MINISTER SIMON COVENEY ON HIS AMBITIONS AND GOALS
PAGE 20

INDUSTRY LEADERS ON REBUILDING IRELAND
PAGE 24

PLANNING AND ZONING FOR AFFORDABILITY IN THE U.S.
PAGE 05
the whole spectrum

Campbell Tickell is a multi-disciplinary management consultancy focusing on the public and not-for-profit sectors.

Our team of highly experienced and committed consultants work across the UK, Ireland and beyond, with central and local government, charities, social enterprises, housing associations, care providers, sports and leisure bodies, and commercial organisations.

Whatever challenges you face, we can help.

- Governance and corporate strategy
- Performance and value for money
- Financial and business planning
- Strategic asset management
- Growth and development
- Mergers and partnerships
- Business transformation
- HR and recruitment
- Troubleshooting
CONTENTS

HOUSING IRELAND JOURNAL

4 TACKLING THE CRISIS
5 PLANNING FOR U.S. AFFORDABILITY
8 RIGHTS BY EUROPEAN CHARTER
10 BARRIERS TO INSTITUTIONAL INVESTMENT
12 WHAT'S HAPPENING?

FEATURE

15 EYES ON THE OIREACHTAS
16 THEN... WHAT THE PARTIES SAID PRE-ELECTION
18 NOW... COMMITTEE REPORT
19 REBUILDING IRELAND
20 INTERVIEW WITH THE MINISTER
24 INDUSTRY LEADERS SAY...
28 PRIVATE RENT REGULATION
32 RESIDENTIAL TENANCIES BOARD
36 HISTORY OF TENANT REPRESENTATION
38 Q&A WITH CIH CHARTERED MEMBER JOHN O'CONNOR

CONTACT

If you are interested in contributing an article, please contact editor Justin Cartwright at justin.cartwright@cih.org or 048 9077 8222

ADVERTISE WITH US

To advertise in Housing Ireland please contact Alison Cromie at alison.cromie@cih.org or 048 9077 8222

Disclaimer: The views expressed by contributors in Housing Ireland are not necessarily those of the Chartered Institute of Housing, the editor or the editorial panel and should not be taken as representative of any of the above.
A lot has happened in housing since we last went to print, including the special committee on housing and homelessness, a new minister for the newly-named Department of Housing, Planning, Community and Local Government, and the Rebuilding Ireland action plan for housing and homelessness. In this edition we welcome Simon Coveney TD who reveals his main goal as housing minister, and we take industry experts’ views on the committee report and action plan.

In spring last year I wrote about the Social Housing Strategy 2020’s “high level of ambition” and how “developed capacity will be pivotal in making the strategy work”. I found myself penning the same lines here under a cloud of grave déjà vu before fishing out issue eight of Housing Ireland, where I was pleased to see also my wish for an “all-inclusive scope which also covers the private rented sector” which the new action plan enjoys.

Rosalind Carroll in her new role as director of the Residential Tenancies Board tells us about the board and its new remit, which was extended in April to housing associations. Norma Jean Kenny of Dublin Tenants Association gives us a history lesson on tenant representation, and Mikayla Sherlock discusses enforcing housing rights by European social charter. This issue’s international piece is on planning and zoning for affordability in U.S. urban areas by Professor Louise A. Howells of UDC in Washington, D.C., and we chat with Housing Agency chief executive officer John O’Connor about his experience becoming a chartered housing professional.
Planning and zoning for inclusion and affordability in U.S. urban areas

In urban areas in the United States, the responsibility for affordable housing initiatives rests largely with county and municipal governments. They are direct recipients of federal support and the primary administrators of federal funding for housing in their area. And, in the face of shrinking federal support, they also shoulder the burden of raising additional funds to meet local needs.

Finding ways to end the isolation of residents in impoverished areas and to address deficits in affordable housing is a daunting task. Some of the more progress-minded urban governments have resorted to using their planning and zoning authority to encourage and even coerce the private development of affordable housing in economically viable areas. Yet, while the zoning power is a municipality's strongest tool for regulating development, zoning has a muddled past. Advocates and planners often face entrenched patterns of segregation in existing zones. In addition, they must find ways to calibrate new initiatives to fit within the old schemes.

The traditional zoning approach and its limitations

In 1926, the Supreme Court case, Village of Euclid v. Amber Realty Company, gave municipalities the right to restrict and regulate the use of private land through zoning. Since then, “Euclidian” zoning has become the predominant form of urban land use regulation in the U.S.

Although named for the famous case, Euclidian zoning in fact reflects a geometrical approach to land use. The typical legal schema incorporates several elements. Its most dominant feature is the official map that divides the city’s land mass into sectors and designates zones within them for residential, commercial, mixed use, industrial and special purposes. The map is accompanied by a comprehensive plan, which describes and evaluates present land use and articulates generalised goals for future development.

In addition, detailed zone regulations delineate permissible uses within zones and the physical dimensions of permitted development, such as lot size, set back lines, number of stories, lot coverage ratios, and parking space requirements. Certain uses are designated “as of right,” meaning that construction can move forward without the need for the zoning authority’s approval. Other uses or variations from the regulations require governmental review of varying degrees.

The most restrictive residential zones permit only single family houses on large lots and a limited array of incidental uses to support the zones’ residential quality. Other residential zones permit increasing gradations of density for detached, semi-detached, row houses, and multifamily structures. The zone regulations may also set...
limits on community–based facilities for special needs and rehabilitative purposes.

From the perspective of housing advocates, traditional zoning can exacerbate the isolation of low wealth communities through restrictive zone patterns and a lack of mandates for addressing critical housing needs. Many agree that traditional Euclidian zoning enabled the development of residential neighbourhoods isolated by income levels.

Moreover, traditional zoning has proved powerless in the face of heated real estate markets. A zoning authority cannot stop a developer from replacing affordable units with luxury housing if the proposed development is an “as of right” use in the zone. And, where a developer is required to seek relief from zoning requirements, the zoning authority may be inclined to exercise its discretion in favour of the developer in order to accommodate economic development.

Inclusionary zoning

In recent years, some cities have turned to a more directive land use measure to stem the loss of affordable housing and to increase its integration in economically viable areas. A number of cities have adopted inclusionary zoning (or IZ). IZ programs, which can be voluntary or mandatory, link the development of market rate units to the development of affordable units.

Under IZ, developers of housing are required to set aside a portion of a development’s floor area for affordable housing at levels of affordability established by the local government. Affordability of the reserved units must be maintained for a period of time, or in many cases, permanently. Theoretically, the market rate units in the development will produce sufficient revenue to make the entire project financially viable. In many IZ programs, developers are afforded increased density for their projects.

For the locality, a primary attraction is that IZ shifts the costs of constructing affordable housing to the developer. But importantly, IZ spreads affordable units throughout the city’s economically viable areas where development is taking place, and provides more alternatives for low-income families and individuals. Still IZ is not seen as a complete solution.

IZ programs may not work well in low rent areas where market rates are depressed. Conversely, in more expensive areas, affordability requirements must be set at levels that can sustain the revenue needs of the development. Where development costs are high, it may be difficult to make the program work for very low-income households, the population with the most critical need. Finally, because the set aside is normally a relatively small percentage of the overall development, the programs are not likely to produce a sufficient number of units to meet the current deficit.

Reimagined residential districts

Some cities have updated their zoning schemes or used existing tools to reconceive existing communities. In some locales, planners have designed specialised residential zones that accommodate a variety of lot sizes and commercial uses with a goal of accommodating diversity in housing and creating liveable, walkable neighbourhoods. Others have used existing planned unit development (PUD) authority to create well designed affordable housing neighbourhoods.

A PUD is a type of overlay or floating zone that permits new or mixed uses that would otherwise be impermissible in the pre-existing zone. One advantage of a PUD is that the jurisdiction can exercise greater control over the social and environmental qualities of development. PUD regulations commonly require that the benefits provided by the development must be superior to those that would have arisen from as-of-right development under the pre-existing zone. For example, a PUD can be used to provide affordable housing into an area characterised by more restrictive single family zones.

Also, PUD developers can be required to provide added value to the community in addition to a proposed development. Amenities might include such things as the development of affordable units, the creation or preservation of green space, environmentally sensitive design, or improvements to infrastructure. Sometimes the developer’s obligations are negotiated by the developer and the community and contained in a community benefits agreement. Normally, the developer’s obligations will be recorded as covenants that run with the land and will bind future owners.

The influence of external advocacy, research and political organising

It is not uncommon for external advocacy organisations in the U.S. to generate policy changes through their own research and activism. One recent example is a national effort to end the isolation of subsidised projects in impoverished areas, a known and intransigent problem. Little had been done locally due to political pressures. So more than a decade ago, advocacy groups and think tanks began studying and coalescing around the allocation of low income tax credits (LITC), the only significant federal support for new construction. Studies emerged, and at least one court case was filed based on the information compiled. It took time, but in 2015 the Supreme Court ruled that a disproportionate allocation of tax subsidies to projects in segregated neighbourhoods violates the federal Fair Housing Act. Some cities had already voluntarily enacted policy changes; now, all local authorities will be compelled to strengthen anti-segregation measures for LITC projects.

Limits of authority: the takings clause and economic reality

Each new regulatory measure is a potential invitation to scrutiny under the takings clause of the Fifth Amendment to the U.S. Constitution, which protects property owners from governmental takings of property without just compensation. Although the Village of Euclid’s zoning scheme...
was approved in 1926, the questioning of the validity of land use regulation has not come to rest. So the clause is something that proponents of new ideas must bear in mind.

The clause constrains cities from cutting too deeply into developers' profit expectations. An unlawful taking can be a physical seizure, the deprivation of economic use of one's property, or the imposition of unreasonable exactions. Under the average reciprocity of advantage principle, or as some have put it, “the everybody wins doctrine,” the government must compensate an owner if a regulation imposes a burden on the property owner that outweighs the benefit of the regulation.

So far, the U.S. Supreme Court has not directly ruled on inclusionary zoning, but the court has refused to hear an appeal of a California Supreme Court decision. That case upheld as reasonable the City of San Jose’s ordinance requiring developers of 20 or more units to reserve 15 per cent of their units or more for low-income residents.

