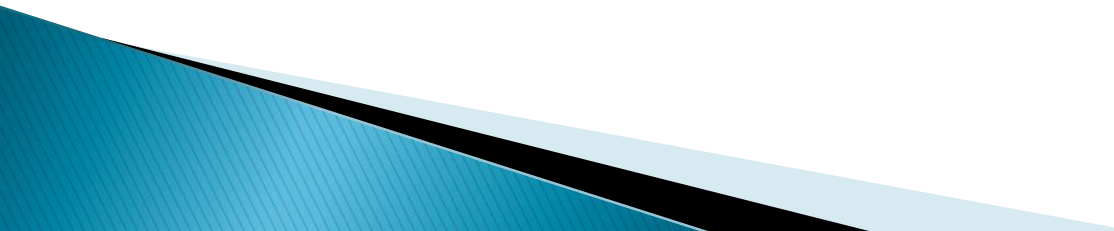


The background image shows the interior of a large, ornate domed building, likely a government or institutional structure. It features a series of tall, fluted classical columns supporting a high ceiling with a central dome. The dome is decorated with a pattern of hexagonal panels, some containing golden floral motifs. Several circular skylights are set into the dome. Between the columns, there are statues of figures in classical attire. The overall atmosphere is one of grandeur and historical significance.

Presentation to Finance SPC Housing Rents and Arrears September 2018

Background

- ▶ Dublin City Council has 24,236 tenancies
 - ▶ Differential Rent Charge is related to household income
 - ▶ The current weekly average rent charge is €64.76
 - ▶ The minimum weekly rent charge based on the Social Welfare payment of €198 is €24.90
- 

Key Points

- ▶ There are 1,023 tenants on the minimum rent charge
- ▶ The current highest weekly rent charge is €237

Annual Rent Charges

2014– €71.1M

2015– €73.3M

2016– €75.8m

2017– €79.5m

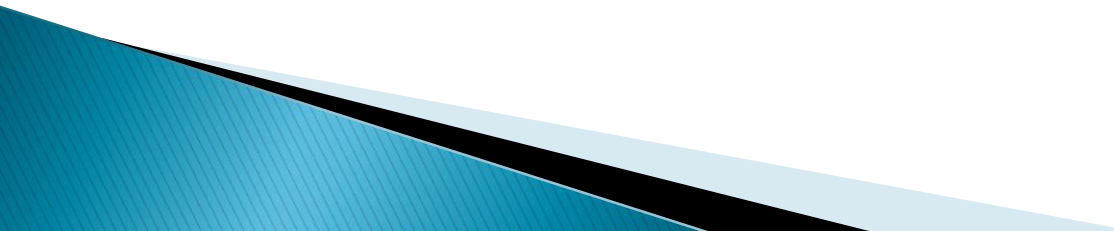
- ▶ The annual rent charge for over 24000 tenancies has consistently increased with a significant increase of nearly 5% of €3.7m in 2017 relative to 2016.

Annual Collection Rate

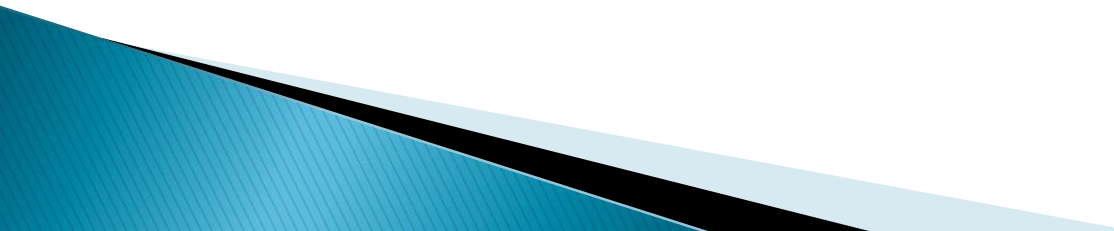
The collection rate has been 100% over the last number of years with an increase of €2.5m in 2017 relative to 2016

Year	Debit – Rent Charge	Payments	%
2017	€79,449	€78,329	99%
2016	€75,836	€75,784	100%
2015	€73,311	€73,743	101%
2014	€71,175	€72,420	102%

