Paper on Costings for Housing Supports

This paper has been prepared in response to a request for costings to assist the deliberations of the Expert Group on the Provision of Support, including Accommodation, to Persons in the International Protection Process

Introduction

1. The Department of Housing, Planning and Local Government has been requested to assist the Department of Justice and Equality on behalf of the Advisory Group on Direct Provision in respect of costing the provision of short term own door accommodation to residents of direct provision centres. In reviewing the request, it seemed appropriate to provide a short overview of relevant points regarding the operation of the social housing system to inform the Advisory Group’s work developing approaches to supports and systems for those in Direct Provision.

2. It is also important to understand the relationship between Government Departments and the local authority sector. Local authorities now engage with multiple different Government Departments on issues as diverse as roads and transport, climate change, flood protection, community development and enterprise supports. Policy and funding responsibility rests with the relevant Government Department.

3. This note also includes an overview of some of the various housing support and delivery methods at Appendix 1 and an overview of this Department’s and the local government’s sector’s work regarding housing for refugees under the IRPP programme at Appendix 2 with costings to follow when available.

The Department looks forward to meeting with the Advisory Group at a future date to answer any questions it may have.

Costings request

4. The Department of Justice and Equality request sought :-

- Local authority costings based on the provision of short term accommodation for the total population in Direct Provision Centres as at 31 December 2019 for one year per the breakdown of families provided, with any initial upfront investments and ongoing costs
- Approved Housing Body – average costs across a sample of AHB’s or a sample scenario – to note the DHPLG has provided LA costings which would be very similar – more detailed AHB costings would take some time to compile across the different programmes.
- IRPP - Programme and ongoing administration costs related to the Irish Refugee Protection Programme (IRPP) (to be provided at a later date)
Housing Market Context

5. The housing market in Ireland is broadly made up of privately owned homes, private rental, and supported housing (either through Local Authority or Approved Housing Body provision of housing or via the private rental market supported by the Housing Assistance Payment). At present, demand for housing across all tenures significantly outstrips supply and this has led to increased prices both for rental and sale.

6. This paper highlights the key features of the current housing market and the system of supports currently operational in that market to provide context and data to support the Department of Justice and the Expert Group on the provision of Support to Persons in the International Protection Process in their development of a system of own door accommodation for asylum applicants for the duration of their residence in the Direct Provision system. A separate legal base and regulatory framework would likely be required for such a system.

7. Provision of own door accommodation for Direct Provision residents for the duration of their application process would put increased pressure on existing housing supply given current capacity constraints. It is unlikely that any one form of tenure alone would currently have the capacity to meet the estimated needs for Direct Provision residents, and a blended solution will likely be required. It is equally likely that provision of own door accommodation on the scale required would require several years to implement.

Summary of high level costings

8. The DHPLG has reviewed the request for costings and notes that, based on the costs of providing accommodation through some of the DHPLG programmes, it would be reasonable to estimate capital costs for provision of own door housing through a build programme, based on the figures provided by DJE of 7685 individuals, at between €680m to €1.03bn, depending on whether singles were accommodated in shared accommodation or single occupancy accommodation. It would be appropriate to also allow for approximately 30% to 40% additional management and maintenance costs over the lifetime of the property. The capacity of the construction sector to meet this additional requirement over and above the existing output planned in the private and public sector would need to be considered.

9. If the entire cohort were to be housed by means of acquisition in the private market, costs would be broadly similar, at between €663m to €1.06bn. Again, ongoing annual management and maintenance costs would apply of approximately 30% to 40% over the lifetime of the property. However, the potential effects of pursuing an acquisition option in an already constrained housing market would need to be considered and this is discussed further below.

10. A further option would be to source accommodation in the private market. The DHPLG estimates that provision of accommodation in the private market for the cohort, through a solution akin to the Rent Supplement or Housing Assistance Payment type models, would

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1 These capital costs would be in the same range whether built by a local authority or approved housing body build so separate figures have not been provided. However, a deeper costings exercise may need to be carried out if the programme was AHB led as financing and management fees would need further consideration.
cost in the region of €26m to €49m per annum, if households were to locate primarily in the Dublin region. If a regional spread is assumed, the costs would be approximately €16m to €28m. Additional administration costs would lie in the region of €1.2m per annum. The potential for these costs to rise significantly as further applicants were added to any new system is noted, and the impact on the overall rental market of accommodating an additional 7685 individuals would also need to be considered.