Whatever they do, U.S. cities face their own economic reality in addressing scarcity of affordable housing in their communities. In its 2016 study on the State of the Nation’s Housing, the Joint Center for Housing Studies reports that cost-burdened renters in many communities are at a historic high, with the severest burden resting on the lowest-income renters. Low-income renters substantially outnumber the units that they are able to afford, and the nation’s communities are experiencing increasing residential segregation by income.

At the same time, federal housing support is shrinking in terms of real economic growth. There is no U.S. constitutional right to housing; accordingly, there is no fundamental obligation to assure that sufficient funding is available to meet everyone’s housing needs. Without a more coordinated and generous approach at the federal level, the question for advocates and planners remains, how much can be resolved by cities acting independently with their regulatory powers alone?

Resources:
Peter Tatian, Elizabeth Oo, Affordable Housing Needs Assessment for Washington D.C., Phase I, Urban Institute, 2014 http://urbn.is/2bOFMFZ
The 2011 census records almost 355,000 people in just over 129,000 households rented from local authorities. These households are among the most disadvantaged and socially excluded in Ireland. Despite considerable odds, tenants from 20 communities have gathered evidence and told their stories about how the local authority housing system in Ireland has impacted on their health, resulted in social exclusion and rendered them third class citizens. Local authority tenants have used this evidence to complain to the European Committee of Social Rights, the body which supervises the implementation of legal obligations contained in the Revised European Social Charter (RESC).

The RESC is a Council of Europe instrument - essentially the economic and social rights equivalent of the European Convention on Human Rights. The RESC provides for periodic country reporting on progress and a collective complaint procedure, the purpose of which is not to compensate affected complainants but requires offending states to “give effect” to the committee’s recommendation. Implementation of committee decisions is monitored by the committee of ministers.

The RESC and collective complaint procedure was approved by Ireland in 2000. The charter is framed in terms of the state’s undertaking to achieve conditions in which certain socio-economic rights may be effectively realised. Unlike civil and political rights, the obligation on states with regard to economic and social rights is towards progressive realisation of accepted articles.

From a legal practitioner’s perspective, there is much legislation but the law in Ireland is weak on legal rights for local authority tenants. Years of frustration trying to assist local authority tenants led colleagues to set up a group to share information and collaborate on issues. This collaboration revealed local authority tenants at a serious disadvantage:

- No effective remedies for disputes - many barriers existed, not least cost and lack of civil legal aid
- Individual human rights or constitutional case approaches had failed to deliver significant change
- No system of inspections or enforcement of housing standards in local authority owned dwellings and the last study of conditions of local authority housing was 2002
- No structure for tenant input into relevant law or policy making
- Lack of a representative body for tenants to join hindered action
- The group acknowledged the need to look outside national structures to address possible violations of rights within the local authority housing system

The group suggested the collective complaint procedure as one method of tackling social exclusion. The procedure for bringing a collective complaint is not difficult to understand but navigating the practicalities proved a significant challenge.

Practical evidence, legal and policy expertise and research are required. Facilitators are invaluable to support, co-ordinate and take directions from large numbers of affected people. That all achieved, the road out of Ireland was still not without difficulty. Only ‘recognised bodies’ with acknowledged expertise in the relevant area can submit collective complaints. These are generally international non-government organisations (NGOs) but before the NGO’s expert office can assess the complaint, the Irish members need to approve and support it. Ultimately, International Federation for Human Rights (FIDH) lodged the

Reflecting the experiences of living in local authority housing, tenants complained of:

- failure to adopt certain charter rights within the legal, policy and administrative framework of the local authority housing system
- violation of the RESC in terms of the adequacy, habitability and suitability of some local authority housing and
- failure to respect charter rights in regeneration projects

As breaches of articles:

11: Everyone has the right to benefit from any measures enabling him to enjoy the highest possible standard of health attainable

16: The family as a fundamental unit of society has the right to appropriate social, legal and economic protection to ensure its full development

17: Children and young persons have the right to appropriate social, legal and economic protection

30: Everyone has the right to protection against poverty and social exclusion

E: Non-discrimination

The actual articles contain more detail so it's worthwhile reading the specific wording for a better appreciation of the complaint and scope of the rights involved.

Ireland has opted out of certain articles including article 31 (the right to housing). The state has asserted this as very pertinent in its observations. Tenants contend this complaint is about being a subject in a system which fails to incorporate numerous charter provisions, results in poor health, poverty, social exclusion and leaves tenants powerless to act to influence their circumstances.

It is difficult to prove violations of rights which are progressive in nature so tenants rely on case law of the committee to support the argument that inadequate structures mean the state is non-compliant as it has not created conditions in which the rights can be effectively realised.

The committee stated in Autism Europe v. France (complaint 13/2002) that measures taken to implement charter articles must meet three criteria:

- reasonable timeframe
- measurable progress
- financing consistent with the maximum use of available resources

The committee has also held in FEANTSA v. France (complaint 39/2006) that in order for RESC rights to be practical and effective, states parties must:

a) adopt the necessary legal, financial and operational means of ensuring steady progress
b) maintain meaningful statistics on needs, resources and results
c) undertake regular reviews of the impact of the strategies adopted
d) establish a timetable and not defer indefinitely the deadline for achieving the objectives of each stage
e) pay close attention to the impact of the policies adopted on each of the categories of persons concerned, particularly the most vulnerable

Tenants allege Ireland has failed to meet these requirements.

For tenants this complaint is part of a social movement to seek inclusion by way of meaningful participation in fundamental aspects of their own lives.

It is hoped the committee will make a recommendation for truly participative initiatives. The committee may be informed by examples from other European countries. In France, the law requires tenant representation in national institutions such as the Commission on Landlord-Tenant Relations, Council of Cities and the National Consumer Agency. In Northern Ireland, the then Department of Social Development published a tenant participation strategy in January 2016 which includes a strong case for funding an independent tenant organisation to support social housing tenants develop skills necessary to effectively participate. The International Union of Tenants has produced a tenants charter which could be consulted.

FIDH v. Ireland seeks to establish norms and certain social inclusion provisions for the local authority housing system in Ireland using the RESC. If successful the complaint may contribute to establishing (European-wide) social housing management, maintenance and tenant participation standards which are compatible with the RESC and making certain social rights enforceable at national level.

At time of writing, FIDH –v- Ireland may be considered by the committee at its October 2016 sitting and if so, the decision could be published in early 2017.
In recent years, the private sector has been the main source of new social housing supply. Whilst capital budgets were ravaged by the financial crisis, the trend towards the use of the private sector to meet social housing need began prior to this. From RAS to the various leasing schemes and more recently HAP, the state has a clear policy of sourcing housing from private landlords. The Social Housing Strategy and the more recent Housing action plan, Rebuilding Ireland, both envisage private supply as the principal channel of new accommodation over the next half decade. Whatever your ideological view, there is no realistic way that state capital can be brought to bear at anything like the scale required to provide housing directly, so sourcing accommodation from the private sector cannot be avoided.

However, the private rented sector, as it is currently structured is not ideal for the kind of stable tenancies that are typically required for social housing and for long-term private renters. The vast majority of landlords, 90 per cent own fewer than three properties. They are therefore generally small investors who are not professionals, and many of whom are reluctant landlords who expected to sell their property before the crash. Startlingly, in 2014, some 71 per cent of landlords reported that the rent did not cover the costs of servicing their debt, and there is strong evidence that buy to let landlords are leaving the sector.

Various government reports and policy documents have noted the need for a build to rent sector, and for a new, institutional style investor. Institutional investors are typically pension funds, insurance companies, REITs, and other large, professional investors. Institutional investment in housing is most commonly in multifamily developments, purpose built rental accommodation, usually with a range of facilities and amenities on site. This is a growing sector internationally. In Ireland, there are early signs of a sector developing. A few institutional players like IRES REIT and Kennedy Wilson, have residential holdings. However, most of this was acquired opportunistically at the low prices that were available in the aftermath of the crash. The viability of new residential apartment development remains marginal, especially in non-prime areas of cities, even in Dublin, though there are now signs of activity in higher rent areas, e.g. the recent acquisition by investors of 197 apartments under construction in Dun Laoghaire.

Social and affordable housing has seen no private investment, but in theory it should be quite an attractive proposition. With the comfort of state backing, and the long-term steady cashflow available, on the face of it, social housing should make a good, sound investment for those looking for a long investment horizon with relative security as to return.

So why is it proving so hard to get investors into the sector? While large housing associations in the UK can access bond finance, attracting institutional investors into social housing has not proved easy. Such private investment as there is in the sector has come via debt rather than equity instruments.

The rest of this article looks at the reasons why more investment has not come into the sector. No particular claim to originality on these is made. Reports in the UK and Australia (see e.g. Montague, BSHF, Alakeson, AHURI) have catalogued the reasons, and academic literature bears these out. It’s not that all these factors deter all investors, but that in some combination, they will make it very hard to secure funding.

Scale

Institutional investors prefer to invest at scale, typically €50 to €100 million. But projects of this scale are not ideal for social housing where large concentrations are usually avoided. Breaking up the funding into smaller chunks means duplication of due diligence, fees, and transaction costs which makes the overall...
BARRIERS TO INSTITUTIONAL INVESTMENT

project less attractive. The housing association sector, especially the larger tier 3 entities, have ambitious development programmes and have limited capacity to take on large new commitments, especially at the level required. So the opportunities for institutional investment are not there at present. There are very few projects on hand at the scale required to attract investment.

Development

Also, investors are very reluctant to take on the many risks associated with the development process, from planning to delays in the construction and delivery process. Instead, they generally prefer to buy completed, or even tenanted and income producing buildings. There is very little such housing product available at present.

The €300 million social housing PPP programme will be the first real foray into the market with large-scale social housing programmes. However, the PPP methodology is unwieldy, bureaucratic and slow. Despite being announced in 2014, the first “bundle” of sites has still not been procured. This model may attract some private funding, but is not the typical investment for institutions.

Return

Of course, investors in housing expect a return on their money, and for the most part returns on rental housing are insufficient to attract them. IRES REIT which is a specialist residential landlord reports gross yields of 6.5 per cent at average rents of just over €1,364 per month, which is very respectable. However, most Irish residential assets of this kind were acquired at below replacement costs. In other words, developing them will cost a lot more than acquiring finished units. Internationally, the evidence is that residential returns may actually be better than commercial property, but particular features of housing as an investment mean that much of that return comes from capital gain which is not necessarily as attractive to all institutional investors as secure rental income. And generating sufficient income return from low-income housing is by definition much harder.

