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# CornerStone

The magazine of the Homeless Agency

ISSUE 23  
APRIL 2005

**The NESC report**  
Housing in Ireland:  
Performance  
and Policy  
A lion...  
or a mouse?



## note from the editor



Much of this issue of CornerStone is dedicated to the NESC report (available free at [www.nesc.ie](http://www.nesc.ie)). Why, you ask, would we dedicate so much space to a report that received virtually no publicity and very little debate beyond a seminar organised by Threshold early this year?

That is exactly why! *Housing in Ireland: Performance and Policy* is the most important report on housing to be published in recent years, and has the potential to influence government policy on housing for a long time to come, and yet it has been received in almost total silence.

So this issue of CornerStone sets out to rectify this. As well as articles from Rory O'Donnell (NESC director) and expert commentators Eoin O'Sullivan and Aideen Hayden, CornerStone commissioned short responses to the report from a number of contributors representing a broad spectrum of views and perspectives. As you will see their comments provide a fascinating insight into the thoughts of eminent thinkers on housing.

To complete the picture we've thrown in a bit of history too. Some readers will know of NESC's previous and very influential report on housing, *A Review of Housing Policy*, written by the late John Blackwell in 1988. Tony McCashin, who worked in NESC at the time, has written about the context of that report, and we've provided a bluffer's guide to this report, showing which recommendations were implemented, and more importantly, which were not.

As you will see this is a bumper issue – and space did not allow for the report's recommendations to be repeated. You'll find them in the last issue of CornerStone.

Finally, for those of you who are able to resist the temptations of the NESC report, do not despair – you can read all about Sophia Housing Association's innovative supported housing schemes in Ballymun and Fingal; and find out what needs to be done to make the new Rental Accommodation Scheme work. Apologies to news junkies; we only had room for one page of news – we'll be back to normal in the summer edition.

### Simon Brooke

Editor of CornerStone · Housing and Social Policy Consultant

The Homeless Agency is a governmental body launched in May 2001 which is responsible for the planning, co-ordination and delivery of quality services to people who are homeless in the Dublin area. The staff team, is advised by a consultative forum, and reports to a board of management comprising representatives from the statutory and voluntary sector. The agency brings together a range of voluntary and statutory agencies that are working in partnership to implement agreed plans on the delivery of services

to people who are homeless, assisting them to move rapidly to appropriate long term housing and independence. A major task is the implementation of the second three year plan *Making it home* covering the period 2004–2006. The Homeless Agency co-ordinates all homeless services in the Dublin area; delivers some direct services; provides training and other supports; monitors and evaluates the effectiveness of services; carries out research; and administers funding to homeless services.



# CornerStone

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#### DESIGN

Identikit Design Consultants

#### PRINTING

New Oceans

The views expressed in CornerStone do not necessarily represent the views of the Homeless Agency, its management board, or consultative forum

**HOME  
LESS**  
agency



special issue

## The NESC report Housing in Ireland: Performance and Policy

### A lion... or a mouse?

Does the NESC report set a bold courageous agenda for Irish housing in the 21st century, or is it a shy timid analysis that merely nibbles at the existing system?

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# Making it Home through partnership

Josephine Ahern, the Homeless Agency's acting deputy director reports

The Homeless Agency and its voluntary and statutory partners have achieved much over the last eight years.

Not only have key funding agencies and service providers agreed to co-operate to eliminate homelessness in Dublin by 2010, but Government has demonstrated its own commitment to this vision by significantly increasing funding for the development and provision of homeless services. However, it is clear from the challenges identified in the new action plan, *Making it Home*, that we need to do more and to do things differently.

However, it is clear from the challenges identified in the new action plan, *Making it Home*, that we need to do more and to do things differently.

## Where we are today

Before addressing some key initiatives underway within the sector, it is useful to reflect on where we are now. Dublin has an array of multifaceted services for people facing homelessness. These range from placement and referral through to advice and information, outreach, day and food centres, resettlement services, accommodation, as well as specialist services such as drug and alcohol detox and rehabilitation. Recent additions to healthcare such as the multidisciplinary team and the new mental health access team have made an enormous contribution to this sector, which deals with people often failed by mainstream services, and who present with the most complex and challenging mix of problems. While the current systems and structures are far from perfect, they do provide a solid basis for future change and development. In all of this, perhaps the biggest single challenge facing the sector is that we now need to work in innovative and more responsive ways.

## Change in action

With this in mind it is useful to consider a recent and practical example of how

change through partnership can succeed. The Homeless Agency's Emergency Network which is a group comprising representatives from Focus Ireland, Dublin Simon, Merchants Quay Ireland, the Dublin City Council Night Bus, the Homeless Agency and the Homeless Persons Unit, recently provided such an example. In

to guard against homelessness for future generations. Local area responses will form a key element of both.

## People in the sector

People who work in a service are its key to success! Recently the Homeless Agency, in conjunction with several homeless services, established a Learning & Performance Network. This group aims to set a strategic direction for the development of staff across the sector, and to develop a framework of competencies to ensure that homeless people receive the best possible service. Key outcomes so far include:

- The Learning & Performance Strategy
- The Learning & Performance Programme in 2004 and online bookings
- An internet-based Learning Pathways tool to provide up-to-date and accurate information on courses and learning opportunities for staff in homeless services.

These achievements are not to be underestimated. A skilled and competent workforce will make the job of eliminating homelessness all the more achievable.

## Improved knowledge and information

Another core area of work we have focused on recently has been the provision of further training and skills development for staff who use the LINK database system. LINK was designed and implemented by the Homeless Agency to ensure that information available about the use of homeless services is up-to-date and useful in informing responses to homelessness. LINK forms an integral part of the information collection and collation system, and yet it is only now that we in the sector are coming to terms with the benefits that such a system can bring. The latest round of training has been

provided for staff working in transitional housing projects, which adds to the training already provided for emergency accommodation providers and outreach teams. This area will continue to provide a key focus for the Homeless Agency.

In March, the Homeless Agency completed an assessment of the extent to which people are sleeping rough. This work was undertaken in consultation, and parallel to, the annual assessment of

housing need undertaken by the four local authorities in Dublin. The Homeless Agency worked with health services; day and food centres; street outreach teams; advice and information services; youth services; drug and alcohol services and Accident and Emergency services. In each instance, homeless people presenting to these services were asked to participate in an interview. A screening question was used to ensure that people already

interviewed through the local authority assessment of housing need, were not double counted. The Homeless Agency would like to thank all those involved in the assessment and to acknowledge that this work could not have been done without partnership. The report will be available later this year.

### A lot achieved but a lot yet to do...

An extraordinary amount of work is taking place in voluntary and statutory services and this update has only touched on some of this. I have no doubt that homelessness can be eliminated and the real test for those of us involved in making this happen is continuing to work together innovatively, and through partnership, in this period of ongoing challenge and change. ■

**I have no doubt that homelessness can be eliminated and the real test for those of us involved in making this happen is continuing to work together innovatively, and through partnership, in this period of ongoing challenge and change.**

## Derval Howley introduces herself



I am delighted to have commenced working with the Homeless Agency having taken up the post on the 7th March. It is an exciting time for me and for the agency as we work together towards the vision of the elimination of long term homelessness and the need for people to sleep rough.

In my role as director I have overall responsibility for monitoring and co-ordinating the implementation of the action plan; ensuring the delivery of integrated services for homeless people in the Dublin area and continuously improving the quality of care for homeless

people; developing partnership and co-ordination between the relevant statutory and voluntary bodies involved in homeless services; researching and analysing causes and trends in homelessness and developing innovative responses aimed at addressing homelessness in a responsive and focused manner and further developing the agency.

Before joining the Homeless Agency, I worked with the former Eastern Regional Health Authority (ERHA). During my five years with the health services I worked initially as a researcher and service planner for social inclusion. In 2000/1 I was appointed as manager for the National Drug Strategy (NDS). Here I held responsibility for the planning, overseeing and implementation of the NDS with the health services in the east. During this time I was an active member of the National Drug Strategy Team (NDST) overseeing the work of the Regional and Local Drug Task Forces and representing the three former Area Health Boards within the Region. I acted as NDST liaison and vice chair for the Bray Local and South East Regional Drug Task Forces.

I was also a member of the National Advisory Committee on Drugs, an advisory

body to the Minister of State. During 2001/2 I had the opportunity to represent Dublin on the Megapoles (an EU Initiative) reporting on young people and alcohol.

Between 1999 to 2000, I was employed by the Dublin Simon Community working hands on as a researcher/outreach worker. I also spent a short period as a probation and welfare officer based in Smithfield.

I have previously held posts within the learning disability sector, both here and in Scotland, including being involved in establishing a service for adults who were homeless and had mild learning disabilities.

I hold a PhD in Philosophy from University College Dublin for sociological research into street begging in Dublin City. This research was based on participant observation, whereby I took on the role of the street beggar.

Over the last few weeks I have begun to meet a number of people at different working groups and fora. In the next few months I shall continue to get out and about and I'm looking forward to meeting and hearing the views of people who are involved with homelessness in many different ways. ■

# Funding announced... partly

**H**ousing Minister Noel Ahern announced an allocation of €36.4 million from the Department of the Environment, Heritage and Local Government for homeless services in Dublin at the beginning of April. This includes €15.92 million allocated to NGOs involved in the provision of homeless services; €17.15 million allocated to the four Dublin authorities for private sector emergency accommodation (mainly so-called B&B); and €3.33 million to the Dublin authorities for the direct provision of homeless services. The table shows which NGOs got what. Note however, that this does not include funding from the Health Services Executive, which has yet to be finalised. Funding for tenancy support services, which will be subject to a tender and public procurement process, will be allocated following a seminar, which it is planned to hold in May. ■

Organisation	2005 Allocation €	Organisation	2005 Allocation €
Focus Ireland	3,782,574	Teach Mhuire	155,250
Salvation Army	2,212,255	Bru na bhFiann	121,900
Simon Community	1,817,722	Tallaght Homeless Advice Centre	112,479
De Paul Trust	1,363,438	HAIL	110,229
Merchants Quay – Faightiu	955,876	Daisyhouse Housing Association	91,425
Crosscare	678,403	Aids Fund Housing Project	80,985
Sonas Housing Association	402,638	Arrupe Society	57,364
Sophia Housing Association	452,330	Miss Carr's Home	49,491
Sisters of Charity	341,958	Life	42,665
Respond	269,135	Vergemont	36,570
Iveagh Trust	268,000	Cherish	24,380
Threshold	273,320	Guild of the Little Flower	20,700
Cappuchin Day Centre	261,875	Haven House	227,700
Aoibhneas	268,180	Local Services	400,000
Tenancy Support Services	800,000	YMCA Vision	50,000
Vincentian Housing Partnership	191,747	<b>Total</b>	<b>15,920,589</b>

## NDP Gender Equality Unit

**I**n the last issue of *CornerStone* we reported on research published by the NDP Gender Equality Unit. Mark Manto, statistician at the NDP Gender Equality Unit, asked to respond.

I wish to comment on the February edition of *Cornerstone* which included a review article on 'Women and Men in Ireland: their modes of transport and their housing tenure', a report produced by the NDP Gender Equality Unit.

This report described the results from two surveys, carried out in 2001 and in 2004. The 2001 and 2004 surveys were fundamentally different. I refer your

readers to the report for further details, for example the opening paragraph of the executive summary. The report is available to download by following the link at: [http://www.ndpgenderequality.ie/publications/reports/publications\\_21.html](http://www.ndpgenderequality.ie/publications/reports/publications_21.html) (Please note that the PDF file is large and may take up to 2 minutes to download.)

When your readers see what is being described and consider the best method of interpreting these data, they will understand that the low numbers stating that they resided in apartments was considered 'intriguing' because it may not

be fully explained even when allowing for the higher age profile of respondents in the 2004 survey.

Research tends not to be a black and white issue and no methodology is perfect, particularly when working with a relatively small sample. Indeed, in the article under the review, *Cornerstone* drew attention to this very fact in describing research the reviewer was personally involved in! This review affirms the need to know what is the intention of the research, what exactly it is that is being described, and how best to interpret the resulting data. ■

## The merry conference month of May

**N**ot one, but two national conferences will be competing for your company in May – and both will be held in Cork as part of the European Capital of Culture.

**The Caring City** will be hosted by Cork Simon Community on 24th and 25th May 2005 at the Millennium Hall. Speakers will include Matt Cooper, Today FM; Baroness Rabbi Julia Neuberger; Senator Brendan

Ryan; and Minister of State Batt O'Keefe TD. For more information contact Cork Simon Community on 021 432 1051.

