



**NOTIFICATION TO ATTEND MEETING OF THE HOUSING SPC  
TO BE HELD IN THE COUNCIL CHAMBER, CITY HALL, DAME STREET, DUBLIN 2.,  
ON WEDNESDAY, 6 MAY 2015 AT 2.30 PM**

**AGENDA**

**WEDNESDAY, 6 MAY 2015**

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1	Minutes of meeting dated 23rd February 2015 and matters arising	<b>1 - 6</b>
2	Chairperson's Business	<b>7 - 24</b>
	<ul style="list-style-type: none"><li>• <i>Regeneration Update</i></li><li>• <i>Traveller Accommodation Update</i></li><li>• <i>Homeless Update</i></li></ul>	
3	Loans - Shared Ownership Report	<b>25 - 54</b>
4	Social Housing Capital and Revenue Allocation	<b>55 - 58</b>
5	Update	
	<ul style="list-style-type: none"><li>• <i>Housing SPC Sub-Groups</i></li><li>• <i>ALMOs</i></li><li>• <i>Expressions of Interest (Technical Dialogue)</i></li></ul>	
6	Motion from Cllr Ailson Gilliland	
	<p>1. <i>With regard to the 14.9 Ha site fronting Coolock Lance/Oscar Traynor Rd and close to the junction with the M1 motorway detailed in Report 225/2014, Council seeks that a traffic and public transport impact audit be undertaken.</i></p> <p><i>This audit would:</i></p> <ul style="list-style-type: none"><li>• <i>ascertain the potential environmental impact of new residents in the housing units/up and their cars on the traffic flow and movement in this area and on the current public transport provision</i></li><li>• <i>recommend measures to be taken to reduce any negative impact</i></li><li>• <i>recommend measure to ensure that adequate public transport (including</i></li></ul>	

*cycling) be provided*

*The recommendations of this audit would be implemented concurrently with the development of these lands.*

*2. With regard to development of all new developments tendered by DCC on DCC lands, Council will ensure that all proposed developments, particularly multi-unit developments, provide playgrounds for young children, green spaces for free play and sports and at least one unit for local community use and that these facilities be built concurrently with the development (and not as an afterthought when families have moved in)*

7 Motion from Cllr Tina MacVeigh

In light of the forthcoming National Intergrated Traveller and Roma Strategy, that all DCC service forms generally and also particularly housing forms be amended to include an ethnic identifier. It is currently not possible to identify the number of Traveller and Roma families (as well as other ethnic minorities) that are on the waiting list for local authority accomodation in the DCC area presenting a significant barrier to adequately addressing the housing issue in any current or future strategies. In addition to housing strategies, it is important to have more detailed information on ethnic minorities so as to better plan local authority services and strategies generally

# HOUSING STRATEGIC POLICY COMMITTEE SPECIAL MEETING

MONDAY 23<sup>RD</sup> FEBRUARY 2015

## MINUTES

### **1. Welcome for The Rt. Hon. Lord Mayor of Belfast, Cllr Nichola Mallon**

Housing SPC members present welcomed the Rt. Hon. Lord Mayor of Belfast Cllr Nichola Mallon.

The Lord Mayor Cllr Christy Burke expressed his concerns regarding the provision of Homeless Services and waiting times to access emergency accommodation. The Manager advised that he will discuss issues here with Homeless Services and update the Lord Mayor directly. The Chair asked about visits to state funded Homeless Services. The Dublin Region Homeless Executive (DRHE) will forward on schedule on Tuesday 24<sup>th</sup> February to all Housing SPC members and Councillors who expressed an interest in these visits.

### **2. Minutes of meeting dated 21<sup>st</sup> November 2014 and matters arising:**

No matters arising.

### **3. Chairperson's Business:**

- **Regeneration Update**

Evelyn Hanlon, Senior Executive Officer gave presentation updating regeneration areas. All Housing SPC members present welcomed the update and discussion followed.

Cllr Chris Andrews said that there has been positive feedback from residents regarding proposals at Charlemont Street and he asked why Moss Street site is not included as a regeneration area. The Lord Mayor Cllr Christy Burke said that DCC should accept the current offer from the GAA to redevelop Croke Villas. He also said that proposals to refurbish O'Devaney Gardens to house persons facing homelessness is not a good idea here and that re-development should take place. Cllr Dáithí Doolan said that PPPs used in the past should not be revisited as a solution to the housing crisis. He welcomed the high standards at Thornton Heights but said that not enough units were provided here. Cllr Pat Dunne said that the process takes too long and there is a need to look at ways for new units to be delivered now. He asked about de-tenanting of regeneration areas and said that units should go to those on the housing/transfer list. Cllr Janice Boylan said that DCC should accept proposal from GAA regarding redevelopment at Croke Villas. She said that the proposals to refurbish O'Devaney Gardens for temporary homeless accommodation will not work. Cllr Ray McAdam said that GAA proposal for Croke Villas is welcomed by area and residents. Cllr Cieran Perry said plans to refurbish O'Devaney Gardens and Croke Villas for temporary homeless accommodation is neither cost effective nor desirable. He also said PPPs should not be used again to deliver housing as they didn't work in the past. Cllr Mannix Flynn said that there is a need to use a different model than PPPs to deliver on regeneration and that 'Get out clauses' caused problems. He said there is a need for a social housing programme and he called for caution if DCC are going to hand units over to AHBs.

The Chair said that while there has been progress at St. Teresa's Gardens it is slow. She commended residents on regeneration boards. She said that the community in this estate had been let down by PPP process in the past. She said time scale for purchasing a unit for purposes of de-tenanting of 2/3 months is too long. The Chair also expressed her dissatisfaction with Action 9 of the Government Action Plan to address homelessness.

The Manager advised that Moss Street is not a regeneration area but it will be addressed under the Housing Programme. He acknowledged that progress is slow but there is a desire to push forward with regeneration programmes. He stated that Action Plan 9 of the Government Action Plan to Address Homelessness identified O'Devaney Gardens and Croke Villas for temporary refurbishment to create additional of temporarily accommodation for homeless persons and families. Reports and costs for refurbishment at O'Devaney Gardens and Croke Villas have been prepared and forwarded to DOECLG and a decision is pending. The Housing SPC members will be notified when decision has been made. The Manager said that these are temporary measures and the masterplan for O'Devaney Gardens remain in place and will be implemented. He added that any proposals will have to be approved by Elected Members. Acquisition of properties to allow for de-tenanting of regeneration areas takes time and others factors, such as inspections add to this timescale but in general 2 to 3 months is not exceptionally long time to spend buying a property. Approval of Local Area Committee is needed if the scheme of letting priorities is deviated from in the allocation of housing (casual vacancies and acquired properties) for detenancing.

Cllr Mannix Flynn asked for acquisitions and reason for such purchases to be identified. Cllr Cieran Perry asked how much input the Elected Members could make to proposals to undertake temporary refurbishments at Croke Villas and O'Devaney Gardens given that there was a directive from the Minister. Cllr McAdam also sought clarification about whether the Council must comply with Ministers directive or if the Councillors could direct the Manager. The Manger advised that it was his understanding that the Council could direct that any proposed temporary works to O'Devaney Gardens or Croke Villas should not proceed. In response to Cllr Flynn the Manager stated that he will need to consider the request to provide details of allocations and acquisitions over and above what is already provided in weekly allocation lists.

*Agreed: Forward on presentation to Housing SPC members*

- **Traveller Accommodation Update**

Report circulated to members prior to the meeting. No matters arising.

*Agreed: Traveller Accommodation Update accepted.*

- **Ratification of Chair of St. Michael's Regeneration Board**

The Chair thanked SPC members' agreement to vote by e-mail, and subsequent agreement to ratify Eammon Devoy as Chair at St. Michael's Regeneration Board.

Cllr Cieran Perry enquired how many Chairs there are on various Regeneration Boards and he also asked about their remuneration. Cllr Mannix Flynn asked about experience and remuneration of Chairs appointed to Regeneration Boards.

- **Arms Length Management Organisations (ALMOs)**

The Chair stated that it is a year since the issue of establishing ALMOs had been raised at the SPC. She advised that representatives from Local Authority in Manchester are to be invited to meet the Housing SPC to share their experiences of the advantages and disadvantages of ALMOs in their area. The Chair extended an invitation to Housing SPC Chairs in the other Dublin LAs.

Cllr Alison Gilliland suggested inviting Rory O'Donnell of NEIC to this meeting given his expertise in this field. Cllr Cieran Perry said that public housing should be provided by the LA. He will only support the formation of ALMOs if it allows the Council to provide housing. Cllr Pat Dunne said he too would support setting up an ALMOs if it allows DCC to provide public

housing. He asked how proactive DCC management will in setting up ALMOs. Cllr Mannix Flynn said that he would be welcome the formation of ALMOs. The Manager advised that DCC, and all LAs, face difficulties in obtaining finance to deliver new housing. Because AHBs can borrow off Government Balance Sheet (whereas LAs cannot) they are needed to increase the supply of social housing.

Kathleen McKillion advised AHBs work closely with LAs and all tenants housed by AHBs come from LA Housing Lists. .

#### **4. Rent Arrears Paper**

The Chair said that Rent Arrears Policy has caused problems to tenants, especially in relation to historic arrears. She advised that a sub-group will be set up to address issues here.

The Manager advised that there is scope within the Housing (Miscellaneous Provisions) Act 2014 to look at developing policies to address problems with rent arrears.

Cllr Dáithí Doolan welcomed discussion on this issue. He said that DCC should be flexible when dealing with these cases and suggested the following options: i) agreement to bring arrears down to a certain amount and ii) agreement to pay certain amount. Cllr Pat Dunne said that rent arrears are, in the main, caused by re-assessment rather than non-payment of rent. Cllr Mannix Flynn welcomed this report. Cllr Chris Andrews asked for the number of tenants evicted as a result of non-payment of rent. Cllr Janice Boylan said that rents arrears caused by re-assessment are different to rent arrears caused by non-payment.

The Manager advised that abandoned dwellings cause DCC difficulties and expense. The differential rent scheme operated by DCC is based on ability to pay. Annual assessment shouldn't create arrears going back. He acknowledged that this is a complex area.

*Agreed: Forward on presentation to Housing SPC members*

*Agreed: Housing SPC members wishing to be part of the sub-committee to register their interest with the Manager.*

#### **5. Housing Programme 2015-2017**

Gerry Geraghty, Executive Manager made presentation on Housing Programme 2015-2017. He advised that this will be brought to all Local Area Committees for discussion, input and to address specific queries regarding sites included or which could be added.

The Manager advised that Housing Strategy was issued by Government in late 2014. Dublin Social Housing Taskforce is examining how social housing can be delivered using a new model of public/private partnership. €300 million will be allocated nationally with €100 million to go to the Dublin Region.

Cllr Cieran Perry asked who is represented on this Housing Taskforce. The Chair expressed her dissatisfaction that there are no elected representatives on the Housing Taskforce and asked that the Housing SPC supports a request to appoint a Councillor here. Cllr Pat Dunne said that while lots of announcements have been made with regard to funding and building there has been little progress made on the ground. Cllr Ray McAdam said that more information was required about the design of various projects and the stage reached. Cllr Mannix Flynn raised his concerns at the age of DCC housing stock and problems relating to heat and insulation. Cllr David Costello suggested that the lands banks at M50 between Finglas and Ballymun be used to develop housing even if this involves re-drawing the City boundaries. Cllr Dáithí Doolan said he would like to see Chair of Housing SPC appointed to the Taskforce. He said that AHBs have a role to play in providing niche housing but he would rather see funding being made available to LAs for general housing and that the Government's decisions on funding needs to be challenged. Cllr Anthony Connaghan said that the LAs should provide housing.

The Chair raised concerns regarding the over reliance on the private sector and that off sheet funding mechanisms are complicated and that their Phase 1 housing targets are unlikely to be met. She advised that the Innovative Housing Provision Sub-Group is looking at models that allow for faster procurement.

The Manager advised that members of the Dublin Social Housing Taskforce are selected by Government and that it includes the Chief Executives of the 4 Dublin LAs. He said that funding of €3.8billion has been assigned to deliver 35,000 social housing units between 2015 and 2020. He noted that these lands are zoned in the main for industrial/commercial use and the assisting of opportunities for the provision of jobs is also important for the Ballymun area. He reiterated that LAs and AHBs work closely together to provide housing.

The Chair asked if DCC have been given additional resources to facilitate Housing Assistance Programme (HAP) programme. The Manager advised that the HAP pilot is staffed and that there is an agreement by DOECLG to supply additional staff nationally and DCC can apply for staff if needed.

*Agreed: Forward on presentation to Housing SPC members*

## **6. Referred Motions:**

### **Re: Motion 89 from South Central Area Committee held on 9<sup>th</sup> December 2014** **Motion in the name of Councillor Bríd Smith**

This Area Committee commends the work being carried out by a group of young women in feeding and clothing the homeless in the Ballyfermot area. We also acknowledge the tremendous support given to their work by the local community and community organisations. This Area Committee calls on management to meet with the women providing this service voluntarily in order to establish what assistance and support can be offered to them to alleviate the suffering of those who are homeless and sleeping rough in the Ballyfermot area. It was agreed that this motion would be referred to the Housing SPC.

Dáithí Downey, A/Director of DRHE advised the members present that he met with this group in South Central Area offices at Elbana House on 4<sup>th</sup> February 2015. He added that DRHE are happy to meet with any groups to discuss these issues.

### **Re: Motion 244 from North West Area Committee held on 16<sup>th</sup> December 2014** **Motion in the name of Councillor Anthony Connaghan**

That the Manager conduct a study of households in the Dublin North West Area with a view to finding out how many households are currently under-occupied (i.e. Senior Citizens living alone in 2-3 or 4 bed homes, but not exclusively Senior Citizens). Can the Manager utilise the expertise of DCC staff to come up with innovative plans to incentivise people moving to smaller accommodation and freeing up the under-utilised properties. Can the Manager provide me with any details of previous schemes and how they worked out?

