

Oifig an Cheannasaí Airgeadais, An Roinn Airgeadais, Oifigí na Cathrach, An Ché Adhmaid, Baile Átha Cliath 8, Éire

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

14th February 2022

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 Covid related supports. This money, along with the funds provided through the Rates Waiver Scheme, has been critical to the continued provision of services in Dublin over the pandemic thus far. It is fair to say that Dublin City Council is hopeful of an economic upturn as society adapts to previous restrictions while in tandem being cognisant that across the world, the economic impacts of Covid have been harder hitting for cities in particular.

At the last meeting of Dublin City Council's Finance Strategic Policy Committee (SPC), the matter of Housing Rents Collection and Arrears was discussed. This issue is reviewed by the SPC on a regular basis reflecting its priority. As you know, rents charged for social housing are based on income and in that way are tailored to the individual financial circumstances of each tenant. This approach avoids those on low incomes facing market rents and provides a stable and affordable, relative to income, rent charge.

Housing rent arrears have increased in recent years. Undoubtedly the difficulties in progressing legal avenues in a Covid context limited the capacity of Dublin City Council to pursue all avenues even the extreme avenue of legal recourse. Housing Rents arrears are very important to the social fabric of the communities who live in Dublin City Council social housing units. Dublin City Council rents are fairly set, as already referred to. As rents are tailored to the circumstances of the tenant, it is only right then that all tenants pay the due rent. From an equity perspective it is patently unfair for some tenants to pay a fair rent while others do not.

For many people, budgeting their household expenses is problematic and is a source of

considerable stress and worry. This is not peculiar to social housing tenants but is heightened

when household income is low, as a starting point for meeting bills. The members of the

Finance SPC consider that the introduction of a 'deduction mechanism at source' for housing

rent be applied to those social housing tenants in receipt of a social support payment. This

would be a milestone in terms of improvement for all involved.

I understand that there are those who argue that to do so will in some way remove the rights

of social housing tenants. I respectfully suggest that this perspective be re-examined, in the

light of the experience in different jurisdictions where such mechanisms operate successfully

and have shown to provide a more stable tenancy experience for the social housing tenant.

For the housing authority, considerable resources are applied in seeking to collect rent arrears,

ensuring the tenants are contacted as soon as arrears emerge and working with tenants to

enter agreements to reduce the debt. This cost of provision of these services could be directed

towards other services that would be more beneficial to the community at large, were arrears

at a lower level, with less intervention required. And finally for the citizen the lived experience

of funds redirected from collecting rent arrears to other services would be a direct uplift.

Dublin City Council's Finance SPC asks 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.

I appreciate that this is a major step to take and urge you to put this change in place.

Yours sincerely,

CIIr Seamas McGrattan

Chairperson

Finance Strategic Policy Committee

Samo Magratton

Dublin City Council