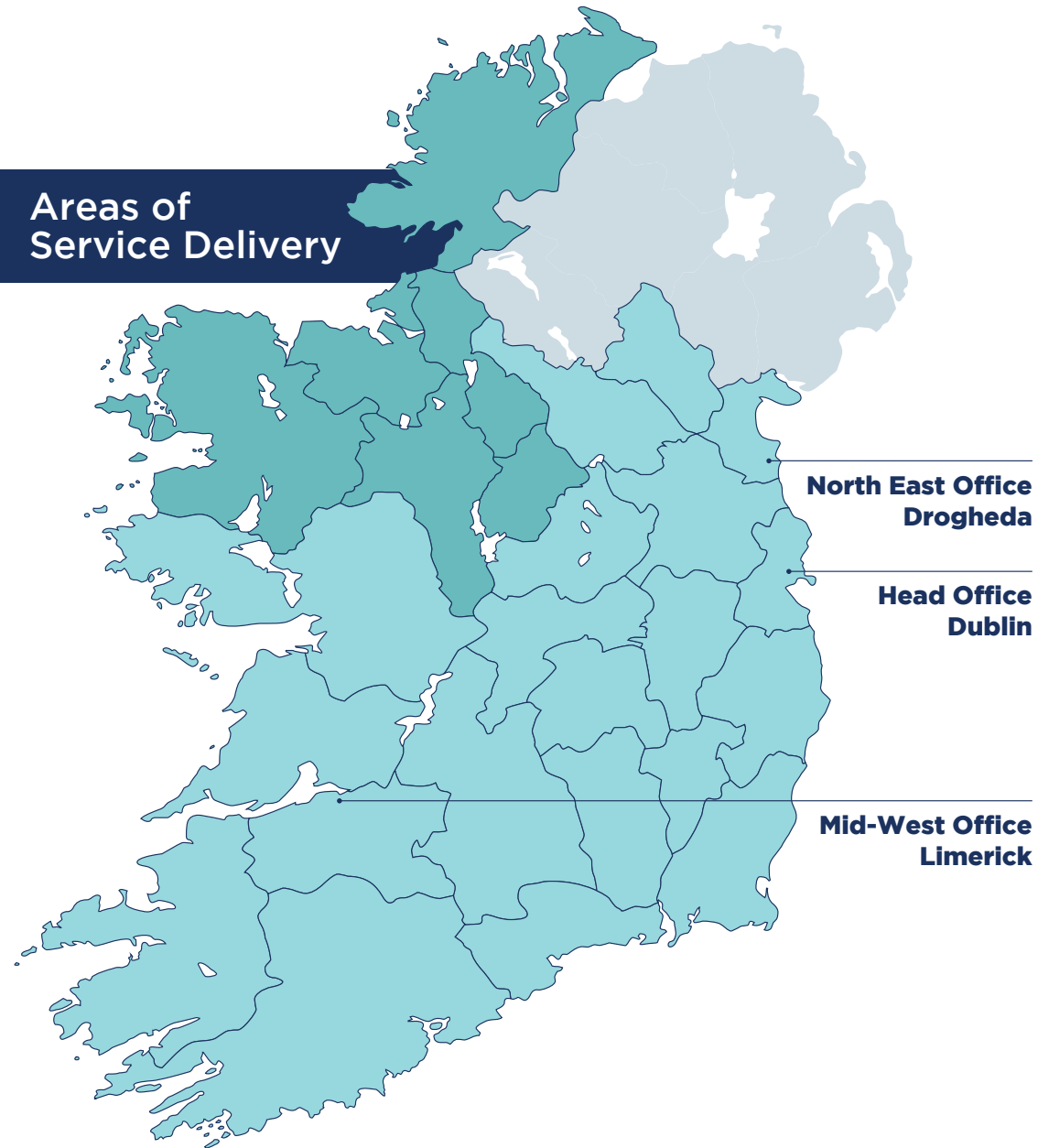




Opening doors for
homeless people

Peter McVerry Trust

**Pre-Budget Submission
2020**



About Peter McVerry Trust

Peter McVerry Trust is a national housing and homeless charity committed to reducing homelessness and the harm caused by substance misuse and social disadvantage. The charity provides low-threshold entry services, primarily to younger people and vulnerable adults with complex needs, and offers pathways out of homelessness based on the principles of the Housing First model.

Our vision is an Ireland that supports all those on the margins and upholds their rights to full inclusion in society.

Peter McVerry Trust provides residential and supported temporary accommodation for under 18s, adults and families. The charity also provides Housing with Supports and Tenancy Sustainment services for various local authorities in the form of Housing First and SLI (Support to Live Independently), which serves people who are at risk, or have a history of homelessness.