Novelty

Perhaps the biggest barrier to investment in residential property is that it is not well known or well understood. While it is growing as a sector internationally, it does not have the detailed time-series data and research that is available for, say, offices or retail. Alongside this, housing as an asset generally requires much more intensive management than other real estate. Consider a large office block let to a single tenant compared to a building the same size broken into hundreds of units with all the attendant costs and issues such as repair and maintenance.

Reputation

Housing, especially, social housing also suffers from reputational and perceptual problems. Even if the offer to investors is attractive, the fear of some reputational loss due to evictions, antisocial behaviour and the other issues perceived to attach to low-income housing may be enough to deter investors, and even more so if it compounds with the other issues noted here.

Lastly, investors fear political and regulatory change, e.g. rent controls etc. It is uncertainty that is the enemy here. Countries with highly regulated rental sectors are often attractive to investors, as they offer a well-understood and well-governed investment environment. Fear of the unknown is the obstacle not the regulation itself.

Conclusion

The factors above present the barest hint at some of the barriers to investment in housing, and social housing in particular. All are surmountable if the right approach is taken. The virtue of investment in housing is that it can produce a reliable income stream that is linked to incomes in the wider economy, which is very attractive in the current low-interest rate environment. For social housing to be attractive, it needs the additionality brought by the involvement of the State in the arrangement. The virtue of large scale landlords is that they can bring scale, and they are more likely to prefer long-term stable tenancies. Bringing all of these elements together takes some creativity and new thinking in the private, voluntary and public sectors, but it is achievable, and it is a goal worth pursuing.
WHAT'S HAPPENING?

AROUND THE UK

ENGLAND

HOUSING AND PLANNING ACT 2016. The Act has completed its passage through parliament and received Royal Assent. It provides the necessary legislation for government to implement a number of major housing policies, including:

- The extension of the right to buy to housing association tenants
- The sale of higher value council homes as they become vacant
- The introduction of ‘starter homes’, which will be made available to purchase exclusively to first time buyers aged 23-40 at 20 per cent below normal market prices
- The mandatory use of fixed term tenancies for new council tenants, these will normally last between two and 10 years
- ‘Pay to stay’, whereby council tenants who earn more than £31,000 (or £40,000 in London) will be required to pay higher rents.

The focus now shifts to the detail of how these measures will be implemented, much of which has still to be set out in regulations. The EU referendum and subsequent change of Prime Minister has slightly delayed this process, however at present we are still expecting that the Act will be implemented in full.


HOMELESSNESS REDUCTION BILL. Bob Blackman MP has brought forward a private members bill which proposes substantial changes to homelessness legislation in England, and which is supported by CIH and a number of other housing organisations. Several of these changes are based on those which have recently been introduced in Wales.

The Bill proposes:

- Placing a stronger duty on councils to help to prevent homelessness for all eligible households, regardless of priority need status, local connection or intentionality
- Placing a new relief duty on councils requiring them to help secure accommodation for all eligible homeless households who have a local connection, where prevention has failed
- Placing a new duty on councils to provide emergency temporary accommodation for all people who are homeless and have nowhere safe to stay.

SCOTLAND

NEW POWERS FOR SCOTLAND. The Scotland Act has now been passed and sets out a range of powers including some aspects of social security, taxation and borrowing to be devolved to the Scottish Government. The first of the measures relating to social security will come into force from September 2016 allowing the Scottish Government to start implementing some changes.

The Scottish Government is consulting on how new powers over social security should be applied but has already committed to several actions including effectively abolishing the ‘Bedroom Tax’ and allowing greater flexibility around the payment of universal credit.


PRIVATE RENTED SECTOR (PRS). The Housing (Scotland) Act 2014 introduced a requirement for letting agents operating in Scotland to comply with a statutory code of practice, to be registered with the Scottish Government and to undertake training or a qualification to be specified by ministers. CIH Scotland is working with
Landlord Accreditation Scotland to develop and deliver a new qualification for the PRS in line with the requirements for letting agent registration. It is expected that the new regulatory framework will be in place by the end of 2017.

THE SCOTTISH SOCIAL HOUSING CHARTER.
The charter sets out the standards and outcomes that all social landlords should be aiming to achieve. Social landlords must report on their performance every year and this is monitored by the Scottish housing regulator. The charter has been in place since April 2012 and is now being reviewed.

CHARTER: http://bit.ly/2b7Em7Y

INTEGRATION OF HEALTH AND SOCIAL CARE.
Legislation to implement the integration of health, social care and some aspects of housing services came into effect in April this year. 31 local partnerships have been established across Scotland and will manage around £8 billion of health and social care resources with the aim of providing more efficient and streamlined services which will support people to live independently in their own homes wherever possible.


RENTING HOMES (WALES) ACT 2016.
The Renting Homes (Wales) Act passed into law in January 2016 and will impact on virtually all existing Welsh tenancies. The act will affect more than one million people who currently live in rented accommodation in Wales, and the housing professionals who work in the industry. This new legislation aims to make it simpler and easier to rent a home, replacing the various and complex pieces of existing tenancy legislation with one clear legal framework. The act applies to all rented housing in Wales, with a limited number of exceptions, such as properties let under the Rent Act 1977. The act introduces two new ‘occupation contracts’ in Wales, a secure contract and standard contract.

There are also variations for specific types of housing or circumstances including for ‘supported standard contracts’ for supported housing, ‘introductory standard contracts’ and demotion to a ‘prohibited conduct standard’.


BILL TO ABOLISH THE RIGHT TO BUY AND THE RIGHT TO ACQUIRE.
The introduction of the right-to-buy policy in 1981 has led to Wales losing more than 138,000 of its social housing stock. That represents a 45 per cent reduction and forces many vulnerable people to wait longer for a home.

A new bill to abolish the right to buy and right to acquire was outlined by the first under the Welsh Government’s legislative programme for 2016-17. Welsh first minister Carwyn Jones told the Welsh Assembly that six Bills will be introduced over the next year, including ensuring a sufficient supply of social housing by abolishing the right to buy and the right to acquire.


REGULATION – NEW INDEPENDENT REGULATORY BOARD.
A new independent regulatory board was set up in early 2016. The purpose of the board is to examine the regulatory performance and activity of the Welsh Government and the housing sector.

This is achieved by considering annual reports and guidance from the regulator, and other publications on the performance of the sector. The board will use that information to advise the minister on the performance of the regulator, the sector and any related policy implications.

MORE: http://bit.ly/2b0Sbrf
PROGRAMME FOR GOVERNMENT. The new Northern Ireland government is in place and has recently consulted on a draft programme for government framework – a new approach that focuses on the major outcomes that the government wants to achieve. Among the listed outcomes are the societal things people identify with, like getting better jobs, living healthier lives and accessing quality public services, but having a home is missing. CIH, Council for the Homeless, Housing Rights and NIFHA jointly hosted an event in July on the housing aspects of the draft framework and there was a near unanimous view at the event that the framework should have a housing outcome.


PRIVATE RENTED SECTOR. The licensing of HMOs with a fit and proper person test is being introduced by the Houses in Multiple Occupation Act (Northern Ireland) 2016. A departmental review of the role and regulation of the PRS is on-going – including licensing, accreditation, security of tenure and affordability. The housing fitness standard – the minimum physical standard that housing has to meet – is also being reviewed having last been changed in 1992. While the fitness standard is cross-tenure, most of councils’ enforcement work is carried out in older, privately rented homes – where unfit homes as a proportion of total stock is twenty times higher than in social housing.

HMO ACT: [http://bit.ly/2aQo4Sz](http://bit.ly/2aQo4Sz)

FUTURE OF THE HOUSING EXECUTIVE. The future of the Housing Executive and its stock will be a major talking point in the next Assembly term. The Savills report has estimated that the Housing Executive needs £6.7 billion over the next 30 years to tackle the rising disrepair of its stock. While views on the method diverges, there is political agreement that funding needs to be found to bring Housing Executive homes up to a good standard. CIH polled its members in Northern Ireland to gather their views on the future of the Housing Executive. The poll revealed that 79 per cent of respondents believe the Housing Executive should return to building new homes, while almost three quarters wanted to see Housing Executive stock kept together.

INTERVIEW (STARTS 37:20): [http://bbc.in/2a7fiwa](http://bbc.in/2a7fiwa)
FEATURE

BEFORE THE ELECTION CIH ASKED ALL POLITICAL PARTIES FOR THEIR HOUSING POLICY PRIORITIES, INCLUDING HOMELESSNESS - FIANNA FÁIL, FINE GAEL & THE SOCIAL DEMOCRATS REPLIED AND WE FIND OUT WHAT THEY HAD TO SAY. WITH A NEW GOVERNMENT AND HOUSING MINISTER IN PLACE, WE SIT DOWN WITH MINISTER SIMON COVENEY TD TO HEAR HIS PRIORITIES, AND THE INDUSTRY OFFERS ITS VIEWS ON THE HOUSING AND HOMELESSNESS COMMITTEE REPORT AND REBUILDING IRELAND ACTION PLAN.
THEN... WHAT THE PARTIES SAID PRE-ELECTION

Social democrats

Housing policy is spread across too many departments and state agencies to be coherent and effective. The Social Democrats propose to change this by consolidating responsibility for all housing related policy, under a new Department of Housing, Planning and Communities and by reforming and reconstituting the Housing Agency as Housing Ireland.

This new entity would exercise greatly expanded functions, working with the Housing Finance Agency, local authorities, housing associations and private builders, to coordinate procurement, planning, design and delivery of sustainable communities. In the short term we need to raise rent supplement and housing assistant payments (HAP), to protect those at risk of homelessness from rising rents. We also need to address rents themselves by index linking them to the cost of living, and security of tenure must be strengthened for tenants. In the long term, we must address the homelessness crisis by adopting the housing first model.

Fianna Fáil

Fianna Fáil has prioritised housing in our manifesto and set out a clear, fully costed plan to tackle the crisis head on.

Fianna Fáil is committed to building 150,000 new homes by 2021 including 45,000 new social housing units. Tackling the housing crisis is broken down across three critical areas of public, private and rental.