11. The DHPLG has also provided costings in relation to our leasing model, which may be of assistance. The DHPLG operates standard and enhanced leasing models (see Appendix 1 for details). The cost to provide accommodation to the cohort through leasing would be in the region of €29m to €42m per annum. The same observations would apply in relation to the potential for these costs to rise as the numbers of applicants is not static.

12. The costs above are very much high level given the time allowed to compile same. Information regarding the assumptions underpinning the figures and the caveats pertaining to them is set out later in the paper and further detail is provided in later sections and in Appendix 3. A further deeper exercise will need to be done by the DJE, pending policy decisions in the area, and further factors in relation to the housing market itself outlined below will inform those decisions.

Short-term housing needs

13. The Social Housing system provides long term supports and is not considered to be an appropriate system for the provision of accommodation to asylum applicants for the short term duration of the application process.

14. Those with short term housing needs may access rent supplement through the Department of Employment and Social Protection, if they meet the criteria for same, and their eligibility for such support is reviewed at intervals. Rent supplement is a direct income support paid to the applicant and it is linked in with DEASP unemployment services. Applicants who remain on Rent Supplement after 18 months can transfer over to long term social housing support which will generally be the Housing Assistance Payment if they meet the relevant eligibility criteria. Rent Supplement has played a key role supporting applicants whose employment has been affected by the COVID 19 Pandemic (including through incorporation of significant flexibility regarding eligibility), and represents an important early stage intervention to counter the impact of time bound shocks such as an economic downturn or loss of a major employer.

Long-term housing needs

15. The social housing system provides long term housing supports to those who are unable to provide housing for themselves from their own means. Once an applicant is approved and allocated a social housing support, this support is not reviewed and will normally not be removed, except in cases of breach of tenancy agreements. It is clear that long term

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2 It is assumed that DJE are costing rent supplement through the Department of Employment and Social Protection but if not, note that Rent Supplement costings are likely to be similar to those for HAP
social housing eligibility has not been established where Direct Provision residents are still working through the application process.

16. While the traditional model of social housing in Ireland is usually thought of in terms of local authority owned social housing, financed by the Exchequer, the methods of provision have broadened over the years to endeavour to keep pace with the increased demand for social housing. The spectrum of supports are set out in s. 19 of the Housing (Miscellaneous Provisions) Act 2009 and comprise various types of social housing supports, such as Housing Assistance Payment (HAP) for housing in the private sector, long term social leasing\(^3\), the rental accommodation scheme and Traveller accommodation, as well as the traditional social rental model of housing through local authorities and also through Approved Housing Bodies.

17. Residents in HAP, RAS and Approved Housing Body owned accommodation, as well as residents in receipt of Rent Supplement, are tenants and, as such, their tenancies are governed by the Residential Tenancies Acts (2004-2019). Tenants enjoy a range of protections through the Acts and have recourse to regulatory and quasi judiciary services provided by the Residential Tenancies Board. The status of residents in Direct Provision and the associated obligations of both tenant and landlord would need to be considered in this regard.

18. Approved Housing Bodies (AHBs) are independent, private, not for profit organisations, formed for the purpose of relieving housing need. Under legislation, housing bodies are granted approved status by the Minister for Housing, Planning and Local Government under Section 6 of the Housing (Miscellaneous Provisions) Act 1992 for the purpose of being able to receive funding from local authorities to provide social housing. These bodies will be regulated under the Housing (Regulation of Approved Housing Bodies) Act 2019, once commenced.

19. The AHB regulatory framework currently operates in the context of provision of social housing – the objectives, standards, funding and performance requirements for Direct Provision own door accommodation would require a separate framework and legislative underpinning if delivery via AHB is envisaged.

