



HAVE YIZ NO HOMES TO GO TO?



NYCI HOUSING POLICY

**APRIL
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SECTION 1

General Introduction

Housing has become one of the biggest issues in the public arena in Ireland during the past few years. It has occupied the minds of our public representatives, journalists and ordinary members of the public alike. We have seen and heard numerous reports in the media, there has been Government Reports, legislative action and mounting public concern. The crisis in housing is generally regarded as one of the most pressing social problems for Irish society at the beginning of this century.

Unlike previous housing crises, which were primarily related to inadequate resources to fund social housing, this crisis affects all sectors and forms of tenure. The current situation is such that those on middle incomes can no longer purchase their own home, and are fast finding that renting high quality accommodation is beyond their budget. For those on lower incomes, the situation is a nightmare.

The dramatic change in the Irish economy during the 1990's has been the subject of much discussion and analysis. While there is not universal agreement on the sources of this growth and success, the importance of consensus between the social partners in relation to key economic and monetary objectives does seem to be generally recognised. Many economists believe that the backbone of this increased economic strength has been wage restraint, self-regulation and increased productivity on the part of ordinary workers.

However, increases in wages have not (in general) kept pace with the increases in house prices. From 1987 to 1998, Average Industrial earnings have increased by 45%. However, there have been huge

increases in the cost of houses. During the same period (1987 to 1998), the average cost of a new house in Dublin has increased by 135%. For those in the rental sector, it is estimated that residential rents in Dublin have increased by 24% in 1998 alone.

Housing in Ireland

The predominant feature of the housing system in Ireland is the primary position of owner occupation. The high rate of owner occupation in Ireland is due to a number of different factors - historical conditions have been such that home ownership has been the preferred option for many, and has been promoted by successive governments through various measures since the late 19th century onwards.

Table 1: Housing Tenure in Ireland, 1946-1991

	1946	1961	1971	1981	1991
Owner-Occupied	52.7	59.8	68.8	74.4	79.3
Public Rented	N/A	18.4	15.5	12.5	9.7
Private Rented	42.6	17.2	13.3	10.1	8.0
Other	4.7	4.6	2.4	3.0	3.0
Totals	100	100	100	100	100

Source: Galligan, Y. (1998)

The 1930's and 1950's saw the need for public housing being addressed through large-scale developments. The private rented sector, which up to then had been an important section of the market, began to decline after World War 2.

In recent decades there has been two housing markets operating in parallel with each other: a thriving private ownership sector (assisted by Mortgage Interest Relief, First time buyer grants and the absence of capital gains tax being levied on family homes), alongside a marginalised and isolated rented sector (where there is limited tax relief).

Recent Developments in the Housing Market

Demand for housing, across all tenures spiralled from the mid 1990’s onwards. This spiralling demand was due to a number of interacting factors:

- Household formation rates have increased (young people are moving from their parental home earlier),
- family and household sizes decreased (the number of one-person households increased by 16.5% between 1991 and 1996),¹
- more elderly people are now living on their own,
- for the first time in decades there was net immigration as people returned home to share in the “Celtic Tiger Economy”,
- economic prosperity was such that there was an air of confidence across the market,
- historically low interest rates, combined with a range of other factors, ensured that mortgages were more affordable and easily obtained.

This spiralling demand has squeezed all sectors in the housing market. House prices have surged in recent years. The cost of rental dwellings has increased; in part due to the increase in property prices as well as to the increased number of people in the rental market, as home ownership has moved beyond the reach of many who would traditionally have expected to buy their own house. Demand for Local Authority and Social Housing is now coming from those who would previously have been in a position to buy or privately rent a home, thereby increasing Local Authority waiting lists and pressure on resources.

The Irish Housing Market in a European Context

The most striking feature of the Irish housing market, when looked at in a European perspective, is the high rate of home ownership. Ireland has the highest rate of owner occupied dwellings (81%) throughout the EU (where the average is 59%). It has also shown the most significant rate of increase in home ownership since 1970 - the Irish market has seen an increase of 30% in the rate of home ownership as opposed to an EU average rate of increase of 14%.

Table 2: Trend in the Percentage of Owner-Occupied Dwellings

	1970/71	1981/82	1990/91	1994
EU 12*	45**	54	59	59**
Belgium	53	58	65	66
Denmark	49	55	54	53
Germany	36	40	39	41
Greece	†	70	76	77
Spain	†	73	78	79
France	45	51	54	55
Ireland	61	74	79	81
Italy	51	59	68	77
Luxembourg	57	60	65	66
Netherlands	35	42	45	48
Austria	41	48	50	53
Portugal	†	57	65	61
Finland	58	61	67	62
Sweden	†	†	56	†
United Kingdom	50	56	66	67

* European Community of 12 (without Austria, Finland, Sweden)
 ** Provisional or Estimated Data
 † Not Available

Source: Living Conditions in Europe - Selected Social Indicators

¹ Galligan, Y. (1998) *Housing Policy in Ireland: An Overview* in *Affordable Accommodation: A Trade Union Issue and a Human Right*, CPSU/SIPTU, 1998

There is also a far higher proportion of Irish households living in single-family homes rather than apartments (95%), whereas throughout the EU there are only marginally more households in single family houses (53%).² Despite this high level of home ownership, and the high proportion of people living in houses (rather than apartments), Ireland has a slightly higher than average percentage of households living in overcrowded accommodation - 15% of Irish households live in overcrowded conditions as opposed to the European average of 11%.³ It would appear that low-income households are particularly vulnerable to overcrowded accommodation, throughout the EU it is estimated that only 3% of affluent households are living in overcrowded accommodation as compared to 16% of low-income households. This is reflected in the estimate that 21% of people who are unemployed live in overcrowded households as opposed to 14% of those who are employed.⁴

In summary:

- Ireland has the highest rate of owner occupied dwellings in the European Union (81%),
- the vast majority (95%) of Irish households live in single family homes rather than apartments,
- Ireland has a slightly higher than European average rate of overcrowding (15%), which particularly affects low-income households.

What then are the options for young people in the housing market in Ireland?

Young People in the Housing Market

Traditionally the majority of young people rent property after moving out of the parental home. As can be seen from *Table 3* below it is estimated that almost $\frac{1}{5}$ of tenants moved directly from their parents home, and almost $\frac{1}{4}$ of tenants are renting privately for the first time. It seems reasonable to assume from this data that the majority of those in the private rented sector are young people.

Table 3: Previous Tenure of Respondents

	Dublin %	Galway %	Cork %	Whole Sample %
First time renting privately	27	18	22	24
Percentage originating from parental residence	22	10	17	19
Percentage who have rented previously	73	80	81	76
Other (includes owner occupation)	5	10	2	5

Source: Downey, D. (1998) in Threshold, 1999

² *Social Portrait of Europe*, Eurostat, 1998 at p.195

³ *Ibid.* at p.200

⁴ *Ibid.*

* Overcrowded conditions are where there is more than one person per room within a household (Kitchens, bathrooms, toilets, rooms used solely for business, landings, cloakrooms and storerooms are excluded)

At the end of the millennium, these young tenants face the same problems as in previous decades - issues surrounding security of tenure, minimum standards of accommodation and increases in rent. However, young people are now also facing the dawning reality that, for many of them, the rental sector is the only viable option for the future. Most young people can no longer afford to buy their own home, (generally speaking) they will not qualify for Local Authority housing, the level of Social Housing in Ireland is negligible, the Private Rental Sector is insecure and unsatisfactory.

The National Youth Council of Ireland (NYCI) has produced this policy document as a result of the concerns of our member organisations for young people in the housing market today. We have addressed each form of tenure separately and made recommendations specific to each area. However, these recommendations should not be taken in isolation but seen as an overall package. To introduce further piecemeal reform would create even more anomalies and difficulties.