1. Public
   - €5.4 billion social housing programme to build 45,000 social housing units
   - restore part five to 20 per cent

2. Private
   - a new Department of Housing, Planning and Local Government to take the lead on dealing with the crisis
   - a national home building bond to finance development
   - a first time buyers savings scheme
3. Homeless and rental

- raise rent supplement by an average of 10 per cent nationally
- ensure new social housing units from part of the ‘housing first’ strategy

These key areas will ensure that people have a roof over their head and a chance to own their own home. This is an issue of basic decency; no government should stand over a situation where children are being brought up in cramped hotel rooms. Fine Gael and Labour have created a housing emergency as a result of their failure to invest in social housing and stimulate the private construction industry. We will ensure that home building is a core priority in government.

Fine Gael

The housing system in Ireland was broken. Where we previously had enormous supply and a totally unsustainable model, we were left with minimal supply, and pent-up demand, due to the boom and bust policies of the past. As this government’s economic policies began to work and as more and more people took up employment in this country, the demand for all types of housing has continued to increase.

It is only by substantially increasing housing supply, particularly in the greater Dublin area, that we can deliver a sustainable solution to the current housing situation. To meet rising housing demand Fine Gael will increase the annual housing output to 25,000 by 2021.

One human cost of the legacy of boom and bust housing development is the number of people without a home. It is not acceptable that in 2016 we have families living in emergency accommodation. A key priority for Fine Gael is to boost affordable housing supply that will stem the tide of homelessness for low-income families.
In terms of the report, it did make significant and important recommendations, getting to the heart of the enduring housing crisis. There was a ‘shopping list’ feel to the long series of recommendations as well as a lack of financial costings, which could be viewed as limitations. Overall, however, the Oireachtas committee made a valuable contribution, particularly by mobilising the views of the key stakeholders.

The call for an immediate boost in supply to 10,000 homes per year for the next five years, was particularly welcome and largely taken up by the Ministers’ action plan, committing to 47,000 units. This level of increase is welcome, but we need to continue to increase the level of social housing as a percentage of all housing to reform our housing system and move away from its heavy over-reliance on the private sector to meet social housing need.

This was not the only recommendation echoed in the plan. The Oireachtas report calls for serious reform of the private rented sector, which many believe is now well overdue. This includes rent certainty measures and improving security of tenure. One can only hope that this will be taken up in the strategy for the private rented sector to be published by the end of the year.

The aim of mixed tenure housing and delivering affordable rental accommodation also provides a vision for how we can improve our design and planning of not just housing, but communities. On financing of social housing, the need for off-balance sheet mechanisms was also recognised.

On the critical issue of land and sites, the Oireachtas report didn’t give any clear direction for the use of sites in state ownership. In the action plan, a strategic management plan will be developed for sites in the land aggregation scheme and presumably housing associations and local authorities will be resourced to develop social housing on these sites. Overall we need a much stronger emphasis on dealing with the issue of land for social housing.

Housing associations will continue to play their part by stepping up delivery. As a sector we provided 2,400 homes last year from new builds, acquisitions and re-lets, and there are a further 5,170 homes in the pipeline to 2018. Under the new plan we will be working to increase the pipeline to meet escalating demand for social housing.
The lack of new homes is a primary cause of the current housing crisis and the Rebuilding Ireland action plan is a thorough response by government. The plan is structured over five pillars: address homelessness; accelerate social housing; build more homes; improve the rental sector and utilise existing housing. While each pillar is vital the success of the plan will undoubtedly be measured by the number of new homes on the ground, particularly social homes over which the government has the most policy and finance levers. Together with the plan’s emphasis on keeping people in their current homes, new social housing, with support where needed, will ensure homes for the most vulnerable in society and relieve demand on other tenures and services.

Investment of €5.35 billion for 47,000 social homes demonstrates the government’s support for social housing, although commitments to invest to date have not matched delivery. Access to developable land and to affordable finance for many housing associations (HAs) have presented as barriers to building. Publicly held land must play a greater role in development and additional, accessible funding for more HAs is needed.

An important difference with this plan over previous ones is that it seeks to explicitly address more of the barriers. The strategic use of state lands for mixed-tenure development, committed under pillar two, accelerate social housing, is welcome and could provide opportunities for more providers. Reducing the problems of income based segregation and associated stigma that influences public attitudes to development of social housing is vital and it’s important that the breakdowns of tenure in each development be informed by local circumstances and contexts. Also welcome is the proposal for a national land supply management strategy under pillar three, build more homes, which seeks to release ready to go sites, at reasonable prices for shovel ready providers.

Two year multi annual capital advance leasing facility (CALF) funding will mean more certainty for HAs as CALF continues to play an important role in the levering of other sources of finance including private finance. This plan also builds on the government’s return to capital subsidy by providing additional funding to HAs and committing to support the development by HAs of innovative financial models.

There will still be challenges going forward, not least challenges of capacity which must be overcome if the new targets are to be achieved. The plan’s commitment to establish a dedicated one stop shop, within the Housing Agency to support HAs will help with coordinating delivery of new homes but there remains a need for capacity building in both housing bodies and the construction sector. Opportunities for housing providers in other countries shouldn’t be overlooked, an Ireland open for business could realise more of the plan’s potential.

Elsewhere in Rebuilding Ireland is a commitment to develop a strategy for the private rented sector which is welcome. A build to rent model could encourage more institutional investors to bring good quality rentals onto the market, contributing to overall supply objectives. However, government should be cautious around introducing mechanisms to set and review private rent levels which could impact on supply. Rent setting policy is a balancing act between not wanting to drive landlords from the market or reduce investment levels in the upkeep of homes and not wanting to cut off access to affordable private rented homes, for people on lower incomes. Rent setting mechanisms might help in the short-term, but in the long-term, the best way of making sure people on lower incomes can access a decent home at a price they can afford is to build more homes, which is the primary focus of Rebuilding Ireland.

The level of ambition in the plan is welcome as much as it is needed, if we are serious about tackling the current housing crisis. But we must make sure that the level of delivery matches the level of ambition.
A truly ambitious social housing programme of 47,000 units will be delivered with funding of €5.35 billion. The output of private housing will increase, by enhancing the viability of construction, in order to double the completion level of additional homes in the next four years to deliver the 25,000 homes or more we require annually.

We will develop a strategy for a viable, sustainable and affordable rental sector, with early legislative actions to protect landlords and tenants. This strategy is expected to be in place in the final quarter of this year.

We will also ensure that available existing housing is used to the maximum degree possible. In this regard we will develop a housing re-use strategy to be informed by the 2016 census data when finalised.

When I launched Rebuilding Ireland, I indicated that this plan is not set in tablets of stone. It will be a work in progress. Where it needs to be changed or added to I will do that. Also, I fully accept that it’s not an overnight solution and it will take time for some of the measures to be implemented, while I intend that some others will happen as quickly as possible.

1. **Tell us about some of the key housing initiatives which your government is addressing through the housing action plan launched recently?**

Rebuilding Ireland, an action plan on housing and homelessness is ultimately focused on delivering more homes for the people who need them. It includes over 80 separate actions structured under five main pillars of concerted actions right across government.

- Address homelessness
- Accelerate social housing delivery
- Build more homes for the wider housing market
- Improve the rental sector
- Utilise the housing we have

A key priority is addressing the unacceptable level of homeless families and long term homeless people in emergency accommodation, alongside those at risk of losing their homes, by providing rapid housing delivery with supports. We will provide a range of housing solutions, including ‘rapid build’ homes to provide for families currently being accommodated in commercial hotels.

Rebuilding Ireland was published after extensive stakeholder engagement and the plan also drew on the work of the special Oireachtas committee who had heard evidence and received submissions from a broad group of experts. I believe that I have buy-in from the main stakeholders and the recommendations, in the main, from the special Oireachtas committee on housing and homelessness are reflected in the report.

2. **What are your main priorities and goals in your role as Housing Minister?**

Since my appointment as the Minister for Housing, Planning, Community & Local Government, I have become more acutely aware of the number of people sleeping rough on our streets nationwide. The plight of families caught up in the cycle of homelessness and being accommodated in commercial hotels is a major concern for me. Helping these people and families is my number one priority.

My main goal in relation to homelessness, as set out in the action plan, is to ensure that by mid-2017, commercial hotels are only used in limited circumstances to accommodate homeless families. We will achieve this by meeting housing needs through the housing assistance payment (HAP) and by providing new supply, through an expanded ‘rapid build’ housing programme and a Housing Agency initiative to acquire...
The delivery of 47,000 social housing units by the end of 2021 is another major priority for me. For the last decade or so, local authorities have not been in a position to build social housing on the scale required to meet rising demand. We have changed this situation - a social housing strategy was published in late 2014 providing major resources for the first time in as many years. Local authorities have been permitted to recruit key staff for the delivery of social housing – mostly architects, engineers, planners, surveyors, housing officers and additional clerical staff - some 400 plus in total. Rebuilding Ireland now commits to an investment of €5.35 billion to achieve the target of 47,000 units and sets out a range of additional measures to enable the delivery of social housing to be accelerated.

Finally, increasing the output of private housing is a major objective of Rebuilding Ireland. By 2021, as a result of this plan, I hope to see the housing market functioning normally and delivering the 25,000 homes required annually to meet the needs of our people. A critical aspect of this plan is to provide sufficient quality homes at affordable prices for everyone who needs them.

3. A lack of housing stock is seen by many as the cause of the spike in rents but yet the construction industry claims it is not viable to build houses in the current climate. What initiatives can you, as Minister for Housing, take to get the construction industry kick-started again?

I would like to make it clear that I’m not in the business of incentivising builders or developers for the sake of it. Anything that I do will be to ensure that housing output increases and particularly the supply of affordable housing. I will not be incentivising the building of mansions. My concern is for the supply of family type homes at affordable prices in the right locations.

We are not starting from scratch in relation to attempting to increase supply. Prior to the publication of Rebuilding Ireland, a number of important measures had been taken aimed at improving housing delivery viability and increasing supply. The measures include the introduction of a vacant site levy; reductions in development contributions and a targeted development contribution rebate scheme in Dublin and Cork to encourage large scale developments at affordable prices; revised part V provisions; initiatives to improve financing; implementation of new apartment guidelines; and legislative amendments to introduce greater flexibility and streamlining to the strategic development zone provisions of the Planning and Development Acts. In addition, NAMA is aiming to deliver 20,000 residential units before the end of 2020, with 90 per cent of these units to be in the greater Dublin area.