20. To date, AHBs have focused on acquisition, including turnkey acquisition, to meet social housing demand. The level of AHB new build is low, with 183 build units delivered in 2018 and 142 in 2019 by AHB’s. If AHBs are being seen as potential delivery vehicles for Direct Provision own door accommodation, it will be important to be clear regarding expectations of new build supply and also regarding the impact of acquisitions for Direct Provision on the availability and price of suitable acquisitions for social housing and private housing purposes, given the overall shortage of supply in the market. This impact could be mitigated by focusing on acquiring and upgrading older and derelict properties (including “over the shop” properties) as a source of own door accommodation for Direct Provision. This would align well with the National Vacant Housing Reuse Strategy 2018-2021.

\(^3\) See Appendix 1 for further information on social housing delivery models
Allocation of Social Housing

21. It is important to understand that while the models of provision of social housing are now more diverse, the assessment process continues to be done in a uniform way, with all applicants required to undergo the same assessments under the Housing Acts and meet the same criteria. Once assessed, the allocation of social housing support to qualified households is a matter for the local authority concerned and must be done in a fair and transparent manner, in accordance with its allocation scheme made under Section 22 of the Housing (Miscellaneous Provisions) Act 2009 and associated Social Housing Allocation Regulations 2011, as amended. This legislation requires all local authorities to make an allocation scheme which specifies, among other things, the manner of, and the order of priority for, the allocation of dwellings to households on the housing and transfer lists.

22. Under Section 22, an allocation scheme shall apply to dwellings owned or under the control of a local authority, as well as dwellings provided by Approved Housing Bodies to whom assistance is given under Section 6 of the Housing (Miscellaneous Provisions) Act 1992 for the purposes of such provision. Therefore, in a typical situation where an AHB is fully funded to build or acquire housing, the local authority then has the right to nominate people from the Social Housing Waiting List to be the tenants in that housing in accordance with the local authority allocation scheme.

23. The local authority assesses housing applicants and, if eligible, the authority then prioritises the needs of approved applicants in accordance with its allocation scheme. In their allocation schemes, local authorities may prioritise certain classes of households for allocation on the basis of severity of need. For example, people with medical needs, older people or people with disabilities may be prioritised. The making of an allocation scheme is a reserved function and therefore the Elected Members (Councillors) must approve any scheme. Any change to the categories of priority would require adoption of a revised allocation scheme by the elected members of each local authority concerned.

24. It should be appreciated that many very deserving cohorts seek priority for housing. The question of the person’s actual need in respect of housing is looked at on a case by case basis. For example, people with medical needs must provide consultants reports and occupational therapists reports advising what specific type of housing they require. Housing authorities are frequently faced with very challenging decisions around allocations which they make while balancing large volumes of priority applicants and against a backdrop of housing scarcity. The Department of Justice and Equality would need to consider its approach to allocation in the context of own door accommodation for Direct Provision Residents.
Social Housing Waiting List

25. At the time of the last Summary of Social Housing Assessments in 2019⁴, there were 68,693 households waiting for local authority or approved housing body (AHB) provided housing. All of these households had been assessed as being entitled to social housing supports but had not yet received supports. The four Dublin Authorities (Dublin City, Dún Laoghaire-Rathdown, Fingal and South Dublin) accounted for 43.2% of the national total. One-adult households were the predominant household grouping in need of social housing support. The 55,000 or so Housing Assistance Payment recipients are also entitled to go on a transfer list if they wish to avail of local authority or AHB housing when it becomes available. Over 27% of those on the social housing waiting lists are waiting more than seven years for local authority or AHB housing.

26. There have been an average of over 10,000 individuals in homeless emergency accommodation over the past twelve months. In April 2020, the number reduced to 9,335, which included 1,339 families and approximately 4,300 single adults. As such, at a minimum, over 5,600 properties are required, utilising the various available social housing supports, to exit these families from emergency accommodation, while regular presentations to homeless services continue. The challenge in reducing homelessness relates to the availability of properties. It is evident the supply of housing currently available is not sufficient to meet current demand for social housing.

Current housing policy regarding People with Leave to Remain transitioning to accommodation in communities

27. The housing policy position has to date been that only asylum seekers who have had their claims heard and have received permission to remain in the State, whether through achieving refugee status, receiving subsidiary protection or humanitarian leave, can apply for social housing supports. This is consistent with the position of refugees under the IRPP programme who have already received refugee status prior to arrival in the State.

