if you were to decide as and from a given date, no rent assistance will be payable except in respect of premises that are registered or meet with all standards, you will immediately have a problem for large numbers of people. So there is an issue about how you get from the situation you're in now to your policy.

Another issue I might touch on here is the question of assessment of housing needs. There is a recommendation in the report that there should be a more comprehensive approach to the classification of housing needs. I think one of the DELG objectives in looking at SWA rent assistance, is to see how the assessment of need and the eligibility criteria may be brought into line with the way housing needs are assessed by housing authorities. The intention would be to get to a situation where the provision of rent assistance is one of the options open to the housing authorities in meeting housing needs.

There are a number of issues of tapering and incentives to employment, which I think I will leave to Brian because you are dealing with the whole question of tapering.

There is reference to difficulties with the private rented sector including a suggestion for a need to target existing incentives to encourage development of the lower end of the private rental market. The Commission on the private rented sector will certainly be looking at policy initiatives that focus on improvements in the quality and quantity at the lower end of the market. We have received a number of proposals from different actors in the sector looking for a range of fiscal incentives to encourage the development of private rented accommodation. We have to look at those from the standpoint we have taken in relation to dealing with the housing market generally, and the firm policy line that has been adopted is that there is a gap between demand for accommodation including rented accommodation and supply. The policy response therefore, should be focused on the supply side and that we should try and avoid a situation where we introduce incentives that have the effect of pumping more money in without a corresponding increase in supply. Any proposals that are developed for tax incentives, or grants or whatever, have to be looked at in that light - at least until we get to the situation where we have a greater balance between demand and supply.

There are a number of customer service issues that again I imagine Brian will want to comment on. Just looking at Donal's summary of recommendations, I can see a difficulty in trying to implement some of those at the same time. For example, you talked about the need for clear and transparent criteria which will be universally applied, but at the same time we need to have a certain amount of flexibility because one of the strengths of the current systems that it responds quickly to a wide variety of needs and I would fear a risk that if you try and draw very clear and transparent criteria and you try and provide for their universal application you will lose that element of flexibility.

Secondly, if you are moving from a situation where you have at the moment 8 health boards to a situation where you have 89 housing authorities, I can see a greater possibility of differences in interpretation no matter what criteria you draw. I certainly would agree with the recommendation about the need for more one-stop local services, which can provide information on housing, and other needs whether they're social welfare or health needs or whatever.

That's basically all I want to say about it at the moment.

2. **Mr Brian O'Rathallaigh,**
Department of Social, Family and Community Affairs

Member of Interdepartmental Committee on Issues Relating to the Possible Transfer of Administration of Rent and Mortgage Interest Supplementation from Health Boards to Local authorities

I didn't hear all of Donal's presentation, but he gave me an advance copy.

The first thing I want to do is say that the DSFCA welcomes the report. I think it's good from my point of view and from the point of view of any policy maker to hear the voice of people who are actually using the services, and we spend a lot of time talking to each other and to people like yourselves, so I welcome it from that point of view. There are a number of points John has picked up on already, I won't repeat on those, I'll just pick a few as I go through.

First of all there's a lot of reference to the fact that SWA recipients live in the lowest quality accommodation. Now, I think the first thing I want to say is that people on social welfare are entitled to a proper standard of accommodation, the fact that you're on a social welfare payment doesn't disinherit you in that regard or should not do so. However, there is a wide range of available accommodation out there - the standards varying from quite excellent to quite awful. It's inevitably going to be the case that those at the lower end of the income schedule might end up in the lowest quality accommodation, so we need to be careful about where we assign the "blame" for that, so we put in the correct cure.

I think we need to put a regime in place whereby quality in the private rented sector in general is better at the lower end of it, and willingly SWA recipients will benefit from that. I think that is a better way of going about the problem than trying to change the rent supplement scheme in order to force a change in the quality of private sector rented accommodation. I've no doubt that at some point we will reach a stage where the quality of the private rented sector at the lower end of the private rented sector has increased in a general way, and there may be a residual element that we need to take a prescriptive approach to. In other words to refuse to pay rent supplements for accommodation that is not registered. I think - as John has pointed out - you can't do that today, the immediate impact would be more homelessness - I'm quite certain about that.

There is an initiative I want to mention that has been taking place in County Mayo whereby the Environmental Health Officer down there is carrying out a survey on private rented accommodation (or is planning to do so). Not from the point of view of [finding] where SWA recipients are living but [he] is looking at the entire market segment in Co. Mayo. He plans to check it obviously for registration, standards etc. Having done that he will then be in a position to make a judgement on what percentage of SWA recipients are living in accommodation that should be closed down, and if there is alternative accommodation available within a reasonable distance of where they are now he will accommodate them. He feels that at the present time that maybe there might be scope for doing that, and I think that's an interesting approach to the issue and I'm looking forward to seeing how it goes. I'm not so naïve as to think that this can be done in Dublin's inner city, Cork or Limerick. Mayo is a different kind of a place, as you know.

In terms of the future policy direction, again John has set it out using quite a biblical reference here, I think what we are about is rendering unto the housing authority that which is the housing authority's!

There is a spectrum of housing need being met through rent supplement at the moment that ranges from the very short term provision for persons who lose their job, and maybe get another job in a month or two and are living in private rented accommodation for years and intend to be in private rented accommodation for years. They need short term income maintenance. It would be complete nonsense to hand people like that over to the Corporation as a problem to deal with. Equally, there are people who have been on rent supplement for years, we estimate that 10 percent of recipients have been on for 5 years or more. A significant enough number come on as pensioners, blind people or disabled, whatever it might be where it's not likely that their circumstances are going to change significantly and therefore - in our view - don't belong in what is intended to be a short-term income maintenance scheme.