It is estimated by my department that the updated national apartment guidelines, introduced in December 2015, will reduce building cost by approximately €20,000 per apartment. In addition, each car parking space not required on a city centre site could reduce cost by a similar figure or more.

In pillar three of Rebuilding Ireland, one of the first actions is to get the local infrastructure fund of €200 million up and running. This fund will provide public off-site infrastructure to stimulate an increase in private housing in Dublin and in urban areas of high demand for housing. Local authorities primarily can avail of the new fund to provide access infrastructure such as distributor roads, bridges, surface water management, amenities and utility diversion to facilitate the opening up of private development on major housing sites that are well located and to significantly increase the supply of housing. This funding will be used by local authorities in conjunction with developers who will be providing affordable homes.

It is intended that the funding would be allocated to local authorities following a call for proposals on a competitive bid process basis which would favour early delivery of the requisite additional housing at scale and integrating the provision of housing at affordable prices (e.g. €250,000 to €300,000 price range in Dublin and lower elsewhere). It is hoped that this process will commence shortly.

In addition to the above we are also making changes to the planning system to deal with blockages that can sometimes occur when applying for planning permission. Delays in the planning process can cause additional costs for developers/builders as they await permissions. If we can remove these blockages then we can reduce costs and get things moving quickly while still recognising the integrity of our planning system.

A number of actions in the action plan for housing and homelessness provide for a speedier planning process. For example, we will fast track large-scale residential development planning applications; schemes of 100+ homes will be made directly to An Bord Pleanála. Legislation for this will be prepared as a matter of urgency. In addition An Bord Pleanála will prioritise the determination of all planning appeals in relation to large scale housing developments within 18 weeks. We will legislate to streamline the planning system in respect of part 8 processes with a particular focus on proposals for social housing projects and infrastructure servicing housing development, both public and private.

4. The homelessness crisis is one of the saddest and most obvious results of the Celtic Tiger collapse. How long will the government's recently announced homelessness strategy take to deal with this issue to the extent that the homelessness becomes an issue of the past?

There is a particular reason why pillar one in Rebuilding Ireland is devoted to addressing homelessness - it is my number one priority. There are 21 actions in the plan aimed at assisting people who are currently homeless and those in danger of becoming homeless.
Successfully addressing homelessness requires a ‘whole-of-government’ approach. There is a need for collaborative and cross-agency working in this regard and the action plan includes actions for implementation across government organisations including the Departments of Social Protection; Health; and, Children and Youth Affairs; the Health Service Executive; Tusla (the Child and Family Agency); the Irish Prison Service; and, housing authorities.

The long-term solution to the challenge of homelessness is to increase the supply of homes. That is what Rebuilding Ireland is all about. While we are increasing this supply, we will ensure there is an adequate supply of emergency accommodation nationally.

Rebuilding Ireland provides for early housing solutions to address the unacceptable level of homelessness among families. We are planning to accelerate the provision of the ‘rapid build’ programme. By the end of 2018 we will provide 1,500 units. I have also empowered the Housing Agency to purchase 1,600 vacant properties and a number of these will be used to provide permanent homes for homeless families. The increased supply of social housing targeted in the Plan - 47,000 homes by the end of 2021 - will also ensure that more homes are provided for those who are homeless and for those at risk of homelessness.

Rebuilding Ireland also includes a range of important measures aimed at supporting homeless families with children in emergency accommodation, including the provision of dedicated child support workers, home-school liaison staff, access to free public transport, access to crèches and pre-school services and measures to address their nutritional needs.

We are strengthening our effort to provide homeless individuals and couples with a home, by tripling the target for the Housing First teams in Dublin from 100 tenancies to 300 tenancies in 2017 and by extending the housing-led approach to other urban areas. HSE funding will increase from €2 million this year to €6 million next year to provide health, mental health and addiction supports to rough sleepers and people in emergency accommodation, who often have complex needs that must be addressed in tandem with the provision of stable housing.

We must continue to prevent people from becoming homeless. People in serious mortgage arrears will be provided with increased access to legal and financial advice and more households will be facilitated under the mortgage to rent scheme, while existing measures to protect tenants in the private rented sector will be extended nationwide.

5. When it comes to social and affordable housing, is there an existing international model that you admire or look up to and if so, have you / do you intend to integrate some elements of existing best practice models into Irish housing policy?

My department and I have significant interaction with other jurisdictions and particularly member states of the British Irish Council housing sub-group of the five planning administrations and more generally through interaction with individual administrations and housing bodies. In this regard, an increased and expanded role for local authorities and HAs working with private developers to create new multi tenure fully integrated communities is a key theme in Rebuilding Ireland. Such objectives are also being actively pursued in the UK – Swindon Borough Council’s ‘Forward Swindon’ – an ambitious town centre regeneration project, being an interesting case in point.

We can learn a lot from our neighbours in the UK and elsewhere in Europe in terms of the role of HAs. In the middle of June I visited Northern Ireland to see how they provide social housing there. I was interested to note that the bulk of new social housing in the north is being provided by three large voluntary bodies who between them manage in excess of 10,000 homes.

Of course, we have a strong voluntary and cooperative sector here and I’m really excited by the potentially expanded role that HAs can play under Rebuilding Ireland. Over recent decades our own HAs have brought a lot to the table and many have embraced the funding arrangements and have successfully operated and flourished using a mix of capital and loan finance, supported by my Department and the Housing Finance Agency. There are some really innovative proposals coming forward from the sector that will enable HAs to contribute even more by harnessing their collective strengths through partnerships, joint ventures, and the establishment of special purpose vehicles. I’m providing an important assistance to HAs who develop new funding and delivery models directly through an innovation fund introduced earlier this year and I would encourage HAs to look to tap into this support.

Regulation of the sector is something that we can learn from other jurisdictions too. I plan to publish legislation later this year that will provide a statutory basis for a regulator to support future growth underpinned by good governance, a continued focus on quality services to tenants and sound financial management.

Finally, there was also significant economic preparatory work carried out by the Department in the months and weeks before Rebuilding Ireland was launched and the experience in other jurisdictions such as the UK and US were examined. This process informed the thinking regarding the case for serious intervention in order to help the housing system in Ireland recover much more quickly from the economic shock of the crash.

A key focus for this government in relation to future social and affordable housing provision is that it would be done in a way that contributes to the development of sustainable communities. As Minister with responsibility in this area I stated at the launch of Rebuilding Ireland that
I was firmly of the view that good, balanced tenure mix is essential in the development of new housing and that on entering a housing development, one should not be able to distinguish between a private, affordable or social house. In the past we have made the same mistakes as other jurisdictions and built large mono-tenure estates. One of the outcomes of that former policy has been difficult social and living circumstances for some of our citizens.

As a response to that, the government has been investing many millions of euros in regeneration programmes. While these programmes are well delivered, taking a holistic approach to supporting social, economic and physical improvements, we really do not want to repeat those mistakes. The key guidance for us in that regard is my Department’s best practice guidelines ‘Quality Housing for Sustainable Communities’. This guidance document incorporates well established international Urban Design principles in the location and design of housing (as further set out in the more recent ‘Design Manual for Urban Roads and Streets’) and promotes safe, well fronted and passively supervised public spaces and streets which form a continuous joined up movement network, as part of a mixed use walkable neighbourhood.

6. **Do you feel that there is a real shift away from home ownership in favour of renting amongst Irish people, or do you feel that the current rental boom is simply a necessity resulting from a lack of available housing stock for sale?**

A strong and viable private rental sector can play an important role in the housing market and our wider economy, acting as a macro-economic stabiliser, protecting our economy from over-exposure to home ownership while also reflecting evolving tenure preferences and labour mobility patterns.

The rental sector in Ireland has doubled in size over the course of the last decade. Almost one fifth of the population now lives in the rental sector. Growth in the sector has been driven by a range of factors including a reducing reliance on home ownership as a tenure of choice, demographic factors including inward EU migration, decreasing household size, and increasing rates of new household formation. The contribution made by the rented sector in delivering social housing supports for low-income households through long-term leasing initiatives and, more recently, the housing assistance payment, have also been key factors in the growth of the sector.

The rental sector has always catered for a diverse range of households, but increasingly rental housing is becoming a more permanent home for a growing number of both individuals and families. While home ownership is likely to continue to be the tenure of choice for the majority of households, a balanced housing sector needs a strong, vibrant and well-regulated private rented sector. The rental sector will continue to form an important part of the housing market going forward.

Rental housing provides a flexible housing option to meet rising demand and can promote better alignment with more mobile labour markets. It also aligns with changes in people’s behaviour in terms of house purchase, making it easier for individuals and families to pursue job opportunities or adapt their accommodation to changing family circumstances quickly.

One of the key policy challenges is to create a sufficient supply of high quality rented accommodation for long term renters at an affordable price, with the appropriate level of regulation, and increased security of tenure for tenants. A key Action for my department this year will be to develop a strategy for the rental sector to address these issues, charting the path forward and setting out the role we want and expect the sector to play in the short, medium and longer term. The strategy will contain a range of ambitious measures which the Government will pursue in partnership with stakeholders and agencies in the housing arena, including the RTB, as well as representative groups for landlords and tenants. It will be a fair and balanced strategy for the entire sector: tenants and landlords. The overwhelming majority of private rented housing in Ireland is provided by small-scale landlords and consists of housing that was not built with the needs of long-term renters in mind. Build-to-rent is a growing trend in other countries, involving homes built specifically for the rented market, that is larger in scale, with onsite amenities, and targeted at institutional ownership. We want to encourage such developments in Irish market, as well as supporting the greater provision of purpose-built accommodation specifically at the student market.
INDUSTRY LEADERS SAY...

VARIOUS

FLAC (FREE LEGAL ADVICE CENTRES LTD.)
In its submission and appearance before the Committee on Housing and Homelessness, FLAC focused in the main on the danger that mortgage arrears and repossession would considerably worsen the homelessness crisis, while clearly acknowledging that it was only a part of a far wider range of housing problems.

In our view, the recommendations of the committee in this area must be viewed in the light of the subsequent publication of the ‘Action plan for housing’ by Minister Coveney. Comparing these across the range of housing topics covered may serve to illustrate the government’s approach, when the recommendations of a cross-party committee meets the ‘realpolitik’ that is often brought to bear when such proposed measures are scrutinised by government departments.