SECTION 2

Private Rented Accommodation

At the turn of the century, 90% of the population lived in private rented housing. At the end of the Second World War, this had declined to 46% of the housing market. Nearing the end of the century private rented accommodation accounts for approximately 8% of Irish housing stock, one third of which is in Dublin. Over the course of 100 years the private rented sector has gone from being the primary source of housing to being a residual part of the market.

Generally speaking, renting is seen as a temporary option - suitable for students or those in their first job, who will eventually move on to home ownership. It is often regarded as a short term-form

of tenancy where poor conditions and insecurity are part of the tenancy. Quite often, a sentimental attitude prevails that renting is a form of “rite of passage” which young people have to endure while on the path to becoming mature adults and homeowners. However, many young people are now coming to the realisation that home ownership may no longer be a realistic option and that they will be remaining in the Private Rented Sector for the foreseeable future at the very least.

Increase in Rents

Since 1997, residential rents have begun to rise in parallel with increases in property prices. The IAVI estimates that residential rents increased by 24% in Dublin (which has 1/3 of the private rented stock) in the year to November 1st, 1998.¹

Typical monthly rents for city-centre one bedroom apartments are now at £570 a month.² In outlying Dublin suburbia, typical rents for 3 and 4 bedroom

Table 4: Rent Per Month in 1997 and 1998 in Dublin According to Type of Accommodation and Classification of Location

TYPE OF PROPERTY	GOOD LOCATION			AVERAGE LOCATION		
	1997 £	1998 £	Change	1997 £	1998 £	Change £
Older 1 Bed Flat	415	480	15.7%	380	425	11.8%
Modern 1 Bed Apt.	510	570	11.8%	470	500	6.4%
Older 2 Bed Flat	630	690	9.5%	530	600	13.2%
Modern 2 Bed Apt.	670	810	20.1%	625	725	16.0%
Luxury Penthouse	1,450	1,500	3.4%	930	1,100	18.3%
Older 3 Bed Semi	680	740	8.8%	610	680	11.5%
Modern 3 Bed Semi	770	880	14.3%	650	730	12.3%
Older 4 Bed Semi	840	1,075	28.0%	750	900	20.0%
Modern 4 Bed Semi	1,000	1,250	25.0%	850	1,000	17.6%
Luxury Detached	1,650	2,200	33.3%	1,300	1,650	26.9%
	(Wide Variation)			(Wide Variation)		

Source: Bacon, P, 1999

¹ Source: Bacon, P. 1999 at p.23

² Ibid

houses are now at £600 to £800 per month.³ Huge increases have been seen right across the spectrum. Regardless of whether the property is a dingy bedsit or a luxury-detached house on its own grounds, the cost of renting will have increased far above the rate of inflation since 1997.

These residential rental increases are not exclusive to Dublin (while they are more pronounced in the capital city). During the same period (12 months prior to November 1st, 1998), the IAVI estimated that there were increases of 17% in the rest of Leinster and Munster, and increases of 12.5% in Connaught.⁴

These increases are reflected in the increased expenditure of Supplementary Welfare Allowance (SWA). SWA Rent Supplement accounted for £6 million in 1989, in 1998 the figure had increased to an estimated £88 million.⁵ It is estimated that the number of households in receipt of SWA Rent Supplement accounts for approximately one third of all those in private rented accommodation.⁶

As mentioned in *Section 1*, there are a number of factors which have influenced the increases in residential rent prices - the changes in household formation patterns, increased immigration, changes in employment patterns, increased economic buoyancy and the squeezing out of would-be purchasers because of recent house price inflation. These increases have particularly hit young people working full time in low-paid positions. Rent relief available to tenants is quite limited and currently amounts to £120 per annum in real terms. Rent Supplement (through Supplementary Welfare

Allowance) is not an option for many, as those in full-time employment (30 hours or more) are ineligible for Supplementary Welfare Allowance. NYCI believes that all those who are on low income should be eligible for Supplementary Welfare Allowance, regardless of employment status.

The National Youth Council proposes two changes to the current tax and Social Welfare codes, which would alleviate some of the difficulties experienced within the rental sector:

- 1 *The current rent relief, introduced under the Finance Act, 1995, is improved and extended in line with mortgage Interest Relief, thereby providing some equity of tenure.*
- 2 *SWA Rent Supplement should be granted on a means-tested tapered basis, regardless of employment status.*

The sharp escalation in rents has occurred due to demand outstripping supply. In order to slow down the escalation in rents and take the heat out of the private rented sector it is essential that short-term action is taken to match supply and demand. To this end it is necessary to start building extra units of accommodation to free up space in the already overcrowded private rented sector. Many third level institutions have land ready to build on. If the government invested in on-campus accommodation it could take thousands of students out of the private rented sector freeing up space for other tenants and young people. This reduction in demand would help to keep rent increases lower.

³ Downey, D, 1998, *Changing circumstances, latest consequences: New data on rents, conditions and attitudes in the Private Rented Sector in Private Rented Housing - Issues and Options*, Threshold, 1999

⁴ Bacon, P. (1999) at p.23

⁵ Source: Department of Social, Community and Family Affairs

⁶ Bacon, P. et al, (1998), *An Economic Assessment of Recent House Price Developments*, Stationery Office, Dublin at p.18

The National Youth Council recommends that:

- 3 *The Government, in partnership with third level institutions, invest in on campus accommodation.*

Terms and Conditions for those in the Private Rental Sector

The increased demand and competition for rental properties has been highlighted earlier. The demand is now at such a level that increasingly young people are finding that the only affordable accommodation that they can afford is sub-standard and poor quality.

The *Housing (Miscellaneous Provisions) Act, 1992* was enacted to try and address problems tenants were experiencing within the Rental Sector at the time. The legislation entitled tenants to:

- Minimum notice to quit
- Mandatory rent books
- Basic minimum physical standards in private rented housing
- Compulsory registration of rented properties

However, as anyone who has experience of the private rented sector is aware, quite often these entitlements exist on paper but not in reality. Four weeks notice to quit does not provide security of tenure for those who wish to rent long-term (particularly those with families), many young people have never seen a rent book or written letting agreement, sub-standard accommodation appears to be becoming more common and the number of registered rented dwellings is decreasing.

Security of Tenure - Minimum Notice to Quit

s.16 of the 1992 Act provides for a statutory minimum notice to quit of four weeks (with certain limited exceptions), such notice must be in writing.

Certainly, the 1992 Act was an improvement on the previous position whereby weekly tenants could have their tenancy terminated with one week's notice. However, in itself four weeks notice to quit has its own difficulties. Given the current housing situation many tenants find it difficult to find alternative accommodation within four weeks. This problem is particularly acute for those on low income and/or with children.

It should also be noted that there is no additional protection for long-standing tenants. A tenant of one month's standing and a tenant of 10 years' standing are both entitled to the same minimum notice to quit of four weeks.

Recognising that there are many young people who enjoy the flexibility allowed under four weeks minimum notice to quit, there is a need to provide a greater security for tenants, particularly long standing tenants. Many young people are currently exempt from even the right to one month's notice to quit, due to "License to Reside". This can result in people being evicted at as little as one day's notice. NYCI believes that this is completely unacceptable and that full tenant rights should be extended to all those who are in the rental sector. NYCI recommends that:

4 *Except where a property owner requires the dwelling for their own personal use, the minimum notice to quit for the tenant should be three months. The minimum notice required from a tenant should be one month. These minimum notices to quit should apply to all those in the rental sector and “License to Reside” should be abolished.*

Where the tenancy exists for more than 5 years there should be proportionate increases in the required minimum notice to quit. For example, a tenant for five years would be entitled to the standard notice to quit of three months, a tenant of six years should be entitled to four months minimum notice to quit, a tenant of seven years would be entitled to five months.