The Chair referred to a 'turf war' [between Departments for control over SWA budget], I don't think it was a turf war really. I think a turf war is people anxious to hold on to something, I don't think this is quite a turf war. The committee worked well and has finalised its report and as John said it will be out very, very shortly.

I want to mention a number of other initiatives that will be happening, that will be of interest to people and references to them occur in Donal's report or references to the problems to which they relate are mentioned in the report.

First of all there's a commitment in Partnership 2000 to look at a tapering mechanism for rent supplement to deal with the unemployment trap that some people face. So meetings are taking place at the present time involving SIPTU, IBEC, the INOU and the government departments concerned. I expect a report will be finalised in September perhaps October [1999] and of course it will be published so that people can have a look at what we have to say on that. The issues are not straight forward, and I think it is interesting for me personally to see the engagement of the social partners in this process of looking at how do you change SWA to make, or give people a break basically, but at the same time give some sense of coherence to the scheme. It is quite difficult.

Part of the difficulty is that SWA is a guaranteed minimum income, it's our implementation of a guaranteed minimum income and that cuts two ways. If you have no income it brings you up to that level which is good, but if you have some income it guarantees that you won't have anything other than the minimum income that the state provides. A classic case of that is the pensioner, again mentioned in this report, whose income is clawed back so that if you are on rent supplement your post rent income is your SWA minus £6. Now there's a logic to it but it cuts very hard on people. Emerging from the Partnership 2000 discussion will be some recommendations for change. I literally don't know what they are but the issue isn't being ignored.

The second thing I wanted to mention is that the NESF has set up a working group to look at social housing in a broad way. That will be reporting sometime next

year (2000). John mentioned the Commission on the Private Rented Sector and that will be picking up a lot of the specifics in Donal's work. There's also reference in Donal's work to increasing the integration of rent supplement with other income maintenance payments.

Now the Controller and Auditor general is the kind of 'popstar' of policy of the moment has made recommendations in that regard as well. They were published last year. He specifically said that Health Boards should not be involved in housing supplements. Now that was last year, this is this year, in a few weeks time we'll have the government response to that.

I think Jim encouraged us to do 5 or 6 minutes, I think I've well exceeded that. I have a few more notes but I think I might pass on my remaining comments. Just to say one thing, the report in the early, first page of it I think contains an erratum slip to correct the expenditure this year as not being £155 million, in fact its £103 million. In case anybody walking out of here thinking my God they've lost the run of themselves completely. It's about 17% up on last year, which itself was about 17% up on the previous year. And our information is that that reflects rises in rent levels rather than increases in numbers.

There are about 40,000 people [in receipt of rent allowance] now and about the same last year, I think there were about 38,000 two years ago. I think in that regard we have to keep account of the fact that we have asylum seekers in greater numbers than what we had. Some people who retain rent supplement having gone from welfare into community employment. So if you were to go back 10 years and look at the long term welfare recipient who is on rent supplement, there are actually declining numbers of people in that category on rent supplement at the moment. The numbers remain stable because we've increased numbers of asylum seekers and increased numbers of people who are actually in work but who are retaining certain rent supplement benefit.

Thank you.

3. **Mr. Fintan McNamara,**
Public Relations Officer
Irish Property Owner's Association

Good afternoon everybody.

I come from the Irish property Owners Association. We represent that much demonised 'beast' called the landlord who have been very much, I would say, vilified and I think this reflects [back] to the last century.

Hence, we use the term property owner rather than landlord. You may be wondering what type of a person is a landlord or who invests in residential investment property. Property Owners come from all walks of life and many Property Owners are in the business full time. Nowadays, when we talk about investing in property I think its worth bearing in mind - going back about twenty, indeed less than twenty years ago - I picked up this little article within the newspaper dated May 14th 1983, Saturday May14th. The headline states "buying a house is no longer the investment it once was". I'll just quote the first paragraph because it gives food for thought:

"Buying a house is no longer the investment it once was to 1980/81. A 20 year long cycle of ever rising Irish property prices came to an end. The property boom which made millionaires of many and brought affluence to the middle classes came to an abrupt end thanks to the peculiar features of the present international recession, increased interest rates and a collapse of inflation".

I often think that may not be too far away from us the way things have been going recently. [There was] Another similar article around the same time by a very interesting property analyst in America who wrote an interesting textbook called 'The Downwave'. I don't know if any of you are familiar with it. He advises people to steer away from property and invest in guilds and government securities, he stated that property was not the investment you should be going in to. In his book 'The Downwave', he actually details property that was bought in Florida in 1920's, the prices which weren't equalled again until the 1980's.

While property may be booming at the moment - there is absolutely no guarantee that it will remain so. I would suggest investors who are investing in property nowadays at the peak of the market would want to have their heads examined. First of all I will give you a very simple example. In 1990 to buy a standard house in flats the purchase price would be about £100,000. From that investment you could expect an income of about £13,000 per annum, that's a gross income. In other words you could expect to get the value of your property back in about 6 or 7 years. Buy that same house nowadays you'd be expecting to pay £350,000 for it. Now the rents may have doubled but you're talking about waiting 17 to 20 years to get a return on your investment.....

When you take the Bacon Report on top of that - where the interest is disallowed - you're talking about 30 years, so it absolutely makes no sense to invest. You may say who's investing? People who are fairly well placed, who have college-

going children, they have a few bob in the bank, no point in leaving it there at the current interest rates, so to save them paying rent for their children it does make sense to buy an apartment or a house.

That however is of little help to college students whose parents have no such resources. I am making these remarks today to put the whole thing in context. If we want good quality housing we must put in place the fiscal supports which would be almost self-financing, they would cost the state precious little. For example, if I buy a house and I spend £100,000 doing it up, I am not allowed the refurbishment costs against tax on rental income. That seems to me a crazy situation. Not only do they allow these refurbishment costs on the Continent, but they have grant-aid to encourage people to promote good quality accommodation..