Only five days later, on 30th and 31st May the **National Housing Conference** will be held at the City Hall. The theme will be New Housing/Strong Communities, and keynote speakers will include Rory O'Donnell, director of NESCC; Professor

Robert Cervero, from the University of California; Des Dowling, assistant secretary in the housing division of the Department of the Environment, Heritage and Local Government; and Paul Murrain of the Office of the Deputy Prime Minister, UK. For more information contact Mary Bruton at the Housing Unit, 01 240 3640, [mbruton@ipa.ie](mailto:mbruton@ipa.ie). ■





# FINDING THE BEST WAY OUT

NESC's job is to report to the government on strategic issues concerning the economy and social justice through a partnership approach. But what's the best way of doing this? NESC director **Rory O'Donnell** ponders the challenges NESC faced when asked to prepare a report on housing.

**T**he process of preparing *Housing in Ireland: Performance and Policy* highlights some of the enduring challenges and dilemmas that face the National Economic and Social Council and other institutions of social partnership. These include when to use independent consultants or the in-house Secretariat, the balance between introducing new ideas and building consensus, the balance between interpreting existing policy developments and recommending new initiatives, the risk of achieving consensus by adopting the lowest common denominator and the tension between analysis and political and administrative realism.

It quickly became apparent that there were very different perceptions of the Irish housing system, both within the Council and in Irish society. It is for this reason that the report opens with a brief section listing, without comment, the issues and anxieties that have been expressed by citizens, the social partners and others in recent years. The report does suggest that these cluster into three broad concerns: the *stability* of the housing market, the degree of

*inequality* in the opportunities and difficulties experienced during the housing boom and the *sustainability* of the settlement patterns and neighbourhoods developed in recent decades.

It was hardly surprising that, at the outset, there were divergent views on these issues. The Council contains nominees from the trade unions, employers associations, farm organisations and the community and voluntary sector. Not only were there initial differences *between* these pillars, but also *within* them. In addition, among the government nominees to the Council are the secretaries general of five government departments, including three with a strong involvement in housing: the Department of Environment, Heritage and Local Government, the Department of Social and Family Affairs and the Department of Finance.

An important aspect of the Council's work is deliberation aimed at a shared understanding of key policy challenges and of the main economic and social mechanisms at work in a given area. That focus reflects the experience of Irish policy and tripartism

...there were very different perceptions of the Irish housing system, both within the Council and in Irish society.

over several decades. In the 1960s and 1970s, Ireland had many institutions in which employers, unions and other interests were represented and, indeed, had a series of national-level wage bargains. Yet progress on solving the country's economic and social development problems was disappointing and, by the 1980s, the pressure of competing demands had created a deep fiscal, economic and social crisis. One interpretation of that experience is that, although successive governments and the social partners were adept at reaching bargains, they were operating on the basis of quite divergent understandings of how the economy and society worked.

Since 1986, the Council's three-yearly Strategy reports identified the need for a consistent policy approach encompassing macroeconomic policy, distribution and a range of structural or supply-side measures. What distinguishes the period of social partnership is the creation of more shared understanding of goals and means. This is reflected not only in the agreed partnership programmes but, as importantly, in the actions and interactions of the social partners and government in numerous spheres.

The significance we attach to this depends on what we see as the major constraint on the formulation and implementation of good policy. One view is that all this consensus is a hindrance to clear ideological debate and strong government policy. Another view is that in a complex, consensus-oriented, system it is often necessary to mobilise consensus in order to find and implement effective policies.

Given the initial divergence of understandings and continuing difference of interests in housing, it is perhaps surprising that sustained discussion in the Council has yielded a measure of agreement on the key policy challenges and how they should be tackled. Although one can debate each of the Council's recommendations, it is possible that this element of shared understanding clears the way for important government initiatives on social housing, affordable housing and integrated planning.

The Council's, much-cited, 1988 *Review of Housing Policy* was undertaken by an independent economist, the late John Blackwell. An enduring dilemma is when to use outside consultants and when to undertake work within the NESC Secretariat. Each approach has its advantages. An independent consultant can rigorously follow economic or social analysis through to its logical conclusion and put this into the public domain—even if the Council decides not to recommend them in its 'Council Comments'. The NESC Secretariat can

find its analysis more constrained by the need to build consensus, but can perhaps take more account of the institutional context within which policy is made and implemented and can take a more interdisciplinary approach.

On balance, the approach adopted in the housing report can be defended since institutional factors turned out to play an important part in the analysis. Indeed, a feature of the report is that it goes beyond a purely economic analysis to include consideration of the housing system and the possibility of achieving a transition from a dualist to a unitary system.

Increasingly, NESC has to strike a balance between recommending new policy initiatives and interpreting existing policy developments. In earlier decades, NESC was one of the few resources for policy analysis and was, therefore, a key source of policy evaluation and new recommendations on a wide range of issues. Now, there are far more sectoral policy units and specialised consultancies. In addition, there is a more activist policy system in which government departments, agencies, NGOs and social partners continuously interact. In this context, there is less need for NESC to come up with new suggestions, but an increased need for the Council to take an overview of how the evolution of policy in one sectoral area, such as housing, fits in the wider development of the Irish economy and society.

Striking that balance was a real issue in preparing the recent housing report. One of the findings of the report was that Ireland has a dynamic, but unbalanced, housing system. Dynamism is evident not only in the strong increase in supply, but also in the many policy initiatives since the early 1990s. This meant that there was less

need to think up new initiatives, than to identify ways in which existing policies could be combined to rebalance the system in a more concerted way.

In an organisation that works by consensus, there is always the risk of achieving agreement by adopting the lowest common

denominator. The Council is aware of that risk and of the fact that its value and status depend ultimately on the quality of its analysis, rather than the degree of consensus. That is why the Council publishes relatively long and closely argued reports. It sees its role as presenting government and Irish society with reasons why a given approach should command assent, rather than bargains reached behind closed doors. It does so knowing that there can be a tension between high-quality or new analysis, on the one hand, and the agreement among the partners, on the other.





Experience suggest that achieving congruence between what is 'true' and what is agreed is always difficult, but is not impossible—a view that is supported by a sophisticated understanding of deliberation in a democratic context.

For the Council members, this requires a willingness to openly deliberate and adopt a problem-solving approach, rather than always bargaining. For the Secretariat, it requires analysis that goes beyond splitting-the-difference to 'reframing' old policy debates. Increasingly, both of these depend on policy experimentation.

The discussion on housing also contained tension between analysis and political and administrative realism.

This is most evident on the issue of a Greater Dublin Area (GDA) Land Use and Transport Authority. The issue arose because of the two general orientations that inform the Council's recommendations. First, the instruments that can address the key challenges are to be found more in the areas of planning, urban design, infrastructural investment, land management and public service delivery, than in manipulating tax instruments to alter the supply or demand for land or housing. Second, the Council rejects the idea that a greater quantity of housing must be at the expense of quality development. Increased housing quantity and better quality neighbourhoods can be complementary and, indeed, mutually reinforcing. This requires a clear vision of the kind of high-quality, integrated, sustainable neighbourhoods that are worth building.

Despite adoption of new principles of sustainable housing and integrated development in the National Spatial Strategy and other guidelines, the Council sees a risk that the new procedures will not achieve sufficient integrated land-use planning to link settlement and transport. This risk seems greatest in the Dublin area. One response would be the creation of a GDA authority. There is considerable merit in the idea, since the deficit of long-range strategic planning, co-ordination and implementation which motivated the proposal is a central finding of the Council's examination of the Irish housing system. However, the Council concluded that 'if broad consensus on the nature and functions of such an agency does not exist, than the creation of the agency is likely to become the question rather than the solution'.

Several of the themes and tensions discussed here—including the balance between economic and institutional analysis, between analysis and consensus building, between recommending new initiatives and interpreting existing policy and the challenge of

reframing old debates—arose in the Council's discussion of land, land management and betterment.

The report gives an account of the land market, the building industry and the planning system which emphasises the degree to which the supply of land is variable and uncertain. The implications of this variability and uncertainty have only recently been articulated in research on housing and land, but they are an important part of a framework for understanding the role of land in the housing system.

Land and land value is undoubtedly the most contentious and long-running subject in debate on Irish housing, on which there have traditionally been four alternative, strongly-held, comprehensive policy positions:

- Zone more land to remove its scarcity;
- Tax away the betterment with higher capital gains taxes or equivalent;
- Public land management supported through widespread compulsory purchase—as recommended in the 1973 Kenny report; and
- A general site value or property tax—recommended by NESCC for many years.

One of the findings of the report was that Ireland has a dynamic, but unbalanced, housing system.

The advocates of each approach draw on various analyses of the land and housing markets and different normative positions on the distribution of the betterment value of land. Without judging the balance of these arguments, the framework adopted by the Council identifies challenges that confronts each of these comprehensive policy positions. While there is some value in discussing the adoption of one of these on an national basis, the framework suggests an alternative approach. First, elements of several of these approaches are already in place. Second, rather than recommending one of the four approaches, the Council suggests that a combination of them is required in most contexts. This requires recognition of the extent to which active land management is a feature of existing Irish policy and willingness to enhance it in appropriate contexts.

The NESCC tries to resolve the dilemmas discussed here within its work of analysis and deliberation. Ultimately, of course, they are resolved in the wider process of public debate, political decision making and administrative practice. ■



# Back to Blackwell

Of course, there is a stark contrast between the social and economic contexts of 1988 and 2005.

When the previous NESC report, by the late John Blackwell, was written, a pint of Guinness cost €1.80 and the average new house cost €52,450.

**Tony McCashin** who worked in NESC at the time and wrote NESC's response to John Blackwell's report, tells it as it was, and on page 10

**Simon Brooke** looks at which recommendations were implemented and which were not.

Tony McCashin lectures in the Department of Social Studies at Trinity College Dublin

Simon Brooke is a housing and social policy consultant

Let me declare an interest at the outset. I was a member of the secretariat of the NESC when NESC's first housing policy review (*A Review of Housing Policy*, NESC Report No. 87, 1988) was undertaken. In that capacity, I was involved in shaping the content of the report and I had a direct responsibility for drafting Part 1 of the report, the NESC's policy recommendations. Part 2, the consultant's study, was prepared by the late John Blackwell. As a participant in the process, my observations here about the emergence of that report are necessarily subjective, but hopefully not partisan.

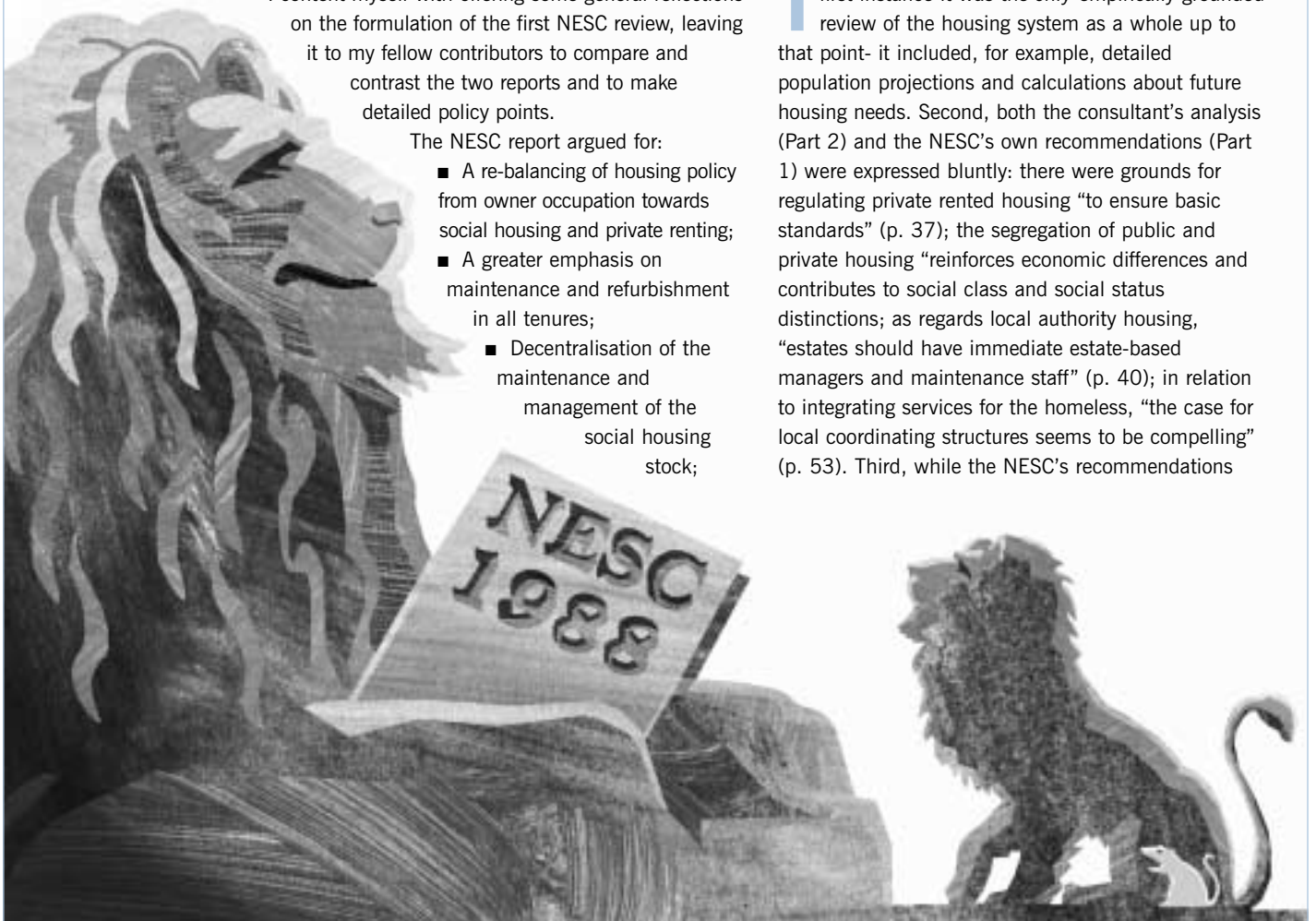
I content myself with offering some general reflections on the formulation of the first NESC review, leaving it to my fellow contributors to compare and contrast the two reports and to make detailed policy points.