The maximum requisite notice to quit should be six months.

Rent Books

s.17 of the *Housing (Miscellaneous Provisions) Act, 1992* and subsequent regulations require property owners to provide rent books or equivalent written documents. A rent book should include a receipt of rents paid, amount of deposit paid and the term of the lease. Many young people who are renting accommodation are not aware that they are entitled to such a document, and may never have seen one.

Table 5: Rent Books
- *Enforcement of Statutory Requirements*

	INVESTIGATIONS CARRIED OUT	RESULTS	
		Remedied	Ongoing
1994	2,202	2,013	190
1995	4,869	545	187
1996	2,526	170	1
1997	2,124	35	50

Source: Department of the Environment and Local Government

From Departmental statistics, it would appear that there are issues surrounding the enforcement of the regulations. In 1995 there were 4,869 investigations carried out, a figure which dropped to 2,124 in 1997 - this decrease may be due to an increase in compliance with the statutory requirements on the part of property owners. However, a more cynical view can be drawn.

NYCI recommends that:

5 *Property owners should not be entitled to receive rent until the property has been registered and a rent book and lease has been provided.*

If this recommendation were to be introduced it would provide a firm incentive for property owners to ensure that tenants would receive a written rent book to which they are legally entitled.

Minimum Standards of Accommodation

Subsequent to s.18 of the 1992 Act, regulations were introduced providing for minimum standards of rented accommodation (again with limited exceptions). It should be stressed that these are minimum standards, which are quite basic. Nevertheless, they do provide a basic standards requirements for all properties on the private rental market. Obviously, these regulations would have had the most impact on older properties at the budget end of the market. Again, there is anecdotal evidence to suggest that there is an increase in the number of sub-standard properties available to rent. In the current shortage of affordable accommodation, tenants appear to be more willing to rent accommodation which does not fulfil basic standards requirements.

There are also a number of practical difficulties in relation to the minimum standards regulations - for example, outdoor toilet facilities are not by definition sub-standard, and artificial lighting in stairways is not a necessity. In addition to which, there are also issues around the enforcement of the regulations.

*Table 6: Standards Regulations
- Enforcement of Statutory Requirements*

	Inspections carried out	Dwellings inspected not meeting the requirements of the regulations	Legal action initiated
1994	6,017	2,765	15
1995	6,048	2,109	22
1996	3,846	814	16
1997	3,611	1,743	8

Source: Department of the Environment and Local Government

The number of inspections has decreased by more than 50% between 1995 and 1997. It may be that the need for such inspections has halved, or (more likely) that there are resource difficulties within Local Authorities.

In order to address the issue of basic minimum standards of rented accommodation NYCI recommends that:

- 6 A property owner should not be entitled to rent where minimum standards of accommodation are not fulfilled. Similarly, State Agencies should not be able to lease or provide subsidies for accommodation which does not fulfil statutory requirements.*

Registration of Properties

On 1st May 1996, regulations came into effect (under s.20 of the 1992 Act) requiring property owners to apply to the relevant Local Authority to register tenancies. Such registrations should include the address of the tenancy, the name and address of the landlord, a description of the dwelling and the rent agreed on the property.

*Table 7: Registration
- Enforcement of Statutory Requirements, 1997*

	Inspections carried out	Notices served	Legal action initiated
Total	2,924	2,030	11

Source: Department of the Environment and Local Government

As can be seen from the above table the level of inspections carried out is quite low. What is more interesting is that 2,802 of the 2,924 inspections were carried out in Dublin (throughout the various Local Authorities) - if the figures were to reflect the spread of the rental stock only 1/3 of the inspections should be in the Dublin area.

There may be a number of reasons for the low level of registration: many regard the fees for registration as a covert tax on landlords, there is a traditional wariness of providing information relating to income to statutory authorities, there is a perception that such registration may lead to inspections by the Local Authorities.

NYCI proposes the following in relation to registration of rented property:

- 7 Introduce a “Registration Amnesty” for property owners who are not currently registered. After this “Amnesty” State Agencies should not lease from property owners who are not registered. It is also vital that there would be a separate register listing of both accommodation units and property owners. The Register should be organised in such a manner that it is accessible to anyone who wishes to view it (it could be ordered in a manner similar to the Electoral Register), an alphabetical listing would also be necessary.*

Resources

The National Youth Council would be concerned that in the past many changes in legislation have been introduced without the necessary resources being allocated to ensure that they are implemented. In order to ensure that these particular provisions are enforced, it is vital that there would be a properly resourced Inspectorate within Local Authorities available to “police” the private rented sector. NYCI recommends that:

- 8 In order to ensure that the existing legislation is enforced and any proposed changes are effective, proper resourcing of an Inspectorate is vital.*

SECTION 3

Homelessness

Figures for the numbers of people who are homeless (regardless of the definition used) are notoriously difficult to estimate. At the end of March this year, local authorities will carry out the fourth assessment of the scale of homelessness in their areas. The assessments are intended to help local authorities plan effectively to meet the needs of homeless people in their areas.

However, it is generally agreed that there has been a huge increase in the numbers of homeless people. A recent survey (June 1998) carried out by Dublin Simon Community, Focus Ireland and Dublin Corporation found 208 people sleeping on the streets in Dublin during June. A previous survey carried out 6 months earlier found 151 (an increase of 37%). The most recent and comprehensive survey, organised by the Homeless Initiative using a new methodology developed in conjunction with the Economic and Social Research Institute, estimated that there were 2,900 homeless people in Dublin, Kildare and Wicklow at the end of March this year. A survey carried out by University College Cork's Department of Applied Social Studies during the last week in April 1999 found that there were 287 homeless people in Cork. What is particularly alarming about the data collected, is the high proportion of young people who are homeless. A total of 28.5% of those surveyed (ESRI Study) were 25 years or less. Clearly, homelessness is a youth issue.

*Table 8: Homeless Persons
(in Dublin, Kildare and Wicklow)
Classified According to Age and Gender*

AGE	MALE %	FEMALE %	TOTAL %
20 years or less	7.6	18.7	11.6
21 - 25 years	12.4	25.0	16.9
26 - 35 years	24.6	27.6	25.7
36 - 45 years	22.6	12.8	19.1
46 - 64 years	26.5	11.0	20.9
65 years or more	6.2	4.9	5.7
Total	100	100	100

Source: Homeless Initiative, 1999

With each weekly edition of the property supplements, houses are moving further and further out of the reach of those on middle incomes. For those who have little in the way of income or opportunity, home ownership is an unrealistic dream. The economic and housing boom has bypassed those on low incomes - for those who are homeless or at risk of becoming homeless this boom is not something to be welcomed. The increase in the numbers of homeless is one of the direct consequences of the general housing crisis.

Section 2 outlined how there is a "squeeze" on the private rental sector. Those who would previously been home owners are now remaining in rented accommodation, there are a greater number of people trying to rent a smaller number of "affordable" dwellings, the general increase in demand for housing has further fuelled increases in rent. This in turn means that there are greater numbers of people trying to get beds in hostels and temporary accommodation, leading to more people being squeezed out onto the streets.

¹ Homeless Initiative, 1999

² Cf. Issue No. 3 *Cornerstone*, September 1999

Table 9: Estimates of Numbers of Persons Homeless in Europe, 1996

COUNTRY	Homeless on an average day	In the course of a year
Austria	6,100	8,400
Belgium	4,000	5,500
Germany	490,700	876,450
Denmark	2,947	4,000
Spain	8,000	11,000
Finland	4,000	5,500
France	250,000	346,000
Greece	5,500	7,700
Ireland	2,667	3,700
Italy	56,000	78,000
Luxembourg	194	200
Netherlands	7,000	12,000
Portugal	3,000	4,000
Sweden	9,903	14,000
UK	283,000	460,000

Source: Harvey, B. 1998

Research and Policy Development

However, one of the greatest difficulties when discussing the issue of homelessness is that we are always dealing with estimates. The level of research into homelessness in Ireland is minimal, voluntary and other agencies are working with one hand tied behind their back. A national fund of £500,000 per year would ensure that the extent of the problem could be assessed and evaluated thereby leading to effective policy formation.