**ORDER: Report to Councillor. Cllr. Connaghan requested that this item and item NW/245/14 in the name of Cllr. Reilly be forwarded to the Housing SPC for consideration.**

The Chair asked about options to encourage downsizing of under occupied homes of DCC tenants, e.g. 3 - 4 bed to 1 - 2 bed. She stressed that any such downsizing must be voluntary.

The Manager said that the Financial Contribution Scheme previously offered is currently closed to new applications as there is no allocated budget. The scheme was dependant on units being available for people to go to. Additional Senior Citizen Accommodation would be needed to meet demand which is not available now. He also said that care was needed to avoid perception that people could 'buy' their way into social housing and skip the queue and

that the Allocations Scheme has to be fair and transparent. He also pointed out that because of the Differential Rents Scheme operated by DCC tenants of similar financial means will pay the same rent for a 4 bed and 1 bed unit.

## **7. AOB**

Cllr Mannix Flynn raised the issue of compensation paid to DCC tenants from private developers/organisations building near Council schemes. He asked if there was a protocol here and asked for a report on this issue.

The Manager said that this will be raised with the Law Agent for his advice but that it did not appear to be a matter for the Housing SPC or indeed the Council.

### **In Attendance:**

#### **Councillors:**

Chris Andrews, Janice Boylan, Lord Mayor Christy Burke, Anthony Connaghan, David Costello, Patrick Costello, Dáithí Doolan, Pat Dunne, Alison Gilliland, Ray McAdam, Cieran Perry, Críona Ní Dhálaigh, Noel Rock, Sonya Stapleton

#### **Sectoral Interests:**

Kathleen McKillion, Sue Taylor

#### **Officials:**

Dick Brady, Gerry Geraghty, Evelyn Hanlon, Marguerite Staunton, Dáithí Downey, Karl Mitchell, Mary Hayes, Elaine O'Kelly

#### **Other Councillors:**

Mannix Flynn, The Rt. Hon. Lord Mayor of Belfast, Cllr Nichola Mallon

#### **Others Present:**

Olivia Kelly

#### **Apologies:**

Lillian Buchanan, Pat Doyle, Aideen Hayden, Catherine Kenny, Brendan MacConville

***Councillor Críona Ní Dhálaigh***  
**CHAIRPERSON**

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## Housing & Residential Services

### General:

1. LTACC Sub -group to devise a Scheme of Lettings for Traveller-Specific Accommodation to issue a draft to relevant organisations and members of the LTACC for comments/feedback.
2. Increase in illegal occupations
3. 11 households accommodated Jan- March (4 Standard Housing, 2 Group housing, 4 Bay)

<b>Progress Report TAP 2014-2018</b>				
TAP Action	No of Units	Due Date	26/03/15	Status
<b>Non-Routine Works</b>				
<b>Miscellaneous: Repair of 10 most impaired yards</b>	<b>10</b>	<b>ASAP</b>		
			25% funding approval as DOECLG considers routine maintenance; will try to do lots when budget allows.	Review budget in May to identify scope.
<b>Miscellaneous: Kitchen Replacement</b>	<b>10</b>	<b>ASAP</b>		
			Not sent to DECLG as priority is to do the yards with available budget. Plan for a kitchen replacement next year if funds allow.	
<b>Speed Ramp- Kylemore</b>	<b>1</b>	<b>ASAP</b>		
			Works (pending - site visit engineer/clerk of works & add to maintenance schedule)	Not Started
<b>Repainting of Speed Ramps - all sites</b>				
			Paint to be bought for sites;	In Progress
<b>Capital Programme</b>				
<b>Labre Park: Rebuilding of 3 Fire Damaged houses in Kylemore Grove (Phase 1)</b>	<b>3</b>	<b>2014</b>		
			Part 8 Planning Permission	Completed
			Apply for approval to tender - DECLG	Completed

			Tender Process -pending approval to proceed from DECLG	Not Started
<b>Labre Park: Emergency Facilities for families living on the site without sanitary facilities.</b>	<b>8</b>	<b>2014</b>		
			8 rental units in place.	Completed
<b>Replace 2011 rented Sanitary Facilities</b>	<b>23</b>	<b>2015</b>		<b>Completed</b>
			Agreement to end rental contract on 2011 units - degraded through wear and tear/other issues. Facing significant refurbishment costs at close of contract, as any damage must be made good.	N/A
			Prepare specification for units (incorporating resident feedback).	Complete
			Apply to DECLG for outline approval	In Progress
			Preparation of tender per Procurement Guidelines	In Progress
<b>Bridgeview: House Refurbishments</b>	<b>2</b>	<b>2014</b>		
			3 & 8 Bridgeview	Completed
<b>St. Margaret's Park electrical infrastructure upgrade</b>	<b>30</b>	<b>2014</b>		
			50% approval from DECLG Tender Competition	Completed
			Customer accounts live in next 2 weeks. Hardship meters centrally stored with keypads running to the bays.	In Progress
<b>St. Dominic's Park</b>	<b>15</b>	<b>2014</b>		
			Consultation with prospective occupants.	In progress
(Phase 1)			Feasibility Study	In progress
			Removal of dumping - <b>Stalled due illegal occupancy.</b>	<b>Held Up</b>
(Phase 2)			Develop further accommodation.	Not Started
<b>Avila Park Community Centre refurbishment</b>	<b>1</b>	<b>2014</b>		
			50% approval of cost by DECLG	Completed
			Preparation of Scope of Works – Structural Engineer	Completed
			Tender for Works (pending final documentation)	3 weeks

<b>Cara Park: Special Needs Adaptions</b>	<b>2</b>	<b>2015</b>		<b>Not Started</b>
			DECLG approval for 73% of both houses.	Complete
			1 house requires significant redraw & resubmission to DECLG.	In Progress
<b>Cara Park: Overcrowding extensions</b>	<b>2</b>			<b>Not Started</b>
			Architect assigned to prepare drawings	In progress
<b>St. Oliver's Park electrical upgrade</b>	<b>15</b>	<b>2015</b>		<b>Not Started</b>
<b>St. Joseph's Park electrical upgrade</b>	<b>14</b>	<b>2015</b>		<b>Not Started</b>
<b>St. Joseph's Park Community Centre refurbishment</b>	<b>1</b>	<b>2015</b>		<b>Not Started</b>
			Structural Engineer doing initial survey	In progress
St. Joseph's Park Refurbishment of Bay	1	2015	100% funding approval from DECLG to bring the bay back into use. Invitation to tender issued.	In progress.
<b>Grove Lane- Redevelopment of Site</b>	<b>5</b>	<b>2015</b>		
			Survey by Structural Engineer	Completed
			Survey by COW	In progress
<b>Rebuild of Houses Bridgeview/Northern Close/Avila Park</b>	<b>3</b>	<b>2015</b>		<b>Not Started</b>
			Design	In progress
			Costing	Not Started
			Planning Consultation	Not Started
			Outline approval to DECLG	Not Started
<b>St. Margaret's Park Day-house upgrade</b>	<b>30</b>	<b>2015</b>		
			Pilot Scheme in October to trial 2 units -delayed pending completion of elec contract.	In progress
			Feasibility of repair/upgrade/extension of existing built structure requested by tenants - City Architect's are drawing up options.	In Progress
<b>Grand Canal Harbour - Refurbishment of 8 day-houses</b>	<b>5</b>	<b>2015</b>		
			Works to be done on a 4th bay; no other demand at present	In Progress
			Site difficulties as shores are covered in concrete on private ground.	Completed
<b>St. Oliver's Park Day-house upgrade</b>	<b>15</b>	<b>2016</b>		

<b>Tara Lawns - Redevelopment of the site</b>	<b>10</b>	<b>2016</b>		
			Clean-up of sewerage and dumping - more issues recently	In progress
			Initial steps (MMQ) to encourage illegal occupants to complete applications.	In progress
<b>St. Joseph's Park Day-house upgrade</b>	<b>14</b>	<b>2016</b>		<b>Not Started</b>
<b>Pigeon House Road - Redevelopment of detenanted site</b>	<b>6</b>	<b>2016</b>		<b>Not Started</b>
<b>Labre Park: Re- development (Phase 2)</b>	<b>24</b>	<b>2018</b>		
			Clúid submitted a feasibility study for the re-development of the existing site.	In Progress

**Performance Report 2015 relating to the Protocol  
Governing Delegation of Section 10 Funding for Homeless  
Services to Dublin City Council**

**Qtr 1 2015**

**30 April 2015**

**Q1 2015 Headline Items:**

- In Q1 2015 236 adult individuals moved out of homelessness to independent living in tenancies.
- In line with the previous two quarters, moves to social housing remained high at 193 while moves to private rented accommodation remained low yielding only 43 tenancies.
- In total, 84% of individuals moving to tenancies in Q1 2015 availed of on-site or visiting support after departing emergency accommodation.
- Tenancy Protection Services played a key role in preventing families in the private rented sector entering homelessness as 553 tenancies were protected between June 2014 and March 2015.
- There were 681 additional adult individuals accessing emergency accommodation over the duration of Q1 2015 compared with Q1 2014.
- In excess of 1,800 adult individuals were accommodated on a nightly basis in Q1 2015. These adults were accompanied by approximately 900 children each night, 67% of whom were accommodated with their families in hotels.
- Placements into emergency accommodation each night have increased from an average of 147 per night in the previous year to 227 per night in Q1 2015 due to the increase in one-night-only services since December 2014.
- The MQI Night Café, which began operation on January 21<sup>st</sup> 2015, was accessed by 660 individuals during Q1 2015, 97 of whom engaged exclusively with MQI and did not present to emergency accommodation or Housing First Intake Team services.
- The rate of long-term homelessness fell from 54% to 53% as access to social housing facilitated individuals with moderate to high support needs, who were not deemed suitable for private rented accommodation.
- As the number of one-night-only and hotel beds increase, the rate of support planning has decreased as these services do not provide adequate opportunity for on-going engagement.
- There were 105 adults discovered sleeping rough on the night of the Spring 2015 rough sleeper count. This is a decrease of 63 persons or 38% on the Winter 2014 count.
- Those engaged in rough sleeping had decreased levels of access to emergency accommodation in Q1 2015 compared with last quarter.

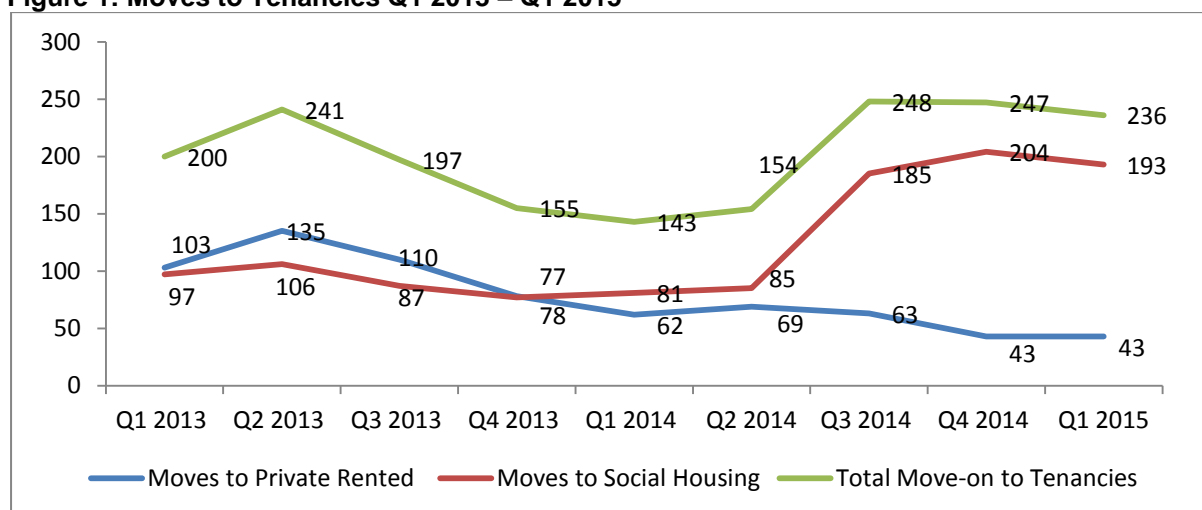
**Part 1**

**1. 2015 Target for Accommodating Homeless Persons with Full Tenancies**

Table 1: Individuals moved on to independent living					
Target number of individuals for 2015	Number of Accommodation Units Delivered with Full Tenancies	Quarterly Total Units	Total Units to Date in 2015	Quarterly Total Adult Individuals Q1 2015	Total Adult Individuals to Date in 2015
	Local Authority Lettings			104	104
	Approved Housing Bodies (AHB) Lettings			69	69
	LTS (long-term supported accommodation)			20	20
	Private Rented			43	43
			<b>Totals<sup>1</sup></b>	236	236

In line with the previous two quarters, the significant number of moves to social housing via local authority allocations (n=193) have offset the poor rate of move-on to private rental lettings (n=43). In Figure 1 below it can be seen there were record low numbers of adult individuals moving to private rentals. It also demonstrates that since the allocation rate to homeless households was increased in 2014, the number of adult individuals accessing social housing has more than doubled from 90 per quarter in 2013 to 184 per quarter over the past four quarters (Q2 2014 - Q1 2015).

**Figure 1: Moves to Tenancies Q1 2013 – Q1 2015**



While the moves to tenancies in Q1 2015 were high relative to past performance, the rate of move-on is insufficient to deal with demand from families in private rented accommodation who face the risk of homelessness and who become homeless predominantly because of dynamics in the Dublin rental market, their income inadequacy and the increasing rent levels they face. The Tenancy Protection Service (TPS) continued to experience increases in the number of callers to the TPS free-phone number.

<sup>1</sup> PASS records the number of unique adult individuals moving-on to independent living

**Tenancy Protection Service (TPS) data:**

The TPS plays a key role is assisting individuals and families who are vulnerable as a result of rental inflation or income inadequacy, to sustain tenancies in private rented accommodation and preventing them from entering homeless services.