The NESC report argued for:

- A re-balancing of housing policy from owner occupation towards social housing and private renting;
- A greater emphasis on maintenance and refurbishment in all tenures;
- Decentralisation of the maintenance and management of the social housing stock;

- A considerably enhanced role for the voluntary and non-profit sector;
- A reform of the system of rents and allocations in the local authority sector, and;
- An explicit policy for dealing with homelessness focused on a resettlement strategy that would include the right of all single homeless people to be housed, a diversification in the local authority housing stock, and a coordinated, multi-disciplinary approach to tackling homelessness.

Three points can be made about the report. In the first instance it was the *only* empirically grounded review of the housing system as a whole up to that point- it included, for example, detailed population projections and calculations about future housing needs. Second, both the consultant's analysis (Part 2) and the NESC's own recommendations (Part 1) were expressed bluntly: there were grounds for regulating private rented housing "to ensure basic standards" (p. 37); the segregation of public and private housing "reinforces economic differences and contributes to social class and social status distinctions; as regards local authority housing, "estates should have immediate estate-based managers and maintenance staff" (p. 40); in relation to integrating services for the homeless, "the case for local coordinating structures seems to be compelling" (p. 53). Third, while the NESC's recommendations



may seem self-evident with the wisdom of hindsight, in the context of the time they were radical. The report predates the 1988 Housing Act, the 1992 legislation for the private rented sector, the Homeless Agency, and the Plan for Social Housing

Of course, there is a stark contrast between the social and economic contexts of 1988 and 2005. As John Blackwell undertook his work emigration had begun to increase again, unemployment reached 18% by 1987, real earnings had stagnated, and the economy was in crisis. One year before the housing policy review was completed the NESC had published its authoritative report, *A Strategy for Development 1986–1990*, offering its analysis of the economic crisis. This document – agreed by the government and the social partners – laid the strategic foundations for the recovery in the economy’s fortunes at the very end of the nineteen eighties. This wider strategic analysis had quite specific implications for NESC’s housing policy review.

The Council’s strategy document stressed the interplay between economic imperatives and social needs. While arguing strenuously for the need to contain public expenditure, the Council had emphasised that expenditure and taxation restructuring should be done with a view to improving equity. In its view this was not only analytically correct, but also politically necessary: the scale and type of reforms the economy required would not be palatable if economic correction was attempted without social reform.

In turn, this meant that NESC studies following after *A Strategy for Development* could invoke the NESC’s assertion of equity principles. In his analysis of many aspects of housing John Blackwell did this to great effect, for example, in his critique of generously discounted sales of local authority houses, his analysis of expenditure on housing improvement and maintenance, and his trenchant statement about how local authorities should respond to homelessness.

Taxation had loomed large in the Council’s *A Strategy for Development* document. Building on the authoritative reports of the Commission on Taxation, the Council had identified taxation as the single most important area of policy reform that could deliver economic gains, and a central part of tax reform, it argued, should be the reform of the tax treatment of housing. The Commission and, later, the NESC were scathing about the distortions and inequities in the tax treatment of housing (not least of which was the higher rates of tax required on *income* because of the effective non-taxation of property). In other words, when the consultant, John Blackwell, and the Council of the NESC came to consider housing policy, they started with a prepared script that contained a repudiation of the tax treatment of owner occupied housing – the largest part of the housing stock. This critique led NESC to emphasise the need for tenure neutrality and specifically for less generous tax treatment of houses: it advocated a general property tax based on the market value of houses, taxation of capital gains from sales of residences, and (in that context) mortgage interest relief for borrowers. In a sense, this central aspect of NESC’s

policy stance flowed seamlessly from its wider analysis of the economy and of the role of tax reform in improving the economy.

Significantly, key personnel on the Council were ardent supporters of some of the analysis in the housing study – and with good reason, because they had analysed housing policy in other fora and come to well-reasoned conclusions about specific aspects of housing policy. John Curry was then a member of the NESC and Chairman of the Commission on Social Welfare (1984–1986). The *Report of the Commission on Social Welfare* (1986) had devoted a full chapter to housing costs and had come to the view that in the long-term the local authority differential rent scheme and the various rent allowances should be integrated in some way, and in the meantime the SWA rent allowance (not as important then as now) should be developed into a national, statutory, means-tested rent allowance for which all low income tenants might be eligible. It was no surprise that the NESC reflected this thinking in its call for a general means-tested rent allowance. Likewise, Dr. Miriam Hederman O’Brien was Chairperson of the Commission on Taxation (1980–1985) and a member of the NESC: she used her formidable grasp of the tax policy to make an authoritative case for the Council to adopt taxation recommendations in the area of housing that were broadly consistent with those of the Commission on Taxation.

The influence of individual Council members was mediated through the policy networks of which they were part. At that time, NESC members were embedded in a series of overlapping commissions, and working parties, and some of them were involved in the social partnership negotiations that led to the *Programme for National Recovery* and later partnership agreements. In discussing housing issues the Council members were able to link housing policy to wider policy issues and they were conscious of the value of shared perspectives and agreed principles in attempting to offer reform proposals. In 1988 there were only twenty three members on the Council of the NESC: only two of these were civil servants. NESC’s housing policy review was therefore processed by a council that was independent of the mainstream civil service, permeated by a sense of urgency, and emboldened by the success of its strategy report in reforming general economic policy. All this may explain the near unanimity among the members of NESC in their recommendations and the challenging, direct terms in which they expressed their views.

No one could have foreseen the economic boom of the 1990s and beyond – still less the changes in the housing market. It is a tribute to this first NESC report that its core policy stance is still relevant. The problems it identified could not have been resolved by the invisible hand of the Celtic Tiger’s booming housing market: this is an acid test of how reforming the NESC report was. I leave it to other contributors to decide how much of the policy change since then can be ascribed to the report and what future policies should be.

It is a tribute to this first NESC report that its core policy stance is still relevant.



## Back to Blackwell What happened afterwards?

The majority of John Blackwell's recommendations were supported by NESC, although some were watered down a bit. But what happened to his recommendations? Were they ignored? Did they influence government policy in subsequent years? Study the table below and you can find out.

Interestingly, of the recommendations that were implemented, the majority appeared in *A Plan for Social Housing*, published less than two years later in 1990, which marked a major turning point in the development of social housing in Ireland.

Recommendation	Implemented?
More local authority housing should be available for non-family units.	Yes
Local authorities should buy new or second hand houses for rent.	Yes
The differential rent system should stay, but maximum rents should depend on the quality of the dwelling.	No
There should be a national differential rent scheme covering all local authorities.	No
Housing management should be decentralised; tenants' associations should be encouraged and financially assisted; tenants should be involved; some repairs and maintenance should be devolved to tenants.	Yes
Renewal of run down estates should be improved, with better design and improved management.	Yes
The tenant purchase scheme should be revamped so that dwellings are sold at replacement cost without any discount for length of tenancy.	No
A pilot shared ownership scheme should be introduced.	Yes
Low income earners should be entitled to rent supplement.	No
A unified housing benefit scheme should be introduced for all tenures and it should be administered by local authorities.	No
Stamp duty on new and second-hand dwellings should be equalised at a lower overall rate.	Partly
Housing for the elderly: pilot projects for different types of sheltered housing needed; more involvement by housing associations; elderly owner-occupiers should be able to access equity in their home.	Yes
Private rented sector: regulation should increase and intervention should target the lower end of the market.	Yes
Housing associations should: duplicate work of local authorities because lack of finance for them; provide special needs housing; work with local authorities on improving existing housing stock; provide advice and maintenance to elderly owner occupiers.	Partly
There is a potential role for the Housing Finance Agency in organising mortgage funding for housing associations.	Promised but not implemented
Housing associations should be stimulated by a financial and regulatory system.	The finance is there but there is very little regulation

## Back to Blackwell What about homelessness?

### John Blackwell's comments on homelessness make fascinating reading

“... the provision of housing for the homeless should be seen as an integral part of overall housing provision and the homeless should not be seen as a particular problem group – that is one way of perpetuating the problem.”

“It is ... unfortunate that the Housing Act of 1988 does not contain a clear duty on local authorities to house homeless people.”

“...(emergency hostels) must be backed by conventional housing to which hostel residents can readily gain access. Otherwise, hostel-type accommodation quickly creates its own demand, and then 'silts up' with residents who have nowhere else to go.”

“The typical homeless person is much like the rest of the population, of whom quite a large proportion become homeless briefly at some stage in their lives. If they can be helped to find a way back into normal housing as soon as they are ready, they will not be homeless for long. That should be the aim of the policy.”

“...this calls for close collaboration between housing, social work, social security and health authorities, together with the voluntary agencies in this field; a comprehensive approach on settlement strategy and follow-up supports to housing allocation. That is unlikely to be achieved unless formalised to some extent and led by some local 'council for the homeless' set up to bring together these people.”

“... the lack of clarity in regard to dealing with this issue has existed between the housing authorities and the health boards. The health boards have often found that they were in disagreement with housing authorities over respective responsibilities for dealing with homelessness.”

“Specific responsibility for homelessness and resettlement should be fixed on units within the housing authorities.”

So, in many ways he anticipated *Homelessness – An Integrated Strategy* – which was published 12 years later. ■

# Does it tell us where to go?



**Aideen Hayden** wonders whether the NESC report answers fundamental questions about the direction of housing policy.

Aideen Hayden is a visiting fellow at the Policy Institute and chair of the board of Threshold

**D**espite being long awaited, the eventual publication of the NESC report *Housing in Ireland: Performance and Policy* was somewhat of a damp squib – not least because it was released on a wet afternoon in December when most journalists were otherwise engaged in pre-Christmas fraternisation. Also, the 1988 Blackwell report is widely regarded as a landmark work on housing policy, and so was a hard act to follow. Leaving this aside however, the question we must ask is: does this report succeed in answering any of the questions about the future direction of housing policy?

If you accept the contention which the NESC report makes, that one third of the working population of Ireland into the future will be working in jobs in the services area which do not require education to Leaving Certificate level, the numbers on low incomes

in need of housing will most certainly rise. Does this NESC report propose an adequate framework for addressing this?

The highlight of the report is undoubtedly its recommendation that the number of social housing units be increased to 73,000 units between 2005 and 2012 – in other words 10,000 units per year. While this increase is to be welcomed the question must be asked: is this enough? The Council's analysis accepts the current wisdom in assessing social housing need. The analysis fails to adequately take on board the fact that current policy has led to a serious residualisation of the sector. Furthermore the current system for determining social housing need is too narrow, in that it is now widely accepted that almost one third of those in the private rented sector are experiencing poverty and many of these would not be assessed in housing need. A review such as this should have taken

...almost one third of those in the private rented sector are experiencing poverty...