28. It is not considered appropriate from a policy standpoint that long term social housing supports be provided to applicants who have not secured leave to remain in the country. Short term supports for the duration of the application process provide flexibility to respond to the range of possible outcomes of that process. Longer term supports are considered more appropriate where an applicant’s long term position has been determined. Provision of long term housing supports where an applicant’s long term position has not yet been determined may lead to significant difficulties at a later stage if an application is declined.

29. The scale of accommodation required is a function of the assessment process, and as such is directly proportional to the rate of entry of applicants, the speed of decision making and the time taken to relocate successful applicants or deport unsuccessful ones. As of May 2020, there are just under 1,000 persons with status or permission to remain residing in accommodation centres provided by the International Protection Accommodation Services and they are all likely to be eligible to take up social housing supports.

30. It is understood that continued availability of Direct Provision accommodation and support for this cohort can act as an economic disincentive to engage with the social housing process. Addressing this anomaly will be critical to ensuring the required rate of throughput and the avoidance of overcrowding in Direct Provision centres or own door accommodation. Any operating model that seeks to provide own door Direct Provision accommodation would need to address this imbalance if throughput is to be maintained. The operating model would also need to be mindful of the potential for residents to obtain the status of tenants as understood by the Residential Tenancies Acts (2004-2019).

31. In early 2019, a working group including the County and City Management Association (CCMA), the Reception and Integration Agency (RIA) (since renamed the International Protection Accommodation Service (IPAS)), and the Department of Housing, Planning & Local Government (DHPLG) was established to develop an approach to assist those with status to move into longer term accommodation. This working group produced an Information paper on supporting people with status/leave to remain in April 2019, with an approach to distribution of applicants across local authorities similar to that of the IRPP based on the numbers of just over 700 persons with leave to remain who were in Direct Provision at the time.

32. Through a co-ordinated approach, considerable work was undertaken to ensure that people with status to remain in Ireland were assisted to move into longer term (non direct provision) accommodation. Where persons with leave to remain are experiencing difficulty in locating longer term accommodation, the International Protection Accommodation Service (IPAS) have a specific team who work on this area and link with NGOs in assisting those with status. The main role of the NGOs is to offer a case management approach to assist residents find accommodation (mainly HAP), resettlement support and tenancy sustainment. This aims to reduce the level of people with status who may present as homeless.

33. Residents of IPAS accommodation who have been granted status or a permission to remain have the same access to social housing supports and services as Irish and EEA nationals. Where no specific housing requirement exists, the Housing Assistance Payment (HAP) scheme is the recommended exit mechanism for households exiting Direct Provision. HAP is a support that is immediately available to qualified households; that does not require a person to have been on the social housing waiting list for a lengthy duration; that facilitates employment; and can allow for inter-authority movement as appropriate.

34. Once social housing eligibility is confirmed, that person will automatically be eligible for the HAP scheme and a HAP pack is provided by the Local Authority. For people coming from Direct Provision, the tools available under Homeless HAP may be made available as appropriate on a case-by-case basis. If an applicant chooses to wait for local authority or AHB housing instead of availing of HAP, they will have to join the same waiting list as all other applicants for social housing support.

35. To assist the Department of Justice’s accommodation services, a housing expert has been seconded from the local authority sector to work with them. This placement has been welcomed as the co-location with expert staff from each area working closely together is considered the most efficient way to coordinate and efficiently & effectively deliver the range of services required for applicants. Local authorities are reporting improved
interactions with IPAS and NGO’s and the seconded expert is ensuring that issues that can be resolved are done so quickly.

36. **An interagency Oversight Group** is in place involving Department of Justice, Department of Housing, Planning and Local Government, DEASP, City and County Managers Association (CCMA) and four NGOs to manage the assisted move-on figure of persons with status. An agreement is in place to review the initial model agreed with CCMA and Department of Housing in relation to an ongoing requirement for this target group.

37. Throughout 2019 and into 2020 the collaborative effort to support persons with status moving from direct provision into community housing was advanced. It is considered by all that these joint efforts have been quite successful to date and it is expected that increased numbers of move on’s will be achieved in 2020.