The service began operation in June 2014 and 2,910 individuals had contacted the service by year end 2014 and an additional 1,229 individuals made contact with TPS in Q1 2015. In total, 4,139 households have contacted the service of which 1,937 (or 47%) were deemed to be 'at risk' of homelessness.

**Table 1a: Number of callers to TPS (June 2014 – March 2015)**

Number of household contacting TPS	June - December 2014	January - February 2015	Total to date
Early intervention: advised of rights	1,607	595	2,202
Tenancies 'at risk' of homelessness	1,303	634	<b>1,937</b>
Total	<b>2,910</b>	1,229	<b>4,139</b>

In addition to advocacy and re-housing work with tenants, the TPS, provided by Threshold, can deliver an uplift to rent supplement payments to eligible households<sup>2</sup>. In addition, it assists households to access the PRTB regarding issues such as illegal evictions, rent reviews and invalid notices.

Of the 1,937 households **at risk** of homelessness:

- 553 tenancies (28%) were protected and prevented from entering homelessness:
  - 462 have been approved by DSP for the a rent uplift (of the 567 referred);
  - 30 were re-housed; and
  - 61 TPS engaged in advocacy work.
- An additional 56 (3%) households engaged with the PRTB.
- 917 cases are on-going or being assessed.
- 400 cases have been closed following successful engagement with Threshold.
- 11 families have entered homeless services

Of the families that entered homelessness, one was evicted illegally and three were advised by the PRTB that the notice given was valid and they needed to vacate the property. The remaining seven households were found to have been served invalid notices to quit but reported they had departed the tenancy due harassment from the landlord. In these cases, the level of rent was not the issue that triggered their entry into homelessness.

<sup>2</sup> The uplift in payment is based on a protocol agreed between DRHE, the four Dublin local authorities and the Department of Social Protection (DSP). Referred to as the Dublin Interim Tenancy Sustainment Protocol (ITSP)



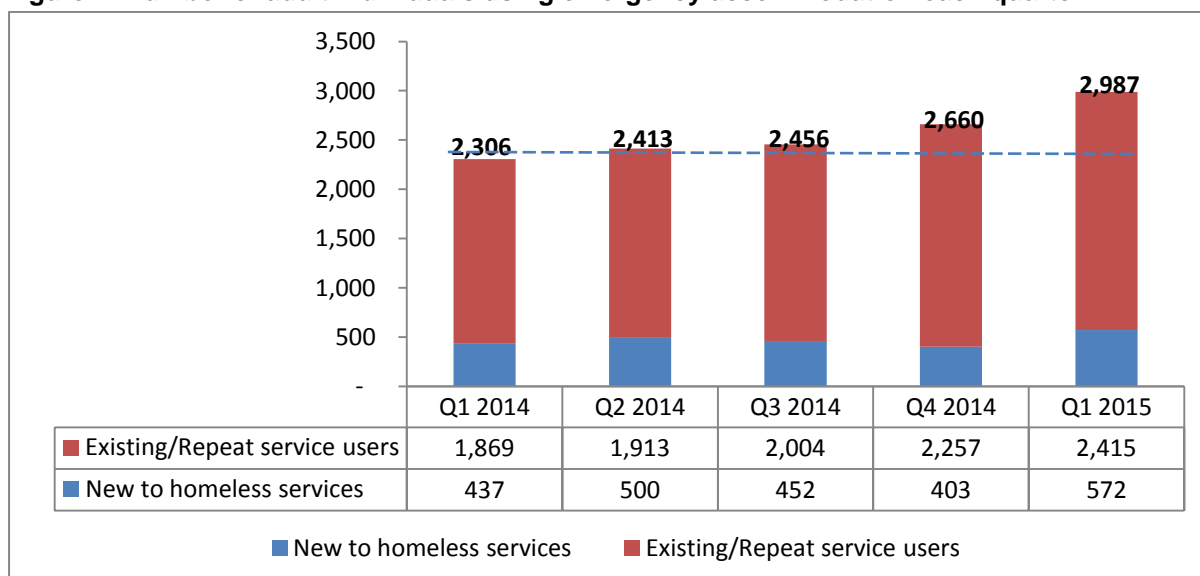
**Part 2****2. Number of new presentations on a daily basis**

	<b>New</b>	<b>Repeat</b>	<b>Total Q1 2015</b>
Number of adult individuals using emergency accommodation in Q1 2015	572	2,415	2,987
Number of days in Q1 2015	90		
<b>Daily average</b>	<b>6.4</b>		

There has been a significant increase in the number of adults individuals accommodated in emergency accommodation in Q1 2015 relative to previous quarters in 2014. This is due to the introduction of additional capacity at the end of Q4 2014 as well as the continued increase in the number of families accessing hotel accommodation (approximately 20% of new presentations were placed hotels).

Over the period Q1, 2014 to Q1, 2005 there are an **additional 681 adult individuals accessing emergency accommodation**. This is a 30% increase in capacity over the year. This expansion has been in response to increasing demand for access to emergency accommodation arising from reduced access to housing options and resulting in lower than needed moves to tenancies combined with an influx of families, who typically would not previously have engaged with homeless services, and who are presenting following the loss of private rented accommodation.

**Figure 2: Number of adult individuals using emergency accommodation each quarter**



On January 21<sup>st</sup> 2015, the MQI Night Café began operation. This is a supported night service that caters for individuals who choose not to access emergency accommodation or cannot access a bed because services are full. Capacity has increased from 30 to 50 places over the quarter.

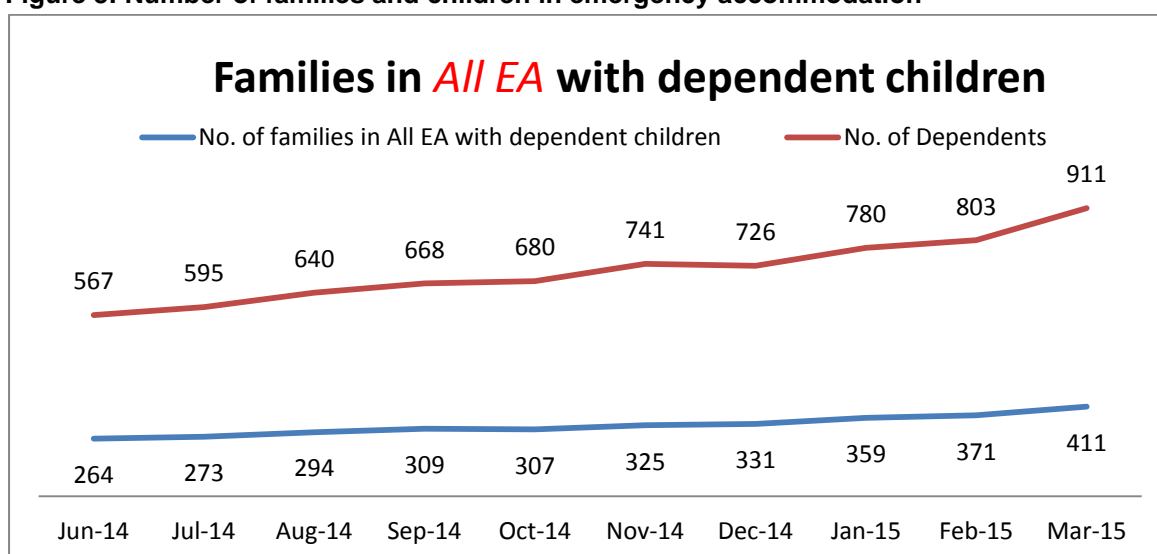
During Q1 2015, 660 unique adult individuals accessed the MQI Night Café. Eighty per cent, (n = 525) of these adults also accessed emergency accommodation during the quarter (and are included in the figure in Table 2). In addition, 220 individuals had been in contact with Housing First Intake Team (HFIT) (included in Table 12 below). However, there were **97 adult individual that used the café exclusively** and did not engage with accommodation or intake services.

**Table 2a: Engagement of individuals using MQI Night Café with other services in Q1 2015**

Accessed MQI Night Café & Accessed emergency accommodation & In contact with Housing First Intake Team	182
Accessed MQI Night Café & Accessed emergency accommodation	343
Accessed MQI Night Café & In contact with HFIT only	38
Used MQI only	97
<b>Total in MQI</b>	<b>660</b>

While there were almost 3,000 adults accessing accommodation in the quarter, and in excess of 1,800 each night (see Table 4 below), the number of children accompanying adults also reached record highs. Figure 3 below reveals that the number of **children accompanying adults** in emergency accommodation over a weekly period has increased from 567 in June 2014 to **911 in March 2015** (a 62% increase over ten months). 610 of the 911 children were accommodated with their families in hotels.

**Figure 3: Number of families and children in emergency accommodation**



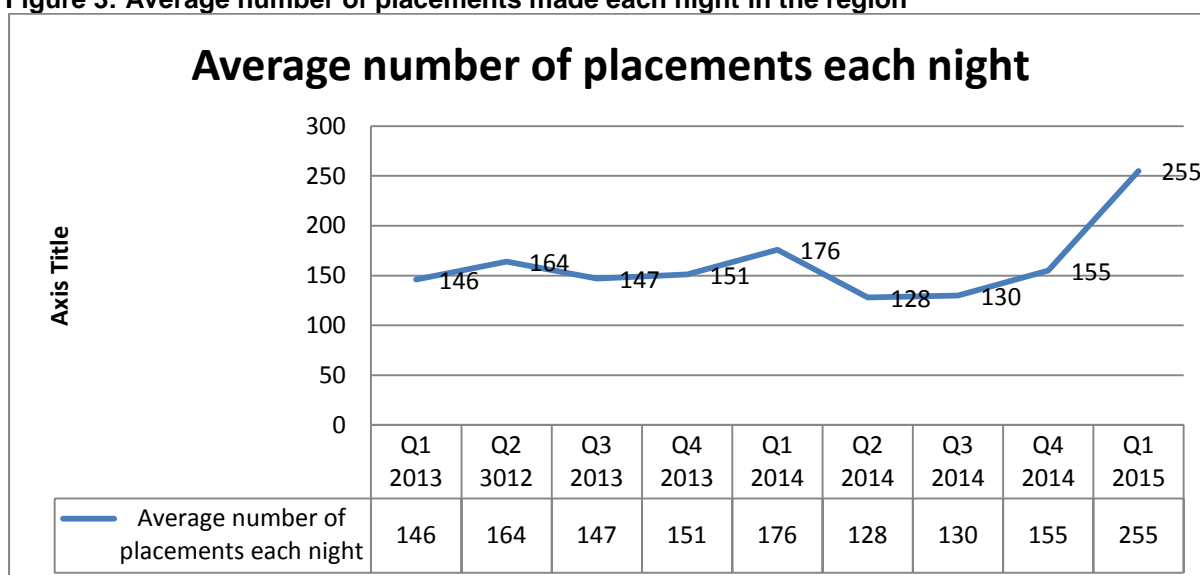
**Additional Information:**

Table 3: Number of placements or unique individuals in emergency accommodation				
Service	Number of placements in Q1 2015	Number Offered accommodation	Number of 'No shows'	Number unable to accommodate - insufficient capacity / unsuitability (Sleeping bags booked)
Calls from Service Users: Helpline	15,713	15,972		1,509
Placement Service	7,198	7,198		10
<b>Total</b>	<b>22,911</b>	<b>23,170</b>	<b>1,549</b>	<b>1,519</b>
Average per night	255 <sup>3</sup>	257	17	17

Many of the additional beds introduced in Q4 2014 following the Government's December 2014 Summit on Homelessness were 'one-night-only' services. This led to an increased number of beds available each night. There were a total of 22,911 placements made to emergency accommodation in Q1 2015 which is 8,642 more than Q4 2014. Of these, 2,440 were referrals made to the MQI night service.

As outlined in Figure 3 below, the number of emergency accommodation **beds being allocated** each night **increased to 227** (excluding MQI Night Café referrals), the highest since reporting began. Notably, all beds are filled each night as demand for services has continued to grow.

**Figure 3: Average number of placements made each night in the region**



<sup>3</sup> As 2,440 referrals were made to MQI Night Café, the remaining 20,471 interactions were placements to emergency beds, or an average of 227 per night.

### 3. Number of persons in emergency accommodation for longer than 6 months

Type of Emergency Accommodation <sup>4</sup>	Number of Adult Individuals on last day of Quarter 1 2015	Resident < 6 Months	Resident > 6 Months	
			<i>Consecutively or continuously in emergency accommodation for longer than 6 months</i>	<i>Non-consecutively in emergency accommodation for longer than 6 months in the previous 12 month period</i>
Supported Temporary Emergency Accommodation (STA)	822	351	310	161
Temporary Emergency (TEA)	72	36	29	7
Private Emergency (PEA)	974	484	444	46
<b>Total</b>	<b>1,868</b>	<b>871</b>	<b>783</b>	<b>214</b>
			<b>997</b>	

There were 997 adult individuals in emergency accommodation on the last night of Q1 2014 who are considered long-term homeless. While this was an increase of 76 individuals since Q4 2014, the rate of long-term homelessness fell from 54% to 53% as detailed in Table 4a below<sup>5</sup>. The primary reason the rate fell was because of the increased allocation of social housing units for letting to homeless households and other vulnerable groups that is occurring under the Ministerial Direction to increase such allocations to 50% of all allocations for six months from 27<sup>th</sup> January 2015. This has enabled the DRHE to house individuals with higher support needs, many of whom have been in homeless services for lengthy periods of time as private rented accommodation was not considered appropriate.

**Table 4a: Change in number and rate of long-term homelessness each quarter**

	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Total number of individuals in emergency accommodation on last day of the Quarter	1,394	1,414	1,491	1,692	1,868
Total number of individuals in accommodation 6 months or more (consecutively or cumulatively)	763	774	826	921	997
Percentage	55%	55%	55%	54%	<b>53%</b>
<i>Monthly Increase:</i>	-	11	52	95	76

<sup>4</sup> This figures excludes MQI Night Café

<sup>5</sup> The increase in the number of individuals being accommodated reduces the percentage but not the absolute number (e.g., larger denominator) of adults experiencing long-term homelessness.