Perhaps the greatest weakness in this report is its failure to give greater emphasis to the inequities within the present housing system.

the opportunity to consider social housing policy on a general needs basis and the greater potential of the sector to answer the needs of not just the most marginalised but the wider needs of society. The failures of social housing will not be resolved by greater numbers of units alone. NESC has missed a valuable opportunity to address some of the real issues around sustainable social housing.

The NESC report does recognise the reality of the 'other' social housing sector namely those on rent supplement in the private rented sector. It also recognises the importance of the sector into the future as a way to meet long term housing need. More importantly, it recognises the major issues of affordability within the sector. Whether the recommendations of the report address these issues is another matter. The report warmly embraces the proposed Rental Accommodation Scheme (RAS), which aims to address the needs of those who are long term in the private rented sector, but does not analyse any of the implications of this proposal. In particular no attention is paid as to how this new sector, which will be a form of hybrid, will fit between formal social housing and the private rented sector. This issue clearly has implications for the basket of rights that attach to those in receipt of housing in this sector.

It is also foreseen that the voluntary housing sector will have an important role to play in delivering RAS, with again no analysis of the sector's capacity to deliver. Let's not forget that this further responsibility is on top of the sector's increased responsibility to deliver under social housing as well as engaging as part of the solution to the proposed cost rental model. Unfortunately the report makes it clear that the cost efficiencies that can be brought about by voluntary sector involvement are the principal concern!

Little attention is paid either as to whether the RAS proposal, brought about principally by the need to save on the escalating rent supplement bill, is economically viable. This lack of analysis would be understandable if the purpose of the NESC report was simply to comment on housing policy, as opposed to setting out a way forward. It certainly is not clear, in a housing market where there is concern that an external shock – for example a rise in interest rates – might cause an exodus from the private rented sector,

why any landlord would be interested in taking less than the market rent for a property. There is further concern that the properties available in such a scenario will be at the bottom end of the market, or available in bulk from developers, leading to issues of ghettoisation and more importantly suitability.

The NESC report makes no recommendations in the area of rent supplement, though it does note that the market, even if it were to reach equilibrium, will not remove the need to provide social and affordable housing supports. Those in receipt of rent supplement in NESC's opinion currently account for 40% of the private rental market. Given the nature of this section of the market it represents a large proportion of those in housing need. No analysis is made of the very real concerns regarding the operation of rent supplement, its administration, or the suitability or quality of accommodation. Neither is consideration given to extending it to those on low incomes though it is accepted that they are experiencing real poverty. The failure to examine rent supplement has meant that a major opportunity to question the two-tiered system of housing provision has been lost.

The Council does support a wider range of supports for what it terms 'intermediate' households and proposes actively exploring supply-side measures to create a supply of 'affordable' rental accommodation. The Council goes on to link the emergence of such accommodation to the emergence of not-for-profit or limited profit landlords. Suggested approaches include the provision of state-owned land or capital subsidies to enable the charging of below cost rents. The Council clearly sees also the potential for Part V as a source of such accommodation and the involvement of institutional investors, possibly under Public Private Partnership (PPP) arrangements. This is a welcome development. However a note of caution: serious concerns have been expressed by the voluntary sector about the operation of PPP arrangements in the area of housing. This is an issue worthy of the

A major report likely to guide housing policy should have at its core the need for cohesion and seamlessness within the system.

Council's attention – particularly in the area of urban regeneration and the value of these arrangements to the community. It is a pity the Council didn't look further at the issue of cost-rental and make specific proposals instead of recommending an inter-departmental feasibility study. However the Council's support for 'affordable' rental measures must undoubtedly hasten its acceptance at governmental level.



The Council firmly supports the amalgamation of the three affordable housing schemes and the Shared Ownership Scheme into a single First Home scheme. This indeed seems to make sense, in particular in terms of a more transparent system. However such a unitary system must have the flexibility to respond to the needs of a changing housing market while avoiding the ad-hockery associated with the creation of past schemes such as the promised delivery under Sustaining Progress. This commitment to date has failed to deliver a single unit! The Council also recommends maintaining the output under these schemes at current levels, approximately 5 to 6 per cent of house buyers per annum, but subject to review. Again given the Council's earlier comments about the make-up of the Irish labour market, it is difficult to see how this recommended output was not revised upwards.

The Council also recommends the modification of the tenant purchase scheme to support wider 'strategic objectives'. This recommendation is in direct conflict with the stated objectives of Dublin City Council, the largest social landlord in the state, which is currently putting in place a strategy to sell flats to tenants by way of tenant purchase. Flats were not previously capable of being sold, due to difficulties in devising ways to manage the common areas, though they represent the majority of DCC's stock. Brendan Kenny the assistant manager of DCC described tenant purchase as the 'best social inclusion model' ever. It is difficult to see therefore how both analyses can coexist in social housing policy. Perhaps the Council's recommendation should have focussed on the need to further explore the outcomes, economic and social, of the various tenant purchase schemes.

The NESCC report, perhaps because of the composition of the Council, is comparatively silent on the issue of homelessness and again takes the view that increased homelessness is one of the consequences of the imbalances within the housing system. A housing system that is dynamic but unbalanced is one of the main themes of this report. The Council does endorse the Sustaining Progress commitments on homelessness. It also recommends creating a defined revenue stream for on-site and care supports. The Council also acknowledges that there are challenges ahead for the Housing Needs Assessment 2005 in determining the level of homelessness. The question remains as to whether the DoEHLG recommendations on the method of assessment will provide an enhanced overall picture, or whether such an assessment will be linked to a refocusing of housing priorities.

Perhaps the greatest weakness in this report is its failure to give greater emphasis to the inequities within the present housing system. The Council briefly considers the potential of a housing benefit system but

dismisses it as problematic, acknowledging however that there is an argument that housing benefit would lead to more equitable treatment across the tenures and greater individual choice. The fact that an inter-departmental committee on rent and mortgage assistance decided that a move to housing benefit would not be a desirable option, should not deter the Council from a fresh look at the possibility. Acknowledging that 'some form of targeted assistance to low-income households' is necessary does not answer the serious inequities within the system. A major report likely to guide housing policy should have at its core the need for cohesion and

It is not acceptable that social housing tenants have no independent recourse in the event of a dispute with their landlord, the state. Neither is acceptable that many rent supplement tenants live in sub-standard conditions in accommodation paid for by the state.

seamlessness within the system. The current housing system must be equity proofed and distinctions between tenures eliminated. It is not acceptable that social housing tenants have no independent recourse in the event of a dispute with their landlord, the state. Neither is acceptable that many rent supplement tenants live in sub-standard conditions in accommodation paid for by the state. There are too many examples of this nature within the present system and redressing them is long overdue. Unfortunately this report did not rise to the challenge. ■





## Will it deliver a new housing market?

A key theme of the NESC report is a discussion of unitary and dualist rental markets. Unitary markets are characterised by strong private rental and social rental sectors; in dualist markets the two rental sectors are segregated and owner-occupation is promoted above rented housing. But will the report's recommendations deliver a unitary market? **Dr Eoin O'Sullivan** is doubtful.

Eoin O'Sullivan lectures in the Department of Social Studies at Trinity College Dublin

In this wide-ranging analysis, the National Economic and Social Council (NESC) argues that the recent performance of the Irish housing system has been 'dynamic, but unbalanced' (p3). Putting forward a range of recommendations to address the inability of the market to provide both the quantity and quality of sustainable accommodation required for all citizens, it suggests that the considerable difficulties facing the Irish housing

system are comparable to two previous challenges that faced the Irish state: the opening of the economy in the late 1950s and the reorganisation of the economy alongside a partnership form of governance in the 1980s. Noting that those who were sceptical of the ability and the capacity of the Irish State to bring about these changes were proven wrong in the past, the report argues that in relation to transforming the Irish housing system 'there is no reason why we cannot prove ourselves wrong again' (p200).

A key element of the Council's interpretation of the housing system as 'dynamic, but unbalanced' is the sluggish output over the past 15 years or so of 'social and affordable housing' relative to both total housing

...households are increasingly forced into homeownership.

output and expressed need. To redress this imbalance, the Council recommends 'a substantial increase in investment in social housing' (p155) to facilitate the construction or acquisition of 85,000 units of social housing over the next eight years and to extend and enhance the range of supports for 'intermediate households' i.e. those who have affordability difficulties in securing market housing, but who do not qualify for social housing.

This, as the Council frankly acknowledges, does not 'constitute a radical departure in public housing policy. If anything, it confirms and strengthens the core elements of the current policy approach' (p149). This acceptance of the status quo contrasts somewhat awkwardly with the bold rallying cry to restructure the housing system to meet the needs that the Council argues the current system fails to meet. It also jars with the understanding of the public and private rental system outlined in background analysis (Paper 2, 2.17–2.23). In brief, the Council utilises the thesis offered by Jim Kemeny (*From Public Housing to the Social Market: Rental Policy Strategies in Comparative Perspective*, 1995) to interpret the dynamics of rental housing and to show how the organisation of rental housing shapes the housing system as a whole. Kemeny identifies two distinct rental housing systems: unitary and dualist. The Irish rental housing system is most decidedly dualist in its operation with segregated public and private rental sectors.

The effective consequences of facilitating a dualist rental housing system with a weak and insecure private rental market (although this situation has improved somewhat as a consequence of the *Private Residential Tenancies Act, 2004*) and a very restricted public rental market, is that households are forced into homeownership. Thus, countries with dualist rental housing systems have very high levels of homeownership, whilst those with unitary rental housing markets have more modest levels of homeownership and secure, vibrant and affordable rental markets. Interestingly, as the Council notes, countries with strong traditions of a partnership approach to public policy tend to have unitary rental housing systems. Thus, despite embracing such an approach to public policy in the 1980s, an approach that arguably has served Ireland very well, the Council seems reluctant to 'prove ourselves wrong' on this particular issue.

The report documents with detailed clarity the extraordinary proliferation of anomalous, differentiated and inequitable social and affordable housing schemes that have emerged over the past decade. In most cases, this is as a consequence of persisting with the dualist strategy rather than aiming for clarity, consistency and equity that potentially can be delivered more successfully through a unitary rental system. The most glaring example of this is the ongoing policy of selling local authority units of accommodation. The medium term review of the National Development Plan (NDP) conducted by the Economic and Social Research

Institute (ESRI) put it most starkly when it noted that 'the State is struggling to meet demand for public housing while depleting the stock at below market prices' (6.48). Of the 85,000 units of social housing that the Council recommends be built over the next eight years, only 73,000 units will be actually added to the stock as, if the current rate of local authority sales continue, some 12,000 units will be sold (an underestimate in my opinion) over the same period. While the Council argues that an immediate review of the tenant purchase scheme should take place (p155), the policy of selling at below market rates is integral to the dualist model of rental housing and thus is unlikely to be halted or even moderated.

This acceptance of the status quo contrasts some awkwardly with the bold rallying cry to restructure the housing system...

The Council argues that it 'does not believe that it is feasible – given the existence of parallel public and private rental systems in the Ireland that are subject to divergent forms of provision and conditions of tenure – to attempt to create a unitary rental system in which social and private renting are integrated into a single market... rather, that the continuing existence of a non-active cohort of the population with long-term welfare dependency strengthens the rationale for continuing state provision of a core housing stock, and that the extent and impact of income inequality within Irish society would make it difficult on equity grounds to overcome the dualist nature of the current housing system' (p148). The reluctance of the Council to attempt to overcome the dualist nature of the current system and the somewhat timid suggestions to reforms elements of the rental systems stands in contrast to the challenge that the Council sets out to create sustainable affordable housing in vibrant communities, and indeed runs counter to the analysis set out in background paper 2. A historic opportunity exists to ensure that in the future, affordable, good quality rental accommodation exists in a balanced tenure system that enhances the quality of Irish society and facilitates ongoing economic growth. It will not, necessarily, be an easy transition if the opportunity is grasped: entrenched vested interests can provide a substantial bulwark against such change. However, as the report points out, the vested interests that supported protectionism and those who despaired that Ireland might ever achieve economic prosperity were proven wrong. Reforming our housing system to secure the ambitious realisation of the Council requires a fundamental re-orientation of the rental housing system. All the additional output of social housing will come to nought and the current difficulties in our rental systems will remain as permanent features until the dualist structure is integrated into a unitary rental housing system. ■





# A lion... or a mouse?

**CornerStone** asked a number of eminent people representing a broad spectrum of viewpoints to comment briefly on the NESC report. Their responses provide a fascinating insight into the current preoccupations of thinkers on housing.