**The Rental Market**

38. The private rental market has for a long time, been used to deliver social housing support, originally through the administration of Rent Supplement via the Department of Employment Affairs and Social Protection, which continues to be the main source of short term income support available to address housing needs, and subsequently, through the Rental Accommodation Scheme (RAS) and the social housing leasing schemes, and more recently through the Housing Assistance Payment (HAP) Scheme, all of which contribute to the increasing demand relative to supply for the private rental sector.

39. Some of the short term needs associated with Direct Provision residents could be met through the rental market. Successful social housing applicants are immediately eligible for HAP payments and some Direct Provision applicants could be accommodated in a similar manner. Where applicants have access to the labour market, support through a scheme such as Rent Supplement could also be considered.

40. HAP is dependent on the recipient finding an appropriate tenancy in the private sector. However, the upward pressure on rents and lack of supply of rental property again makes this very challenging. Based on the current cohort of over 7,500 in direct provision and noting 2019 asylum applications figures at 4,781 new applications, this would mean very significantly increased level of demand and competition for private rental accommodation and could lead to affordability issues for those in vulnerable situations and with low incomes.

41. Given that supply is severely constrained in the short term, it follows that a shortage may occur in some markets, as demand increases and supply is unable to adjust. The addition of up to 5,000 Direct Provision households into the market immediately and the subsequent demand that would arise in future years could have a displacement effect for low to medium income families currently in rented accommodation. The capacity of the private rental sector to reliably provide accommodation into the future at the scale and in the locations required would need to be carefully examined and considered across Government, in consultation with relevant stakeholders. The willingness of private landlords to enter into tenancy agreements with asylum applicants whose long term status has not yet been determined would also need to be considered.
Sourcing of Own Door Housing

42. The issues re provision of own door housing to applicants for asylum are compounded by the wider constraints in the housing market. The DHPLG, through Rebuilding Ireland, has been working with Local Authorities and Approved Housing Bodies to accelerate supply of new build housing with as much speed as possible however achieving the current scale of delivery of social housing has been time consuming and challenging. It requires scaled approach, building capacity year on year. Considerations around land, location and funding have to be carefully balanced, as too must the issue of supporting sustainable communities. The task of providing social housing without disrupting the supply of private market housing also requires careful management, bearing in mind that generally the same builders and supply chains are drawn on for private and social housing. The optimum solution would be a blend of new supply and existing accommodation, paced to match capacity. The Advisory Group may wish to note that a solution which prioritises either new build or reuse of vacant stock would be preferable.

43. Rebuilding Ireland has focused increasingly on building new housing with a build target for 2020 of 7,736 units and a relatively small acquisitions target of 800 units. Achievement of these targets has been made more difficult by the outbreak of the COVID 19 Pandemic.

<table>
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<th>Year/Category</th>
<th>Target 2020</th>
<th>Target 2021</th>
<th>Overall 2016 to 2021</th>
<th>Target 2021</th>
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<td>Build</td>
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<tr>
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<td><strong>Overall Total</strong></td>
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<td><strong>22,157</strong></td>
<td><strong>140,793</strong></td>
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</table>
Premise for the costings exercise

44. It is important to note that, while the costing exercise being conducted is in relation to the current occupants of direct provision numbering approx. 7,500, this is not a static number and each year there will be new applicants. There is no cap on the number that may apply. In 2017, there were 2,926 applicants, in 2018 there were 3,673 and in 2019 there were 4,781, so any costings exercise should be seen in the context of the trend over the last three years for increasing numbers of applicants for asylum and the likelihood these numbers may increase further. Therefore, while costs are presented for the current cohort as requested, there will also be an ongoing yearly cost for new applicants, which is difficult to cost as the numbers are unknown, but could reasonably be projected at circa 5,000 applicants per year with a household level of approximately 3,000 homes required, depending on throughput potential.

Costings Assumptions and Caveats

45. The following costings are based on averages in the DHPLG systems for social housing units. This means that the units have been procured for households with a long-term confirmed housing need. An additional figure of up to 30% should be added to build and acquisition costs to allow for ongoing management and maintenance. Administration costs for local authorities have not been included here given the short timeframe for data.