We must bite the bullet as property is very heavily taxed in this country. I saw one newspaper report recently estimating tax take in excess of £2 billion on 40,000 new houses, which are being built. This would include very steep stamp duty, 9%, compared to 2% across the water. You have VAT on materials to refurbish and income tax on labour when property is being refurbished. It would be self-financing for the government and prudent public policy; we simply have to bite the bullet - there is absolutely no other way.

Now those are the general remarks I would leave with you. Coming to the report itself, I only got it last week and while its not bedside reading I tried to read it over the weekend as thoroughly as possible. The author is to be commended for the thoroughness of his research, but it is a case study and is confined to something like 300 people. I would urge caution in generalising it to the broad private rental service industry. I welcome some of the findings in it, it says that 70% of tenants have a good relationship with their landlords and only 4% have a bad relationship, the others seem to be in-between. That compares with a Labour Party survey I think took place on the North Circular Road about 4 years ago where 80% of tenants had a good relationship with their tenants. So maybe landlords aren't as bad as people think! They need a bit of encouragement to do certain things, but encouragement rather than coming along with a big stick.

Another thing, which I think is an error in the report, is stated that the rent supplement is a very significant feature and it underpins the private rented service industry. That may have been the case we'll say in the last decade, but I think now you could safely say there are well in excess of 300,000 possibly 350,000 people in private rented accommodation. Maybe there are 50 or 60,000 on rent supplement. You're talking about maybe 20% of private rented service industry and many of them are living in very good quality accommodation. In relation to the refugees just spoken of, many of them are excellent tenants who appreciate their accommodation.

Another feature, which came across to me in the report, was that landlords were refusing rent supplement because they were afraid of paying tax. "Landlords won't register because they are afraid of paying tax". Now, that is not the case. There are 50 or 60,000 persons as I said on rent supplement so clearly landlords are taking them. Many landlords with good quality accommodation are cautious because they are fearful of the type of person who comes in - who is not working and possibly will

use the accommodation for other purposes, and maybe some of them using it for small business purposes.

There is also the fear that if they wish to exclude them when they display anti social habits, this can take up to 12 months and can be very costly, £3,000 or £4,000 plus a loss of rent in between. They actually have to go to the circuit court, a barrister and a solicitor, £3,000 plus loss of rental income. That is one of the fears upper most in a landlord's mind. At least if someone is working you can pin the cost on them if they choose to be so brazen.

I am saddened by some politicians and some people advising tenants to go to court and drag the process out for 8 months. I think this is negative thinking, if tenants are in breach of contract they should be advised if they go to agencies seeking advice, to recognise their mistake, move from the accommodation and clean the slate. That would be in my view more appropriate advice.

Could I just come back to the registration system, and I'm saying this once again, I've said it on numerous occasions on the media, landlords are not opposed to a registration system. We just feel that one that was introduced 3 years ago is unworkable and has not been observed by the vast bulk of landlords. It is worth noting that there are 3,000 fewer units registered now then there was this time last year. It has pushed landlords away from the standard end of the market, people are moving away from it, it's too cumbersome especially when subject to expensive regulations. Government has been seen as being unsympathetic to Property Owners providing standard accommodation and I hear politicians saying 'we'll get the institutions to invest'. The institutions traditionally invest at the upper end of the market because they are likely to encounter less problems there. In fact it is trouble free.

I would suggest that separate treatment be given to tenants who require long term social housing. Special contractual arrangements should be made between individual landlords and local Authority in the area of Social Housing. This is the pattern in some continental countries.

4. **Ms Mary Murphy,**
Social Policy Officer
SVP.

I would just like to begin by turning the tables a little to look at the poverty issue and the issues for people living on the SWA or lower incomes. Another piece of research done since this report, done by the Larkin Centre, shows that quite a number of people under-reported what rent they had to the Community Welfare Officer for fear of being told they were being over accommodated, and actually paid more out of their social welfare income for their rent than was actually reported even by the state.

There's also the issue of the claw-back rule. That's now only leaving people below the adequate rate but is also inconsistent on an equity basis compared to how people are treated in other housing tenures. There's also the 'in your pocket' effects of the way of the SWA administration for lower income people leaves them with less money in their pockets. That has a huge impact on the mental health of people and there's good work done by the ESRI to document that; that people living in poverty are much more vulnerable to health issues than is the general rule in the working population.

The insecurity of tenure, the insecurity of not knowing when the next rent increase might happen and the general impact of living in very poor quality accommodation adds to that health both physical and mental. A lot of our members in the St Vincent de Paul, a lot of the feedback from them is about housing conditions. It's not about what people are getting on the dole, it's not about other issues, its about the really immediate physical impact that living in poor conditions has on the whole aspects of their lives, both from planning their futures and living to the full potential. It really is a fundamental part of their lives.

I suppose for that reason I would be at odds with Fintan when he says landlords just have to be encouraged and not beaten with a stick. For me it's not about beating them with a stick, it's about beating them with your own rights, and we would very much favour a fundamental rights-based approach to what a tenants rights are in relation to their housing. We would be very much looking for greater rights in relation to standards of housing, security of tenure and rent stability and also greater enforcement of the rights that are there, and Donal's report deals with that to some extent.

Another issue where rights are important and increasingly so, is in the whole area of anti-discrimination legislation. Fintan referred very dramatically to landlords being fearful of certain types of tenants, not wanting certain types that might damage the property because they hang around all day and might be starting up businesses! There's a lot of prejudice and a lot of misinformation behind a lot of the landlord's perceptions of what particular tenants will do and again we feel that the right to equal access of accommodation should be enshrined in legislation.