## Noel Ahern T.D.

**Minister for Housing and Urban Renewal**



The NESC report provides an important analysis of the Irish housing system and an agenda for the future development of policy. Importantly, the report recognises that the general thrust of existing policy is well directed.

We have made considerable strides in the housing sector in recent years. Measures to boost overall housing output are having effect, with close to 77,000 completions in 2004 compared to a mere 22,000 some 11/12 years ago. 2004 was the tenth year of record housing output in a row. The passing of the Residential Tenancies Act in 2004 marked an important step in developing and modernising the private rented sector and substantial resources have been invested in social and affordable housing.

My Department is currently examining the range of issues raised in the NESC report and considering new measures that are desirable both in the short and more medium term. It is expected that these matters will be considered by Government shortly.

While this review of housing policies is timely, it will also be important to maintain a focus on delivery. The Government continues to support strong programmes of social and affordable housing, with

investment of some €2 billion in 2005 to further increase output. It is planned that the needs of in excess of 13,000 households will be met through various social and affordable housing measures in 2005. Also during 2005 a number of the 58,000 households currently on rent supplement and in private rented accommodation will transfer to the new Rental Accommodation Scheme. These households will continue to be mainly accommodated within the private rented sector.

From the resources available in 2005, we will also be improving the living environment of several thousand existing tenants through the new central heating programme, broader remedial works and regeneration programmes, the largest of which is underway in Ballymun. We will also be spending some €70 million addressing special needs through the Disabled Persons and Essential Repairs Grants Scheme. Importantly, €51 million has been made available for accommodation and related services for homeless persons bringing to €236 million the amount provided for such services since the introduction of the Government's Integrated Homeless Strategy in 2000.

We are dealing with a diverse range of housing needs and have developed a broad range of targeted measures to deal with these needs. In order to ensure delivery in a holistic way, my Department initiated the development of five-year action plans by local

**The NESC report provides an important analysis of the Irish housing system and an agenda for the future development of policy. Noel Ahern T.D.**

authorities. These plans also reflect the need for an integrated approach given the changes taking place in the way that housing is delivered, as Part V gathers momentum, as the contribution of the voluntary and co-operative sector increases and as public private partnerships are used.

Most of these plans are now in place and will ensure that the substantial resources available under multi-annual capital funding arrangements are used to best effect to deliver the optimum level of quality housing in a manner which breaks cycles of disadvantage and dependency. These plans will be reviewed in 2006 in the light of both actual performance and any policy issues arising.

## Fergus O'Dowd T.D.

**Fine Gael spokesperson on Environment, Heritage & Local Government**



I cannot say that I jumped for joy when I received a copy of the NESC's latest report on housing. On this and many other issues, we have report after report, expert group after group but unfortunately very little action.

Nevertheless, there are many things in the report to be welcomed. It is particularly gratifying that the NESC recognises the seriousness of Ireland's housing crisis and that it recognises there are answers. The huge housing problems that Ireland has are not, according to the NESC, the 'problems of success' that we hear about – problems that some would have us believe are insurmountable.

Without doubt the two biggest problems we face are affordability of private housing and supply of social housing. On the first issue, while we are witnessing a slow down in price rises, the fact remains that young people are priced out of the market and in the last year alone, the price of a house in Dublin has risen by €28,000. With regard to social housing, around 120,000 individuals are waiting for a home – a national disgrace if ever there was one. The NESC says on these matters that there is a need for increased provision of social and affordable housing and of infrastructure necessary for well-designed, sustainable, settlements.

If the needs identified are to be met, a higher level of capital spending in these areas will be necessary. While this need not exclusively be exchequer financed, it seems likely that there will be

a need for higher exchequer capital expenditure. The challenge for policy makers is to make this happen. It will require new thinking and the total absence of ideological 'hang ups'. There will be no room for those who, as a matter of principle, are against private involvement in the construction of social housing. Similarly, those who are afraid to think big and commit public money to tackling the problems we face will find themselves becoming increasingly sidelined. We have the potential to, by the end of this decade, solve the housing crisis. The NESC report is a good start. The challenge now is to act.

## Eamon Gilmore T.D.

**Labour spokesperson on Environment and Local Government**



This NESC report lays down a clear challenge to the government – to deliver a new national housing policy. The report states, "this is a major national challenge, which bears comparison with other great challenges that Ireland has faced and met in the past half century".

It is remarkable, that a challenge of this order has been received with such apparent indifference by the Government. There has been no substantive response from government to the NESC Report and my efforts to have it debated in the Dáil, have so far met with little enthusiasm from the Taoiseach and his ministers. For the past year, I have been seeking a full Dáil Debate firstly on the Report of the all party Committee on Building land and more recently on the NESC Report. There are now five major Reports (NESC being one), which address the related issues of housing building land and spatial planning. It is past time that they were debated within the Dáil.

Of particular interest to the Labour Party were the recommendations in the NESC report relating to social and affordable housing. The report was clear when it stated that 'an additional €500–600 million per year is required to meet the target of 73,000 social housing units which are needed up to 2012.'

Minister Ahern, however, has come-up short. His five-year funding programme will not come close to meeting the targets set out in this report. The thousands of people who have been priced out of the Irish property market should be a priority for this Government, however little has been done for them.

Detailed reports with clear recommendations have been issued but the minister appears to have taken scant notice. While the government is remaining silent and inactive, the price of a house is increasing by an average of €30,000 a year, an increase which is in itself, larger than the average industrial wage.

The NESC Report comprehensively analyses the housing situation in Ireland. What is immediately needed is a political debate on the choices to be made and government action to implement them.

**I cannot say that I jumped for joy when I received a copy of the NESC's latest report on housing.**

**Fergus O'Dowd T.D.**



A lion...  
or a  
mouse?

## Arthur Morgan T.D.

**Sinn Féin spokesperson on Environment,  
Heritage and Local Government**



Sinn Féin welcomes the NESC report *Housing in Ireland: Performance and Policy*. This is a substantial report and contains many recommendations which we believe the Government must take on board. We are fully in agreement with the Council's view that housing is a key determinant of economic and social well-being and progress in Ireland. Sinn Féin believes that the fundamental role of a house and a home in a person's life cannot be overstated. A lack of adequate housing and homelessness are inextricably connected to increased levels of mental illness, marginalisation and disenfranchisement.

Sinn Féin believes the government must take on board the recommendations contained in the report in relation to social housing.

Sinn Féin fully supports the recommendation for an increase of permanent social housing units, owned and managed by local authorities of approximately 73,000 units in net terms between 2005 and 2012. This report, backs up evidence from other states that the increased provision of social housing is key to resolving the housing crisis and addressing homelessness.

The report points to the fact general affordability problems were the overwhelming cause of measured housing need in 2002. This totally undermines arguments made in the last number of years by the Minister of State with responsibility for Housing Noel Ahern T.D. that there are little or no affordability problems in this state.

The NESC backs up its point in relation to affordability problems by referencing the fact that the number of households in receipt of rent supplement now equates to 40 per cent of the entire private rented sector. This further indicates the urgency of investment in social housing provision and for increased supports for households that fall below the affordability threshold.

Sinn Féin has asked for the Government to allocate time for a Dáil debate on the NESC report.

## Cllr Mary Murphy

**Chair: Housing, Social & Community Affairs  
Strategic Policy Committee, Dublin City Council**



The NESC housing report and background analysis are welcome contributions to the development of Irish social housing policy in Ireland as is the key recommendation for 73,000 additional social housing units leading to a stock of 200,000 social housing units by 2012. Achieving sufficient social housing requires a land management strategy prioritising use of state owned land for social housing. Given the

competing demands on land banks for affordable housing, prejudices against social housing and resistance to build social housing adjacent to existing disadvantaged communities it is difficult to be optimistic that sufficient land will be available to realise social housing targets. Ensuring maximum social housing return from Part V is therefore crucial, so too is enabling housing associations to provide and manage social housing. Key here is resolving the structure of existing differential rents and eliminating the mismatch between short/long term maintenance needs of local authority and housing association social housing providers.

The recommendation to restructure tenant purchase policy seems a red herring of sorts. On equity grounds it is difficult to argue against extending tenant purchase to flats and maisonettes, so restructuring tenant purchase is likely to facilitate more not less tenant purchase. Policy debate needs to focus on equity of access and stock replacement. NESC observes how social housing is increasingly residualised, but also observes how existing local authority tenants enjoy superior rights to other types of rental housing, especially private rented tenants.

The Rental Accommodation Scheme (RAS) has the potential to develop into a unitary rental scheme giving rental tenants equal outcomes across housing tenures, a well designed unitary rental scheme could deresidualise social housing. It is clear, from its long gestation to date, that there are many political challenges and obstacles in developing an effective RAS. Local councils and social partners need to work together to prioritise development of the best possible scheme.

## Tony Fahey

**Research professor, Economic and Social  
Research Institute**



Over the past three decades, NESC has been the most important single source of commentary and advice on housing policy in Ireland. It published a landmark *Review of Housing Policy* in 1988, and the present report, *Housing in Ireland: Performance and Policy* is an exercise in a similar mould. Though NESC's work in this area has been of a consistently high standard, there are interesting lessons to be learned from looking back over it and assessing the impact it had. Throughout the 1980s and early 1990s, for example, NESC repeatedly recommended that a property tax should be imposed on owner occupied housing, that the private rented sector should be treated in a more even-handed way, and that the differential rents system in local authority housing should be reformed. These recommendations were more notable for how much they were ignored than for any effect they had – a dispiriting record for those who believe that good research can exert an influence on policy.

The present report is the NESC's first major review of housing in the recent era of booming prices and incredibly high levels of housing output. Its key

concerns are threefold: the stability of the supply-demand balance, inequality in housing, especially for those unable to afford house purchase, and sustainability, with reference especially to suburban sprawl, housing density and urban design issues. Its recommendations are notable firstly for what they don't say: they don't recommend property tax on owner-occupied housing, thus breaking with the NESCR's traditional stance on this issue.

Their positive proposals are, however, quite striking. They recommend that inequality in housing should be responded to by a large increase in social housing output. The target they suggest is that the social housing stock should be increased to 200,000 units by 2012, up from some 110,000 today. They also pay attention to what they call 'intermediate households' – those who are too well off to qualify for social housing but not well off enough to purchase their own homes – and make valuable recommendations on how supports for this group should be increased. A novelty in this report from a NESCR point of view, however, is the amount of attention it gives to an interlocking set of issues that include planning, urban design, infrastructure, land management, public services, all of which it presents as central to the future of the housing system. It presents a rich analysis on these issues, and it remains to be seen whether this analysis will get a better reception from policy makers than was accorded its previous work on housing.

## Josephine Ahern

Acting deputy director, Homeless Agency



The NESCR report on housing in Ireland identifies three significant challenges for housing policy in the medium and long terms including, the need for social and affordable housing, sustainable neighbourhoods and active land management. It calls for an integrated policy approach across central government, regional and local authorities, and for the construction of 73,000 more units of permanent social housing for rent, by 2012. Demographic changes such as an increase in the ageing population are forecast, and an historical unmet need in housing is identified as a potential challenge relating to the future adequate supply of housing.

What the report does not address is the extent to which homeless households will be catered for under the proposed policy. This is a significant oversight, given that in Dublin alone in 2002, there were 2,560 homeless households. This figure will be updated later this year, once the results of the 2005 assessment of housing need are published. Another key area not addressed, is the extent to which immigration will add to the unmet demand for housing, through, for example, significant increases in the numbers of people moving to Ireland, including from the new accession states to the European Union (over 77,000 during the last year).

While the directions in the report are well thought through, it is critical that homeless households be fully accounted for in future planning, and that a co-ordinated approach across Government is adopted to minimise the adverse impact of discrete policy and practice on the provision of housing for vulnerable households.

For example, and in relation to immigration, the introduction on 1 May 2004 of the *Habitual Residence Condition*, which disallows access to social welfare for immigrants, outside the Common Travel Area (Ireland, Britain, the Channel Islands and the Isle of Man), has the potential to increase homelessness as a direct result of differing and conflicting public policy.

Add to this the predicted fall in housing output over the coming decade and the costly private rental market, then the imperative to factor homeless households into an integrated and planned approach to housing, is clear.

## Alan Cooke

Chief executive, Irish Auctioneers & Valuers Institute (IAVI)



The NESCR report acknowledges that the sharp contraction of local authority construction of social housing in the 1980s and 1990s was a significant factor in increasing problems of housing affordability and access. To accentuate the point, the report indicates that the percentage of total new housing output represented by the social sector, both local authority and voluntary, fell from 14% in 1993 to a mere 6% in 2003.