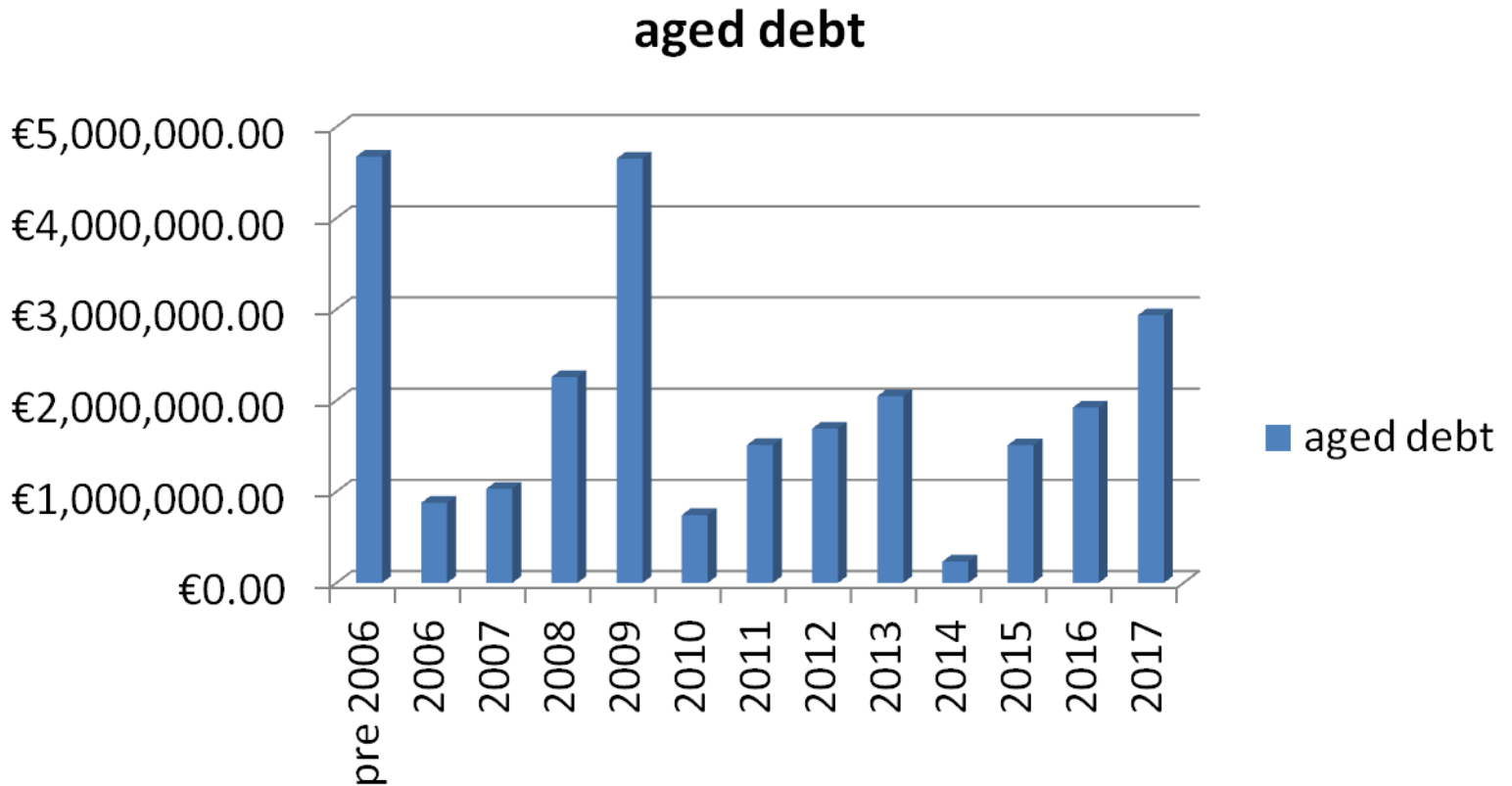
DCC Adopted Budget Objectives 2018

- ▶ Maintain current high payment levels.
 - ▶ Continue to work with tenants in addressing rent arrears.
 - ▶ Continue with early intervention strategies to prevent tenants falling into arrears situations
 - ▶ Promote the Customer “on-line” service which allows tenants to view their rent balances on-line.
- 

Arrears / Debtors

- ▶ Arrears are caused by under-declaration of income and non-payment or insufficient payment of weekly rent charge.
 - ▶ The Council's arrears have been predominantly caused by the failure of tenants to notify the Council of up to date income details
 - ▶ It is DCC's policy to apply retrospective debits where undeclared income becomes evident
 - ▶ 12,000 rent accounts reviewed annually to avoid the need for large debits being applied.
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Aged Debt



Key Points Arrears

- ▶ 10,792 tenants have a clear rent account or are in credit

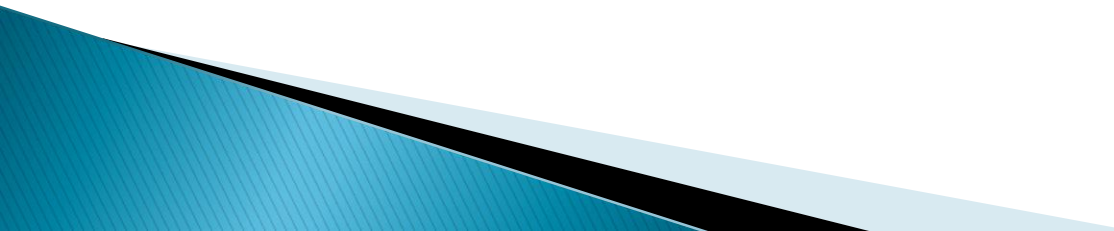
Arrears Statistics 2018

- 13,172 tenants in arrears(54% of total tenancies)
 - 43% owe less than €500
 - Based on the industry standard of 3 months in arrears 27% of tenants are in arrears of more than 12 weeks rent charge
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- ▶ Current Net Rent Arrears – €25.5m