Table 4a also details the increase in the number of adults being accommodated on the last night of each quarter. There were **474 more adults placed on 31<sup>st</sup> March 2015 compared with the same night in 2014.**

Additional Information:

<b>Accommodation Category</b>	<b>Total Number of Persons During Quarter 1 2015</b>	<b>Number with a Support Plan</b>
Supported Temporary Accommodation (STA)	1,808	1,067
Temporary Emergency Accommodation (TEA)	141	103
Private Emergency Accommodation (PEA)	1,709	640
Other (Simon Detox and Residential Alcohol Service)	70	58
<i>(less) people accessing multiple accommodation types during the quarter*</i>	(707)	(339)
<b>Total (Unique Individuals accessing emergency accommodation)</b>	<b>3,021</b>	<b>1,529</b>

*\*Note – some individual's access services in more than one accommodation type during the quarter.*

The number of individuals with support plans has increased but the rate has decreased from 55% in Q4 2014 to 51% in Q1 2015. This may be in part due to the increased prevalence of 'one-night-only' accommodation as there is less opportunity to engage in the support planning process. The DRHE's assertive engagement project targets frequent users of these services to prioritise them for STA placement. However, there is a need for increased moves to tenancies from STA in order to accommodate those on the assertive engagement list.

The reduced rate of support planning is also influenced by the number of families using hotel accommodation. Support planning for families in hotels can be logistically challenging, however it is known that the primary needs of these families relates solely to a need for accommodation, therefore the urgency around support planning is not the same as the individuals experiencing homelessness that services have typically been dealing with. Single individuals, and to a lesser extent couples, who are vulnerable and often have a range of health issues (addiction and mental health in particular) that need to be addressed continue to be the primary focus of the support planning process carried out in STAs. For this reason, there is a need to expand STAs rather than 'one-night-only' services going forward.

**Table 5a: Number of individuals with support plans each quarter**

	<b>Q1 2014</b>	<b>Q2 2014</b>	<b>Q3 2014</b>	<b>Q4 2014</b>	<b>Q1 2015</b>
Number of adult individuals with a support plan	1,237	1,242	1,399	1,491	1,529
<i>Percentage of adult individuals with a support plans using emergency accommodation</i>	53%	51%	56%	55%	51%

#### 4. Number of persons leaving emergency accommodation

Moved to new/independent accommodation (As reported in table 1)	236
Staying with family or friends	54
Relocated to another country	7
Departure to Medical Facilities: Hospital	50
Departure to Medical Facilities: Residential Treatment	29
Departure to Correctional Facilities: Prison (on remand)	23
<b>Total</b>	<b>399</b>

Moves to tenancies continue to be the primary reason given for departures from emergency accommodation. With the exception of tenancies and 'relocated to another country' individuals will typically represent after departures for other reasons.

**Table 6a: Number of persons leaving emergency accommodation**

	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Moved to new/independent accommodation (As reported in table 1)	143	154	248	247	236
Staying with family or friends	70	64	71	56	54
Relocated to another country	-	2	3	4	7
Departure to Medical Facilities: Hospital	36	37	43	61	50
Departure to Medical Facilities: Residential Treatment	31	31	25	21	29
Departure to Correctional Facilities: Prison (on remand)	30	29	24	17	23
<b>Total</b>	<b>310</b>	<b>317</b>	<b>414</b>	<b>406</b>	<b>399</b>

#### 5. Occupancy rate in emergency accommodation

Total number of beds available at (31 <sup>st</sup> March, 2015)	1,870
Number of beds occupied at (31 <sup>st</sup> March, 2015)	1,868

Despite the increase in STA, 'one-night-only' and hotel capacity, almost all beds (bar two) were allocated each night in Q1 2015. Typically, there were two unoccupied beds each night that were not allocated for practical reasons such as inaccessibility (too far away to access late at night) or restrictions on who could access them (e.g. male or female). In addition the MQI Night Café was accessed by close 50 individuals each night.

## 6. Number of persons moving on into independent living with support

<b>Persons moved on into independent living with support</b>	<b>Total Q1 2015</b>
Number in supported accommodation (LTA on-site supported)	20
Number in Approved Housing Body accommodation (AHB on-site supported and visiting support)	69
Number in local authority owned accommodation with support (LA on-site supported and visiting support)	91
Number in private rented accommodation with floating support services (visiting support only)	18
<b>Total</b>	<b>198</b>

### Additional Information:

<b>SLI Service Provider</b>	<b>Number of Persons Currently Supported in tenancy Q1 2015</b>	<b>Number of Persons No Longer Requiring Support</b>	<b>Total Cases to Date</b>
Focus/PMVT Sli Visiting Support	133	249	382
Simon Sli Visiting Support	131	795	926
Hail Mental Health Visiting Support	35	146	181
Housing First On-going Visiting Support	35		35
<b>Total</b>	<b>334</b>	<b>1,190</b>	<b>1,524</b>

## 7. Number of persons moving on into independent living without support

Number in private rented accommodation without support	25
Number in local authority owned accommodation without support	13
Number in other Approved Housing Body accommodation without support	-
<b>Total</b>	<b>38</b>

Eighty four percent of individual adults moved to tenancies with either on-site or visiting support. As with the previous three quarters the rate is high because of the increased allocation of social housing lettings to units suitable for single persons. This form of housing facilitates the move of individuals with moderate- to high-support needs.

Both SLI projects were working beyond their one hundred caseload cap due to the level of demand for services. They were actively supporting a combined total of 264 individuals at the end of Q1 2015, the highest number in receipt of visiting support since reporting began in 2013.

## 8. Number of persons sleeping rough ~~voluntarily and involuntarily~~

<b>Spring Rough Sleeping Count 2015</b>	<b>Total</b>	<b>With a Support Plan</b>
Number of persons sleeping rough (Night of April 14 <sup>th</sup> / Morning April 15 <sup>th</sup> )	105	
Number of persons sleeping rough with a PASS record	48	24 <sup>6</sup>

**105 persons** were confirmed as sleeping rough on the night of April 14<sup>th</sup> into the morning of April 15<sup>th</sup> 2015. This was a decrease of **63** persons or **38%** on the Winter 2014 count. This was the largest decrease in the number of individuals discovered sleeping rough since the first count took place in 2007.

Key profile data:

- 88 persons were male, 15 were female and 2 individuals were unknown
- 57 persons were Irish, 14 persons were not from Ireland and 34 were unknown
- 17 were aged 18-30 years, 28 were aged 31-40 years, 21 were aged 41-50, 10 were aged 51-60, 4 were aged 61+ and 25 persons were unknown.

There was a marked reduction in the number of non-nationals counted, however, there were also unusually high numbers of individuals who were unidentified as they were bedded down and their nationality could not be assessed. Therefore we cannot conclude that there has been a decrease in the absolute numbers on non-nationals engaging in rough sleeping but there was decreased visibility on the night.

<b>No. of rough sleepers: Spring 2014 Rough Sleeping Count</b>	
On PASS	48
Not on PASS (A name, age or D.O.B provided, but could not find on PASS)	12
Insufficient details provided	45
<b>Total</b>	<b>105</b>

Of the 48 clients that had a PASS record 42 had accessed emergency accommodation at some point in the past. The majority of individuals (n=31) discovered sleeping rough with a PASS record were known to services for in excess of two years. Twenty four of the 48 had support plans in place, three did not give consent and 21 did not have plans in place. This number is not surprising as 19 individuals had between 0 and 10 placements into emergency accommodation and 21 individuals have less than 10 action case notes on their PASS record. Therefore, the opportunity to engage in support planning with either emergency accommodation support staff or the Housing First Intake Team was low.

<sup>6</sup> An additional 3 individuals gave no consent so cannot determine if support plan in place.



<b>Table 12: Number of persons recorded as rough sleepers engaging/in contact with HFIT Q1 2015</b>	
Number of persons in contact Bedded Down	202
Number of persons in contact Not Bedded Down	233
<b>Total Individuals</b>	<b>435</b>
Number of persons who also used Emergency Accommodation	317

There were 435 adult individuals who engaged with the Housing First Intake Team (HFIT) during Q1 2015. Of these, 317 (or 73%) also accessed emergency accommodation during the quarter. As outlined in Table 12a below, the figures compare well with the first three quarters of 2014 but it is a drop compared with the previous quarter despite the significant increase in STA, one-night-only and hotel emergency accommodation since then.

However, there were an additional 38 individuals (or 9%) who were not accommodated in emergency accommodation but were off the streets as they accessed the night support services in MQI at some point during the quarter.

**Table 12a: Emergency accommodation use amongst individuals rough sleeping**

	<b>Q1 2014</b>	<b>Q2 2014</b>	<b>Q3 2014</b>	<b>Q4 2014</b>	<b>Q1 2015</b>
In contact with RCOS/HFIT during the Quarter	406	446	354	450	435
Accessing Emergency Accommodation during the Quarter	304	312	224	378	317
<b><i>Percentage using in contact with HFIT and using Emergency Accommodation</i></b>	<b>75%</b>	<b>70%</b>	<b>63%</b>	<b>84%</b>	<b>73%</b>





Comhairle Cathrach  
Bhaile Átha Cliath  
Dublin City Council

# Addressing and Resolving Mortgage Arrears in Dublin City Council

Presentation to DCC Housing SPC, May 6<sup>th</sup> 2015

Dr Dáithí Downey, DCC/ DRHE

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# Overview

1. DCC Mortgage Book at March 2015
  - Forbearance under Mortgage Arrears Resolution Process (MARP)
  - Spatial Distribution of DCC Mortgages
2. Shared Ownership Scheme
  - Origins and background
3. Research Study on DCC Shared Ownership
  - Stage 1 findings (2012/3)
  - Stage 2 findings (2013/4)
4. Policy Development Options for DCC

# DCC Mortgages @ March 2015: the 'mortgage book'

**Table 2:** The DCC loan book at March 2015

Type of loan	Number of loans	Value of loans (€)
<b>Shared ownership</b>	1255	190,352,809
<b>Annuity</b>	1225	109,428,240
<b>Voluntary body</b>	97	7,340,752
<b>Home choice</b>	11	1,707,396
<b>TOTAL</b>	<b>2,588</b>	<b>308,829,200</b>

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- 1,192 (46%) of all loans in arrears;
- €157.2m (51%) of capital balance outstanding is impaired;
- Average arrears value of €12,677 per impaired or non-performing loan (@ December 2014 data);

# DCC Mortgages @ December 2014: total arrears due has increased fivefold since 2007

**Table 3:** Total arrears balance and amounts collected by DCC, 2007-2014

Year end (December 31 <sup>st</sup> )	Total amount due (€)	Total arrears (€)	Amount collected (% of amount due)
<b>2007</b>	26,381,050	<b>3,028,871</b>	92.4
<b>2008</b>	26,672,691	3,535,646	89.9
<b>2009</b>	22,352,766	5,479,127	78.0
<b>2010</b>	22,271,820	7,120,607	79.0
<b>2011</b>	21,298,375	9,289,652	71.0
<b>2012</b>	21,568,881	10,985,896	68.0
<b>2013</b>	20,390,003	13,436,685	60.0
<b>2014</b>	21,169,307	<b>15,809,314</b>	58.3
<i>31/03/2015</i>	<i>5,676,657</i>	<i>15,755,148</i>	<i>27.3</i>

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# DCC Mortgages @ March 2015: Medium- to long-term arrears is clearly a significant problem

- Almost three quarters of impaired accounts (74%) are more than 3 months in arrears, and;
- Almost half are more than one year in arrears i.e. 605 households > 12 months in arrears.

Category	Revenue Balance	No. loans	Loan Capital Balance	% of loan arrears per capital balance
Less than 1 month arrears	€46,037.85	149	€18,777,441.12	<b>0.25%</b>
1 – 2 month arrears	€100,387.21	95	€11,916,689.46	<b>0.84%</b>
2 – 3 months arrears	€94,979.69	57	€6,541,169.72	<b>1.45%</b>
<b>More than 3 months</b>	<b>€1,537,392.81</b>	<b>286</b>	€37,711,316.55	<b>4.08%</b>
<b>More than 12 months</b>	<b>€13,976,351.39</b>	<b>605</b>	€82,256,441.43	<b>16.99%</b>
<b>Total Arrears</b>	<b>€15,755,148.95</b>	<b>1,192</b>	<b>€157,203,058.25</b>	<b>10.02%</b>
Not in arrears		1,396	€151,626,141.94	
<b>GRAND TOTAL</b>	<b>€15,755,148.95</b>	<b>2,588</b>	<b>€308,829,200.22</b>	<b>5.10%</b>

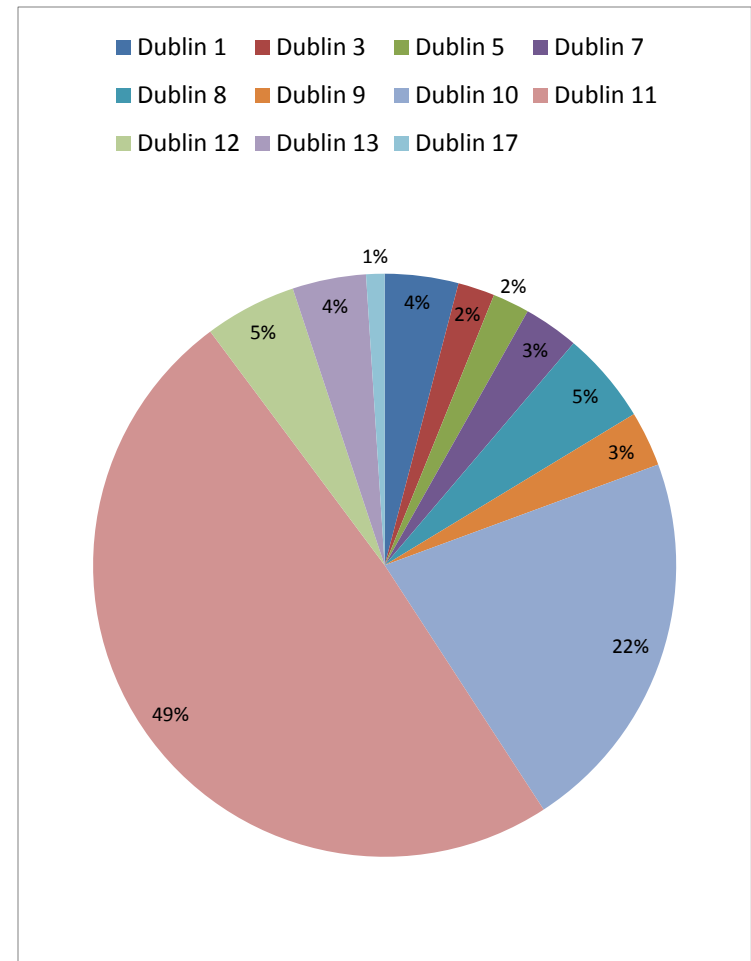
# DCC Mortgages: unsustainable accounts for Mortgage to Rent (MtR) and for possession (@ December 2014)

At the end of 2014, a total of 251 accounts are categorised as unsustainable with 154 being assessed for mortgage to rent and the balance of 97 being assessed for possession (there are 25 properties due for repossession in 2015, 12 of which are abandoned).