Landlords like any other service provider should be obliged by equal rights legislation that's coming in now. I do accept that landlords, were they obliged to give equal access to people, they would need to have a speedy conflict resolution

mechanism, and that is one of the problems there for landlords at the moment. It does take a long time in the courts to resolve the disputes and there are plenty of disputes where the landlord is on the right side and the tenant isn't. That can be overcome by a housing court that's efficient, and has a proper mechanism for speedy resolution of it.

The overall question posed in the report is does rent allowance have a role in the private sector and more broadly in social housing? I think before answering that you need to look at the broader housing policy in Ireland and look at it in an integrated way and in a way that has some principles behind it.

We've certainly tried to look at it from that position and argue that housing policy should operate out of principles that try and create healthy communities for all, and different types of housing tenures for people to live in. We would feel that the private rented sector does have a role for certain low-income tenants in terms of providing their housing needs. It's probably a very limited role considering the obstacles that are up against it. I say that for two reasons, one that it's quite an inefficient method for the state to pursue in meeting low income housing needs and that's borne out by research elsewhere. Also because it's not people's choice at the end of the day and choice - as the report documented - is quite important to people.

So in trying to build up the role the private rented sector can have, I think the report does single out some interesting areas. There are the whole set of recommendations around the need for security of tenure. I think as Fintan says it's important to try and find out what the tenants want. I accept that landlords are saying that tenants don't look for long term leases, that that might be a reality at the moment, but you're lucky to think that you might get the 12 month lease. What people ask for is not always necessarily what they want, it's often what they expect they might get and it's in that context that they're asking. We do need to work with that and the Commission has the potential to do that. I think security of tenure might be quite limited in its impact unless there's some security of knowledge that you can afford to pay the rent and that means some form of, I don't want to use the word rent control because it gets some people's hackles up and it's not necessarily what might be needed, but some form of rent stability, rent stabilisation, rent certainty is needed to complement a security of tenure.

There are ways of increasing supply; fiscal policy, grants, tax incentives. These do seem to be in the picture no matter what way we look at it and international evidence seems to support what Fintan is saying there.

It's obvious at the lower end of the income scale that there needs to be more increase in supply of appropriately sized units, particularly for single person households, particularly with a view to housing for older male households and increasingly older single households. That can be done - we believe - by fleshing out what Donal had in the report - by some sort of creative use of the tax incentives that are there. That if you trade new or existing tax incentives against a package of long term security of tenure, rent stabilisation and certain minimum qualities that you could design a particular package, very much targeted at a particular population in the private rented sector who will be dependent on it long term. I think there is potential to do that, it's been done elsewhere.

There's also potential to target a package of grants to improve the bedsit type accommodation at the lower end of the market. So there's ways of using the fiscal policy very, very creatively and very targeted to make sure we get value for money, and don't have too much dead weight.

Unlike Fintan where he says the upper end of the housing market is what institutions like to invest in, there is evidence from countries in Europe that institutional investors have invested in housing that has ended up being tenanted by the lower income end of the market. They've mainly done that by being the financial backing behind housing association managed housing and there's a lot of potential there that I think we need to look at and try and draw out.

Finally just comments on the delivery and administration of SWA rent supplement. I'm not so sure that people are saying that SWA has its great merits and that it's flexible and that it can meet immediate needs. I'm not so sure that it holds up to that or that the local authority administration isn't capable of meeting very short term housing/income needs with the same degree of flexibility, I'm not so sure it deserves that much credit, the SWA system.

For that reason I suppose we would be keen to see the development of an integrated system where supplementary welfare allowance, rent supplement would be moved in to the local authority framework. I think that can bring out a greater equity approach to the provision of housing supplements. It has more potential for long term tapering; it gives us better potential for assessing housing needs. It also gives great potential for enforcing housing regulations and for tying up the payment of housing supplement to the enforcement of minimum standards. So I think if we are going in a particular direction we'd like to see some of the stuff John talked about where some of the SWA might be seen as a longer term housing need and functionally addressed by the local authorities. That its in the right direction but that maybe even in the future that the residual bits left in the SWA really shouldn't be there in the long term. It should have a role in the local authority system.

Thank you

5. Mr Blair Horan,
General Secretary,
Civil and Public Service Union.

I'd like to start by welcoming the report. I think it's a valuable contribution to what's now emerging as a very important housing debate in this country. I think in the recent negotiations over the last Partnership agreements unfortunately housing policy has hardly featured at all. I think that needs to be addressed in the context of the negotiations that will take place later this year and as a member of the executive council of the Irish Council of Trade Unions, I can certainly say to you that ICTU is absolutely committed to the whole area of housing policy.

I think from time to time we tend to focus on affordability issues in terms of representing our own particular constituency group, like my own particular members, low paid civil servants but ICTU has always had a particular responsibility in terms of social inclusion. We've always seen that as part of our very important remit to promote social inclusion. Unfortunately housing hasn't featured but I do think, and I can assure you in terms of the approach that will be taken later this year, we do have another set of negotiations on Partnership and will be to make housing policy centre stage. That includes the whole remit of housing policy including the most marginalized and people depending on rent supplements.

Just a couple of points that struck me about the report. I think it's hard to avoid a conclusion that a very significant increase in money is going to rent supplement, while the percentage of landlords that are refusing to take tenants in that category is high, and there is very poor quality of accommodation. It's very hard to avoid a conclusion that effectively it has become a significant subsidy of poor quality accommodation. I'm not saying that in an attempt to demonise landlords, I don't have any difficulty if there is merit in terms of using fiscal policy to improve the supply of good quality accommodation then I think that needs to be done. Provided it's done in a way that doesn't effectively transfer an unwarranted benefit to landlords, but there isn't anything wrong in my view in subsidising the supply side.