While much of the affordability problem for first time buyers stems from market forces, the plight of those requiring social housing was not being adequately addressed by those responsible for the proper provision of social housing.

Many in the private sector felt that government tried to pass on to that sector the cost and responsibility for social housing under Part V, but the NESCR has recognised that the required additional annual spend on social housing of €500-€600 million up to 2012 which it has identified must come from the public Exchequer. This places responsibility for the provision of social housing firmly where it traditionally was and where it belongs – in the public sector.

Some of the report's recommendations will interest property professionals. The recognition within the

**This fails to recognise that many second or holiday homes are built in areas where there is no real demand for primary homes... Alan Cooke**





## A lion... or a mouse?

report that high stamp duty levels hinder mobility in the housing market is coupled with a proviso that now is not the time to consider the abolition of stamp duty, as it contributes enormously to the public exchequer and is the principal form of property tax. However reforms, similar to those proposed by the IAVI in its Budget 2005 Submission, are supported by the report, as is the suggestion of relief for those trading down, which would clearly aid the efficient use of our housing stock.

While welcoming the moves by local authorities to fully recover the true cost of service provision, through development levies, the report urges consideration of an additional tax on second homes in order to encourage the provision of primary dwellings. This fails to recognise that many second or holiday homes are built in areas where there is no real demand for primary homes and, as housing output slackens, there is surely no need to divert building skills and resources from second homes to primary homes.

Undoubtedly there is an affordability problem for many first time buyers, which is not helped by the fact that a mortgage that starts out being financially painful is likely to stay that way, unlike those of previous generations who could look forward to substantial salary increases dramatically reducing the percentage of earnings required to service a mortgage.

With all the talk recently of how people will spend their SSIA's when they mature in the next couple of years, not many have suggested that they will go towards deposits on primary homes for first time buyers. Can we expect busier show homes at the starter level when the SSIA cash is released?

### Declan Redmond

Lecturer in the Department of Planning and Environmental Policy at University College Dublin



It is quite remarkable that it is virtually impossible to get good data on land prices, which is necessary for an informed debate about land, and it is regrettable that the NESC report has not rectified this in some manner. In addition, from a policy viewpoint, most analyses still refer back to the Kenny Report, indicating that there has been little progress on the implementation of policy on land.

The analysis of the land issue in the NESC report takes the fairly standard view that the market price of housing is a function of the interaction of demand and supply and that land price is a residual element in

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Declan Redmond

price determination. In other words, the market value of housing is the level at which the market will bear, something of a tautology it must be said. One of the implications of this is that even in a situation where the land cost is minimal the developer will still sell the property at the price the market will bear. This clearly happens on a regular basis, for developers will build on land bought many years previously or land bought at agricultural value and rezoned. And unlike other commodities the developer will not attempt to compete with other developers by taking advantage of the lower cost of their land, but will sell at current market prices.

The Kenny Report suggested a number of solutions to deal with the issue of windfall gains and betterment. However, the NESC Report is fairly vague on this matter, suggesting merely that it should be examined – something of a cop-out. Where there exists some form of control not only on the costs of land but also on the selling cost of housing then it is possible to produce houses at affordable prices.

The affordable housing schemes currently in operation show that this can work. Here, the land cost is controlled, as is the selling price of the house, thus enabling local authorities to develop houses for purchase at an affordable price. The competition here is between different building contractors to deliver the houses to the local authority via a competitive tender.

This model, which operates successfully at a small scale, could if it were expanded, have major implications for the housing market, which the report does not pursue in its analysis. The notion of control of land and selling prices at a more general scale may be politically improbable, but it does illustrate quite clearly that what are considered immutable market forces are in fact quite amenable to change, and that it is really a question of vested interests and political power maintaining the current system.

### Jim Power

Chief Economist, Friends First



In such a short piece as this it is difficult to address all of the areas that need to be addressed, so I will focus on two: the tax treatment of second/holiday homes and the stamp duty regime. In relation to the former, it is interesting how the owners of holiday homes are now being demonised in many quarters and are being blamed for everything from Government's failure to prove adequate social housing, to escalating house prices, to imbalanced regional economic development. Government policy has been heavily focused on encouraging holiday homes in many areas around the country in order to encourage tourism and rural economic development. It is now a bit rich to turn around and victimise those who availed of the opportunities. Granted many of the various tax incentives were ill advised and should have no place going forward, but that is the fault of Government and

nobody else. However, it is important to bear in mind that many second homes have no favourable tax treatment and are paid for out of after tax incomes and the buyers are crucified with stamp duties and associated transaction costs. Would the begrudgers in NESC and elsewhere prefer if these people who took the risks now sell up, and invest and holiday overseas? One gets the distinct impression that the purchasers of holiday homes are being heavily subsidised by all of the other taxpayers in the country, but that is far from the truth. These people should not be blamed for failures in Government housing policy over the years.

In relation to stamp duties it is disappointing that the NESC report did not suggest a radical overhaul of the penal stamp duty regime. The reality is that the current regime undermines mobility in the economy, and it could be reformed in such a way that the number of housing transactions would increase and the impact on the exchequer coffers could be neutral.

The latest NESC publication on the Irish housing market is a very comprehensive and welcome study on Irish housing policy and hopefully will contribute to the much-needed debate on the Irish housing market, but measures to help people get on the housing ladder would be better advised than demonising those who work hard to improve their quality of life.

## Noeleen Hartigan

Social Policy and Research Coordinator,  
Simon Communities of Ireland



The authors of the NESC report note that a numbers of important issues, including homelessness, are 'not considered in any significant detail'; but express their belief that dealing with the broader housing policy issues will 'contribute significantly to

attaining the policy goals' for people who are homeless.

Homelessness policy in Ireland has been typified by its separation from the 'mainstream' housing policy debate. The result is two fold: housing for people who are homeless is viewed as an 'add on' to mainstream housing policy; and the specific flaws in current homelessness policy are not sufficiently examined within high profile policy discussions. The NESC report serves to reinforce this unhelpful divide.

Undoubtedly the NESC rejection of a purely market driven housing policy and the recommendation of 73,000 new social housing units, if enacted, could have a positive knock on effect for people who are homeless. However banking on a trickle down effect is simply not sufficient in the face of at least 5,500 families and individuals living in emergency accommodation throughout the country.

Two notable omissions in the NESC report are the needs assessment and the rights based approach. In short, the numbers of people in dire housing need is not accurately counted, nor is there a mechanism for ensuring equity in access to housing for these families and individuals; both go unmentioned.

Two notable omissions in the NESC report are the needs assessment and the rights based approach. Noeleen Hartigan

The report rightly highlights the 'challenges associated with ensuring a rigorous approach to the assessment of need and the implementation of an effective system of prioritisation of this need'. However it merely cites the current official homelessness figures, offering no analysis. This despite official Government recognition of a data deficit as well as extensive evidence that the gap between the Local Authority stock homelessness figures and the actual reality of homelessness around the country is simply not credible.

In the revised National Anti Poverty Strategy (2002) the Government, significantly, acknowledged social and economic rights including the right to housing. The strategy made a number of solid commitments on increasing and effectively monitoring access to quality public services. There is no analysis of this commitment in the NESC report, or examination of the need to strengthen existing legislation or policy on access to housing.

On the plus side the recommendation of a defined revenue stream for care supports is welcome. This would allow people to access care while living in private rented and capital assistance scheme accommodation.

## Annette Hughes

DKM Economic Consultants



I wish to concentrate on the first problem listed in the report, namely that "house prices have risen so high that there is a general problem of affordability, except for the very rich" (Page 14). Unless

housing policies address this core problem and result in increasing supply in urban areas and/or reducing demand, the overall objective of improving affordability and delivering a lower market price will not be achieved.

The most recent permanent tsb house price figures showed the average house price for first-time buyers was €220,000 in January 2005. A couple on twin incomes of €30,000 each, purchasing such a house with a 90% mortgage, would pay an annual servicing cost of about €10,600 at current interest rates, which would absorb around 22.5% of income, after tax and PRSI, hardly an insurmountable hurdle for the would-be home-owner. In many parts of the country, 'starter' homes are available at prices below the illustrative figure quoted above. Unless interest rates rise substantially, the affordability problem is not severe, in most areas outside the big urban centres, for couples in employment.



## A lion... or a mouse?

The report proposes policies designed to support savings which would be targeted at those not in a position to raise housing deposits from other sources. The difficulty with this approach is that it would bring forward house purchases, which would add to housing demand and house prices, without dealing with the supply situation.

As far as second homes are concerned, it could be argued that the proposal to recover the full costs from owners of second homes is already happening through the revamped 2004 Development Contribution Scheme. This allows local authorities to determine the contributions to be paid in respect of residential development by having regard to the estimated cost of providing all public infrastructure and facilities in the local authority area, irrespective of whether they impact on the residential scheme in question or not. In any case, because of restrictive planning laws, many of these second (holiday) homes are now located in villages and towns, and are often adjacent to primary residences. We know that approximately one-third of completions are one-off houses in rural areas but we do not know how many of these are second-homes. The other NESC proposal to curtail the demand for second homes (holiday homes only), by introducing a separate tax, will only be effective if it succeeds in diverting resources to the construction of units for primary residences in the areas of greatest need. Maybe there is more merit now in adopting a wait and see approach given recent projections for the housing market which suggest house price growth is expected to moderate this year.

### Donal McManus

Director, Irish Council for Social Housing



The NESC Report on Housing in Ireland was alone never going provide a single solution to homelessness in Ireland, especially if we recognise that homelessness is a multi-dimensional issue. However, the question should be asked – is there anything substantial in the report from a housing perspective that would contribute to alleviating homelessness? Firstly, the recommendation to increase the size of the permanent social housing stock by 73,000 is vitally important. Having an expanded social rented housing stock managed by local authorities and housing associations and targeted at vulnerable groups will provide a much greater range of housing options. Secondly, the report mentions that special needs housing for vulnerable groups often requires complementary on-site social and health supports for tenants. NESC recommends that a defined revenue funding scheme should be introduced to allow organisations to adequately provide special needs housing. However, NESC does not suggest how that most intractable of problems, the co-ordination of revenue funding for special needs housing between government Departments, should be established.

NESC does indeed produce a more thorough understanding of social housing. This should help some commentators and indeed some political parties who still have a limited view of the single solution to housing low income and vulnerable households as comprising simply of building more local authority housing. While it will of course be important to reach a greater critical mass of social housing which can be made available for rent, social housing should in future be viewed in terms of a housing service which may offer different supports to different groups and not just in terms of the bricks and mortar aspects.

After the last NESC Report on Housing in 1988, the Plan for Social Housing was born in 1991. This was indeed a watershed in social housing policy in that it introduced (and to a large extent) achieved a much greater diversity in increasing social housing options such as expanding the role of the voluntary and co-operative housing sector, the increased provision of low-cost sites and the introduction of the shared ownership scheme.

The recommendations on social housing from this NESC Report should be incorporated into a *New Plan for Social Housing*. This would provide a single focus away from the guise of affordable housing.

### Fintan McNamara

Press and information spokesperson,  
Irish Property Owners Association



The latest NESC report on housing in Ireland relates a number of interesting statistics. It notes that since 1992 there has been steady increase in the number of apartments been constructed the Dublin area: 43.5 % of all newly constructed units were apartments with a massive 73.7% of units in the Dublin city Council area. Apartments are also becoming very prevalent in Cork, Limerick, Galway and Waterford. In terms of the future the number of planning permissions has risen dramatically from 25% in earlier years to 41% in 2002. The report notes that rents in the private rented sector have been falling and this is unlikely to be reversed given the huge volume of apartments coming on stream and available for renting to social tenants and professionals

However what investors are widely unaware of are the very poor management structures, which operate in apartment blocks. Not only is the legal documentation governing the management structure defective but also present company law does not lend itself to the type of structures that are required in the running of this type of housing. In fact management companies of apartment blocks have been struck off due to inexperience of the members as to the requirements of present company law. In many case developers do not even establish proper management structures and prospective purchasers end up buying

into a whole set of problems not least being the lack of transparency in relation to the levying of charges and frequency of disputes among close living occupiers. Even more alarming is the fact that where no charges are levied, unit owners face the prospect of the complex becoming run down.