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In terms of DCC repossessions, to date there have been 16 cases of voluntary surrender and 93 District Court repossessions (a total of 109 properties have therefore been taken into DCC's possession). The vast majority of these (n=100) relate to shared ownership including 'affordable' shared ownership. Repossessed properties are located across the city, with the majority in Dublin 10 and Dublin 11.

To date, only TWO households entered homeless services as a result of possession. Both departed to PRS.





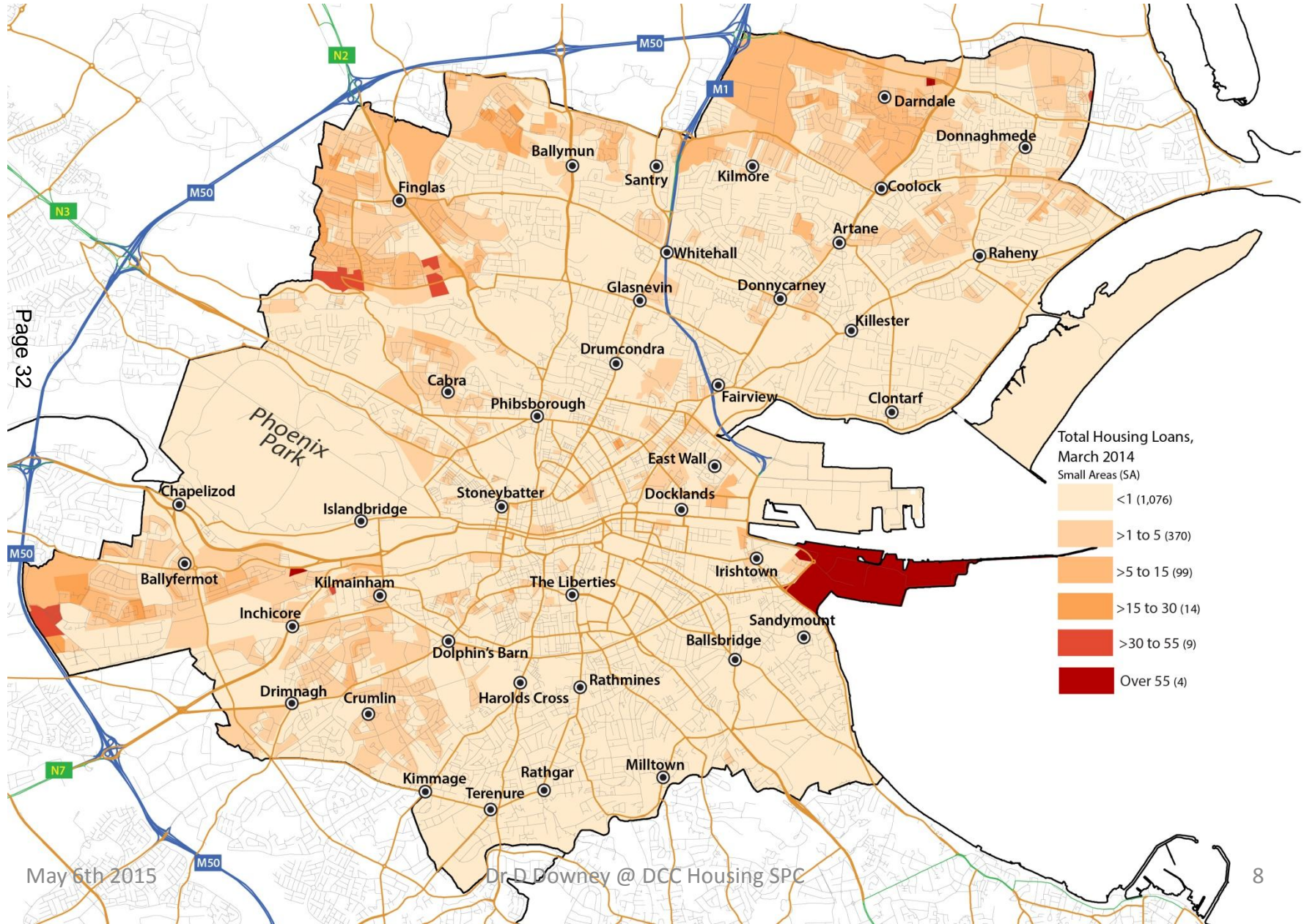
# DCC Forbearance under Mortgage Arrears Resolution Process (MARP)

At December 2014:

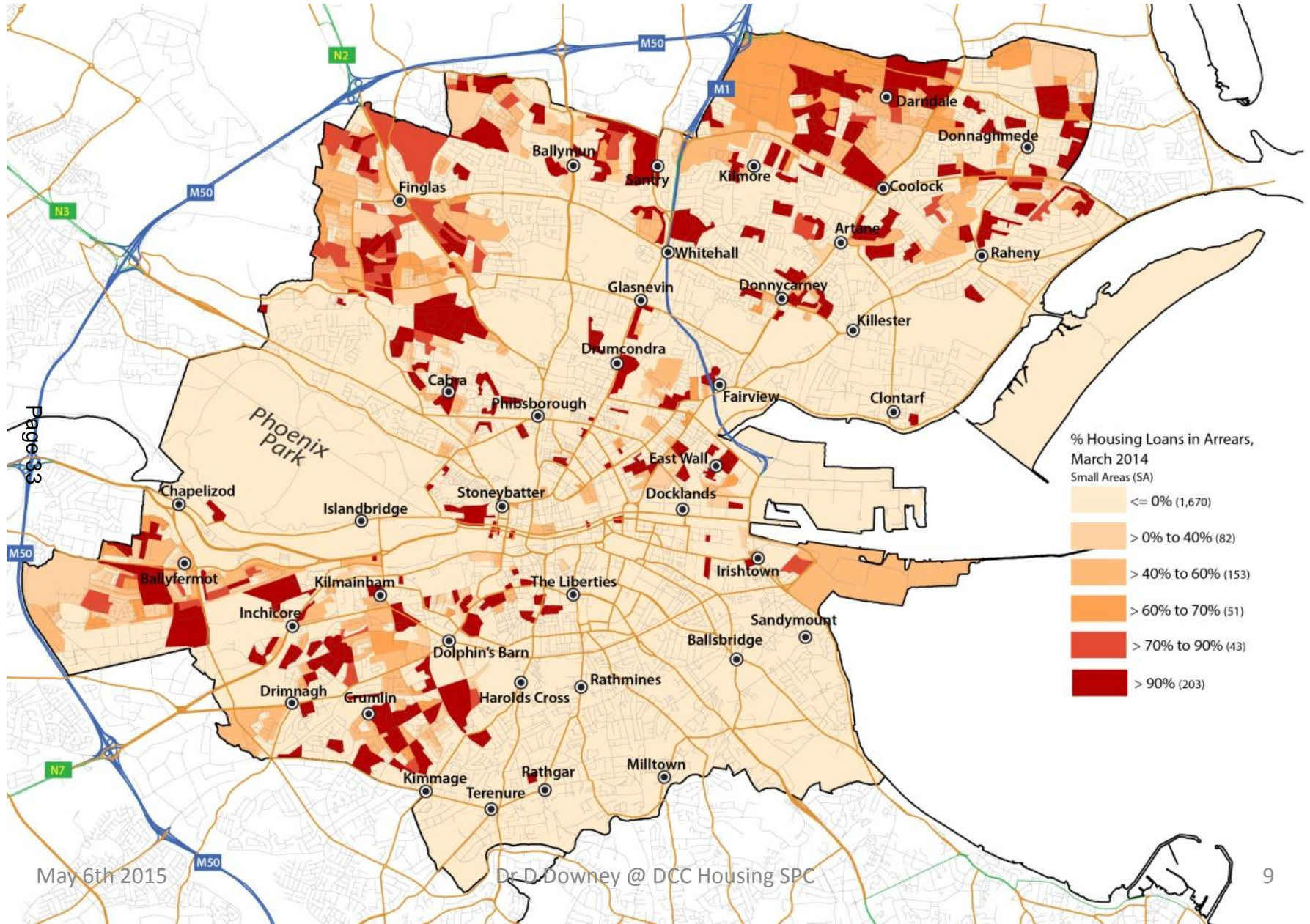
- a) The majority of DCC's distressed borrowers (1157 or 93%) are engaging with DCC forbearance arrangements.
- a) Only a minority (n = 90 or 7%) are currently not engaging and are being dealt with accordingly under the MARP.
- b) Around a quarter (n=310) are currently engaging under the local authority Mortgage Arrears Resolution Process (MARP); about two thirds (n=847) are currently being reviewed, assessed and ICB checked with regard to their Standard Financial Statements (a requirement of the MARP).
- c) The majority of borrowers are working (n=876), but a sizeable minority is either unemployed (n= 358) or separated (n =95). The balance are self-employed (n=13).

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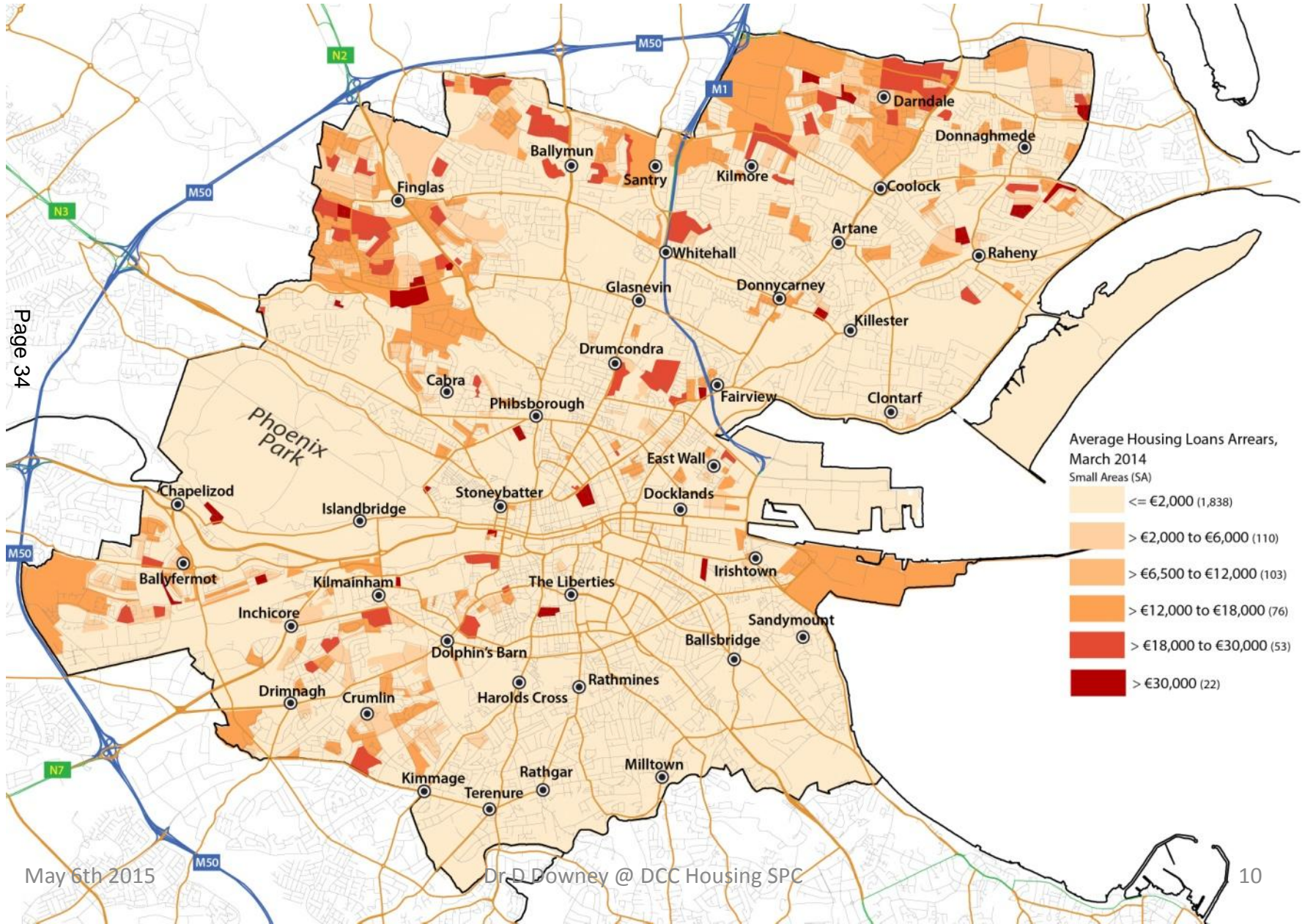
# Spatial Distribution of All DCC Housing Loans (March 2014)



# Spatial Distribution of Number of DCC Housing Loans in Arrears (March 2014)



# Spatial Distribution of DCC Mortgage Arrears (March 2014)



**Low-income homeownership via local government mortgages:** Irish state-backed completion of residential mortgage market pre-EMU (i.e. *Shared Ownership v1*; Affordable Housing Scheme, 1999) and post-EMU (*Shared Ownership v2*; Part V Affordable Housing Scheme 2000/2002)