NYCI recommends that the Government should:

- 9 *Increase the level of expenditure on research development and education to £500,000 per annum.*

Services for the Homeless

Given our current economic climate, it would be logical to think that homeless people should not have difficulties in accessing services. However the services for homeless people are under-resourced and inadequate - there is no national network of advice centres, “foyer” type centres are still in their infancy in Ireland, the vast majority of bed spaces are in single rooms which are patently unsuitable for families and long-term accommodation is particularly difficult to obtain. The National Youth Council recommends that:

- 10 *A National Network of Housing Advice Centres, offering a 24-hour service be introduced. Such centres would be funded by the Department of the Environment and administered by the relevant Local Authority.*

- 11 *The levels of emergency and temporary accommodation available, both for families and single people, be expanded.*

- 12 *Increase the level of Government support and funding for “foyer” type centres.*

Homeless Young People and Children

Homeless young people are increasing in number. They have particular difficulty in accessing emergency accommodation, and are not a priority group for resettlement. Generally speaking, they are not eligible for Local Authority housing and have difficulty accessing rental accommodation. Unlike older homeless people, young people tend to first become homeless and then develop substance addictions. A recent “audit” of homeless services in

Dublin, Kildare and Wicklow estimated that 28.5% of the homeless people in those areas were under the age of 25 - yet there is no specific strategy to tackle homelessness among children or young people. NYCI recommends that the government, as a matter of urgency,

13 Develop and implement a specific strategy to tackle children's homelessness and homelessness amongst young people.

Homeless and Health

It has been estimated that up to 10% of the Irish population suffer mental illness at some stage in their lives. Yet, people with mental illness make up between 30% and 40% of those who are homeless.³ There is also evidence to suggest that many (if not most) young people who are homeless are active drug users. Any service for homeless young people must provide for the fact that there may be serious health and drug issues, which will also need to be addressed. The fact that young people are homeless cannot be tackled in isolation of this fact. Specific housing for people who are homeless and have had experience of mental health difficulties is necessary. This would be a type of "sheltered accommodation" for small groups of people who have had mental health difficulties, and are not yet ready for the open housing market. The National Youth Council recommends that the Government provide a greater level of:

14 Specific housing for people who have had mental health difficulties.

Access to Services

When providing any service to homeless people, it is vital to ensure that there is a minimum of administrative hurdles for those who need the service. Homeless persons should not have any difficulties in obtaining social welfare benefits simply as a result of not having a permanent address. Alternative administrative systems need to be developed which do not penalise people who do not have a home.

NYCI recommends that:

15 Alternative administrative systems are developed in order that homeless persons can avail of services without unnecessary difficulty.

³ McKeown, K., 1999 in Issue No. 2 *Cornerstone*, April 1999

SECTION 4

Social Housing

The term social housing is often used in different contexts with various meanings - in this particular context what we mean by social housing could be described as housing owned and operated on a non-profit basis by voluntary housing agencies or other groups. Social housing in this context is quite distinct from public or Local Authority housing.

Social Housing in Ireland is not necessarily a new concept - at the turn of the century companies providing housing for employees was not uncommon. In Dublin, the Iveagh Buildings, Guinness' Houses and Oxmanstown Road are all examples of such developments. Outside of Dublin, Bord na Móna would have been known for their provision of employee housing. However, it is difficult to think of any examples in recent years. Anecdotal evidence suggests that some companies are renting houses for their employees, however this tends to be for higher paid executives rather than those who may have difficulty in accessing housing. The Youth Council believes that this concept of "employee housing" should be revived. The provision of social housing would provide a firm incentive for companies wishing to recruit new staff and would avoid a high turnover of staff amongst those who had availed of the housing. However, if social housing is to expand as a form of tenure in Ireland, it is important to ensure that social housing, whether provided by voluntary agencies or employers, is not subject to benefit in kind. It would also be necessary to ensure that training would be provided for groups who are providing and availing of social housing.

Recent initiatives in the area of Social Housing tend to have come from voluntary organisations who assist people in accessing a form of "sheltered housing". These are often for specific groups of people, e.g. elderly or disabled people. Threshold does have one innovative housing initiative "Gilabbey Court" in Cork which is designed to be the bridge for young couples buying their first home. Its objectives are to give couples the opportunity to save for a home of their own and to let them experience a monthly payment schedule before they commit to a long-term loan/lending agency. Another initiative is the Dublin Docklands Authority "Quota System" where a certain percentage of the housing development is set aside for use as social or affordable housing for people from the area.

However, within the broad housing market, social housing tends to be a residual category, often not featuring in the figures available. Statistics from the Department of the Environment and Local Government illustrate the limited role social housing has played in the Irish housing market in the late 1990's.

Table 10:
Social Housing Capital Assistance Scheme

	NUMBER OF PROJECTS		NUMBER OF UNITS OF ACCOMMODATION	
	Completed	Approved	Completed	Approved
1994	36	54	607	457
1995	53	77	613	611
1996	59	51	501	365
1997	44	53	345	417
1998	32	60	283	478

Source: Department of the Environment and Local Government

In light of these figures, NYCI recommends that:

- 16 The concept of employers providing housing should be revived and encouraged,*
- 17 Social housing as a method of providing low cost accommodation should be actively promoted by the Government,*
- 18 Training is provided for groups who provide and participate in Social Housing Schemes.*

What Role Can Social Housing Play in the Current Market?

Section 1 has clearly shown that home ownership is moving farther and farther from the reach of many young people. Unless a young person is in a very highly paid job or has independent resources it is unlikely that they would be able to obtain a mortgage sufficient to cover the cost of a house in today's market. However, we have also seen (Section 2) that the private rented sector is becoming increasingly unaffordable, without any real security of tenure and quite often is sub-standard. Quite clearly there is a potential role for social housing in Ireland.

One of the primary difficulties encountered by housing groups is the fact that the current grants system available to those wishing to provide social housing is inadequate, currently a group can only receive a grant for up to 80% of the capital value of a unit. The National Youth Council of Ireland recommends that:

- 19 There are improvements in the:*
 - Unit grants available to groups*
 - Percentage of capital value for which groups are entitled to receive aid*
 - Capital allowance and rental subsidy schemes*

There are also difficulties in relation to the interpretation of the term “Voluntary Housing Associations”. NYCI believes that the definition of voluntary housing associations, as currently applied, is limited and recommends that:

- 20 The criteria for which voluntary housing associations may be established, and for which government funding may be awarded for the provision of housing, should be extended and broadened to include the widest range of groups possible.*

Escalator System

If we are to address the issue of the housing crisis we need to look at new and innovative methods of providing for our housing needs. One of the drawbacks of owner occupation is the inflexibility for the householders. Quite often households change over years, initially expanding when homeowners begin to have a family and again decreasing in size when their family members move out of home. Households accommodation needs tend to change with time, however it is more difficult (within the context of home ownership) to change the accommodation quite as easily!

The concept of an “Escalator System” of housing needs to be explored within the Irish context. Young people could “buy into” a system of housing rather than a particular dwelling. According to changes in circumstances, (increase/decrease in family unit size) different types of housing would be allocated. For example, a young couple on joining the scheme would be allocated a two-bedroom dwelling. If they were to have children they would be allocated larger dwellings according to their family size, similarly if their children left the family home they would be allocated a smaller dwelling.