What strikes me in so far as rent supplement is essentially an income maintenance scheme; it doesn't then relate back to housing policy. This struck me very strongly from the report - the need for an integrated housing policy and the need to position what's happening in terms of income maintenance schemes like rent supplements within the overall framework of housing policy.

There is certainly an issue in terms of people on low pay and particularly people moving from rent supplement and from welfare in to low paid employment and the poverty trap that arises from there. The intention was some years ago was to actually use a measure of tax relief and registration of landlords to try and improve the position of people who are, if you like, in low-paid employment and in the private rented sector.

It certainly doesn't appear to have worked in terms of increasing the registration of landlords. I certainly agree with what is said in the report that housing rent supplements should only be paid for registered and good quality accommodation, but the question is how to achieve that. One of the difficulties has

been pointed out that if you simply withdraw it, well if its an income maintenance scheme you're perhaps penalising the recipient rather than actually immediately improving the accommodation vis á vis the landlord. Again I think that's an area in terms of the need to integrate the whole scheme into overall housing policy.

Whether that means there's a role in terms of a housing benefit that's payable irrespective of employment and is related to income, I simply don't know enough to make a statement on that. I think the whole area on how it integrates with housing policy needs to be looked at.

We were disappointed that the government decided simply to have a Commission on the Private Rented Sector. I think there was merit in having something that would last for longer than next year because I think there is an urgency about the whole housing issue, but to have an integrated look at the whole area.

I think one of the advantages now is with the focus on housing there is an opportunity in terms of issues, like the issues we are discussing today which 2 or 3 years ago weren't considered in an overall way, and would tend to be consigned to more of a backwater. There is an opportunity now to look at things in an overall, integrated way and in that sense it was very disappointing that the government didn't take the opportunity to have an overall Commission on Housing. I think, again coming back to the initial point I made, I think the opportunity will be there in the context of the Partnership discussions at the end of the year to push for an integrated approach on housing.

We don't disagree with some of the points that are being made that there is a need for a more neutral housing tenure in terms of more of a role for the private rented sector. I think the whole area of social housing now needs to be looked at again. The NESF has just commenced a study on that.

How is that integrated with people who are on rent supplement, and how are people who are probably the most disadvantaged and marginalised in terms of the housing sector, how can they be encompassed into issues of social housing policy? Certainly, my view of it is that there needs to be a much more open approach, a much greater role for the voluntary sector. A way in which we can approach housing policy that sort of ends any question of people being stigmatised by particular sectors or particular areas that they are in.

The issue of tenure and security of tenure is central to it all. Its very difficult to see that we can have any real progressive policy and progress on this issue without addressing the issue of security of tenure. I'm interested to hear Fintan say that it's an issue that they are prepared to address. That's a key thing that came out of the report for me, that it is central to the overall approach.

What also interested me was what Donal was saying about clients and the involvement of clients themselves. There's now a recognition that Partnership is the way in which we should structure how we do our business. I don't believe it should be just confined to areas like employment. There's absolutely no reason in my view why Partnership approaches couldn't be taken to areas of housing policy and housing

need at local levels in such a way that again the users of the service have both a role and a voice in terms of what should happen.

Again as I say, I'm not speaking as anyone with any particular expertise in this area, but it's an area I'm interested in, I'm on the NESF forum on social housing. What I can say is that in terms of the report and in terms of what ICTU will be doing in the Autumn in terms of developing policy, we are very interested in working with the Combat Poverty Agency and with the Voluntary Pillar generally. In order to try and ensure that in the next set of discussions later this year that housing policy for all of the groups and in particular for the more disadvantaged and marginalised groups will be part of the new agenda and the new agreement.

Comments and Contributions from Seminar Participants

1.

Dr. Yvonne Galligan,
Policy Institute
TCD

First of all I'd like to commend Donal for his research I think it's a very valuable contribution to the study of housing politics and housing policy.

For people like myself who are engaged in housing policy research, this kind of discussion is a very valuable means for me to keep contact and in touch with various views and perspectives of practitioners on the ground.

It appears to me that an underlying point being made in this research is the fact that the SWA as used in the private rented sector is inextricably bound to wider issues, housing policy in general and social housing policy in particular. This indicates that housing policy is not just about shelter and specifically shelter for the poor, but recognises health issues, economic issues, social issues and community development issues.

In serving those particular ends that it becomes much more complex than just putting people in boxes and putting roofs over their heads. That is why it is so difficult to match the needs and the requirements of all the individual groups in the sector.

I think one of the key issues in relation to housing policy is the issue of choice and not just the obvious ones of affordability and suitability of accommodation. The individual has a right to choose what kind of accommodation they would like to live in, and the poor in our society have absolutely no choice regarding location, quality and suitability of their home. This is something brought out by Donal's study. Yet for people with money there is a choice, you can choose if you're an owner-occupier, where it is you want to live and what kind of house you want to live in. Housing policy in its broadest sense, must address these issues of tenure choice.

These are my initial reactions to the study itself and to listening to what the panel have been saying.

2.

Mr Tarquil Quigley,
Director
National Association of Professional Landlords

First of all I wasn't going to bring this up. But then you brought the point up about choice. The problem about choice really comes down to money. If you are a multi-millionaire you can get into all situations, but if you have no money you don't. And if someone is very poor they can only afford what they can afford. It's not nice but it's a reality. But I don't see how it can be overcome, I mean I know what you said but I don't know how you can solve that particular problem.

The area I really wanted to get onto and this is talking personally, not anything to do with the Association - is about the security of tenure.

The problem I have with that personally, would be that it would devalue my properties a lot. If I get somebody in who has got a right to be there for the rest of their lives - as you do with someone in a control tenant situation it means that I have a property worth quite a lot of money, that has suddenly become devalued and therefore it makes me feel that I don't want to stay in this business, because I am going to lose a lot of money and there's nothing I can do.