- The **Shared Ownership** scheme was one of the measures introduced by the then Department of the Environment under the policy document 'A Plan for Social Housing' in 1991.
- Established to 'facilitate access to home ownership to those who were unable to buy a home outright with a conventional mortgage'.
  - In the early 1990s, the **ERM Crisis** and subsequent devaluation of Sterling and the its impact on the valuation of the Irish Punt produced a credit contraction and ensured that households on lower incomes were unable to access mortgage finance from a bank or building society.
  - High interest rates (1992-1995) were considered a further barrier to entry to Irish home ownership.
- Notable among the eligibility criteria was a requirement for aspirant borrowers to confirm two rejected applications for mortgage finance from 'high street' or prime lenders

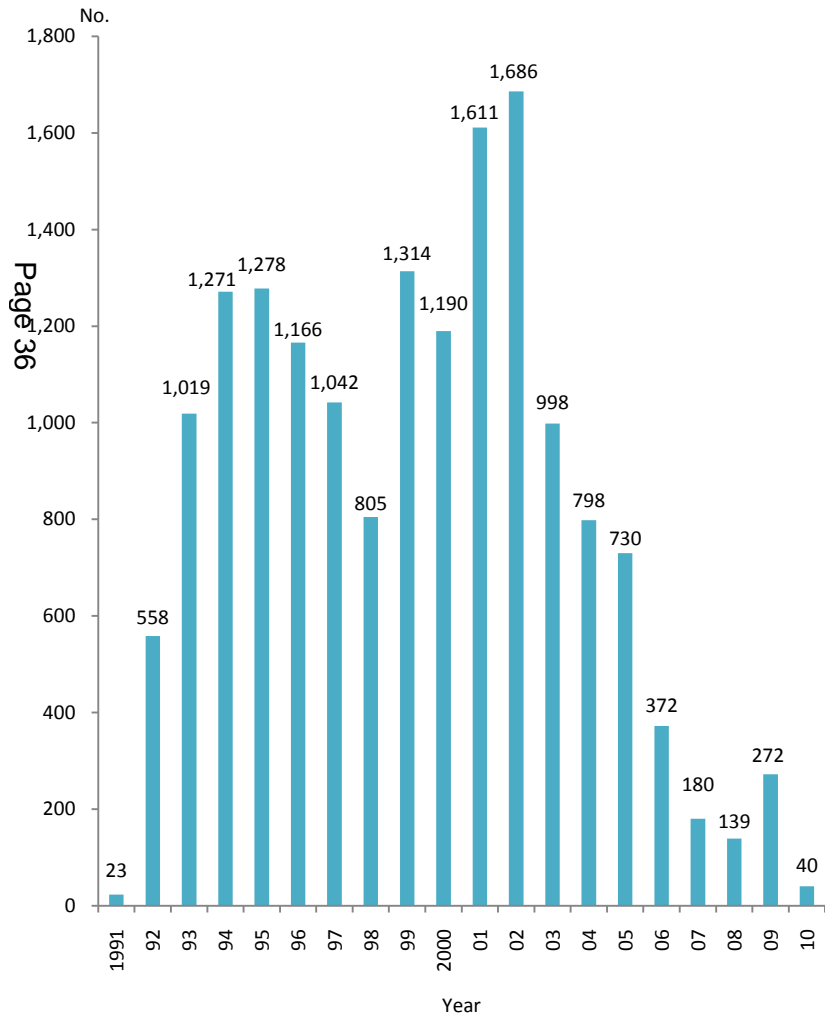
#### **Index Linked Loans (pre EMU)**

- Introduced in 1991.
- Loan is split between annuity and rental portions.
- Annuity loan is repaid on variable interest and capital repayment basis.
- Rent is charged at 4.3% on rental equity balance.
- Rental equity is not reduced by the amount of rent paid.
- Day 1 rental equity balance is adjusted by CPI each July.
- Rental equity can be bought out in special payments.
- Rental equity balance must be cleared at end of annuity loan term.

#### **Post 2002 Loans (post EMU)**

- Introduced in 2003.
- Loan is split between annuity and rental portions.
- Annuity loan is repaid on variable interest and capital repayment basis.
- Rent is charged at 4.3% on Day 1 rental equity balance.
- Rental equity is reduced by the amount of rent paid above amount payable on the going interest rate.
- 4.3% charge is increased by 4.5% each July (compounded).
- Rental equity can be bought out in special payments.
- Rental equity balance will normally be cleared by end of annuity loan term

**Shared Ownership:** growth and decline reflects changes in Irish mortgage market and lending criteria pre- and post-EMU; ‘loosened’ lending criteria, sub-prime market and rapid price inflation impact on demand for SO; Irish economic, financial and banking crisis from 2008 leads to elimination of schemes



- From 1991 to 2010 a total of 16,492 loans were issued by local authorities
  - 12,693 index-linked;
  - 3,529 post-2002 (post-EMU)
- 4,457 remain outstanding as of 31<sup>st</sup> March 2013.
  - 1,519 index-linked;
  - 2,938 post-2002 (post-EMU) (includes Part V Affordable units offered as Shared Ownership!)
- Of these 2,289 are in arrears >90DPD
  - 212 set to mature by March 2018
- As per the Irish government Housing Policy Statement of 2011, all mortgage loans under the Shared Ownership & Affordable Housing schemes are no longer available.

# Two stages to research on SO

- Stage 1: quantitative (2012/13)
- Sample includes shared ownership and affordable shared ownership accounts in arrears for greater than 90 days @ June 2012
- N = 476 households
- Stage 2: > qualitative (2013/4)
- Representative sub-sample of N=44 households
- Semi-structured interviews
- Collation of 'follow-on' data on housing costs and household incomes)
- Case study





# Profile at time of Borrowing:

## Savings (deposits) at purchase year are low...

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	Single Borrowers		Joint Borrowers		Total
	N	%	N	%	
€1,500 or less	105	<b>32</b>	36	<b>25</b>	<b>141</b>
€1,501 to €5,000	121	<b>37</b>	58	<b>40</b>	<b>179</b>
€5,001 to €10,000	33	10	12	8	45
Over €10,001	19	6	7	5	26
No savings (or missing)	52	16	33	23	85
<b>Total</b>	330		146		476
	<b>€</b>		<b>€</b>		
Average (amongst all respondents)	3,179		2,783		
Average (amongst those with some level of savings)	3,773		3,571		

When compared to (approved) property price when purchased  
(prices is increasing throughout period of bubble)

Price Range	Number of cases	%
Under €150,000	45	9
Between €150,001 to €175,000	55	12
Between €175,001 to €200,000	117	25
Between €200,001 to €225,000	98	21
Between €225,001 to €250,000	86	18
Over €250,001	56	12
Missing	19	3
Total	476	
Average property price		

- The average property price was €207,118 with the median €205,000

This reflected in the increase in actual loan size over the period...

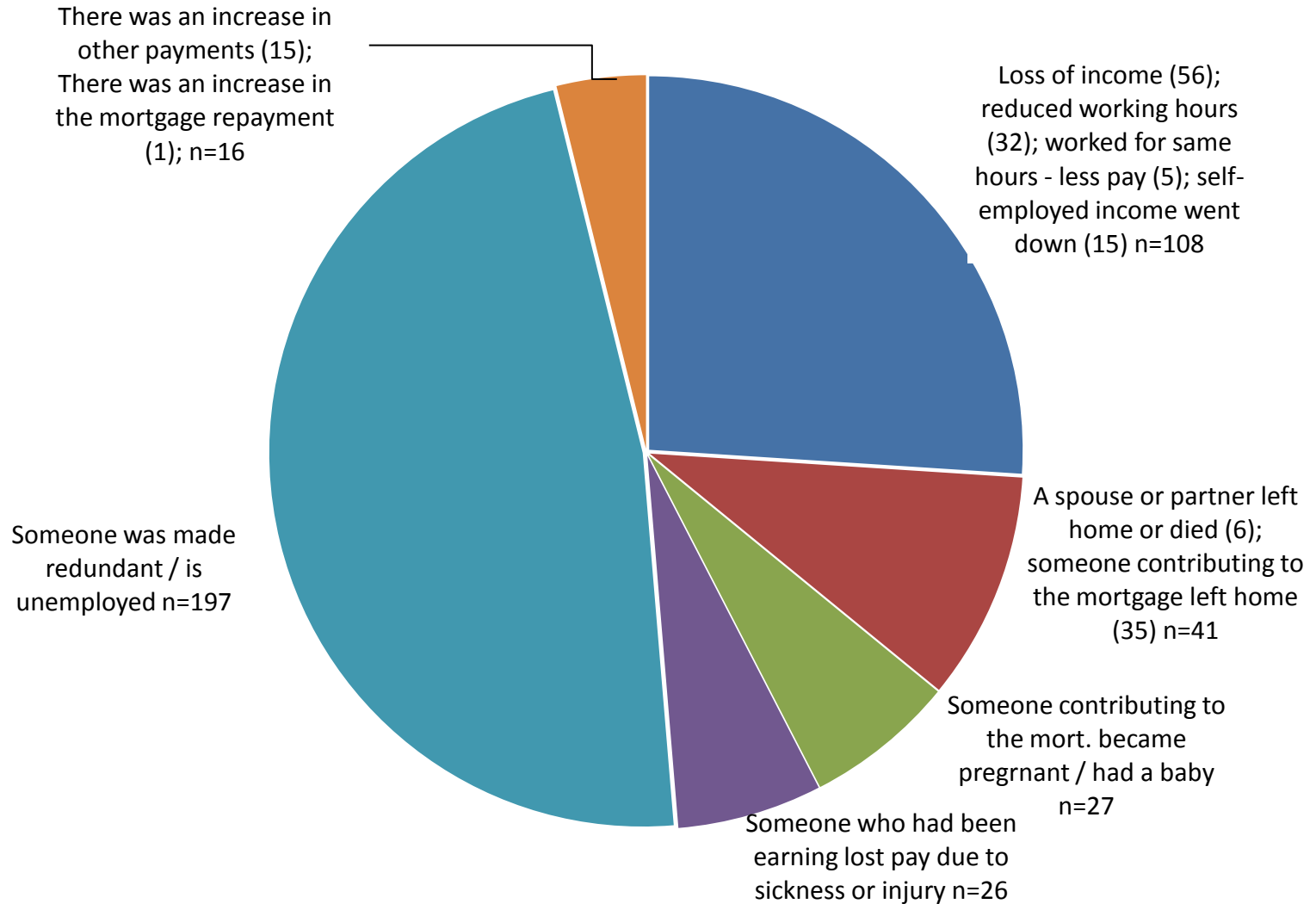
Average Loan Advanced	2003 €	2004 €	2005 €	2006 €	2007 €	2008 €	2009 €	2010 €
<b>All accounts (n=474; missing=2)</b>	99,977 (n=14)	104,347 (n=79)	132,026 (n=89)	117,352 (n=113)	124,088 (n=89)	132,886 (n=58)	124,849 (n=30)	126,725 (n=2)
<b>Affordable Shared Ownership (n=308; missing =2)</b>	105,898 (n=9)	99,692 (n=43)	140,306 (n=54)	117,495 (n=81)	123,556 (n=74)	133,923 (n=39)	116,831 (n=8)	-
<b>Private Shared Ownership (n=166)</b>	95,750 (n=5)	109,908 (n=36)	119,251 (n=35)	116,991 (n=32)	126,713 (n=15)	130,758 (n=19)	127,764 (n=22)	126,752 (n=2)

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# Price, loan and arrears..

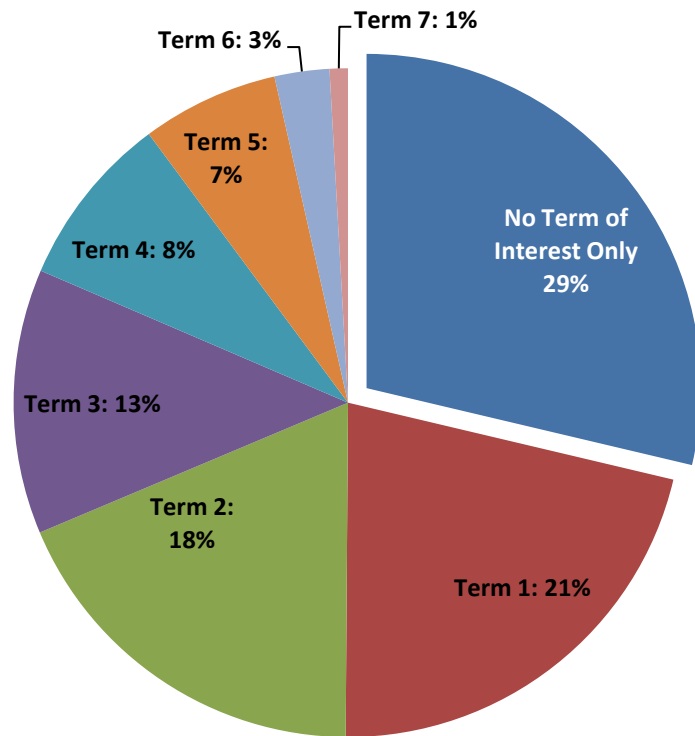
- Average property price €207,118.
- Average % LA ownership of 47.89 % (but a number of annuity also).
- Average loan advanced was €121,106.
- Almost 68% of borrowers were borrowing under €125,000.
- Loan duration on average 26 years.
- On average these 496 accounts fell into arrears within 25 months (median = 20 months).
- Arrears owing on these accounts was €5.376m in January 2012, rising to €5.8m in June 2012
- However, important to acknowledge these arrears are not the only thing owing!
- Household Debt position (Consumer Debt/ Utility/ CU/ Moneylenders etc)