It would be important to ensure that such housing schemes would be within a defined geographical area in order to avoid the dispersal of communities as family sizes change. The advantage of this system would be that the housing would suit the needs of the individual at that particular stage in their life. Such a scheme, while very novel in an Irish context, has obvious benefits attached to it, particularly for young people wishing to move out of the private rented sector. NYCI recommends that:

21 An “Escalator System” of social housing should be set up, initially on a pilot basis, to explore its feasibility in an Irish context.

General Housing Provision

Housing was not seen as a crisis issue ten years ago. It is today. If we are serious about tackling the current crisis, and ensuring that young people will have access to housing, it is necessary to provide an ongoing supply of suitable and affordable accommodation. Ideally all new forms of housing would be integrated into the local community with easy access to facilities and services. The most efficient way in which to provide an ongoing supply of such housing is to introduce a quota system of social and affordable housing within all large private housing developments. Such a quota would relieve some of the pressure from Local Authorities, ensure a greater supply of housing for those who would otherwise be in the budget end of the private rented sector, and prevent more young people from becoming homeless.

In this context NYCI recommends that the Government:

22 Introduce a quota system of social and affordable housing within all large private developments.

Rural Resettlement Scheme

One of the issues which the Celtic Tiger economy has failed to solve is that of rural depopulation - young people from rural Ireland are finding it increasingly difficult to obtain employment within their own locality and find that they have to move to the larger towns or cities.

While there is now net immigration into Ireland, rural Ireland is experiencing depopulation at an unprecedented rate. The Rural Resettlement Scheme could play a very valuable role in reversing (or alleviating) this trend. While it is not an answer to the issues surrounding rural depopulation or the housing crisis, it may provide one piece of the jigsaw. The Rural Resettlement Scheme has the potential to address some of the difficulties being faced by rural communities who are not in a position to regenerate themselves.

However the Scheme itself is under-publicised and under-utilised. NYCI would see an expansion of the scheme as a positive move, one that would be of benefit both to those who wish to avail of the scheme and to the relevant communities also. The National Youth Council recommends that the Government should:

23 Expand and publicise the Rural Resettlement Scheme.

SECTION 5

Local Authority Housing

As a proportion of total housing output, that of Local Authorities has fluctuated over the decades. In 1949-1950, local authority output constituted two-thirds of the total output of 8,113 dwellings. Thirty years later this had reduced to 4.4% of the 18,068 dwellings built. In 1998 this figure had increased to 6.6% of the total 42,349 house completions.

Table 11: House Completions in Ireland, 1975 - 1997

YEAR	PRIVATE	SOCIAL	LOCAL AUTHORITY Number	% of Total	TOTAL
1975	18,098		8,794	33%	26,892
1980	21,777		6,008	22%	27,785
1985	17,425		6,523	27%	23,948
1986	17,164		5,516	24%	22,680
1987	15,736		3,074	16%	18,810
1988	14,204		1,450	9%	15,654
1989	17,300		768	4%	18,068
1990	18,536		1,003	5%	19,539
1991	17,472		1,180	6%	18,652
1992	20,982		1,482	7%	22,464
1993	19,301	890	1,200	6%	21,391
1994	23,588	901	2,374	9%	26,863
1995	26,604	1,011	2,960	10%	30,575
1996	30,132	917	2,676	8%	33,725
1997	35,454	756	2,632	7%	38,842
1998	39,086	485	2,778	7%	42,349

Note: 1998 figures are provisional.

Source: Galligan, Y. (1998) and the Department of the Environment and Local Government

In absolute terms there were 2,778 Local Authority dwellings completed in 1998. However, there were also 2,006 Local Authority dwellings sold in the same year. In real terms, this means there was a net

¹ Cf. Fahey, T. (ed.), 1999

² Ibid

increase of 772 Local Authority dwellings during the year. This is despite the fact that there were an estimated 44,000 households waiting for Local Authority housing last year.

More Local Authority Housing

It is clear that there is an urgent need for an increase in the number of Local Authority dwellings available for occupancy. However, it is also important not to repeat the mistakes of the past: it is not necessary to build large expansive concrete jungles. It is vital that Local Authority developments should be on a scale suitable to the area and integrated into the community. The importance and impact of the “built environment” has been highlighted in recent publications.¹ Access to facilities and amenities is vital - research has proven that access to public transport, shopping facilities, medical services and social amenities is one of the essential planning issues when designing a new development.² Such facilities need to be regarded as an integral part of all Local Authority developments if social integration is to occur and a community to develop. Isolated estates built on the fringes of towns and cities should be a thing of the past.

One effective method of providing Local Authority housing is the purchase of dwellings within private developments. While this can be done on an ad-hoc basis, it would be desirable if there was a policy that, where possible, the relevant Local Authority would purchase a certain proportion of new dwellings. Similarly, Local Authorities should purchase “second-hand” houses where suitable. Such purchases would ensure that there would be a diverse mix of Local Authority tenants, homeowners and those renting properties.

In relation to Local Authority housing, NYCI recommends that:

- 24 The current level of “new starts” of Local Authority housing be dramatically increased.*
- 25 Any new developments should be on a scaled, integrated basis where access to facilities and services is ensured.*
- 26 Number of dwellings purchased by Local Authorities be increased. This should be done on an organised basis, both in new developments and for “second-hand” houses.*

Shared-Ownership Scheme

The shared ownership is a housing scheme, administered by Local Authorities, which is designed to enable persons on low incomes, who would not otherwise qualify for a mortgage, to obtain a dwelling (new or second-hand).

Under the scheme, the Local Authority will purchase the house chosen by the applicant. The applicant must then acquire a minimum share of 40% of the cost of the house, usually by taking out a mortgage. The remaining share will be rented from the Local Authority. Applicants must fulfil a certain

number of conditions relating to either existing tenancy or income. At the moment where there is a single income household, the income in the preceding tax year must not exceed £20,000, in the case of a two-income household, 2½ times the principal income and once the secondary income in the preceding tax year must be less than £50,000.

NYCI believes that these income levels are too low in light of the dramatic increase in house prices recently. The average industrial wage in 1998 amounted to £15,190 whereas the average price of a new house (including flats and apartments) was £97,834 nationally, and £124,243 in Dublin. A single person earning £20,000, living in Dublin, would barely get a mortgage to cover the minimum 40% of the average price of a new house. These income levels eligibility requirements need to be changed to reflect the change in the housing market, particularly as it affects single young people

NYCI recommends that the Government should:

- 27 Increase the Income Eligibility thresholds (particularly for single people) in order to ensure that as many young people as possible have the opportunity to own their own home.*

Table 12: Shared Ownership Scheme, 1998

	TRANSACTIONS COMPLETED BY HOUSE PRICE							
	Less than £30,000	£30,001 to £40,000	£40,001 to £50,000	£50,001 to £60,000	£60,001 to £70,000	£70,001 to £80,000	Over £80,000	Grand Total
Total	43	108	134	173	132	75	140	805
% of Total	5.3%	13.4%	16.6%	21.5%	16.4%	9.3%	17.4%	100%

	TRANSACTIONS COMPLETED BY INCOME CATEGORY					
	Less than £10,000	£10,001 to £12,000	£12,001 to £14,000	£14,001 to £16,000	Over £16,000	Grand Total
Total	167	125	193	97	223	805
% of Total	20.7%	15.5%	24.0%	12.0%	27.7%	100%

Source: Department of the Environment and Local Government

SECTION 6

HOME OWNERSHIP

Introduction

The reality is that most young people in Ireland aspire to eventually own their own home. Such aspirations have been traditionally supported by the government through:

- *The availability of Mortgage Interest Relief (although the terms of Mortgage Interest Relief have been gradually restricted from 1987 onwards)*
- *Cash subsidies in the form of the First Time Buyers Grant for those buying a new home*
- *The abolition of Residential Property Tax in 1997*
- *Not levying Capital Gains Tax on the sale of family homes*
- *Non taxation of imputed income from home ownership*

Nevertheless, such State support is no longer sufficient for many of those wishing to buy their first home. There are concerns that if grant/tax reliefs were to be increased it would merely fuel further price increases. NYCI would be of the opinion that any increases should be payable on a monthly basis, thereby avoiding further inflation in the house price market.