So while its very nice, and I can understand from the tenant's point of view why they want to have it, and I know if I were looking for a place I would too would very much like to have it. On the other hand if I own the property and I am going to lose a lot of value on the property that it's a very serious problem.

Balanced on top of the situation that is happening now, my own property is down to about 5.2% return on capital and that's a dangerously low level in spite of the high rents, which are high, but its not a safe level of return on capital. Its too low, particularly when you can get much higher doing a wide variety of other things. It's putting down those Landlords to a position of wondering why go on? It's a lot of work and it's a lot of effort and all the rest of it. I do take a cross-section of tenants, its not like I'm picking them out, they all have the same types of flats. I don't discriminate between employed and unemployed, they're all in the same building. That's really the point that I wanted to make.

3.

Ms Eithne Fitzgerald,
Lecturer in Social Policy,
University College Dublin.

1. Long-term tenants are assets to the landlord, in the same way as a long term tenant in a commercial building is seen as an asset. A serious effort should be made to engage financial institutions like building societies and insurance companies as corporate landlords with a business like approach to management of rental housing.
2. Long-term security of tenure has to include a fair mechanism for uprating rents. A right to renew a lease or continue a tenancy to be realistic, can't just be a right to renew at 1,000 times the current rate! One mechanism would be that if rent increases are proposed above the rate of inflation, there would be a right to refer to a Tribunal which arbitrates on whether the proposed new rent was in line with market values.
3. SWA supported households (40,000) amount to roughly one third of all social housing, given 96,000 or so local authority rented homes. With the administration of the SWA scheme moving over to local authorities, the rent formula under differential rent and under SWA should not be different. In my experience, when families on the housing list have to move out of the parental home into private rented housing, that is tantamount to a decision to give up employment, as low income families, particularly lone parents, cannot afford to

pay commercial rents out of their earnings. In general, under a differential rent scheme, a family will forfeit about 10% of additional income in additional rent payments. Under SWA, 100% of any earnings are forfeit.

4. The supply of rented accommodation needs to be expanded. However, any financial aid eg. Section 23, to do that should be explicitly linked to compliance with the law (rent books, minimum standards) and to greater security of tenure through either longer leases or (probably more effective) giving a legal right to renew tenancies at a fair rent.

4.

Mr John Timon,
Housing Officer
Dublin Corporation.

Changing the name from Landlords to Property Owners hasn't necessarily worked. There's still a lot of mistrust around landlords and that seems to be coming across to me.

Somebody mentioned Partnership to me earlier on and I think the Property Owners are an important cog in the wheel of the housing issue. I suppose this is directed at yourself Fintan, you said that property owners didn't mind regulations but not the type of regulations that are in there now. I think that I'd like to hear what your Association has to say about fair regulations. I think that local authorities should work closely with yourselves and leave behind any prejudices that obviously are there.

5.

Mr Martin Fitzpatrick,
Environmental Health Officer
Dublin Corporation

I'm involved in the enforcement of the standard regulations that deal with the private rented sector. I think the one thing that should be put quite baldly on the table is the level of non-compliance.

The situation in the Dublin Corporation area is that in 1997 ~~and~~ 1998, we have concentrated on the lower end of the market and we are coming up with 78-79% of non-compliance on inspection. That certainly has major consequences in terms of the recommendations in the report. I would agree with some of the things that Fintan said earlier in terms of there being consistency in relation to enforcement. I think it's an area that the local authorities need to work on. It's an area where we need leadership from the DELG. We've asked for technical guidance notes or best guidance notes to be developed; we've actually put a lot of recommendations to the DELG on this issue. Certainly I hope that we'll see some progress in the near future.

I would disagree with Fintan in the whole area of relationships between landlords and tenants. While I don't dispute the level of numbers in the actual report, the level of complaint we've been receiving since these regulations came in are quite dramatic. During the first full year of implementation we had a 184 complaints in relation to standards. That went up to 1,157 in the previous year, so I think that draws a picture in itself.

The other issue in the report where I have some concern is the conclusions made in relation to registration, because events since then have overtaken this whole issue in relation to the Ennis UDC cases. There are various High Court cases in relation to registration, where we may find ourselves in great difficulty in trying to enforce these regulations in years to come. In terms of the thinking within the report, they may have to be looked at again.

Approximately 78% is the frequency of non-compliance in Dublin, the level of non-compliance varies between each property. The major problems would be in relation to ventilation, but certainly the condition of bathrooms and toilets would also feature very significantly. I think one of the things I do welcome in this report, it says that these are minimum standards and certainly compared to regulations in other countries there are quite minimum. That level of non-compliance is in itself a worrying issue.

When we began in 1994, we had 184 complaints received, but we actually did 4,682 inspections, so primarily it was very much a pro-active programme at that time. Last year we 1,157 complaints as compared to 2,214 inspections.

6.

Ms Clodagh Memery Threshold

We need to see security of tenure increased, so that people know where they are going to be in years to come, particularly if they have a family and have taken the option to go into the private rented sector due to non access to social housing, and the removal of access to home ownership, due to issues of affordability.

There are simple mechanisms that can be put forward to assist this relationship between landlord and tenant. One area which causes most hardship and difficulty for tenants is the terms of notice to quit for periodic tenants. As we know, the legislation requires 28 days notice to quit in writing, but that is not enough time for tenants to find somewhere else to live in the first instance. Also landlords do not have to give just cause or reason for issuing a notice to quit, which infringes on tenant's rights

A second area for dispute is in relation to deposits, particularly in the return of deposits from landlords. We should look at the model of 'rental deposit board' to remove this source of conflict between landlord and tenant. Based on the Australian model a board could be established into whose accounts deposits are lodged. At the end of the tenancy the tenant applies to the board to have the deposit released to them. In return if the landlord has any difficulty he has up to a week to say that he has grounds to claim back all or part of the deposit. To ease difficulty in securing deposits from tenants who are accessing rent supplement allowance; the health board/local authority could guarantee the deposits with the board.