46. It is assumed that Rent Supplement costs would be similar to those for HAP. DEASP can confirm costs in relation to Rent Supplement if those are required. Costs cited in this document are based on actual expenditure rather than rent limits, and take into account the application of discretion. It should be borne in mind that at present, exits from Direct Provision for those with leave to remain in the Dublin area will have access to Homeless HAP if needed and this pushes up the tenancy costs.

47. HAP and Leasing costs are annual and would need to be understood as recurring. All costs quoted are subject to inflation. The leasing model is explained further at Appendix 1 but, briefly, it refers to a scheme which allows Local Authorities and Approved Housing Bodies (AHBs) to lease suitable properties from the private sector for periods of between 10 to 25 years. Standard leasing arrangements can cater for new builds or second-hand homes, with the Enhanced Leasing Scheme targeted at newly built or yet to be built homes.

48. Crucially with HAP, Differential Rent is collected by the Shared Service Centre on behalf of the local authorities and directly funds costs. These costings assume a similar household contribution will be made by Direct Provision residents. If not, then these costs will need to be increased. At the moment for over 55,000 households in HAP, some €12m differential rent is collected monthly. The rate of contribution is based on income etc. and DJE may wish to consider whether and how rent levels would be factored into costs in a Direct Provision scenario.

49. The HAP system currently provides for an increase of up to 50% in costs quoted to enable properties to be obtained in Dublin or 20% outside Dublin. Build, acquisition and lease costs are based on the current distribution of demand and available property throughout the country. Any scheme introduced to accommodate asylum applicants would need to
factor in regional variations to costings depending on the locations decided for the provision of own door accommodation.

50. With regard to local authority Acquisitions and Build, costs quoted are national averages including Dublin and are based on actual expenditure averages (see Appendix 3). Therefore, what might strike a reader as unusual is that the average 3 bed costs less than the average 1-bed. This has to be understood in the context of social housing meeting demand in specific areas and regions. Factors including apartments versus houses, and the availability of scale can have impact on these numbers. i.e. a low number of high cost 1-bed units in Dublin versus a high number of rural 3 bed units.

51. From our understanding, there are considerations about this being an AHB led initiative. The costs provided assume that the costs are the same regardless of whether it is an AHB or LA led unit. No management, maintenance or wrap around costs are included and these would need to be explored in a further exercise if an AHB led solution is being considered. Costs quoted are purely the rent or procurement costs. There is an additional financial structure in place for AHBs to build or buy homes using a combination of capital and current funding- the Capital Advance Leasing Facility- CALF. DHPLG have not distilled any costs for this mechanism as to do so would require a lot more detail in terms of location and market rent assumptions.

**High level Costings**

52. Subject to the above caveats and assumptions, high level figures estimate that provision of own door housing for the current cohort, through either build or acquisition, would cost between €1.03 billion and €1.06 billion. Further administration and maintenance costs are not included but a reasonable estimate would be approximately 30% to 40% of the overall cost over the lifetime of the property. This high level estimate would apply to either Local Authority or Approved Housing Body provided housing and accordingly AHB costs are not provided separately. The sourcing of finance would vary in an AHB model.

53. If housing was provided in the private sector through models similar to Rent Supplement or HAP, the high level figures estimate costs of between €29m to €49m per annum for a HAP type model (depending on the location of the tenancy), with a figure of between €1.7m to €2.4m for annual administration costs. Costs would vary year on year in this model as the rental market fluctuates and new applicants arrive. Under a leasing model costs would be approximately €42m per annum.

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5 Where all singles are accommodated separately. See tables below or in Appendix 3 for singles sharing, Tab 2.
6 The higher figure would arise if the majority were HHAP tenancies in Dublin. See Appendix 3, Tab 3.
Appendix 1

Social Housing Delivery Mechanisms under Rebuilding Ireland: An Action Plan for Housing and Homelessness

Rebuilding Ireland set an ambitious target to deliver 10,000 new social homes in 2019 through a combination of Build, Acquisition and Leasing. This target was met and exceeded with 10,007 social homes delivered by the end of Q4. Details of these targets are available on the Rebuilding Ireland website at: [http://rebuildingireland.ie/news/social-housing-targets-2019/](http://rebuildingireland.ie/news/social-housing-targets-2019/). The target for 2020 is 11,167 units, rising to 12,000 units in 2021.