Insofar as it concerns mortgage arrears, some examples might be noted:

- The committee recommends the full and quick implementation of the programme for government’s proposed mortgage arrears strategy; the action plan proposes in very cautious terms to “examine the necessity for further possible measures arising from” the commitments in that programme, subject to legal advice.
- The committee recommends that the code of conduct on mortgage arrears (CCMA) should be “amended on a statutory basis to include an offer of a split mortgage and a mortgage-to-rent scheme.”. Our view is that this is already an unclear recommendation in that it lacks precision. We would also suggest that a split mortgage as a viable restructuring option for borrowers is often overrated. Nonetheless, the action plan is worse in that it spends one paragraph telling us what the CCMA is and a second (shorter) paragraph merely telling us that “the government will work with the central bank to ensure that the code continues to be relevant, fair and balanced.” From our perspective, this is precisely the problem – it is neither fair nor balanced in the first place.
- The committee in turn recommends increasing the use of long term solutions to mortgage distress including ‘mortgage to rent’, split mortgages, debt write-downs and downsizing. The action plan will ”look at what further improvements or variations can be made to facilitate more households accessing the MTR scheme.”

Paul Joyce
Senior policy analyst

SIMON COMMUNITIES IN IRELAND
The Simon Communities welcome the action plan for housing and homelessness and believe it can, and must, have a significant impact on people becoming homeless and those experiencing housing difficulties. The plan represents the start of a process. It is essential to build on this momentum with the ongoing support of the cabinet and members of government.

The expansion of ‘Housing first’ around the country is particularly welcome, acknowledging that housing with support is required to solve the homeless crisis. Commitment for a private rental sector strategy by year end is positive; this strategy must address rent certainty and enhance security of tenure. Rent supplement/HAP limits need to be increased on an ongoing basis in line with market rents - it is critical to keep people in their homes.

We are supportive of plans to increase social housing output, address vacant homes and to accelerate the ‘rapid builds’ programme to deliver 1,000 housing units directly to those trapped in emergency accommodation. Some areas of the plan require more detail and we are happy to contribute to this process. We anticipate that the establishment of a housing delivery office and housing procurement unit will ensure targets and timelines are monitored and met.

Niamh Randall
National spokesperson
The Oireachtas committee’s report on housing and homelessness and the government’s ‘Rebuilding Ireland: action plan for housing and homelessness (Rebuilding Ireland)’ published in June and July of this year both recognise that the private rented sector forms an essential part of Ireland’s housing system and is in need of significant reform. Both documents have been broadly welcomed by Threshold.

The action plan for housing and homelessness, which sets out the government’s roadmap to tackling the housing crisis commits to development of a long term strategy for the private rented sector by the end of the year. This has been a key policy ask by Threshold for a number of years. It is critical that this strategy is completed in a timely manner, taking into account the Oireachtas committee’s key recommendations that the introduction of rent certainty and greater security of tenure for tenants are essential to make the private rented sector a secure and viable housing option. Threshold has campaigned relentlessly for rent certainty and security of tenure for almost 20 years.

Threshold also welcomed the fact that the recommendation from the Oireachtas committee to provide 10,000 social housing units per year has been taken on board by the government. Through our work at Threshold, it is very clear that the housing needs of many people living in expensive and substandard accommodation in the private rented sector would be better met through social housing.

It is important to recognise that the work of the Oireachtas committee has received cross-party support and input from all the main political parties. While most of the committee’s recommendations are important and far reaching, it is very disappointing that the committee failed to reach a consensus on the need for a constitutional right to housing. A constitutional right to housing would help guarantee that housing policy be maintained at the heart of successive governments and public policy for the long-term. Threshold will continue to advocate for a rights-based approach to housing policy.

Dr Aideen Hayden
Chairperson
About 20 years ago, a group of housing associations in the south west of England commissioned a comprehensive schedule of rates that specified all the repairs that might be required for the proper maintenance of rented housing. It set a standard for the cost and quality of repairs, and transformed the procurement of repairs and maintenance in the social housing sector. This was adopted by the National Housing Maintenance Forum (NHMF) and published as the M3NHF Schedule of Rates.

As of this year, this schedule of rates is available for use in the Republic of Ireland and is being used by organisations here. Please contact us, if you would like to be sent a watermarked demonstration copy.

www.m3h.co.uk
+44(0)20 8274 4000 | info@m3h.co.uk
FINANCING
ICSH HOUSING FINANCE CONFERENCE
Thursday 20th & Friday 21st October 2016
Newpark Hotel, Castlecomer Road, Kilkenny

#backedby
For further information or to book your place, please contact Mairead@icsh.ie or Tel 01 6618334

FOR DELIVERY & MANAGEMENT
FINANCING

Irish Council for Social Housing

For further information or to book your place, please contact Mairead@icsh.ie or Tel 01 6618334

#backedby
Introduction

The number of tenants in the private rented sector has increased significantly in recent years - yet private renting continues to be problematic from both a tenant and landlord perspective. In a survey carried out in late 2014, only 17 per cent of respondents who were living in private rented accommodation stated that they were happy in the sector. The vast majority of tenants questioned (73 per cent) hoped to cease renting within two years, if at all possible.

Some landlords also have significant difficulties. In particular, many buy to let ‘amateur’ landlords who purchased overpriced properties during the ‘boom’ are in mortgage arrears and plan to leave the sector as soon as possible. Landlords also argue that, in comparison with other businesses, they are treated unfairly from a taxation viewpoint (DKM Economic Consultant, 2014).

From the point of view of tenants, three specific problems can be identified in the private rented sector. These are: increasing and unaffordable rents, insecurity of tenure and poor standards. While resolving these problems would help, even a reformed private rental sector could not deal with the current housing crisis. There are also serious problems in the two other housing tenures – home ownership and social housing.

The housing crisis

The difficulties in the private rented sector are just one part of a wider housing crisis. Home ownership, an achievable aspiration in the past, is now out of reach for large numbers. Despite a reduction in house prices for several years after the crash in 2008, the purchase of a home, especially in the Dublin area and in other urban centres, is now impossible for many, even those in relatively good jobs.

Recent house price increases continue to be significantly out of line with general inflation, the cost of building and average earnings (Drudy, 2016). Furthermore, the number of homes constructed by private developers and for sale has fallen off significantly. Therefore, many have no alternative but to turn to the private rented sector.

A further cause of the continuing housing crisis has been the dramatic decline in construction by the ‘non-market’ local authorities, housing associations and other non-profit organisations over the last 40 years. In 1975, non-market providers completed almost 8,800 homes for rent to low-income families. This represented almost one third of total housing provision while ‘market’ provision for sale or private renting by property developers and builders accounted for over two thirds. By 2005 the non-market proportion had...
dropped to seven per cent and in 2015 represented only 465 homes or a mere four per cent of the total. At the same time market provision plummeted from 75,400 homes in 2005 to a mere 12,200 in 2015. This is a classic example of ‘market failure’. See table 1.

Despite this market failure, those seeking homes are now almost entirely dependent on market provision. In effect, we have presided over the ‘commodification’ of housing where access to a home, whether to buy or to rent, depends almost entirely on ability to pay. This is a broken housing system.

In the light of the dramatic reduction in the construction of both private sector homes for sale and those for rent by local authorities and housing associations, it was inevitable that large numbers would have to reluctantly rely on expensive, insecure and often sub-standard private rented accommodation. Furthermore, the government since 2004 has unwisely turned to this sector to provide social housing. During the last 15 years alone, over €5.6 billion has been allocated in rent supplement by the government to private landlords for this purpose. This is a questionable use of scarce public resources.

Increasing rents: possible solutions

Significant increases in rents in the private rented sector are now common, especially in the Dublin area. Those on high incomes are prepared to pay such rents, at least for a period, but vulnerable families unable to afford large increases are being evicted on a regular basis. The available evidence suggests that many single persons and families have to spend over 40 per cent of net income to secure even modest private rental accommodation. A recent advertisement by a multinational landlord, Kennedy Wilson, sought rents in the Dublin area as follows: one bedroom - €1,700-€1,900; two bedrooms - €2,250-€2,400; 3 bedrooms - €3,000-€3,400 (Gallagher, 2016). These sorts of rents are clearly unaffordable for tenants on average earnings and would be unsustainable for both families and individuals.

There is an ongoing debate as to how to deal with this problem. Increasing supply is one obvious route but that alone is unlikely to stabilise or reduce either house prices or rents to sustainable levels. In the light of this, tenant organisations such as Threshold, Focus Ireland, Simon and the McVerry Trust have consistently argued for some form of ‘rent regulation’.

In 2015, the government’s own advisory body, the National Economic and Social Council, advised the government to introduce a system of ‘rent regulation’ in association with actions to increase housing supply and security of tenure (NESC, 2015). More recently, the report of the all-party Oireachtas committee on housing and homelessness recommended that rent reviews should be linked to an index such as the consumer price Index and reviewed annually (Houses of the Oireachtas, 2016).

Some commentators confuse the term ‘rent regulation’ with the term ‘rent control’ and use the terms interchangeably. This is simply incorrect. Rent control was a rigid form of ‘first generation’ ‘rent ceiling’ or ‘rent freeze’ which existed in Ireland, Europe and the United States for the period from the first world war up to the 1970s. The persistently low rents inevitably led landlords to neglect their rented properties and often to dispose of them, thus reducing the supply of rented accommodation.

This type of rent control or ‘rent freeze’ was unreasonable and was found to be unconstitutional in Ireland in 1981. However, such ‘rent control’ is now non-existent in Ireland or anywhere else in Europe. Instead, second and third generation ‘rent regulation’ is the norm in countries such as Germany, France, Belgium, the Netherlands, Denmark and Sweden. This allows rent increases in line with inflation or some reasonable percentage increase and taking into account additional costs involved in improving the quality of rented accommodation.

After a well-publicised debate at government level in October and November 2015, a limited form of ‘rent regulation’ was finally agreed and a number of other helpful changes were made in relation to the private rented sector. ‘Stabilising rents, boosting supply’ issued by the government in November 2015 specified that:

- rent reviews can only take place every two years rather than each year over the next four years
- the notice required for a new rent is to be increased to 90 days
- the tenant and the Residential Tenancies Board (RTB) must be provided with rent levels in three comparable dwellings in the area
- longer notice and reasons must be given with written statements in relation to termination of tenancy
- tenancy deposits to be lodged with the RTB
- RTB determination orders regarding rent arrears or anti-social behaviour to be enforced in the district court rather than the circuit court
- minor errors in notices of determination will not invalidate notices

These were welcome changes from the point of view of both landlord and tenant. However, we need to build further on them. In particular, the idea of a rent review every two years represents only a short-term solution to volatile and often escalating rents.