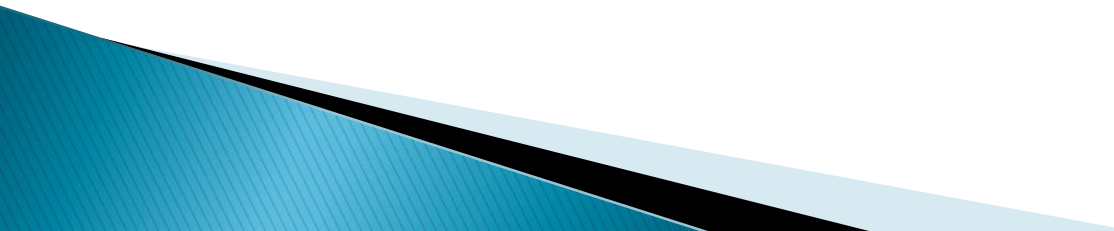
Change in Legislation

- Part 2 Housing (Miscellaneous Provisions) Act 2014 replaced Section 62 of Housing Act 1966
 - Commenced in April 2015
 - Tenancies no longer terminated by Notice To Quit replaced by serving Tenancy Warnings
 - Where arrears are still increasing and no agreement has been entered into or where agreements made are not adhered to, an application for re-possession of the property through the Courts is prepared.
 - Tenant is afforded every opportunity to engage with Dublin City Council to avoid losing their tenancy.

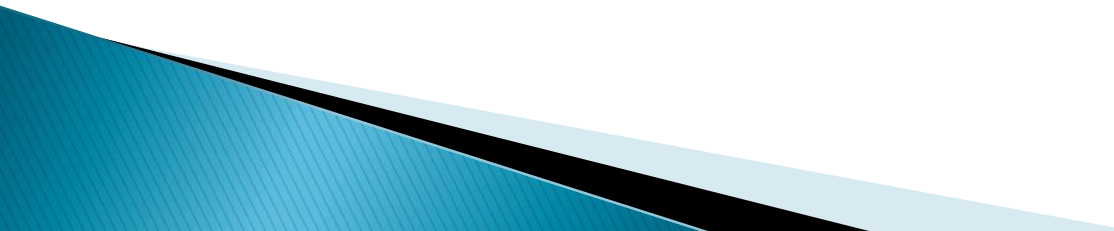
Procedure for dealing with non payment

- ▶ The Arrears Management Section engage at an early stage to assist tenants who are experiencing difficulty with payment of weekly rent.
 - ▶ Every effort is made to agree a realistic repayment plan.
 - ▶ Tenants are contacted by letter and are also contacted by telephone or by EHO visit.
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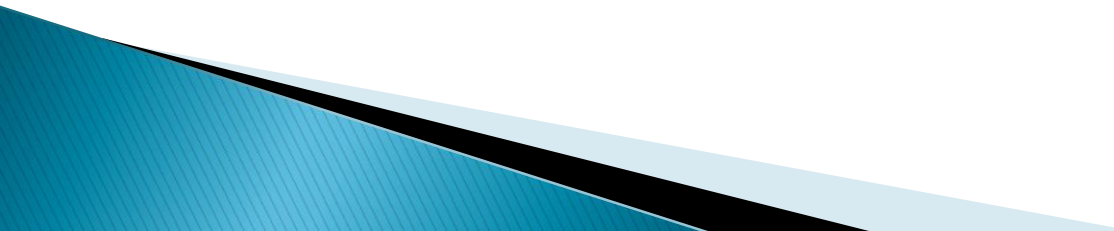
Procedure for dealing with non payment

- ▶ Where there is no response or where there is still no payment made a Tenancy Warning is issued.
 - ▶ The Tenant has 10 working days to appeal the warning.
 - ▶ 518 Tenancy Warnings issued to date.
 - 14 cases proceeded to Court.
 - 3 orders for re-possession have been granted.
 - No re-possession have taken place.
- 

Arrears Management

- ▶ Early intervention– accounts falling into arrears are identified and tenants are contacted to enter into an agreement so as to prevent arrears accruing
 - ▶ Promoting Direct Debit/Household Budget Payments
 - ▶ Advising on Debt Solutions
 - ▶ On line portal now available to allow tenants view their account statement and balances
- 

Arrears Management

- ▶ Tenants will not have routine repairs carried out if their account is in arrears and they have not entered or adhered to a repayment plan
 - ▶ Tenants in arrears will not be considered for a transfer until there is a repayment plan in place demonstrating a satisfactory payment record
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Dublin City Council Rent Assessment & Collection