Clearly the regulatory frame work governing apartments needs to be sorted out preferably by self regulation on the part of developers if that is possible. The law reform commission recently have come up with some interesting proposals to rectify some of these problems and government should start a consultation process as a matter of urgency with a view to promoting constructive regulation.

## Michael Punch

Lecturer in the Department of Geography,  
Trinity College Dublin



The NESC report is of course welcome, but it seems oddly muted. This is perhaps an outcome of the process. Given that this report essentially had to be signed off on by representatives of government, business, employers, trade unions, farmers, and NGOs, it is perhaps a wonder it appeared at all, and the arrival at some kind of consensus is in itself an achievement of sorts. However, it is a pity that the model used in the last major NESC review of housing was not adopted here: an independent analysis of the issues and a series of policy recommendations, to which the council added its own response. I can't help wondering what was lost, cut, compromised or otherwise horse-traded out of existence from earlier drafts of this new report through the partnership-style deliberations – perhaps the final product is the poorer for it?

Otherwise, this is a huge report with plenty of interesting analysis and data. The call to reinvigorate the social housing system by providing an expanded and more flexible stock is welcome, albeit the call for 73,000 additional units over seven years simply restates the call for 10,000 units per annum made back in 1999 by the independent Housing Commission Report (Drudy and others). Less satisfactory is the general lack of clear policy departures. For example, the report doesn't really tackle the land question head on. Intriguingly, it mentions in passing the alternative tradition of large-scale public land banking, used in some countries as a means of combining a smooth supply of land with integrated development, but it never offers any appraisal of whether the Irish system needs to adopt such an approach. At the very least, the land question – and in particular the creation of vast windfall profits for lucky landowners in return for no productive activity whatsoever – needs to be resolved as a first practical step towards creating an expanded, flexible, vibrant and diverse non-profit system (whether geared towards needs or operating within a social rental market).

“Transforming our dualist rental system into a unitary rental system offers a huge change in housing options and choice for many households either unwilling or unable to buy into owner occupation. **Dáithí Downey**”

## Dáithí Downey

Policy analyst, Focus Ireland



What is noticeable is how the quality of the analysis and examination of issues in the NESC report is not fully carried through to the suite of final recommendations, extensive as they may be.

The report does challenge current orthodoxies about our housing system. It states boldly that instruments to address the challenges to housing policy and housing performance are to be ‘found in the areas of planning, urban design, infrastructural investment, land management and public service delivery rather than in manipulating tax instruments to alter supply and demand for land or housing’.

Importantly, the NESC begins the argument for cost-rental options on a medium to long-term basis for households with an ‘intermediate’ housing need whose options are otherwise limited to Affordable and Shared Ownership housing which realistically can only support access to owner occupation for 5 to 6 per cent of buyers on low incomes.

Transforming our dualist rental system into a unitary rental system offers a huge change in housing options and choice for many households either unwilling or unable to buy into owner occupation. This means moving away from the current dualist model where cost-renting is restricted within a public rental system, and moving towards a unified model whereby public cost-rental caters for wider and wider groups of households and competes with the private sector in terms of quality, security, choice and importantly rents. This is a strategic direction for future housing policy that requires serious consideration by all actors, particularly government.

NESC neatly side-steps how this might happen and suggests a feasibility study be undertaken. This avoids the thorny question of recommending a redefined housing income support – or more properly – an integrated housing benefit payment that can support access for lower income or ‘intermediate’ general needs households to a unitary rental market.

However, NESC has importantly framed terms of debate and analysis of the Irish housing system that – while somewhat incomplete – is a large advance on current thinking and offers us all the opportunity of a new perspective on Irish housing policy that can meet the challenges of housing contemporary Ireland. ■





# The Rental Accommodation Scheme: an eternal triangle?

The Rental Accommodation Scheme, announced last year, is a new form of social housing involving private landlords, social housing providers, and of course tenants. But how will it work? **Bob Jordan** isn't quite sure.

Bob Jordan is research and communications manager at Threshold

RAS will be tackling a complex problem ... and its framework and rules are not yet well defined

Call it 'social rented' or 'rented social', but the government has confirmed plans to provide a new form of social housing through the private rented sector. The Rental Accommodation Scheme (RAS) is an initiative announced last July whereby local authorities will become responsible for providing long-term housing to people on rent supplement for 18 months or longer. Most recipients of RAS will live in private rented accommodation provided by landlords on behalf of local authorities. Local authorities will engage in contracts with existing landlords and use Public Private Partnership arrangements (PPPs) to ensure a supply of rented accommodation for the scheme. Social housing and housing provided by voluntary housing associations will also be provided.

Almost half of rent supplement recipients are currently eligible for the new scheme – 28,000 out of 57,000 people nationally – and this number is likely to increase as time passes. Health boards will continue to provide rent supplement as an income support to people for up to 18 months and thereafter they will transfer to RAS. Asylum seekers and persons in receipt of rent supplement as a 'back to work' incentive or mortgage supplementation are excluded from RAS altogether.

RAS will roll out in eight local authority areas and will eventually be extended to all local authorities. The transfer of rent supplement recipients from health boards to local authorities will happen progressively over a four-year period ending in December 2008. It is anticipated that the first transfers to RAS will take place in last quarter of 2005. The government has issued several statements and circulars describing the RAS scheme. They have highlighted aspects of the new scheme that are welcome news for prospective participants, most notably:

- Addressing housing need will be subject to more formal planning
- Participants will have their housing needs assessed
- Properties under RAS will be inspected to ensure that they meet minimum dwelling standards
- Participants will enjoy the rights of tenants established under the *Residential Tenancies Act 2004*
- Participants will be assured affordable housing (with rent geared to income) even if they obtain full time employment
- RAS will be regularly monitored and periodically evaluated

Threshold welcomes these features as promising genuine improvements for vulnerable households. But RAS will be tackling a complex problem covering a wide range of housing environments, and its framework and rules are not yet well defined. We are concerned that the development and implementation of the scheme in the coming months could compromise the promised improvements or even create new problems.

Threshold has contributed to the design of RAS by working with a coalition of 42 anti-poverty organisations to identify key areas for reform and by making a submission to both Government departments involved. The Director of Threshold, Patrick Burke, also sits on the National Advisory Group for the scheme. At this stage, the most important areas for discussion under RAS are tenants' rights, procedures for housing needs assessment, the capacity of local authorities to implement the scheme, and how RAS will affect people on housing waiting lists.

## Tenants rights

The most complex aspect of the scheme is a proposed triangular arrangement between local authority, landlord and tenant: the local authority will select tenants and pay the landlord, tenants will pay a rent contribution to the local authority, while the landlord will be responsible for managing and maintaining the property. This raises legal and practical questions for the operation of the scheme.

The arrangement will be difficult to legally reconcile with the *Residential Tenancies Act 2004*. The Department of the Environment, Heritage and Local Government (DoEHLG) has engaged a prominent legal firm to advise on the nature of this relationship and this advice is not yet complete. Threshold is calling for this information to be made publicly available so that the implications can be assessed. According to government officials, the proposed legal arrangement is likely to consist of a tenancy agreement between landlord and tenant, an 'availability agreement' (making the property available to RAS) between landlord and local authority, and an as yet undefined link between the tenant and local authority.

While this arrangement may be legally possible, will it work in practice? Common sense dictates that tenants are likely to consider the local authority to be their 'real' landlord and it is to the local authority they will turn when they have a problem. Equally, a private landlord may be less likely to engage with a tenant they did not select and who does not pay them rent directly. It is therefore crucial that the responsibilities of both landlords and local authorities are clarified and clearly explained to tenants.

All properties will be inspected to ensure they comply with existing minimum standards legislation before becoming part of RAS. While this is welcome, the reality is that existing legislation does not require a standard of housing that reflects today's accepted living conditions. Under the *Housing (Standards for Rented Houses) Regulations 1993* no refrigerator has to be provided, nor central heating, and the landlord

The most complex aspect of the scheme is a proposed triangular arrangement between local authority, landlord and tenant: ...

does not have to supply a cooker, just the means of installing cooking equipment. There is no requirement for fire alarms or extinguishers. Threshold strongly urges the Department of the Environment and Local Government to use RAS as an opportunity to raise standards to a meaningful level.

## Housing needs assessment

At present local authorities conduct a social housing needs assessment every three years but the quality of the assessments and their integration into housing planning and allocation have been criticised. RAS should be used to mainstream best practice in housing needs assessment.

Key elements of the housing assessment should be:

- A thorough evaluation of the size, type, location of dwelling unit that would be appropriate
- At the applicant's request, an advocate of their choice to attend the assessment process
- An independent appeals process
- An assessment of 'additional' needs, be they medical, social or vocational in conjunction with the relevant voluntary or statutory provider.

It would appear that the assessment to be conducted for RAS by local authorities is likely to lie somewhere between the current 'rubber stamping' process for rent supplement applicants and the more exhaustive assessment of social housing applicants conducted by some local authorities. Prospective recipients will complete a form to be submitted to the local authority and additional information will be supplied by Community Welfare Officers to local authority staff. Voluntary organisations are lobbying to be involved in providing support to people being assessed and to ensure that the assessment captures all of the person's needs.

The transfer of responsibility from health boards to local authorities will be a considerable administrative task...

## Enhancing local authority capacity

The transfer of responsibility from health boards to local authorities will be a considerable administrative task, particularly in areas with large numbers of rent supplement recipients. Local authority staff will assume added responsibility for assessing the housing needs of people on rent supplement at 18 months.



RAS represents a promising development in Irish housing policy. However it involves complex and untried changes in practices and in legal relationships.

Without additional resources and training, local authorities will not have the capacity to carry out assessments in an effective manner. Specialised training should be provided staff involved in assessment, and service users and their advocates should be involved in any training programme.

Local authorities will also be entering into contracts with existing landlords for lengthy periods of time as well as underwriting new build Public Private Partnerships (PPPs). Given that landlords in Ireland generally own just one or two properties, the number of contracts to be managed could be daunting. On the other hand, if local authorities seek out landlords with larger numbers of properties to reduce management overheads this could result in high concentrations of rent supplement recipients, leading to 'ghettoisation'.

Moreover some properties will be older and in poor condition. Council staff will need resources to inspect properties and to ensure that properties are regularly maintained.

### RAS and Social Housing

It is not yet clear how RAS will link with the provision of social housing. Threshold is calling on the DoEHLG to ensure that the scheme does not compromise people's priority on council waiting lists to their disadvantage. In particular if a recipient is removed from the list, the regulations should stipulate that they are eligible for re-instatement to the waiting list should personal, family or other circumstances change. More broadly, RAS should provide for a formal review of each long term recipients situation every four years.

When recipients are assessed in long term housing need, their accommodation preferences (e.g. for social as opposed to private rental) should be recorded. Reports should be released at regular intervals on the preferences of the recipients assessed and the extent to which placements matched those preferences.

More fundamentally RAS should never be regarded as a substitute for the expansion of Ireland's social

housing stock. While RAS gives some flexibility in providing for people unable to secure adequate housing out of their own resources, it cannot offer the degree of tenure security and the potential for community involvement possible with social housing.

### Next steps

Some 28,000 out of a total of 57,000 rent supplement recipients nationally were eligible for RAS by December 2004. While there is no evidence yet of Threshold's clients facing a new regime, things are changing in the background. According to DoEHLG instructions 'all local authorities will have put in place the necessary systems during 2005 for managing RAS within their own functional areas and will have commenced the transfer of suitable rent supplement recipients' [Circular HPPS04.01]. Further, the government has stated that by the end of 2005 some 5,000 rent supplement recipients will have been transferred to RAS [Department of Finance, *Public Capital Programme 2005*, p. 72].

...only massive investment in social housing by government can truly achieve social inclusion in housing.

RAS represents a promising development in Irish housing policy. However it involves complex and untried changes in practices and in legal relationships. The scheme must guard tenants' rights established under the *Residential Tenancies Act 2004* and raise the bar where possible. RAS must not be used as a quick fix solution to the housing crisis. As Threshold, the National Economic and Social Council (NESCC) and others have pointed out, only massive investment in social housing by government can truly achieve social inclusion in housing. ■

# Sophia Housing Association

Sophia Housing Association provides housing for people on low incomes with a range of different supports that are tailored to people's needs.

**Fran Cassidy** and **Simon Brooke** went to Ballymun to find out more.

It's a brisk March morning in Ballymun as we negotiate noisy roadworks and turn with some relief into the quiet estate where Sophia Housing is based. Melissa greets us cheerily and makes us comfortable until Ann Thomas's arrival. We are here to learn more about Sophia Housing's outreach and supportive housing projects, which are different ways of enabling people to make the transition to fully independent living.