We must examine the relationship between ownership and management of private rented accommodation. An individual or a company may want to invest in the sector but does not want the day to day management that is required, particularly in relation to responding to repairs, crises etc. In other European countries voluntary housing organisations manage on behalf of private landlords, which often includes

selecting tenants and issuing leases. They are professional housing organisations, which understand the needs of tenants, and their involvement can remove the difficulties in landlord tenant relationships. It can also improve the efficiency and standards within the sector.

Overall we need to look at the whole area of developing integrated housing policy. Unfortunately the only reason why housing is now high profile is because of the crisis happening in the system in terms of supply and affordability. It seems that we are always seeking fire-fighting solutions.

In the longer term the issue is to address how and where housing is supplied (regional foci), the means to build the voluntary housing sector so that it is a key player, and to examine local authorities' capabilities to provide an increased amount of housing in the future, considering their record in the past (particularly in terms of estate management). We inherited the current housing situation through a 'blind' continued support for home ownership above all other tenures.

Therefore the vast majority are home owners and are becoming increasingly a privileged section of society, due to access and affordability issues for new households. We need to turn and look at another section of households who are suffering from various forms of social exclusion, which is inextricably linked to housing issues. In particular vulnerable tenants in the private rented sector have limited access to community, educational and employment supports supplied by area based partnerships, due to being housed in more scattered locations, which tend to fall outside partnership boundaries.

7.

Mr. Padraic Kenna,
Galway Simon Community.

One of the figures that struck me reading the report is where I found that over half the people who occupy private rented accommodation had as their previous address the parental home. The other figure that surprised me was that 13% had previously lived in a hostel or homeless institution. That's a large figure and its probably an under estimate. Their support-needs are being supplied by private landlords and most of us would agree that this is not a suitable situation, most community welfare officers would also agree.

It was mentioned that we need the opportunities for having agreements with good quality housing providers and choice for people, based on consistent payments of Rent Allowance, which we feel, would be absolutely necessary. However, the forthcoming Commission on private housing will be aimed at institutional investors, and it is generally felt that they will not be coming in at that particular end of the market - there is no money in it.

There's no real mention of a role for housing associations, here we have to look at the voluntary housing associations and co ops who can provide housing and support for the same group of people who are currently in private rented housing at high rents. There is an anomaly in the situation in that if they were housed by

housing associations, even in properties, which did not receive capital subsidies, they could not claim SWA.

It hasn't come out in the report, but if as a director of a housing association I wanted to buy properties tomorrow and provide very good quality housing for people who would otherwise be in private rented accommodation, they would not be able to claim rent allowance to cover their rents. That is a major anomaly between Ireland and other European countries.

I think as we are moving on with this issue, that there could be more consultation with the voluntary housing associations and co-operatives, and the Local Authority housing departments.

8.

Mr. Noel Mathews,
Respond Housing Association

I would just like to reiterate some points made particularly by Mary Murphy. We would feel quite feel quite strongly that given the need to address the supply-side of affordable rented accommodation there is a need to stabilise rent, a need to ensure adequate maintenance and also management standards.

We feel most of those needs should be given to the option of a non-profit private rented sector company. We feel that many of the voluntary housing associations would have a lot to contribute in this area, and would be very useful in benchmarking adequate maintenance and management standards for the private rented sector.

They already have a track record in the management of property and should be considered not just a small addition to the private rented sector but as a pilot addition within itself.

9.

Mr Joe Finnerty
Reseacher
Nexus Research Co-operative

I conducted research for Threshold and talked to landlords in both Dublin and Cork and a number of issues came out of that piece of research. One that came out clearly was that even though security of tenure is very limited, landlords (from a postal questionnaire) were quite happy with that situation. They were happy because they were frightened to death of tenants over-holding.

By tackling the problem of over-holding in a an even-handed fashion, for example by setting up a housing court that would speedily and inexpensively deal with the issue), it would allow mainstream landlords to feel happier with legislation to improve tenant's security of tenure. It would also help to remove from the debate the spectre of bad tenants and bad landlords; we need to focus on a partnership approach when it comes to reforming the private rented sector.

One danger of introducing incentives to the private rented sector is that you'll over-heat or distort the market. However, if you provide grants to existing landlords for refurbishment in context of increased enforcement of regulations, then you avoid two things (a) landlords exiting from the market because cost of regulations are too high, and (b) new build being diverted from first-time buyers to landlords.

My third point is something that was outside the scope of Donals report; it's the question of the efficiency of rent supplement, the economic efficiency. The 1996 Report to the Minister on Rent Supplement made the assumption that rent levels in private residential sectors have remained constant, this assumption no longer holds now, and it was an amazing assumption even then! We need to re-examine the relative economic efficiency of subsidising private renting in favour of local authority and voluntary housing options.

10.

Ms Barbara Wood,

Director,

National Association of Professional Landlords

The idea of linking tax incentives with some form of rent stability and security of tenure should certainly be looked at. I would need clarification as a landlord as to what you were talking about regarding security of tenure.

Going back to the system that we had before of rent control and life-long tenants, well I can't see any landlord wishing to go back to that system again, because it devalues your property and ties you into something forever. From a business point of view it doesn't make sense to go down that road. I'm quite sure there are ways of doing it and it needs to be talked about.

A lot of landlords like to have tenants who stay in their property for long periods and they are prepared to let at a reasonable rent to those sort of people. It's finding those landlords and drawing them into a social partnership, working with them and encouraging them that's important.

So far, certainly from a tax point of view there is no encouragement of landlords running a business because its not recognised as a business. I'm delighted to see the report coming out and I am encouraged to see that 70% of tenants have a good relationship with their landlords.