As highlighted in *Section 1*, the most striking feature of the Irish housing system is the predominance of owner occupation or privately owned dwellings. This is in part due to historical reasons as well as the promotion of owner occupation by successive governments through various forms of interventions. Owner-occupied housing currently makes up the vast bulk of housing

in Ireland (81%), which is in direct contrast to the European average of over half (59%) of dwellings being owner occupied.

Demand for housing surged in the mid 1990's for a number of reasons - the rate of household formation increased, historically low interest rates, increased prosperity, as well as the fact that there was a "population bulge" in the household formation age group. This in turn has led to a consequent surge in house prices. Initially this was most visible in the Dublin region, however much of the rest of the country (while not yet at the level Dublin has experienced) is now seeing huge growth in the rate of price increases.

Young Home Owners?

One of the net consequences of this property boom is that young people, on average incomes can no longer afford to buy their own homes. The average price of a new house (included in this category are flats and apartments) in Dublin during 1998 was £124,243, nationally it was £97,834.¹ The correlative figures for 1997 were £94,326 and £79,685.² Given that the average industrial wage for 1998 was £15,190 (Provisional figures),³ a single average income earner would be entitled to a mortgage of £37,975 (based on the 2½ times the annual income). A couple, both earning the average industrial wage would be entitled to a mortgage of £60,760 (based on 2½ times the annual income of the primary earner and 1½ times the annual income of the secondary earner). Clearly from these figures, there is a shortfall between the mortgage of the average income earner and the average price of a new house. Without some additional money, home ownership is now beyond the average earner. *Table 14* on the following page clearly highlights how home ownership has moved beyond the reach of all but the higher paid executives.

¹ Department of the Environment and Local Government

² Ibid

³ Central Statistics Office

Table 13: House Price Developments Nationally and in Dublin According to Type of Dwelling, 1996-1998 (Percentage Changes)

	N A T I O N A L			D U B L I N		
	1996	1997	1998*	1996	1997	1998*
NEW HOMES (CITY OR URBAN)						
2 bed town house	15	19	18	17	23	20
3 bed town house	14	19	19	15	24	25
3 bed semi	13	18	18	18	23	20
4 bed semi	13	18	17	18	24	18
4/5 bed detached	12	19	16	15	26	21
1 bed apartment	10	18	18	15	24	30
2 bed apartment	13	19	19	19	26	30
SECOND HAND HOMES (CITY OR URBAN)						
2 bed town house	13	18	21	14	22	35
3 bed town house	13	17	22	14	22	30
3 bed semi	14	16	22	16	22	35
4 bed semi	12	16	20	13	22	35
4/5 bed detached	12	18	23	14	25	40
1 bed apartment	10	17	17	12	25	33
2 bed apartment	11	17	18	16	25	32

* 12 months prior to 1st November, 1998

Source: Bacon, P. (1999)

Table 14: Increases in Incomes 1987 to 1998

Secretary General (of Government Department)	131%
Clerical Officer	60%
Average Clerical Earnings Industry	55%
Average Industrial Earnings	45%
New House Prices in Dublin	135%
GDP	129%

Source: CPSU/SIPTU, 1998

NYCI has three recommendations in the area of financial support for first time buyers:

28 Substantially increase the First Time Buyers Grant making it payable on a monthly basis over five years,

29 Entitle all first time buyers to avail of the First Time Buyers Grant, regardless as to whether the house is new or old,

30 Substantially increase the maximum mortgage interest relief for first-time buyers in the first five years.

Anecdotal evidence indicates that households are solving housing needs in a variety of ways. Parents are trading down and releasing capital for house purchase needs for their children, conversion of family homes into two units, parents re-mortgaging their homes in order to provide financial assistance for their children, children receiving “inheritance” prior to the death of their parents. The nature and

extent of such alternative methods of funding needs to be examined and established. Whether it is sustainable in the long term is questionable and is an issue which needs to be addressed.

A further issue, which is of concern to those who are wishing to buy a house, is - what is their money paying for? Given that there have been huge increases in the cost of buying a house, is it reasonable to assume that a large proportion of these increases is developer profits? Given the current inflated house market, buyers should be entitled to know what they are paying for. A system of “Certificates of Reasonable Value”, while not obliging a developer to sell the house within any particular price range, would provide the buyer with the opportunity to know the actual cost of the house and consequently the profit made by the developer. A possible result of this would be to dampen the market for new houses, as potential buyers would be aware of the profits being made by different developers. The National Youth Council recommends:

31 The reintroduction of a system of “Certificates of Reasonable Value”. All buyers of new houses would be entitled to such a certificate which would outline the cost of the site, the cost of the materials and the construction costs.

SECTION 7

RECOMMENDATIONS of the National Youth Council of Ireland - Housing Policy

Private Rented Accommodation

NYCI recommends that:

- 1 *The current rent relief, introduced under the Finance Act, 1995, is improved and extended in line with Mortgage Interest Relief, thereby providing some equity of tenure.*
- 2 *SWA Rent Supplement should be granted on a means-tested tapered basis, regardless of employment status.*
- 3 *The Government, in partnership with third level institutions, invest in on-campus accommodation.*
- 4 *Except where a property owner requires the dwelling for his or her own personal use, the minimum notice to quit for the tenant should be three months. The minimum notice required from a tenant should be one month.*

Where the tenancy exists for more than 5 years there should be proportionate increases in the required minimum notice to quit. The maximum requisite notice to quit should be six months.

- 5 *Property owners should not be entitled to receive rent until the property has been registered and a rent book and lease has been provided.*
- 6 *A property owner should not be entitled to rent where minimum standards of accommodation are not fulfilled. Similarly, State Agencies should not be able to lease accommodation which does not fulfil statutory requirements.*
- 7 *Introduce a “Registration Amnesty” for property owners who are not currently registered. After this “Amnesty”, State Agencies should not lease from property owners who are not registered. It is also vital that there would be a separate register listing of both accommodation units and property owners. The Register should be organised in such a manner that it is accessible to anyone who wishes to view it (it could be ordered in a manner similar to the Electoral Register), an alphabetical listing would also be necessary.*
- 8 *In order to ensure that the existing legislation is enforced and any proposed changes are effective, proper resourcing of an Inspectorate is vital.*

Homelessness

NYCI recommends that:

- 9 *The Government increase the level of expenditure on research development and education to £500,000 per annum.*
- 10 *A National Network of Housing Advice Centres, offering a 24-hour service is introduced. Such centres would be funded by the Department of the Environment and administered by the relevant Local Authority.*
- 11 *The levels of emergency and temporary accommodation available, both for families and single people, are expanded.*
- 12 *The level of Government support and funding for “foyer” type centres be increased.*
- 13 *A specific strategy to tackle children’s homelessness and homelessness amongst young people be developed and implemented.*
- 14 *Specific housing for people who have had mental health difficulties be increased.*
- 15 *Alternative administrative systems are developed in order that homeless persons can avail of services without unnecessary difficulty.*

Social Housing

NYCI recommends that:

- 16 *The concept of employers providing housing should be revived and encouraged.*
- 17 *Social housing as a method of providing low cost accommodation should be actively promoted by the Government.*
- 18 *Training should be provided for groups who provide and participate in Social Housing Schemes.*
- 19 *There should be improvements in the:
Unit Grants Available to Groups,
The percentage of capital value for which groups are entitled to receive aid,
Capital Allowance and Rental Subsidy Schemes.*
- 20 *The criteria for which voluntary housing associations may be established, and for which government funding may be awarded for the provision of housing, should be extended and broadened to include the widest range of groups possible.*
- 21 *An “Escalator System” of social housing should be set up, initially on a pilot basis, to explore its feasibility in an Irish context.*
- 22 *A quota system of social and affordable housing within all large private developments is introduced.*
- 23 *The Rural Resettlement Scheme be expanded and publicised.*

Local Authority Housing

NYCI recommends that:

- 24 *The current level of “new starts” of Local Authority housing is dramatically increased.*
- 25 *Any new developments would be on a scaled, integrated basis where access to facilities and services is ensured.*
- 26 *The number of dwellings purchased by Local Authorities is increased. This should be done on an organised basis, both in new developments and for “second-hand” houses.*
- 27 *Income Eligibility thresholds under the Shared Ownership Scheme (particularly those for single people) be increased in order to ensure that as many young people as possible have the opportunity to own their own home.*

Home Ownership

NYCI recommends that:

- 28 *The First Time Buyers Grant be substantially increased, making it payable on a monthly basis over five years,*
- 29 *All first time buyers should be entitled to avail of the First Time Buyers Grant, regardless as to whether the house is new or old,*
- 30 *A substantial increase in the maximum mortgage interest relief for first-time buyers in the first five years.*
- 31 *The reintroduction of a system of “Certificates of Reasonable Value”. All buyers of new houses would be entitled to such a certificate which would outline the cost of the site, the cost of the materials and the construction costs.*

SECTION 8

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APPENDIX

A SURVEY OF YOUNG PEOPLE AND HOUSING TENURE IN IRELAND*

Background and Methodology

The main objective of this survey of young people (aged 18-25) is to (a) detail the current accommodation profile of young people and (b) evaluate the impact of the current housing situation on them.

The research was undertaken in February 2000 when 218 questionnaires were distributed to young people through the medium of their principle economic or educational occupation. This is largely an urban study with young people from Dublin, Cork and Limerick completing the questionnaires at a wide variety of settings including student unions, colleges, local youth and work centres as well as workplaces and other agencies where young people are commonly found.

The response rate 67% (n = 146) is a satisfactory one given the difficulties associated with accessing young people for such research. The questionnaire was designed in a manner that allowed the respondents to complete the section relevant to their current accommodation status. The respondents represent a broad mix of young people with 44% (n = 64) of them in full time education, 13% (n = 18) in part time, while the majority of the remaining respondents are in full time employment (60 of the 62).

The results of this survey suggest that young people depend on two main sources to secure accommodation with over 50% (n = 73) of respondents resident in the private rented sector. A further 40% (n = 57) live at home. Five percent

(n = 8) of young people surveyed own their own home while 2% (n = 3) are living in local authority housing. The remainder either share with other householders 1% (n = 2), or were without accommodation (n = 1) at the time the survey was conducted.

Table 1

Type of Accommodation Currently Occupied		
Own home/owner-occupied	8	5%
Private rented	73	50%
Living with parents	57	39%
Local authority	3	2%
Without accommodation at present	1	1%
Sharing with another householder	2	1%
Other (Not Specified)	2	1%
	146	100%

Private Rented Sector

The cost of housing, regardless of type, emerged as the central concern of young people. Respondents currently residing in the private rented sector were particularly scathing about the lack of good quality affordable accommodation available in the large cities in Ireland. One respondent for example referred to “*The non-availability of adequate housing*”, while another stated that “*rent is so expensive at the moment that young people are unable to save to buy housing*”. Such sentiments were widely expressed.

The cost is only one indicator to highlight the extent of the difficulty around exorbitant rent. The proportion of income that it represents for these young people is far more significant. Of the 85% (n = 63) of renters who responded to this question there was great diversity in the proportion of income rent represented for people. Twenty-one percent (n = 15) pay rent of 10-20% of their income on rent while for almost one third of those in the private rented sector (n = 24), rent represents 21-30% of their incomes. A shocking 21% of this group (n = 13) reported a rent that amounted to over half of their income. Of these 13 respondents only 3 are

in receipt of rent allowance and none of them are in receipt of rent relief. This group, 12 of whom are in full time education, clearly transpire as a particularly vulnerable section of those in rented accommodation, and strengthens the argument put forward by many for more purpose built student accommodation.

Table 2

Reported Cost of Monthly Rent		
Less than £100	1	1%
£100 - 200	43	59%
£201 - 250	18	25%
£251 - 300	7	10%
£351 - 400	2	3%
More than £401	2	3%
	73	100%

Table 3

Rent as a Proportion of Income		
Less than 10%	3	5%
10 - 20%	15	24%
21 - 30%	24	38%
31 - 40%	3	5%
41 - 50%	5	8%
More than 51%	13	21%
	63	100%

Another important issue for young people living in the private rented sector is access to some form of financial assistance to this large expenditure. This survey highlights the limited nature of subsidy to young people in rented housing. Of those living in the private rented sector (n = 73) only 14% (n = 10) are in receipt of rent allowance. The situation with regard to rent relief is identical with only 14% (n = 10) in receipt of tax relief. This is a notable finding particularly given that 43% (n = 60) of all respondents are in full time employment. This represents a huge information deficit as to the financial support that is available to many young people in the private rented sector.

Table 4

Rent Allowance		
In receipt of rent allowance	10	14%
Not in receipt of rent allowance	63	86%
	73	100%

Table 5

Tax Relief		
In receipt of tax relief	10	14%
Not in receipt of tax relief	63	86%
	73	100%

Security of tenure emerges as a central concern of young people in rented accommodation. When asked “what are the main problems facing young people in housing” respondents often referred to the lack of information regarding tenants rights and those of landlords. This is consolidated by the fact that 51% (n = 37) of those people renting accommodation reported that the average length of time spent in one property was 6 -12 months.

Table 6

Average Length of Time for Which a Property is Rented		
Living in first property	14	19%
Less than 6 months	5	7%
6 - 12 months	37	51%
12 - 24 months	13	18%
24 - 36 months	2	3%
More than 36 months	1	1%
	72	100%

It appears that some of the mechanisms available to deal with the issue of fair rent and security are not widely applied in practice. Only 29% (n = 21) of the young people renting accommodation are in possession of a rent book. Interestingly more of the respondents hold written leases with this figure at 40% (n = 29).

Table 7

Rent Book		
In possession of a rent book	21	29%
Not in possession of a rent book	52	71%
	73	100%

Table 8

Written Lease		
Holder of a written lease	29	40%
No written lease	44	60%
	73	100%

In fact two respondents referred specifically to the leases and questioned whose interests were best served by them. 10% (n = 7) of those renting recorded a notice to quit having been served on them in the past. Five of these 7 young people received less than two weeks notice.

Furthermore 12% (n = 17) of all respondents reported being without accommodation at some stage, 11 of these are currently residing in the private rented sector. It is not surprising therefore that many of the problems identified with housing referred specifically to this sector.

Local Authority Housing

This survey found a meagre 2% (n = 3) of young people living in local authority accommodation at present. These respondents indicated a large disparity in the length of time waiting for accommodation (from one to three years) and two of the three respondents have children.

Home Ownership

Home ownership emerges as something which most young people believe is now beyond their reach, in fact of the 51% (n = 73) of respondents living in the private rented sector at present, 85% (n = 63) of this group have indicated that they have no other long term tenure plans. Of those young people living at home at present the tenure plans are different, 28%

(n = 16) intend to purchase accommodation (some of these respondents indicated that this was their reason for staying at home at present), 33% (n = 19) plan to rent, and 25% (n = 14) intend to remain living at the family home. The remaining three respondents in this category are waiting for local authority housing and may have to rent.