The premise is that in many instances it is better to allow people to move into the accommodation in which they will eventually settle, and work with them there rather than first putting them through 'conventional' transitional housing where people live for 18 months or so before moving on to their own home. It is an argument that accords with conclusions reached by Brian Harvey in research on various resettlement models within the EU in which he

compared normalisation, tiered and staircase approaches<sup>1</sup>. In theory the normalisation approach seems simple and sensible; advantageous to homeless families and individuals, and, after the initial outlay, cost effective for local authorities.

'I must say I find this a model way of working' Ann enthusiastically asserts. 'It was an approach I liked from the start. The families or individuals have gone through a lot of trauma either sleeping rough, in B&Bs or whatever, and it's a bit of normality getting their own house with their own keys. A certain amount of independence, although they know that there's somebody overseeing them. Some of them become very house-proud; they paint the house, decorate the rooms, and even put in wooden floors. They can't do that in transitional housing. This approach gives the person or family an incentive to put down roots. The children go to a school and know they can settle there.'

Fran Cassidy is a writer and researcher currently working at the Ana Liffey Drug Project

...it's a bit of normality getting their own house with their own keys.

<sup>1</sup> *Models of resettlement for the homeless in the European Union* by Brian Harvey, in **Homelessness: Exploring the new terrain** edited by Kennet and Marsh, Policy Press, 1999.





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Undoubtedly a problem with some transitional housing is the frustration and institutionalisation experienced by some residents who feel that their lives are on hold as they await permanent accommodation,

families being supported do not necessarily become tenants of Sophia housing. Ann explains, ‘in Ballymun the families who don’t become our tenants prove harder to work with. If we were their landlord and had a licence agreement we’d have much more leverage, which we can use to encourage the family to change and engage with the service, whereas on outreach we don’t have that, so often we have to withdraw because it’s just not working. That’s the downfall. If the family decide they don’t want us anymore or they’re not co-operating there’s very little we can do. Dublin City Council are looking at the caretakers approach that we’ve done with Fingal, which is better and simpler.’

and the question arises as to whether transitional housing is ever necessary.

‘I suppose you need some transitional housing, especially for more chaotic people. In one way the transitional unit is easier to manage because people are confined within the complex. We have one family, the mother has a learning disability, and while she’s very open and willing to work with us, her young boy has very bad behaviour problems and she’s not able to cope, so a transitional unit would be ideal for her. On the other hand, when people are living in their own house with support it’s more real. They don’t have somebody watching who’s coming in and out, they don’t have hands on support twenty-four hours a day, and in a way I think that’s better. I think it’s more normal. There might be issues with the transitional housing unit where people have worked quite well on a problem in transitional housing but then struggle with the reality of being left on their own with their own house to manage.

‘But there is a place for a mixture and some families themselves would say that only for the initial transitional support they mightn’t have managed a supportive housing programme. Maybe people who initially need twenty four hour monitoring or are particularly vulnerable are the ones who benefit from transitional accommodation but for many supportive housing enables them to succeed more than the transitional approach.’

As project co-ordinator for Sophia Housing in Donabate and Ballymun, Ann has experience of both approaches. Sophia Housing has a transition unit in Donabate and owns seven units of housing in Ballymun. It also works with Fingal County Council primarily in Donabate and Mulhuddart, and with Dublin City Council in Ballymun. The caffeine Melissa provides proves useful as we untangle Sophia’s slightly different working relationship with the two local authorities.

In Fingal the family/individual being housed becomes a tenant of Sophia Housing with Sophia acting as ‘the caretaker’ and receiving the rent until they have finished working with the family/individual in question who then become tenants of Fingal County Council.

In Ballymun Sophia has a family support outreach service funded by the local Drugs Task Force for tenants of Dublin City Council. Unlike Fingal, the

According to Ann, Sophia’s approach works best when there is a pre-tenancy work done if the family/individual are homeless prior to moving in; when there is a licence agreement – often with special conditions attached – provided for all tenants, and when there is a three month probationary period.

‘The pre-tenancy agreement really developed by accident. We started interviewing families for housing in Ballymun but their move-in date kept changing. As the support worker I met the families in the interim and we realised that it was helpful to lay groundwork prior to moving in. Pre-tenancy allows the support worker to get to know the family or individual. On a practical level we can do a lot. We can go to the CWO, with whom we have a good relationship, to sort out money and how it will be transferred – sometimes their payments are made directly to Sophia, it really depends on how able they are to manage finances. We can help them choose furniture and other necessities. School could be another item on the agenda – if the children were going to school where their B&B was, we would try to get local schooling. Another thing is if people are on methadone and attached to a clinic, we can help them getting transferred to one nearer their new home.

‘The pre-tenancy also gives us an opportunity to go through the licence agreement and to stress its seriousness and the danger that you can be evicted. I think when some people come to a housing association they think that’s it, we’re here and we won’t have to comply, and I suppose we’ll say that it’s actually harder because we visit so regularly and things will be noticed.’

And the licence agreement?

‘While the licence agreement is standard and was overseen by our solicitor, I think flexibility is the key as no two cases are the same – they might present the same, and seem the same on paper but they work out very differently. What are tailored to the residents are the special conditions that we would draw up for the individual or the family. I suppose half of our clients would have special conditions. Some might be to do with school attendance for the children; it could be that a son or daughter doesn’t live in the house; another might be that somebody continues going to their clinic or that they remain drug free.

‘If we are the caretakers there would be a three month probation period where people would be

aware that they could be evicted if there were any major issues or they broke any of the terms of the licence agreement.'

Does this arise often?

'For me it would be their willingness to work with us that counts. I think everybody is allowed a lapse, and maybe with drug addiction the lapse happens more than once, so while in the licence agreement it might say eviction, I think we look on each case individually and I think that's the key to it. We'd have very strong policies, but there's a flexibility within it that is tailored to the needs of the individual. If you had somebody who lapsed two or three times they could still be in the accommodation and doing fairly well compared to what they were before.'

How does the support operate?

'We'd always be working trying to link people in to the resources in the community. We seek out groups that might benefit the parents or the children, like after-school programmes or women's groups and link our residents in. We often end up as the co-ordinator of all of the services, because we'd link with the school, the social worker, speech and language therapists, child psychologists, the public health nurse if say there was a baby or young child who needed injections. If it's a clinic we could link in with that, or if there are budgetary problems it might be MABS. You could be going with them to the doctor's appointment, some families are scared of things like that. A lot of the families we work with in Ballymun are people who were evicted from the area but have remained in their support services, for example the schools, the local social workers or Domville House (a drug addiction service), so it is good to try and house these people back in the area. So a lot of our work would be liaising with our residents and professionals or sometimes calling a professionals meeting about a case.

'**A**nd we visit the homes of course. Because cases are different, our approach is tailored to the individual or family. You're there maybe half an hour or an hour on each visit, sometimes it's longer depending on what's happening, and then you pull away. It could be daily at the beginning; it could be twice weekly – we're open to whatever the need is. One single man we visited initially three days a week. It's now weekly and if we feel he's slipping it could be back to two days a week.

'We've another family we currently visit three times a day, getting the children to school, helping make lunch, and generally making sure everything's going okay. We try and get the extended family involved and encourage them to do some cover at the weekend.'

And how long would these interventions carry on for?

'In Fingal most of the families got through their three-month period quite well, and the amount of time they spent with us altogether varied from six months to a year, although for a family who have multiple problems, you'd probably work with them for longer. We generally visited twice a week initially, then once a week and for one or two towards the end once a

fortnight. After that it was a very easy changeover. What we did was write to Fingal County Council to state we felt that the family were very settled, had come up with no issues, and that we would be happy to hand the tenancy over to them. And within a week of them getting the letter, Fingal called the family in and they signed over.'

After you withdraw from the family and they are settled, do you go back in if problems reassert themselves?

'We do say when we're finishing with a family that if anything happens in the future we'd always consider a re-referral, so yes we would be open to re-working with them, dependent on staffing levels and other factors.'

Where do referrals come from?

'In Fingal, the homeless co-ordinator, John Burke, who has been very enthusiastic, originally would have referred families who were homeless to us and we interviewed them. Some of the families we are working with have said it to other families and they get whoever is working with them to send in a referral. And some come through addiction organisations, in Domville House here at the clinic there's a programme for women on methadone Star project, and they would refer. We've also had some referrals from Simon and other groups as well.

'Dublin City Council are looking at ways to be preventative, to get us in with families facing eviction to work with them and then to transfer with them when they move to the new housing.'

Are there particular types of people that the process wouldn't work for?

'I think everybody is entitled to a chance, I think the only thing that would put us off trying to take an individual or family is if they're not willing to engage with us. I think if there's a willingness to engage there is a hope that whatever the reason for their homelessness, their anti-social behaviour or their drug addiction, they can be worked on to a level that's acceptable.'

Before leaving we ask what could be improved.

'It is great having a base in the area to bring families together, but what we would really love is more space for the women's group and fun club. It would be great to have a focal point to bring tenants together in Ballymun. If you have x number of units it's good to have somewhere nearby that tenants can call to if the need arises. Sometimes it's not always appropriate to be working in the home. There are some families for whom it would be great if we had our own childcare facilities and we could monitor for example how the children are interacting with one another. We'd suit each project to the needs of the local area.'

But you'd like to see the project expanding?

Ann smiles. 'I'd love to see it expanding.'

We thank Ann and Melissa and take our leave. Driving back we pass a thirty-year-old tower block that will be demolished in five seconds the following week, a salutary reminder of the importance of well thought out housing strategies. ■

**We'd have very strong policies, but there's a flexibility within it that is tailored to the needs of the individual.**



# CornerStone Questionnaire

Derval Howley

Director, Homeless Agency

**When and why did you first get involved in the area of homelessness?**

My parents instilled a great sense of social consciousness in us. Our home had an open door policy and so we encountered a great range of individuals from a variety of backgrounds and circumstances some of whom would have experienced homelessness.

**Has your understanding of homelessness changed since then?**

Yes. Since then, I have undertaken a PhD on street begging in Dublin City, worked with adults who were homeless and had a learning disability, and also worked as an research/outreach worker with Dublin Simon. These experiences have made the issue, causes and consequences of homelessness more real.

**What one policy initiative would make the most difference to homeless people?**

Changing the way we think, and instead of planning how to manage homelessness, planning how to end it. The Homeless Agency has already moved in this direction. Now the challenge for us all will be to implement policies accordingly.

**What have you learnt from homeless people you have met?**

While I was undertaking my PhD I used participant observation, which meant I spent time on the streets with others begging. I began by introducing myself to others begging, and explaining that I

hoped to study what it was like to beg on the streets. I then asked their permission to beg alongside. By being open and frank about my reasons for being there, I developed friendships with a number of great individuals. The most important things I learnt from this was the great loyalty and support that exists amongst homeless people, the need for everyone to be treated with respect as an individual, and also something which I had not expected – the great humour, sometimes black, that still remains with people regardless of their circumstances.

**Do you think that poverty and homelessness will always be with us?**

I believe we can and will eliminate long term homelessness and the need for people to sleep rough through the implementation of the Homeless Action Plan. However, there will always be an element of short term homelessness. The challenge for us will be to ensure that there are supports in place to prevent entry into homelessness, and that there are no blockages to exiting homeless services.

**Can you think of anything we can learn from another country about tackling homelessness?**

I think we are learning particularly from the United States and the UK. For example, the National Alliance to End Homelessness developed a ten year plan to end homeless similar to that now being implemented in Dublin. Its primary focus is on closing the door

into homelessness through reversing the incentives within mainstream services to enable them to develop preventative strategies, and on opening the doors out of homelessness through the provision of housing, and where necessary tenancy sustainment support.

**Can the voluntary sector do anything that the statutory sector can't do?**

In the past the voluntary sector has been to the fore, usually at the campaigning stage, of highlighting emerging issues which have not yet been taken on board by the statutory sector. Within homelessness, the voluntary and statutory sectors are now working much more closely together in partnership driving a solution focused agenda to address the remaining gaps in service provision for individuals.

**What would you do if the homeless problem was solved and you were no longer needed?**

I would apply for a job in Alice O'Flynn's bookshop/café. (Alice's response to this answer in Cornerstone Issue 22 was 'If I did not have my job and could get some finance I would open a bookshop and café that played great music, fantastic food and inspirational art on the walls!' Ed)

**Do you give money to people who are begging?**

If I have time I would stop and chat, if they were hungry I would get a cuppa or McDonalds. ■

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