# Reasons for arrears: predominantly economic determinates



# Limited forbearance options: 'interest only' payments

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- A term of Interest Only is six months. A maximum of six terms is allowed with an additional seventh term for exceptional circumstances
- Almost 70% of the respondents have had at least one period of 'Interest Only'
- Little evidence of capitalising arrears or extending loan term (n=16)
- There is evidence that approx. 1 in 3 have applied for MIS
- Little evidence of trying to sell the property (n= 27) or rent it out (n=30)
- One-quarter of the accounts had reached informal letter stage (movement of issue to law department)

## Stage 2 Findings: Some dominant themes emerging...

**Lack of alternatives** i.e. social housing options:

*“We went to go looking at apartments and everything to rent and they wouldn’t let us rent”.*

Normalisation of owner occupation:

*“I was brought up to think that you buy.. we were always told rent is dead money”*

**Incorporation into homeownership** – optimism and positivity:

*“It was giving the likes of me an opportunity to get onto the property ladder”*

Despite mainstream mortgage refusals **trust (also surprise) in public body offering loans** – thought must be OK:

*“If I had 10 years ago been told ‘Sorry, we are not funding your mortgage, we don’t think you’re suitable’ or whatever, at the time I would have been devastated, absolutely, but I’d have got over it. At this point in my life looking back I think I’d be saying ‘Phew, thank God. They did me a favour”.*

# Stage 2 Findings: Some dominant themes emerging...

Widespread **pauperisation** and imiseration:

*“But it’s just all bills and like to be honest we are not living. We don’t go out as I say. I mean like it would be nice to even get out to the pictures. We can’t go anywhere, we are confined to the house all the time. I am only 42 and as I said my partner is only 50 but it feels as if we have lived our life, we’re about 90. I know it might sound mad but it’s just its terrible”.*

**Debt entrapment**, arrears and growing mortgage balance...mitigated by refusal to financialise home (in contrast to many private sector counterparts):

*“No, no I don’t believe in loans and I don’t... I don’t believe in putting myself into arrears or anything”*

*“I wouldn’t put myself into more arrears now for the sake of a kitchen”*

Standard forbearance (interest only) welcomed as initial respite but then... **“Advanced forbearance”** (long-term interest only) **only prolonging problem:**

*“It seemed to be going on forever to be honest with you, we had no certainty about anything (respondent had been on interest only for three years...)”*

**Mortgage to Rent: positive response** – psychological and financial benefit tempered by loss of potential asset and money expended on property...

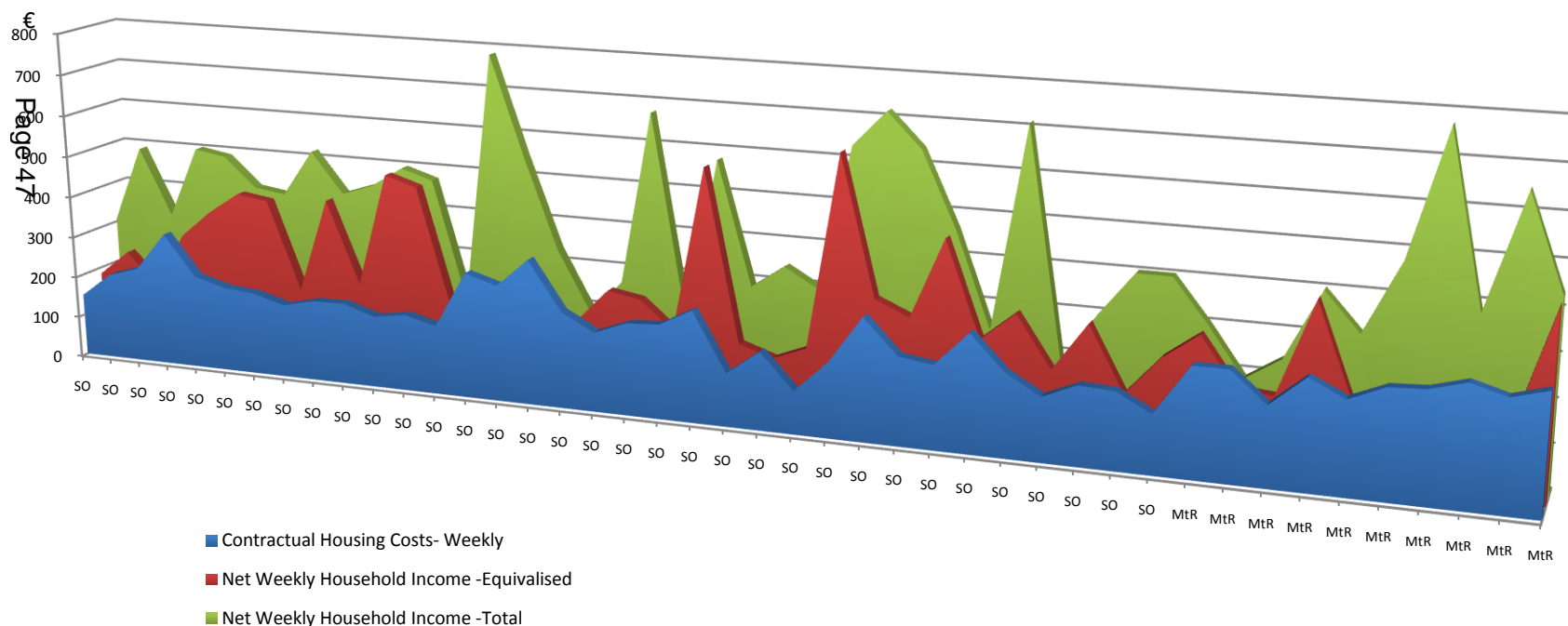
*“It’s just the security of it, you know, that I’m not going to lose the roof over me head...the most important thing to me was that I was able to keep the roof over my head...and it’s very manageable now”*

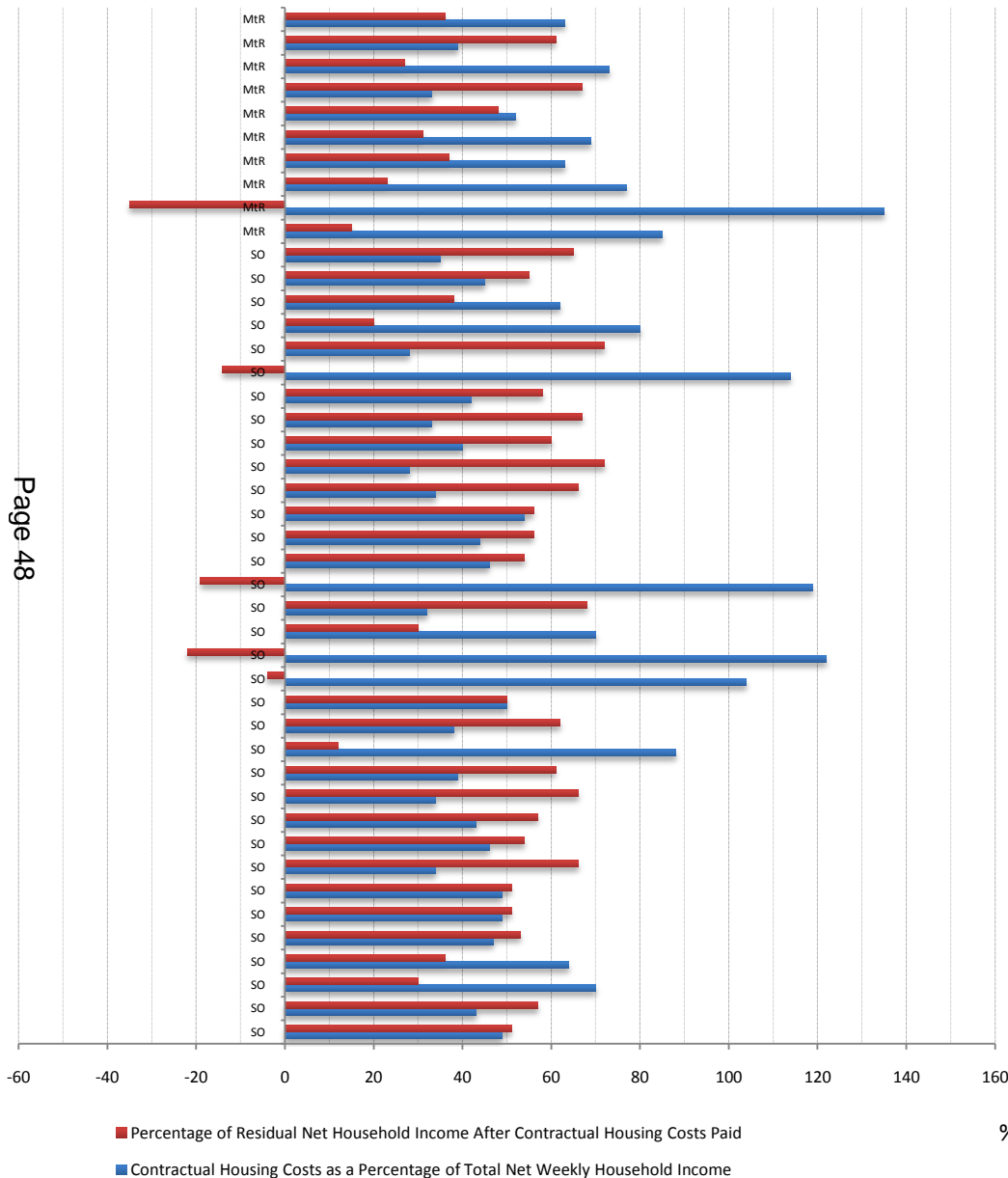
*“What’s more important to me is somewhere to live without the headache and the constant arrears building up around me”*



# Household income (equivalised and net) and contractual housing costs

1. In 2013, the average (median) equivalised income figure for the general population was €337.52 per week. For our sample it is €240.00 per week. Expressed another way, on average, the equivalised income for our sample (n=44) is almost 30 percent below the figure for the Irish population generally.
2. Income from all sources for the respondent households was also calculated in terms of total net household income for each household, and underlines the extent of low-income among the sample. Again by way of comparison, on the most recent SILC data available (for 2013), the average net household income figure for the general population was €643.63 per week. For our sample it is around €413.00 per week or 35 percent below the equivalent figure for the Irish population generally.





## Residual income affordability of contractual housing costs (n =44)

Approach uses net disposable income per household to give a more accurate and reliable measure of the affordability of housing costs in terms of residual income remaining to meet cost of living expenses.

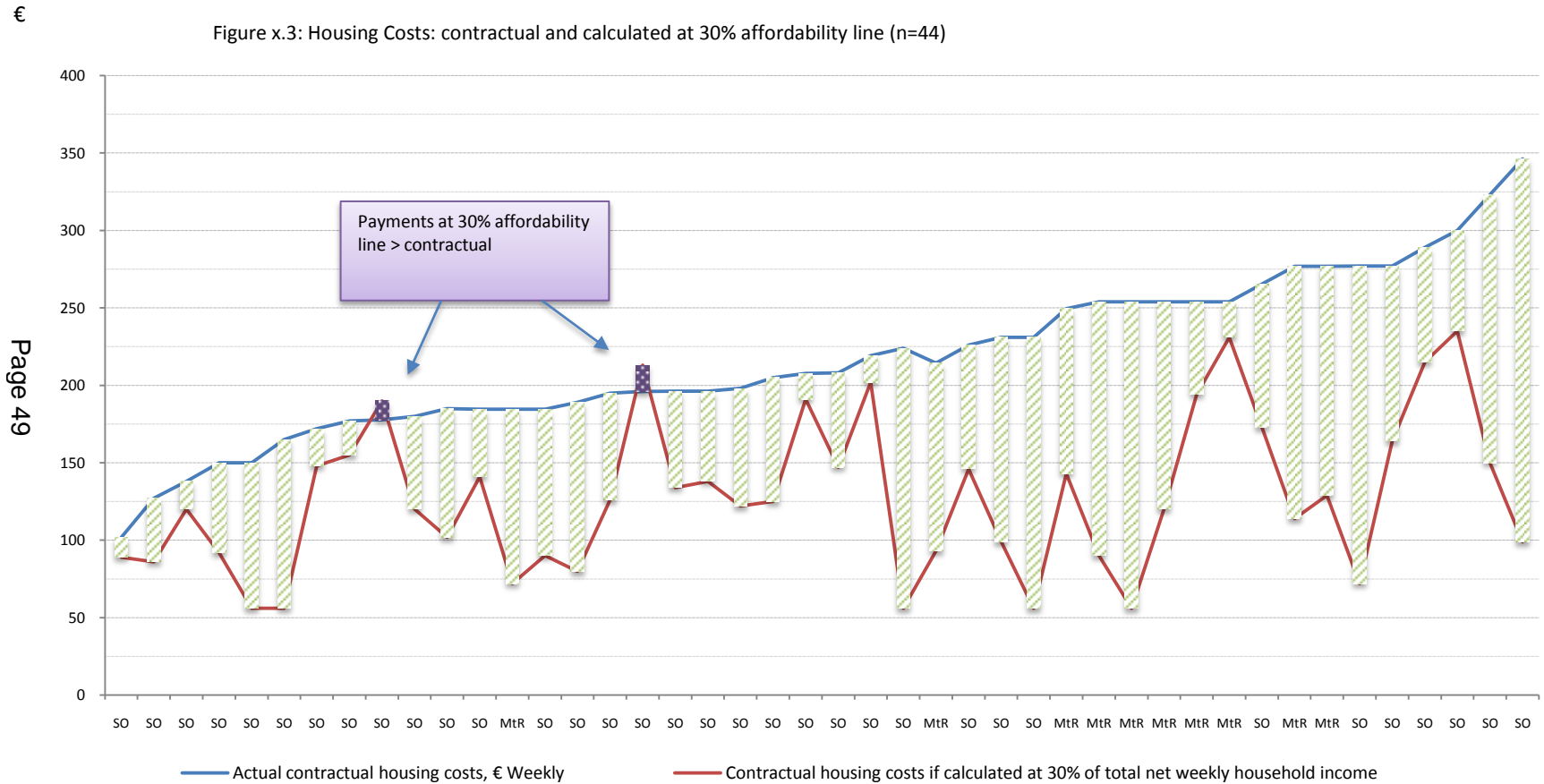
What is immediately notable is how extensive *unsustainable housing costs* are among the sample. If we assume, for example, that a housing cost of 30% of net household income is the accepted standard measure of affordable housing cost that is sustainable by a household over the medium-longer term, as

**Just two households** among the sample have a sustainable contractual housing cost on this measure.

A further seven households have *'borderline sustainable'* contractual housing costs (in these cases contractual housing costs amount to between 30 and 35 percent of net household income).