I think a lot of tenants don't actually report a lot of things that go on with landlords, because of the shortage of accommodation. They don't want to upset the status quo. General housing policy needs to be looked at to link landlords and tenants in with government policy. I'm glad to see that the partnership approach is at long last being talked about.

11.

Mr Frank Mills,
Superintendent Community Welfare Officer,
Eastern Health Board.

I've one difficulty with the manner with which the recommendations are represented in the report, in that you divide between short-term and long-term, and that can pose some problems.

As an example; one of the short term recommendations is that the payment of rent supplement should be linked to properties that have minimum standards. A long-term recommendation is that landlords should receive incentives to upgrade their property. I agree with both of those proposals, however if they were introduced in that manner there would almost certainly a drop in the availability of short-term accommodation.

Coming from the Eastern Health Board where we have great difficulty in moving people out of a situation of homelessness, the last thing we want is a further drop in the availability of accommodation. I think both of those recommendations should occur simultaneously.

Final Responses from Platform Speakers

Ms Mary Murphy,

Social Policy Officer

SVP.

[We need] flexible and built on, engaging relationships between the tenant and the landlord so they both know what they are getting in to. We're not looking for something unrealistic or that can't be done.

Just on your 5.2% rate of return, the way some rent control is approached in other countries is that they look at setting an economic rate of return on the property, they see what that would need to be and they determine the rent by that and index for inflation. So I don't think anybody is being naïve to assume that you shouldn't get your economic rate on return because it's a business.

It is a business to you, to the tenants its more than a business or an economic relationship, it's a home. There has to be some recognition in the way we approach the regulation of it to give people the basic right to the stability of life in their own home. We need to reconcile them and listen very carefully to each other on how we try and reconcile them. I think it can be done, there are examples elsewhere on how it can be done.

Mr. Fintan McNamara,

Public Relations Officer

Irish Property Owner's Association

A comment was made on a Deposit Board to be set up to adjudicate on deposits. We always recommend in our association to our members to give back deposits. The problem with a deposit board is who will finance it? Will it be another layer of bureaucracy and are we going to be tying ourselves up in knots again?

On the rent supplement, I'll say this again, landlords are fearful of taking on rent supplement tenants because if damage is done they have no insurance, we can't insure wilful damage that's been done. Of complaints coming in to our office, 100% are about rent supplement tenants; not paying rent, falling into arrears. The deposit doesn't even enter in to it; they use it to pay the last 2 months of rent.

13% of the people in the report come from institutions, these are people who are marginalised in some way and have problems. One needs great skill in dealing with them and some landlords are better than others are. Others in the report came with 9 kids looking for accommodation and 9 kids is a lot going around a rented house.

I say again, I don't believe institutional investors would play a significant role in Ireland, the experience in the past hasn't been good and the evidence from overseas is that they're withdrawing. They may invest in student houses but not at the bottom end of the market.

Finally, a remark was made on being tenure neutral. In Germany, the supports are equal to all types of tenure: home ownership, private rented or be it social housing. 40% of accommodation in Germany is privately owned.

List of Participants

- Chairperson: Mr Jim Walsh, Research and Policy Analyst, Combat Poverty Agency
Facilitator: Mr Dáithí Downey, Research Officer, Combat Poverty Agency
- Seminar Presentation: Mr Donal Guerin, Researcher and Author of 'Housing Income Support in the Private Rented Sector – a survey of recipients of SWA rent supplement'
- Platform Respondents: Mr John Murphy, Department of Environment and Local Government
Mr Brian O'Rathallaigh, Department of Social, Family and Community Affairs
Mr Fintan McNamara, Irish Property Owner's Association
Ms Mary Murphy, Society of St. Vincent de Paul
Mr Blair Horan, Civil and Public Service Union
- Seminar Participants: Ms Veronica Black, Cherish
Mr Paul Burns, Department of Finance
Mr Joe Delaney, Housing Officer, Limerick Corporation
Mr Tom Dowling, Department of Finance
Ms Mary Flavin, Irish National Organisation of the Unemployed
Ms Eithne Fitzgerald, University College Dublin
Mr Martin Fitzpatrick, Environmental Health Officer, Dublin Corporation
Dr Yvonne Galligan, Policy Institute, Trinity College Dublin
Ms Mary Higgins, Director, Homeless Initiative
Mr Eamonn Hunt, SWA Appeals Officer, Eastern Health Board
Mr Nigel Hutton, Department of Environment and Local Government
Mr Phillip Keegan, Citywide Partnership
Mr Padraic Kenna, Galway Simon Community
Dr Tony McCashin, Department of Social Studies, Trinity College Dublin
Ms Pauline McNamara, Eastern Health Board
Mr Noel Matthews, Respond Housing Association
Mr Frank Mills, SCWO, Eastern Health Board
Ms Maureen Maguire, Free Legal Advice Centre
Ms Clodagh Memery, Threshold
Mr Eddie Murphy, Mid-Western Health Board
Mr Justin O'Brien, Focus Ireland
Dr Síle O'Connor, Director, National Economic and Social Council
Ms Anne O'Donnell, Housing Officer, Limerick Corporation
Mr Eoin O'Sullivan, Department of Social Studies, Trinity College Dublin
Mr Tarquil Quigley, National Association of Professional Landlords
Mr Eugene Quinn, Snr Administrative Officer, Fingal County Council
Mr Brian Reddick, Snr Administrative Officer, Dun Laoghaire/Rathdown County Council
Ms Deirdre Ryan, SWA Appeals Officer, Eastern Health Board
Mr David Silke, Policy Analyst, National Economic and Social Forum
Mr John Timon, Dublin Corporation
Ms Barbara Wood, National Association of Professional Landlords