Table 9

Future Tenure Plans of Those Currently Living at Their Family Home		
Remain living at the family home	14	25%
Purchase accommodation	16	28%
Rent accommodation	19	33%
Wait for a place from the local authority	5	9%
Rent and/or wait for local authority housing	2	4%
Rent or purchase	1	2%
	57	100%

Five percent (n = 8) of respondents own their homes, only one of whom has purchased in the last twelve months.

Table 10

Purchase of Own Home		
In the last 12 months	1	13%
1 - 3 years ago	4	50%
3 - 5 years ago	2	25%
Other	1	13%
	8	100%

Six of these respondents reported no difficulties in obtaining a mortgage, however one respondent did cite their age as a factor, which they believed, made processing the mortgage more difficult. Many respondents raised the issue of the increase in house prices being the biggest obstacle to securing longer-term accommodation arrangements. Interestingly of the eight homeowners surveyed, four keep paying tenants in their homes.

In relation to cost, all of the respondents reported mortgages accounting for over 30% of their income. Five of the eight were in receipt of mortgage interest relief, which displays a greater awareness of, or access to, government support for this tenure type.

Table 11

Proportion of Income the Mortgage Represents		
31 - 40%	4	50%
41 - 50%	2	25%
More than 51%	2	25%
	8	100%

The young people surveyed responded enthusiastically to the two open ended questions on the questionnaire which asked people to outline the main problems as they perceived them and suggest any ways they thought possible to address them. This last section seeks to highlight some of the proposals put forward by the respondents.

Problems Identified

The overarching response to the issue of problems for young people in housing was the difficulty in finding good quality, affordable accommodation. A third of all respondents that addressed this question highlighted this point. This was a response in all three cities but most particularly from the Dublin respondents. The rise in house prices was the second most common concern of people where essentially most young people believe that house purchase is no longer a viable option for them.

After these two general and mainstream concerns it was the private rented sector which received most comment. The key issues may be summarised as follows:

Private Rented Sector

- Lack of supply of rented accommodation
- Lack of good quality, affordable accommodation
- Continual rise in rents

- Landlords who fail to meet their obligations, e.g. structural work, heating, hot water, security
- Discretion of landlords - difficulties recorded by tenants with rent allowance and also those with children
- Lack of security of tenure - this was recorded on many grounds, a lack of awareness of renters rights, eviction, absence of rent book and written leases
- In some cases written leases were viewed negatively by respondents, particularly students who are not in a position to sign a twelve-month lease. Many respondents in full time education raised the issue of grants, which they view as insufficient to meet their housing needs.

Local Authority Housing

- Housing waiting lists are far too long
- Local authority housing is sometimes of poor quality, where young parents feel they are labelled by the local authorities

Outside of defining the respondents by their tenure status, some groupings did transpire as having particular difficulties and young people with children were one such group. Sixteen percent (n = 24) of respondents had child dependants, of whom 12 remain living at home. One respondent reported significant overcrowding in the family home, but that she could not afford to go elsewhere. Other reasons for remaining at the family home included cost, childcare and lack of provision by local authority. Three of the sixteen respondents with children reported difficulties with accessing rented accommodation, as a direct result of having a young family.

Solutions

Seventy percent (n = 102) of respondents addressed the question “have you any suggestions as to how these housing problems might be addressed?” A wide variety of solutions were put forward by the respondents some of quite a practical nature

while others require serious national debate. Many of the respondents called for government intervention in housing, albeit at different levels - some respondents for instance were more concerned with intervention in the rented sector while others were adamant that this should be undertaken at all levels of accommodation. Some of the proposals were:

- Government intervention to stop excessive rise in house prices (about 6% argued this explicitly). Suggestions included *“It is up to the Government to step in and stop the excessive rise in house prices”* and *“Government must purchase housing rather than private investors and then rent accommodation at reasonable prices according to individual incomes...”*. The issue of supply was also common and suggestions varied from speeding up the planning process to increasing the capacities of local authorities.
- A national standard of college accommodation or purpose built housing was proposed by 10% of respondents.
- The introduction of a special tax reduction or allowance for young people to purchase, outside or in addition to the first time buyers grant was also put forward in different forms by 9% of those who addressed the question.
- Rent control or limits were also a common suggestion with one respondent in particular suggesting to *“bring in legislation to protect tenants from having rents raised every year...that is not to allow a raise greater than a certain percentage per annum”*.
- The proposal for minimum standards was also a frequent one with suggestions like *“have an accommodation standard authority supported by government to ensure houses are in good shape and fairly priced”*. A number of respondents (over 5%) suggested the establishment of an independent regulating body for this sector to which complaints could be made and investigated.
- In relation to the private sector respondents were keen to seek more government intervention in the regulation of this sector, with specific references made to regulation of landlords evading tax, not meeting minimum requirements, rights on receipt of notice to quit and leasing terms of agreement.
- Of the limited number of respondents in receipt of rent allowance suggestions as to an overhaul of this subsidy were also proposed. *“Rather than the EHB paying rent for tenants there should be a scheme that allows tenants to buy a property and use the rent allowance to subsidise the mortgage.”* Another respondent who wished to see government subsidies go toward the individual receiving it and not someone else also suggested this.
- Lack of information emerges as a significant problem for young people in housing; this has been recognised by 5% of respondents who suggested different measures from running information campaigns, to setting up advice agencies specifically for young people.
- Wider planning issues, and their potential impact on housing need, were also mentioned. One respondent suggested the need to examine the location or relocation of major employment outside of the bigger cities. Three per cent of these respondents believe that a proper public transport system could provide a solution to the current pressure on accommodation in the larger cities.

Summary and Conclusion

This survey provides a snapshot of the current accommodation issues of young people in Ireland. It ascertains some basic information as to cost, tenure type and difficulties by sector as well as long term tenure prospects. The findings are concerning on a number of fronts.

At a general level it appears that the well established tenure patterns in Ireland are about to change, that many young people now view home ownership as something entirely beyond their reach, and so long term tenure in the private sector is more likely for young people. This trend must be viewed with some caution given the extent of the problems highlighted within this sector. In relation to longer term plans the fact that of those people living in the family home one quarter of them intend to remain living there raises issues of its own.

The lack of access of young people to local authority housing is another difficulty, which is particularly acute for young people with child dependants. Another finding which is in need of further research is the indication that young people can find themselves without accommodation. Twelve percent of all respondents reported being without accommodation in the past.

The private rented sector, currently the most common tenure type occupied by young people, displays some serious deficiencies. The rising cost of rents are commonly known, however what is less well advertised is the availability of rent allowance and rent relief to many people living in the private sector. The vast majority of young people are taking up neither, although clearly many would be in a position, or qualify to do so (depending on employment status, etc.).

This is coupled with the fact that the tenure of many young people is made less secure by the absence of rent books in the case of well over half (71%) of those surveyed. Written leases are a little more common with 40% of renters holding a lease. Respondents also provided evidence that basic standard accommodation was still not being provided in cases and such people were in favour of a regulatory body to deal with this.

Local authority accommodation has yet to become a major player in accommodation for young people. This survey found only three young people in local authority housing, of which two have children.

This survey reveals a very palpable sense of the frustration of young people to the current housing situation. Most people report being priced out of the housing market in terms of property purchase, but increasing rent is also a problem. Almost 20% of those who put forward suggestions seek government intervention in a range of issues from rising costs, to regulation of the private rented sector, to the supply of housing and tighter control of investor speculation in the market.

Finally, two respondents referred specifically to the status of young people and how their needs in this area were being completely overlooked. This survey suggests that the current situation is untenable and that the case for urgent and comprehensive reform is compelling.

Note: Where % columns do not add to 100%, it is due to "rounding" of the figures.

** This research was carried out by Mairead Considine, UCC on behalf of the National Youth Council of Ireland.*