### Table 1: Housing provision - market and non-market

<table>
<thead>
<tr>
<th>Year</th>
<th>Market</th>
<th>Per cent</th>
<th>Non-market</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1975</td>
<td>18,098</td>
<td>67</td>
<td>8,794</td>
<td>32</td>
</tr>
<tr>
<td>2005</td>
<td>75,398</td>
<td>93</td>
<td>5,559</td>
<td>Seven</td>
</tr>
<tr>
<td>2015</td>
<td>12,201</td>
<td>96</td>
<td>465</td>
<td>Four</td>
</tr>
</tbody>
</table>

Source: housing statistics
While landlords cannot increase rents for two years there is nothing to prevent them from demanding an enormous increase after two years. This was a compromise between competing views at the cabinet table.

Minister for the Environment, Mr Alan Kelly T.D. had, throughout 2015, been trying to achieve what he called ‘rent certainty’ for tenants and landlords. He was, in effect seeking, to achieve a rent regulation system similar to that pertaining in a range of European countries such as Germany, France, Belgium, the Netherlands, Denmark and Sweden. While there are minor variations between these countries, rent increases must normally be in line with inflation or some reasonable percentage increase and take into account additional costs involved in improving the quality of rented accommodation.

Despite this, freedom of information documents reveal that a concerted campaign was waged by Irish and international property and mortgage interest groups with the Department of Finance against any form of rent regulation. As an example, the US firm Kennedy Wilson, mentioned above, wrote to the Department of Finance advising against such proposals. This firm argued, without any evidence, that rent certainty measures would act as a “huge disincentive” and would result in “adverse unintended consequences” for investors (Kennedy, 2015). The intervention by this international landlord and Irish property interests played a key role in the compromise and unsatisfactory “solution” outlined above. Organisations such as Threshold and Simon arguing for rent regulation on European lines were largely ignored.

One standard argument, accepted by the government in late 2015, was that any form of rent regulation represents an ‘interference in the market’. At the same time, those posing this argument have no difficulty recommending an obvious market interference such as tax incentives or top-ups for deposits. It was further argued that rent regulation would result in the exit from the sector of many landlords. Yet there is no evidence throughout Europe for this.

An action plan for housing and homelessness was published by the government in July 2016 (Government of Ireland, 2016). Unfortunately, it fails to deal with the private rental sector in any detail, including the recommendation of the all-party Oireachtas Committee to link rent changes to an index such as the consumer price index. The plan states that a strategy for the sector, including an ‘affordable rental strategy’, will be published by Q4 of 2016.

The case for rent regulation

There are a number of economic reasons as to why ‘rent regulation’ should be introduced in Ireland. First, the private rented sector is an ‘imperfect’ or ‘monopolistic-type’ market wherein there are large numbers of tenants seeking accommodation and a much smaller number of landlords offering accommodation. Therefore, tenants have virtually no influence over rents and landlords can dictate what the rents will be. Government intervention and regulation is now widely accepted throughout the world as essential in such monopolistic-type markets. Those who oppose rent regulation argue that the private rented sector is a ‘perfect’ or ‘free’ market. Anyone who has taken a basic economics course knows that this is patently incorrect.

Second, high rents (as well as high house prices) are bad for the economy. Large sums of money have to be expended on renting or purchase which could otherwise contribute to employment-generating activities. This is wasteful and inefficient.

Third, high rents (as well as high house prices) inevitably result in pressure for wage increases, thus leading to a loss of competitiveness, acknowledged regularly by the National Competitiveness Council.

Fourth, rent increases over recent years have been seriously out of line with other indicators such as the consumer price index, average earnings and the cost of building. This divergence cannot be justified for an economic necessity such as housing. Unaffordable rents have regularly resulted in evictions and homelessness. This makes no economic sense and is in conflict with government policy.

Finally, high house prices and rents act as a deterrent to skilled workers wishing to return to Ireland and to the executives of foreign companies considering Ireland as a location.

Apart from the economic arguments outlined above, there are a range of social, equity and ethical reasons why house prices and rents should not be allowed to escalate unreasonably. Housing must surely be a ‘home’ rather than another ‘commodity’.

Security of tenure and standards

The Private Residential Tenancies Act 2004 provided a modest improvement in leases of up to four years for tenants. However, a landlord can still terminate a tenancy during this period for a range of specified grounds, such as the proposed sale of the dwelling or the need for substantial refurbishment. These provisions provide relatively easy routes to securing an eviction where a landlord so wishes, such that the security of tenure afforded some tenants is still more apparent than real. Security of tenure is thus a serious problem for tenants. While landlords must be protected against anti-social tenants as well as those who damage property or fail to pay due rents, it seems clear that the 2004 Private Residential Tenancies Act offers little security to tenants in comparison with the practice in other European countries.

The standard of private rented accommodation is also a cause for concern. Official regulations specify minimum standards in relation to private rented accommodation. The inspections by local authorities show that considerable numbers of rented dwellings do not comply with these minimum standards. Of a total of 17,849 dwellings inspected in 2013, almost half (47 per cent) did not
meet these standards. In some local authority areas there were particularly high rates of failure to meet minimum requirements – in the case of Fingal, Galway, Cork and Sligo the proportions in breach of regulations were 84 per cent, 83 per cent, 77 per cent and 76 per cent respectively. These sorts of breaches suggest that the private rented sector is in need of significant reform.

**Conclusion**

A properly regulated private rented sector could play a key role in providing accommodation for those who cannot afford or do not aspire to own their homes or who cannot obtain a local authority home. If the sector had regulated rents, good standards and medium to long-term security of tenure, as in other European countries, many could postpone home-ownership for a time, or indefinitely. This would have the effect of dampening down prices for owner-occupied homes. However, it is clear that the reliance on the private rented sector to provide social housing at a significant cost to the exchequer is most unwise and should be abandoned.

We also need a good public rental housing system which gives priority to vulnerable tenants, but also provides for a broader category of relatively well-off renters who could pay an economic but regulated rent - a ‘cost-rental model’. Together with a good private rental sector, this public housing would provide an alternative to home-ownership, thus dampening down house prices. These links between the different housing sectors are critical. If we simply tinker about with individual parts of the housing system without recognising the implications for other sectors, we will continue to have a housing crisis for many years to come.

**References**


Drudy, P.J. (2016), The Housing Problem and the Case for Rent Regulation, submission to the Oireachtas committee on housing and homelessness, 10 May, 2016. See also [http://bit.ly/2d85cOi](http://bit.ly/2d85cOi)


Gallagher, Alanna (2016), Converted Army Barracks Offers Rentals with a Difference, Irish Times, 30 June.


The establishment of the Residential Tenancies Board (RTB), formerly the Private Residential Tenancies Board (PRTB), in 2004 was at the time hugely significant for the private rental sector in Ireland. A regulatory agency dedicated to regulating the rental sector and resolving landlord and tenant disputes was quite revolutionary and still today there are very few international examples of such a structure. The principle aims of the legislation underpinning the RTB were to provide increased security to tenants, require all private landlords to register with the RTB and to provide a dispute resolution service through the RTB for tenant and landlord disputes, as a cost effective and speedier alternative to the courts.

Twelve years on and we now have over 324,000 tenancies registered with us representing, 172,000 landlords and 705,000 occupants. In 2015, we handled over 117,000 calls, 50,000 emails and received over 4,000 dispute applications, demonstrating the current scale of the sector. The rental sector has become an increasingly important tenure in Ireland and has grown considerably over recent years. The last census showed that one in five were renting in the private sector and if you include the social rented sector, this figure increases to just under one in three. The growth in the sector can be partly explained by the downturn in the economy, with less first time buyers and a lack of new supply. However, it can also be explained by longer term societal changes, inward migration, changing employment patterns, decreasing household size and new household formation. Therefore, we expect this resurgence in the rental sector to be a continued feature of the housing market into the future.

The impact of this for the RTB is that we have a much more critical role and increased demand for our services. The broader impact however, is that with more people renting and renting for longer, questions arise as to how the regulatory framework and with it the role of the RTB, needs to evolve. With renting becoming a more long-term and common choice for many, what further protections are needed for tenants? And with supply of rental accommodation severely limited, how do we balance these protections, so that renting is an attractive investment for landlords?

In 2015 we saw the Residential Tenancies Amendment Act come into being, bringing with it significant change, a new name for the RTB, rent certainty and a promise of a deposit protection scheme. Since then Rebuilding Ireland – Action plan for housing and homelessness has been published, which promises yet
more change and a commitment for a rental strategy setting out a vision for the sector over the short, medium and long term and will look specifically at the issues of security, supply, standards and services.

So what of the changes and what do they mean for the rental sector?

**Remit of RTB extended to HAs**

The remit of the RTB was extended in April to housing associations and hence our name has now been changed to reflect this broader remit within the rental sector. This means some 30,000 tenants and over 500 landlords of these properties will now enjoy the protection of the Residential Tenancies Acts, including access to the disputes resolution services we operate. This is an important development as it breaks down the traditional distinction in the rental sector between social and private rented housing and moves us closer to rental models elsewhere, where such distinctions can rarely be identified.

**Rent certainty measures**

Significant changes have also been introduced to the way landlords can review rents and the periods of notice that landlords and tenants must give to end a tenancy. The changes include:

- stronger verification procedures are also required in relation to terminating a tenancy where the landlord intends to sell or refurbish a property

It is still too early to assess the impacts of these measures, but analysis of our latest rent index shows us that while rents are continuing to increase nationally, the rate of growth is starting to slow, with a drop in the growth rate in the last two quarters. However, affordability and supply are still critical issues and the rent certainty measures that were introduced, were introduced as a temporary measure and will expire at the end of 2019. Therefore, it is important to consider what form of regulation the future will bring.

**Further change and the Housing Action Plan**

The next big signalled change for the rental sector in Ireland is the introduction of a Deposit Protection Scheme. This new scheme will be administered by the RTB and will be operational by the end of 2017. It will require all deposits to be lodged with the RTB at the commencement of a tenancy. We will then hold them until the end of the tenancy and both landlord and tenant agree it can be released or where agreement cannot be reached, until the outcome of our dispute resolution process is known. At present, deposits make up about 20 per cent of all disputes referred to us, and the new scheme should give greater confidence and certainty to tenants and also reduce the number of disputes in this area.

