On behalf of Focus Ireland I’d like to thank you for the invitation to present today.

If I can start on a positive note with the very welcome commitment from Minister Kelly of the introduction of greater rent certainty into the housing market. Focus Ireland believes this to be a very important pillar in the work we all have to do to prevent homelessness.

That said the crucial issue with the crisis of homelessness today is rent supplement rates. I do not use the word crisis lightly but I genuinely believe that because of the numbers involved and because of the family and children aspect of this new wave of homelessness, this is a crisis.

If I can use some very specific figures to illustrate the point

* Nationally in the week 16-22 June 2014 there were 247 families with 489 children in homeless accommodation. 9 months later in the week 23-29th March 2015 there were 471 families with 1,054 children in homeless accommodation. That is almost a doubling of the number of homeless families in 9 months.
* In April 2015, 71 families became homeless and were placed in temporary hotel or B&B accommodation in the Dublin region. 63 of these had never been homeless before – and this is the figure quoted by the Department of Environment as ‘newly homeless’. The initial indications are that May will show a similar inflow of families. These figures do not reflect the full scale of the problem as a number of families who have been assessed as homeless have been refused emergency accommodation by hard pressed local authorities as, they say, all emergency accommodation it is all full or their budget is inadequate.
* Some of these families have been found bedding down in cars due to the shortage of emergency accommodation for families by the Focus Ireland Intake Team (which is run jointly with the Peter McVerry Trust). 13 such cases were recorded in the two months of March and April this year.
* It is crucial to understand that the vast majority of families experiencing homelessness are coming from the private rented sector. There are a number of reasons driving this, including buy-to-let landlords being repossessed, or landlords getting out of the market, but the largest single reason driving this rise in homelessness is that families are unable to meet the rents being asked by their landlords.

While many of the adults in these families were in employment prior to the economic crisis, virtually of them now rely on social welfare. The primary reason why they are unable to afford the rent is that the mechanism designed by the Oireachtas to protect such families - Rent Supplement - has been allowed to fall well behind real market rents. Focus Ireland research, the experience of other service providers, and the experience of public representatives shows that families experiencing homelessness were tending to ‘top up’ their rents by as much as €200-€300 a month. This is a breach of the Rent Supplement regulations, puts households well below the poverty line and is clearly unsustainable. Households use up all their resources paying these ‘top-ups’ over a period and end up in severe risk of homelessness.

I would like to draw some specific figures in relation to rent supplement rates that to me illustrate the scale of the problem.

Rent supplement rates were last altered in June 2013. According to daft, since that time rent rates have increased nationally by more than 22%[[1]](#footnote-1). Rent supplement is currently demonstrably out of kilter with average market rent in Dublin by between 20-40%[[2]](#footnote-2).

One argument put forward for not increasing rent supplement rates is its influence on market rates. However there is no evidence that rent supplement dictates rates to the market in fact in 2008/09 average rents on family homes were less than rent supplement rates. There is an interaction between rent supplement levels and market rents, but Focus Ireland would argue that rent supplement levels are so far behind market rents, and top-ups so widespread that they now follow rents rather than set them.

In any case the role of rent supplement, as set out in legislation and regulation by the Oireachtas, is to meet a financial ‘need’ – and not to act as a market regulator.

Focus Ireland has welcomed the fact that large numbers of tenancies have been saved through the protocol initiative, run by Threshold, through which households which are unable to meet their rents can access the discretion of the Department of Social Welfare to increase their Rent supplement. It is worth noting however that this discretion has always been permitted in the relevant legislation, and what is happening here is a significant diminution of the rights of citizens as set down by legislation – instead of contacting the public officials directly, citizens are now required to access a legal right through a voluntary organisation. Despite the excellent work of Threshold, the number of families becoming homeless is almost the same as the number they save. This is because it is a systematic problem rather than an individual one.

We acknowledge that there is a chronic housing supply issue but note that the rent supplement rate for a family with two children in Dublin in January 2009 was €225[[3]](#footnote-3) a month higher than today even though there was more than 3 times the supply in the market.

To be clear we are not saying that increasing rent supplement rates will see a massive exodus from homelessness but it will serve to stem the flow of families into homelessness.

We do not have the same detailed insights into the situation of single people, but there is good reason to believe that the recent increase in single homelessness is driven by similar factors.

The introduction of the new Homeless Assistance Payment (HAP) which is run by the Department of the Environment and the local authorities provides some significant benefits in relation to Rent supplement. However, by simply copying the maximum rent thresholds over from the Department of Social Protection, HAP replicates the very aspect of RS which makes it ineffective. Furthermore, mainstream HAP does not include the discretion available to CWOs of increasing the maximum rent payable – so in this respect it is significantly less effective than Rent supplement.

We in Focus Ireland are absolutely convinced that rent supplement rates are proving one of the most significant driving factors in the rates of homelessness at this time, in homelessness in general, but most particularly and most strikingly, in the case of family homelessness. We need to stem the flow because once a family becomes homeless it is getting more and more difficult to get out of and this has life limiting consequences for them and their children.

The only way to stem that flow is to provide families with the support they need to stay in their homes and for the largest single group of families that means increasing rent supplement to realistic levels.

1. Daft report Quarter 1 2015 [↑](#footnote-ref-1)
2. ibid [↑](#footnote-ref-2)
3. <http://www.irishstatutebook.ie/2007/en/si/0412.html> (SI 412 of 2007) Jan to June 2009. [↑](#footnote-ref-3)