



Minister Darragh O'Brien,
Department of Housing, Local Government and Heritage
Seanad Éireann,
Leinster House,
Kildare Street,
Dublin 2.

1st December, 2022.

Re: Enactment of Section 53 of the Housing Miscellaneous Provisions Act 2014

Dear Minister O'Brien,

I hope you are keeping well. I wish firstly to acknowledge the recent receipt of funds by Dublin City Council from your Department in respect of the cost of implementation of the National Pay Agreement and energy related inflation. Your support was a key component of the measures that contributed to achieving an operational budget for 2023.

I have corresponded with you previously on the matter referenced above (my letter dated 14th February refers, copy attached) and note your response dated 9th March. Dublin City Council's Finance Strategic Policy Committee (SPC) considered the issue of rent collection and arrears at its meeting held on 17th November last. It was reported to the SPC that housing rent arrears owed to Dublin City Council by tenants currently amount to €37.8m. This figure may change by the end of the financial year. There are many factors which impact on why a social housing tenant might not pay the appropriate differential rent as charged based on their income and develop an arrears profile. The key aspects of this are:

- Social housing rents are income based, not market led, and so provide a stable, affordable, manageable rent which moves only with changes in ability to pay
- Equity of treatment is core to social cohesion, perhaps more so in low income environments and consequently the development of arrears by some tenants, while others pay in full, without every available option to support rent collection being exercised, must be corrected.
- Household budgeting can be difficult, more so now than ever in these inflationary times and as such the introduction of a 'deduction mechanism at source' for social housing tenants in receipt of a social support payment would be helpful to households in avoiding debt.
- Concerns about the rights of social housing tenants to choose how to pay their differential rent charge should not be prioritised over the expectation of social housing tenants that systems around differential rent collection will point behaviour to stable,

least stressful outcomes. In the context of rent payments this would involve systems that avoided the build-up of rent arrears.

- At a collective level, there are more universally beneficially outcomes that the cost of services provided to deal with rent arrears, if no longer required, could be applied to

In your reply to me dated 9th March, it was noted that*"The Department is cognisant of the consistent problems arising as a result of rent arrears across the country. While it is acknowledged that a (direct) deduction at source facility would have the potential to prevent rent arrears arising in the first instance, such a facility relies on the development and implementation of a national standardised rents system."*

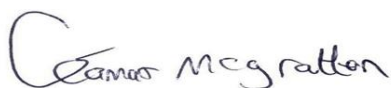
Dublin City Council's Finance SPC asks again that you make arrangements to commence Section 53 of the Housing (Misc. Provisions) Act 2014 as a priority so as to assist tenants in managing their household budgets and to assist housing authorities including Dublin City Council in their efforts to achieve the most effective and productive use of resources.

"Section 53 (2) (a) A housing authority may make a request to the Minister for Social Protection to deduct from net scheme payments the amount of rent payable to the authority by the relevant recipient concerned and to transmit the amount deducted to the authority".

The reference in your reply of 9th March above links the development of a national rents systems as a pre requisite to the introduction of deduction at source. This logic does not follow through as the setting of rents can be made at local authority level, with the Department of Social Protection being advised with appropriate notice of movements in differential rent charges. There is no requirement for the DSP to have reference to the functionality and approach behind the Differential Rents Schemes applying across local authorities.

The Finance SPC members respectfully suggest that there is huge merit, for tenants in arrears and those not in arrears and for the wider community, in commencing this section as an immediate priority and ask that resources are assigned to do so.

Yours sincerely,



Cllr Seamas McGrattan
Chairperson
Finance Strategic Policy Committee
Dublin City Council