Housing Assistance Payment
HAP is a form of social housing support provided by all local authorities. HAP means that local authorities can provide housing assistance for households who qualify for social housing support, including many long-term Rent Supplement recipients.
Under HAP, local authorities will make a monthly payment to a landlord, subject to terms and conditions including rent limits, on a HAP tenant’s behalf. In return, the HAP tenant pays a weekly contribution towards the rent to the local authority. This ‘rent contribution’ is based on the household income. It is calculated in the same way as the rent paid by a tenant of a local authority owned property.
Any household that qualifies for social housing support, and is not currently housed by their local authority, can apply for HAP.

Social Housing Leasing Scheme
The Social Housing Leasing scheme is funded by the Social Housing Current Expenditure Programme. This scheme allows Local Authorities and Approved Housing Bodies (AHBs) to lease suitable properties from the private sector for periods of between 10 to 25 years. Standard leasing arrangements can cater for new builds or second-hand homes, with the Enhanced Leasing Scheme targeted at newly built or yet to be built homes. The purpose of the initiative is to leverage private sector interest in delivering social housing in a flexible manner that is off the general balance sheet. In social housing leasing, the Local Authority or AHB is the lessee, manages the sub-tenant / occupant and pays the agreed discounted rent to the landlord. The sub-tenant, or occupant, has no direct relationship with the landlord and pays their differential rent to the Local Authority or AHB as in any other social house. At the end of the lease term, the landlord retains ownership of the property.

Social Housing Capital Investment Programme & the Capital Assistance Scheme
The Social Housing Capital Investment Programme (SHCIP) provides funding to local authorities for the provision of social housing by means of construction and acquisition.
The Capital Assistance Scheme provides essential funding to AHBs for the provision of accommodation for persons with specific categories of housing need such as Homeless and Older Persons, People with Disabilities, Returning Emigrants and Victims of Domestic Violence.

4-Stage Approval Process- SHCIP Build and CAS

The funding approval process for social housing projects supported by the Department under the SHCIP and CAS schemes outlined above is in line with the Government’s Capital Works Management Framework (CWMF), the same approach used for other publicly-funded Capital construction projects. While there are nine points of review within the CWMF, the Department has combined these to just four for capital-funded social housing construction projects.

The Departmental approvals themselves represent a small minority only of the time taken in advancing a build project onto site. The approach we follow means that local authorities forward design proposals and costings to the Department sequentially, as the local authorities advance the projects through their own planning work. Check lists, guidance and templates have been issued to the Local Authorities to assist them in this process.

There is now a Target Programme for advancing social housing capital-funded projects through design, planning and approval. This overall programme sets a target of 59 weeks from stage 1 submission by the local authority, to contract award for the construction. It establishes target turnaround times for the Department to carry out the review process and for the local authority to carry out the design of the scheme, the planning process and the procurement of a builder. While the aim of the programme is to create a realistic but ambitious target programme, it is acknowledged that external factors can affect construction projects; for example, delays can arise at planning, where the views of Councillors and communities are taken into account, but these can be minimised by early engagement. Site condition difficulties should not arise if appropriate site investigations are carried out at the beginning of the process.

The single-stage approval process

A revised single-stage approval process for social housing projects less than €2m has been implemented. The main change from the previous single-stage approach is that in the event that the approved budget is not maintained, a second application for a budget revision will be facilitated on receipt of tenders. This will be facilitated where certain circumstances have caused the costs to rise – for example, tender inflation - and where such an adjustment will not increase the overall budget requirement beyond the €2m level.

Capital Advance Leasing Facility (CALF):

The Department offers financial support to Approved Housing Bodies (AHBs) in the form of a long term loan under the Capital Advance Leasing Facility (CALF) to assist with the financing of the construction or acquisition of homes that will be provided for social housing use. This loan facility can support up to 30% of the eligible capital cost of the project, where the homes will be provided under long-term lease arrangements to local authorities for social housing use. Funding is provided to AHBs through Local Authorities.

CALF approvals do not follow the same approval process as the SHCIP 4-Stage process. The assessment process includes a full financial evaluation which is carried out in conjunction with the Housing Agency.
The funding approval may be provided at various stages of project development, including pre-planning for example, in which case the funding approval will be subject to planning. Where a project changes post-approval, a revised application is submitted and a revised approval issues following normal assessment procedures.