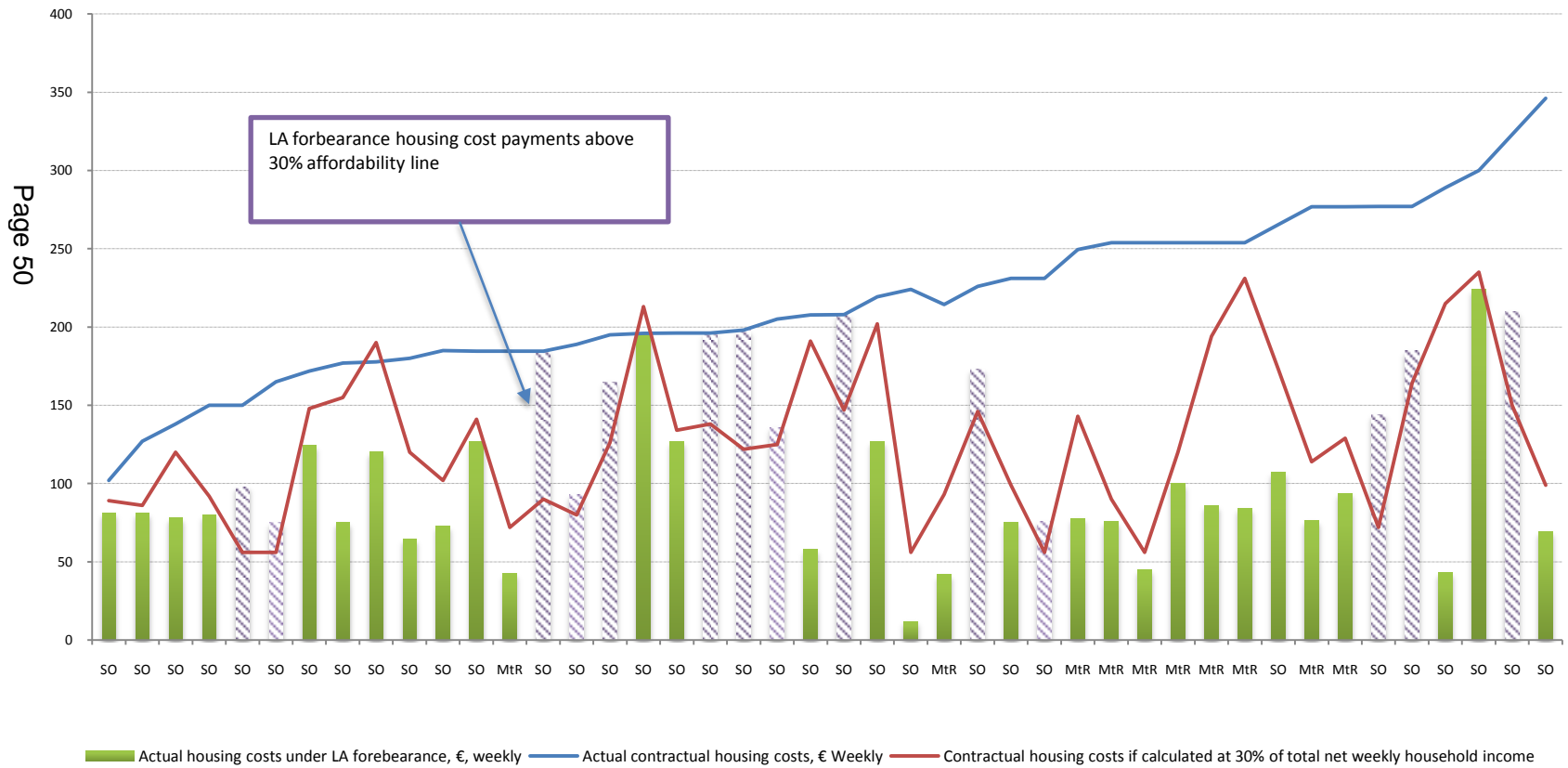
Five households have contractual housing costs that are *in excess of* their total net weekly disposable income by values of 4, 14, 19, 22 and 35 percent respectively. In effect, these households would have no income remaining at all if contractual housing costs were met.

# Unsustainable housing costs 1: only two households can afford contractual housing costs without breaching the 30% affordability line (calculated on residual net income basis)



**Unsustainable housing costs 2:** Despite being in long-term forbearance arrangements, 14 households are making weekly payments that are above the 30 % affordability line.

Figure x.4: Actual housing costs under forbearance arrangements (€, weekly)



**To allow each stage 2 household establish a sustainable forbearance arrangement requires contractual housing costs to be reduced by 41 percent**  
(mean = €4,908; median = €6,084 per household)

- A. The annual value of the contractual housing costs for the sample households is estimated at €497,335.28.
- B. To allow each sample household to establish a sustainable forbearance arrangement - i.e. one that ensures a minimum residual (i.e. after housing costs are met) net weekly household income of 70 percent of total weekly income - requires the annual value of contractual housing costs to be reduced by an estimated €206,128.00 (or 41 percent) for the sample as a whole.
- C. As above figure illustrates, there is considerable variation in the extent of reduction required per household to achieve sustainable forbearance payments.
- D. However, the estimate of the value of the annual reduction required per household in the sample ranges from a mean value of €4,908.00 to a median value of €6,084.00.
- E. This is, in effect, the estimated annual cost required to produce affordable and sustainable forbearance arrangements for these low-income shared ownership households. This is not the cost of a debt write down for the arrears outstanding and unpaid among these households.

# Policy development options for DCC and stakeholders

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1. For mortgage holders with unaffordable DCC mortgages, a debt-for-equity swap to reduce their contractual housing costs to a maximum of 30 percent of net disposable household income is proposed.
2. For mortgage holders with unaffordable DCC mortgages who are in arrears and in forbearance arrangements with DCC, the following is proposed: progressive warehousing arrangements (i.e. a split mortgage), or arrears capitalisation and term extension that reduces the contractual payments to our affordability standard, avoids penalty interest accruing and provides incentives to redress the balance of outstanding debt towards resolution within a fixed time period. This time period to be determined in accordance with the principles of current options under Irish personal insolvency legislation and guidelines, and the need to achieve:
  - Security of tenure
  - Sustainability and affordability of housing costs
  - Foreseeable discharge from outstanding debt
  - Suitability of accommodation.

# Policy development options for DCC and stakeholders

3. For mortgage holders with unaffordable DCC mortgages who are in arrears and in forbearance arrangements with DCC, but who wish to leave their mortgage arrangements, a more expansive Mortgage to Rent scheme is proposed that can take account of the complexities of income and liabilities (including management fees), household relationships, size, location and current open market value (OMV) of property and other relevant eligibility criteria that are restricting the current rates of take up of the scheme.
4. For mortgage holders who wish to move-on from their properties (e.g. those who are 'under-accommodated'), options on annuity mortgages on a 'right-to-sell' basis (i.e. sell back to DCC), including ideas on negative equity mortgages, extending maturity terms, and other options on renting out their property in order to avoid voluntary surrender or strategic default, are proposed.
5. However, it should be noted that additional issues relating to repossession and voluntary surrender (with the aim of avoiding homelessness), should also be considered a priority for DCC policy development.
6. Finally, the negative outcomes for such a high percentage of borrowers (and by extension for the City Council), coupled with widespread confusion stemming from the Scheme's underlying complexity, begs the question for the future as to whether DCC should continue to approve subprime mortgage finance or should consider discontinuation of all such lending pending the effective resolution of current forbearance arrangements for its mortgage holders.

# Next steps...

- Publication of finalised research report
- Publication of policy options and ‘position’ paper
  - Feedback from DCC elected representatives
  - Debate on policy options
  - Costing of policy options





17 April 2015

FAO - Chief Executive  
Dublin City Council

**Targets for delivery under the Social Housing Strategy 2015, 2016 and 2017**

Dear Chief Executive,

Further to our correspondence of 12 February and in consideration of submissions made by your authority in response to that correspondence, the Minister for Environment, Community and Local Government announced delivery targets under a range of housing programmes out to 2017 on 1 April. In respect of your authority, the target of units set for delivery under these programmes in the period 2015 to 2017 was as follows -

Current & Capital Targets 2015 - 2017 (Number of Housing Units)	Estimated cost of delivery (Current and Capital)
3347	€292.2 million

The purpose of this letter is to provide local authorities with additional detail as to how this target is broken down between capital and current programmes and how funding available will be attached to that delivery.

**Targets under the Capital Programmes**

Budget 2015 marked a significant change in the trajectory of social housing funding, with provision increased in 2015 by some €210m to €800m and a commitment to multi-annual funding envelopes for social housing over the period to 2017. This will support the ambitious national targets of the Social Housing Strategy which, in turn, must translate into ambitious local targets for each authority.

Drawing on the proposals submitted by local authorities and the requirement to meet programme targets set out in the strategy for 2015 and beyond, a target of **1498** units has

been set for your authority to be delivered under capital programmes encompassing LA Housing (Construction and Acquisition, including Part V acquisitions), Capital Assistance Scheme and the return of Void properties for the period 2015 to 2017.

The Provisional Capital Allocation to support this target is **€277.2m**. The drawdown of this funding by your local authority will be contingent on the delivery of social housing units across all capital programmes within the relevant timeframes. The Department will be monitoring progress on delivery of units under the Social Housing Strategy and reserves the right to reallocate funding between local authorities where satisfactory progress is not being made, in order that national targets can be achieved.

Proposals made by you in respect of local authority build and acquisition of social housing units have been assessed and a first phase of announcements of initial project approvals will be made shortly. The number of Void units for which Department funding will be made available to your local authority in 2015 will also be notified to you shortly.

As you will be aware, a 'Call for Proposals' under the Capital Assistance Scheme is underway at present and following receipt of the details of the projects that your local authority proposes to advance with approved housing bodies, this Department will assess them and revert as soon as possible.

### **Targets under the Social Housing Current Expenditure Programme**

The Social Housing Current Expenditure Programme (SHCEP), previously referred to as the Social Housing Leasing Initiative, is a national fund without individual authority funding allocations. In that context where an authority can exceed its target it should be possible to fund additional units sourced under SHCEP, subject to agreement with the Department.

In terms of the delivery under the Department's current programme, 3,000 units are targeted in total nationally under SHCEP in 2015. In order to meet the demand for social housing at a local authority level and to contribute to the achievement of the overall national target, local authorities need to be ambitious in terms of bringing forward proposals under SHCEP.

A target for your authority of **1626** units for delivery under SHCEP during 2015 to 2017 has been determined with **425** of these units for delivery in 2015. A national target of 8,400 units to be delivered in 2016 and 2017 has been set in the Strategy. The target for

your authority has been based on this national target and is subject to the availability of funding in those years.

It is important to note that under SHCEP, units can be delivered in a variety of ways and local authorities are encouraged to explore using all of these mechanisms where possible –

- multi-unit developments directly leased by authorities,
- individual units either leased or through rental arrangements that can be acquired using local authorities delegated sanction, and
- units can be leased, purchased or constructed by AHBs.

It is important to note that the local authorities that have delivered the most significant units under SHCEP to date have done so by utilising all the delivery mechanisms available to them in a partnership approach with AHB's. It is crucial that all Authorities actively engage with AHBs to determine their capacity to assist in delivering units and to build a programme of delivery for the AHB sector over 2016 and 2017, and out to 2020.

### **Targets under the Rental Accommodation Scheme**

As previously advised, in the longer term it is intended, with the national introduction of HAP, and subject to demand, that RAS as a targeted scheme to transfer rent supplement recipients to local authority accommodation, would gradually phase out. However, RAS remains a very relevant and significant part of the suite of social housing options currently available to those who are assessed as being in need of housing support.

A target of **110** RAS units to be delivered by your authority has been set for 2015 with the number of units estimated to be delivered under the scheme in the period 2016-2017 at **113** units, subject to the availability of funding.

### **LA Self-Funding Requirement 2015**

You will be aware that Dublin City Council is one of 10 local authorities where the Local Property Tax (LPT) receipts in 2015 exceed the 2014 General Purpose Grant from the Local Government Fund. As a result Government has identified that these 10 local authorities will be in a position to fund some services in Housing and Roads areas which are currently funded by central Government. In the case of Housing services for your local authority, the amount to be self-funded is €41.148m. The Department will provide more detailed information in relation to the specific requirements for self-funded expenditure shortly.

## Contacts, Guidance and Support

The Department and the Housing Agency are available to provide advice and support in respect of how best to increase delivery of units in your area. In that context if you have any questions or require any assistance please contact the Department at:

### Current Programmes:

[leasing@environ.ie](mailto:leasing@environ.ie)

[ras@environ.ie](mailto:ras@environ.ie)

Michael O Connor (01) 888 2757 (SHCEP)

Niall Hayden (01) 888 2217 (RAS)

### Capital Programmes:

[vshousing@environ.ie](mailto:vshousing@environ.ie)

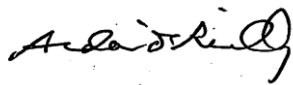
Pat Leonard (096) 24406 (LA Housing + CAS)

Darragh Severs (096) 24364 (LA Housing + CAS)

Claire Gavin (01) 8882191 (Voids)

Thank you for your continued co-operation in the implementation of the Social Housing Strategy and we look forward to the continued and productive engagement between your local authority with our teams in the Department. The Department's team will be in further contact with your colleagues regarding further details of the targets and funding set out above.

Yours sincerely,



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Aidan O' Reilly  
Principal  
Social Housing Capital Investment

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Lisa Clifford  
Principal  
New Funding Models

cc Director of Housing