The action plan has also promised further changes for the rental sector, with some early legislative action identified and a bill already starting to be drafted. This new legislation will cover some changes to how the RTB functions, which will allow us to speed up our dispute resolution process by reducing statutory appeals times, where cases are to be appealed to our tribunals and by introducing one rather than three person tribunals for certain types of dispute cases. The legislation will also restrict sale, where a landlord proposes to sell more than 20 units within a single development, so that the units cannot be sold with vacant possession, but sale must be subject to existing tenants remaining in situ. This is aimed at ensuring that where families are renting and have settled into an area have their children in school that they can remain in this area. Bulk sales have restricted this possibility as the chances of multiples families finding accommodation in the same area at the same time is much lower.

A rental strategy is also to be published by quarter four of this year, which promises yet more change and a vision for our rental sector in the future. It will specifically deal with the issue of security of tenure and rents and explicitly states that it will look further at potential new mechanisms for both setting and reviewing rents, similar to continental European models. While on the supply side it will look to encourage build to rent and introduce an affordable rental programme.

Much of these changes are to be welcomed, and in particular the rental strategy, which will bring certainty to tenants and landlords on the long term future of the sector. It will be important though to be mindful of what we are trying to achieve, to understand what tenure mix we are aspiring to, the current profile of landlords and to consider how we transition to whatever policy paths are chosen taking account of this profile. At present, we estimate that over 80 per cent of our landlords only own one or two properties, and there is an immediate challenge for some of these landlords who are in mortgage arrears. We must try to meet the very difficult challenge of making the rental sector attractive to both tenants and landlords, as the one thing we know for sure is that we need both for a functioning market.

In terms of the role of the RTB, we still have a major advantage over other countries by having a dedicated agency focused on the rental sector, the question is how can we evolve and how can we do more to support a vibrant rental sector?

- we can use our knowledge of the
rental sector to support policy making, to better understand the sector and the impact of the new policy, and therefore we will extend our role in monitoring and providing data on the sector

- we can support tenants and landlords through this time of change, and increase their understanding of their rights and obligations. The extent of change and the complexity of some of it, can make its application difficult. If people do not understand the change or know about it, makes it pointless and therefore our role needs to focus not just on registration and disputes but education and awareness also

- we can continue to improve our dispute resolution services. We have improved our dispute resolution times significantly, with on average adjudication taking 10.5 weeks and telephone mediation taking 4-6 weeks. This compares to 18 month waiting times in 2008. These times will fall further with the legislative changes being introduced, but we can also focus more on dispute prevention and on our non-adversarial mediation services which are proving very successful

- we can look at how we do things, improvements to IT, so we are easier to interact with, look further at how we can support more enforcement for non-compliance with registration or with our determination orders

Implementing and supporting such significant change will be a challenge for the RTB and all working in the sector, but the recognition that renting is now a much more common choice for Irish households and the fact that a large rental sector is reflective of a modern economy and society is to be welcomed, and far better than becoming the ‘forgotten sector’ again.
Did you know CIH helps hundreds of housing organisations like yours to achieve their objectives with a tailored package of services to meet your business needs?

Find out more by contacting our Dublin-based professional development co-ordinator to discuss your business requirements:

Cathy Etchingham, professional development manager
01 656 4160
Dublin Tenants Association was formed in early 2015 by a group of tenants who came together concerned at what was happening to them and to many others. Every day brought new stories of people being given notices of termination because the landlord was selling the property, or the place was needed for a relative. Other tenants were being forced to live in poor conditions - some of us were living with mould, unsafe structures and vermin until health deteriorated. Others were terrified of what would happen to them as annual rent increases of as much as 40 per cent meant choosing between paying for essential items such as heating, and other desperate, unsustainable measures - anything to avoid becoming another statistic in the escalating housing and homelessness crisis.

As tenants, we know the only way for us to be heard as major stakeholders in the private rented sector housing tenure is to come together and form a collective voice. But the story of tenant representation and of tenant movements is not a new one in Ireland. The similarities between now and 160 years ago are discouraging to visions of progress.

The famine in Ireland left many of the landed estates in massive debts and the Encumbered Estates Act of 1848 was passed to allow the sale of these mortgaged properties to be ‘divided up’ among creditors. Agents were appointed to collect rents and evict tenants. Just like today, tenants found themselves with no protections if creditors moved in because of a landlord’s debts.

This led to the formation of the Tenant Right League in 1850 and it was noted for uniting, albeit temporarily, Catholic and Protestant tenants. The Tenant Right League had ambitious legislative reforms in their aims - they sought the ‘three Fs’:

- fair rent
- fixity of tenure
- free sale

Although the Tenant Right League had fragmented by 1859, Charles Stewart Parnell and Michael Davitt adopted the three Fs as the central demands of the land league. Formed in 1887, the Irish National Land League became the instigator of the agrarian unrest of the land war, during which tenant farmers organised themselves to fight back against evictions and unfair rents.

In the cities, things were also grim for tenants. Nineteenth century urban tenants in Dublin were living in dire conditions, notorious now for being the worst slums in the UK. According to the census of 1911, almost 26,000 families were living in these inner city tenements. Whole families were crammed into one room in unimaginable conditions of filth, poverty and disease. These ruined, once grand Georgian houses were crumbling into decay and began collapsing. Some unfortunate tenants lost their lives this way. A recent exhibition on poverty and health in Dublin run by the National Archives stated “A housing inquiry in 1914 found that 16 members of the [Dublin] corporation-owned tenements and it was clear that corporation members intervened to foil the enforcement of regulations against their properties.”

However, by the 1920s direct state building of local authority housing began, enabling people to live with affordable rents, and by 1940 some 41 per cent of housing had been directly built by the state to respond to the critical need for housing.
The tenements continued to exist and the collapse of two of them in 1963 began a new era of tenant activism. As thousands of people were moved out of the city centre, communities vanished and a new form of resistance, linked to the Republican movement, emerged. In 1967, the Dublin Action Housing Committee was formed using direct action tactics such as squatting and resisting harrowing evictions that featured ‘crow-bar brigades’. Many of the activists themselves were ordinary families of tenants who represented themselves in this movement.

This form of direct action resistance by tenants was also replicated in other cities in Ireland. The Derry Housing Action Committee famously was instrumental in the Northern Ireland Civil Rights Movement. In the 1970s the National Association of Tenants Organisations organised rent strikes that resulted in differential rents in Dublin local authority housing.

However, by the late 1970s and early 1980s, the landscape began to change with the promotion of home ownership and the market for mortgages. Local authority tenants were given the opportunity to buy their own homes, thus removing ownership of state built housing that provided affordable secure homes to private ownership of the individual.

Home ownership figures peaked in 1991 with only eight per cent renting, however by 2011, this had jumped to 19 per cent.\(^3\) Until we have the results of the 2016 census, we can only guess at the figures currently renting. Current estimates place the number as high as one in three in the Dublin area.

The Celtic tiger brought spiralling house prices and the explosion in the buy to let mortgage sector. Although some attempts to reform the private rented sector were introduced with the Residential Tenancies Act 2004, the legislation is seen as weak by many tenants who find themselves in precarious positions of negotiating their basic rights under the act.

At present tenants are finding themselves being evicted because they cannot afford these huge rent increases. Other tenants manage to pay the rent, but find out from a knock at the door that their home has been repossessed by a bank or a vulture fund because the landlord was not meeting the mortgage payments. With 27,891\(^4\) buy-to-let mortgages currently in arrears in the Republic of Ireland, many tenants are currently unaware that their home may be at risk.

Tenants’ movements are being replicated in other European countries such as Scotland, who have recently formed a tenants union out of their successful ‘Living rent’ campaign. Dublin Tenants Association is a small, but growing community of tenants and we are informed by the legacy of tenant representation and movements that came in the decades before us.

References:


---

\(^3\) National Economic and Social Council (2014) ‘Homeownership and Rental: What Road is Ireland on?’

Q&A WITH CIH CHARTERED MEMBER JOHN O’CONNOR

1. So John, can you tell us a bit about yourself and how you began your career in housing?

I started my career as a structural engineer with a design and build contractor. I was involved in a variety of roles in the construction and local government sectors before taking up a position in charge of a project management team for building projects. My career in housing started when I took up a senior management position in Housing & Community at Dublin City Council. From there I moved to Chief Executive of a government agency the Affordable Homes Partnership and then in 2010 took up the position of Chief Executive of the Housing & Sustainable Communities Agency.

2. As a CIH member since 2008 what appealed to you about becoming a chartered housing professional?

I think it is critically important for professional development of any sector that there is a professional institute for members to provide support; and to develop their skills and knowledge. By sharing information, discussing issues, developing together and setting standards all members can enhance their ability to provide housing and services for society.

3. Having taken the executive route to CIH chartered membership, how does becoming a chartered CIH member reflect/enhance your career to date?

It is always important in your career to strive to improve and develop. Achieving chartered membership of CIH shows your commitment to the housing profession and your desire to deliver a high quality service. It enhances your career by clearly demonstrating a level of achievement and skills to others.

4. What would be your three top tips for someone starting out on their journey as a housing professional?

Firstly, consider and appreciate that housing is a long-term career option and that it is a profession that requires knowledge, skills and continuous development.

Secondly, appreciate that quality affordable housing is an essential need for everyone in our society. In your role as a housing professional always be aware of the needs of people and how you can meet those needs and improve the quality of life for people.

Thirdly, constantly strive to learn and develop throughout your career and always ask how things can be done better.
MEMBER BENEFITS

As a member of CIH did you know that you get a whole range of benefits? These include access to local housing policy knowledge, up to date housing news, and discounts on training and events in Ireland.

Regardless of what organisation we are members of, at times we ask ourselves: is it good value for money, what benefits do I get, are they enough, are there added benefits the organisations can give me? That’s why if you’re a CIH member and you stay in Ireland, you do get more for your money! Over the years we’ve tried to give members more benefits. Right now the additional benefits of being in Ireland include:

- Housing Ireland – the triannual magazine
- One-off publications including good practice guides
- Member events
- You also get a discount to the CIH Annual Conference & Exhibition.

Call us on +44 24 7685 1700 to join today. Membership starts from €105.84 per year.