**Public Private Partnership (PPP)**

€300 million was committed in Budget 2015 to providing 1,500 new social housing homes via the Public Private Partnership model. The programme is being delivered in three bundles with a capital value of approximately €100 million each. Each bundle is being developed over a number of sites, spread across different local authorities. Each individual site is to provide between 50 and 100 social housing homes.

The housing homes are delivered using what is termed as an ‘availability-based PPP model’. A private sector company designs, builds, finances and maintains the social housing homes. In return, it receives payments which are spread over 25 years.

As the model is ‘availability-based’, the private sector partner is responsible for ensuring that homes are available for occupation. The local authority is responsible for allocating tenants. The private sector partner provides maintenance and upkeep services for 25 years. After this time, the homes are returned to the State in good condition, subject to reasonable wear and tear.
Appendix 2

Housing aspects of the Irish Refugee Protection Programme (IRPP)

1. On 10 September 2015, as part of Ireland’s response to the migration crisis in central and southern Europe, the Government established the Irish Refugee Protection Programme (IRPP). Under this programme, the Government committed to accept up to 4,000 people into the State, through a combination of the European Union Relocation Programme established by two EU Council Decisions in 2015 to assist Italy and Greece, and the UNHCR-led refugee Resettlement Programme currently focussed on resettling refugees from Lebanon and Jordan. The Government Decision to accept 4,000 people into the State did not contain a time limit and the Relocation Programme the programme is still active in 2020.

2. The refugees concerned have already been assessed in terms of asylum and have the status of a refugee on arrival, in contrast to asylum seekers. As they have leave to remain they are immediately eligible to apply for social housing in the same way as any Irish applicant and must meet the assessment requirements for social housing in the same manner as any applicant.

3. Typically refugees are invited to come to the State under the programme and are flown here from the originating State. They will then spend on average six months living in Emergency Reception and Orientation Centres (EROCs) in Ballaghaderreen, Clonea or the dedicated EROC section of Mosney Accommodation Centre.

4. Local authorities are notified that refugees have arrived and the location of where the refugee is settled is determined typically under an allocations system that was arrived at by agreement with the local authority sector to ensure that there was a spread of allocations across areas. To date, 2,339 people who arrived under the IRPP since 2017 have been resettled by local authorities in communities across Ireland. See Table 1 for a breakdown of same. The costings for the programme have been sought from local authorities and will be provided when available.

5. Key to the above is that local authorities are aware of the numbers and can plan accordingly once the DJE notifies them that the refugees are arriving. Note the housing options available include the full suite of options under the Housing Acts as they do for any other applicant, including HAP, AHB and Local authority housing but the availability of those options is impacted by the wider housing crisis and it is expected refugees arriving under any new programme will be more likely to be moved into Housing Assistance Payment or other housing solutions, while waiting on transfer to a traditional social housing solution.

6. A new iteration of the IRPP is forthcoming but local authorities continue to house people under the agreed 4,000 allocations in the 2015 programme at present.
Table 1: Refugees housed under the IRPP Programme 2017 to May 2020

<table>
<thead>
<tr>
<th>COUNTY</th>
<th>CCMA SEP 17 Alloc.</th>
<th>Allocations actual - Kildare never activated - Feb 2020</th>
<th>Numbers Housed as of Feb 2020</th>
<th>Estimate(^8) of Number of units to house in Red Figures in black are confirmed unit numbers</th>
<th>Remaining to be housed</th>
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<tr>
<td>Carlow</td>
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<td>Total / Avg.</td>
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<td>3,730</td>
<td>2,339</td>
<td>524</td>
<td>1,395</td>
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</tbody>
</table>

Assumptions:

1. The total number of refugees housed as of Feb is 2,339, this figure is as per Dept. Justice Figures also.
2. The number of refugees remaining to be housed is 1,395 under the current programme
3. The estimate of the number of units provided by local authorities is also based on the 4.6 per unit guide.

\(^8\) Due to the tight timeline for the request some information has not yet been returned – estimates of unit numbers are provided where information was not to hand and the full information will be provided at a later date.