Peter McVerry Trust also provides specialised drug treatment services through a stabilisation day-programme and a residential community detox.

Peter McVerry Trust delivers an accommodation and resettlement service, on behalf of the Department of Justice and Equality and in partnership with the Jesuit Refugee Service (JRS), for people staying in Direct Provision centres who have a status of leave to remain.

In 2018, the charity worked with over 5,800 people and was active in 14 local authorities across Ireland. Peter McVerry Trust's national headquarters are located in Dublin. The charity also has a mid-west regional office in Limerick City and a north-east regional office in Drogheda, Co Louth.

As of September 2019, Peter McVerry Trust was supporting 1,700 people per night across Ireland in our housing, homeless and residential services. The charity is currently working across 21 counties and doing more than ever to tackle homelessness.

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Peter McVerry Trust is, as always, focused on securing targeted, solution-based actions that will respond to the needs of those on the margins of Irish society.



Message from the CEO

Peter McVerry Trust's submission to Budget 2020 complements our ongoing and intensive engagement with a wide variety of government ministers, their departments and other state agencies over the course of the year. Peter McVerry Trust is, as always, focused on securing targeted, solution-based actions that will respond to the needs of those on the margins of Irish society.

The issues of housing and homelessness have rarely left the airwaves, the pages of our newspapers or news websites in recent years. Since Budget 2019, the homeless situation has deteriorated and is likely to worsen further as we head into 2020. As a result, there will be a need to increase spending on emergency accommodation to ensure, at a minimum, that adequate shelter provision is put in place. There will also be a need to provide additional funding towards non-residential homeless services including day services and in-reach support teams.

In spite of the growing number of people experiencing homelessness, Peter McVerry Trust's resolve and commitment to tackling the issue is unwavering. In this submission, the charity has laid out what it believes to be reasonable and achievable measures for inclusion in Budget 2020.

Peter McVerry Trust recognises that there are huge amounts of money committed to housing through Rebuilding Ireland, and that there are also large sums being spent on homeless services through the provision of emergency accommodation. However, it is also important to note that dealing with these issues is not simply a resource issue but about adopting clear, evidence-based strategies to meet the needs of vulnerable communities and individuals.

Peter McVerry Trust hopes that progress will be made in a wide variety of areas, including increased investment in education, health and mental health services. The charity also hopes for further progressive measures to be introduced to tackle the long-standing problem of land price and land speculation in this country, an issue which fundamentally undermines programmes of affordable house ownership and renting.

Ultimately, Peter McVerry Trust hopes, as always, that when formulating the Budget that the Minister for Finance and Public Expenditure, his officials, and the government as a whole, reflects the needs of those on the margins of Irish society.



Pat Doyle
CEO

Peter McVerry Trust's Proposals for Budget 2020

1.

ALIGN LOCAL AUTHORITY DELIVERY OF HOUSING WITH THE HOUSING NEEDS ASSESSMENT

Context:

Peter McVerry Trust is acutely aware that the single biggest cohort on the social housing waiting list are single person households, similarly the main household type in homelessness is also single person households. Unfortunately, there is an acute under supply of one bedroom homes for this key group. Not only does this increase waiting times, it also makes the delivery of key initiatives such as Housing First much harder to achieve.

Aim:

To rapidly and significantly increase the output of one bedroom homes for people on the social housing waiting list and in homelessness.

Actions:

- To provide an additional €200 million investment in capital housing projects for local authorities and to ring-fence that increased capital budget to deliver housing for single person households.

2.

PROTECTING SOCIAL TENANTS IN THE PRIVATE RENTAL SECTOR

Context:

There is a steady exodus of small scale landlords from the private rental system. They are selling properties with vacant possession resulting in the eviction of tenants. This is a leading cause of homelessness for single people, couples and families across Ireland and particularly impacts on vulnerable households in receipt of Housing Assistance Payment (HAP), Rental Accommodation Scheme (RAS), or Rent Supplement (RS).

Aim:

Peter McVerry Trust is seeking the development of a managed exit programme for small scale landlords who currently let their properties to tenants in receipt of HAP, RS and RAS. Specifically, a system that protects social tenants and sees a reduction of the long-term reliance on rent supports, and instead transferring to more traditional social housing provision.

Action:

- To offer a significantly reduced rate of Capital Gains Tax for a period of two years (2020-2021) when a landlord sells their property to a housing charity or local authority with a tenant(s) in situ who are in receipt of a form of housing subsidy from the State.

3.

STRENGTHEN THE FINANCIAL VIABILITY OF EMPTY HOMES PROJECTS

Context:

It is widely accepted that there are tens of thousands of long term vacant properties across Ireland, with a majority of those in our cities, towns and villages. Schemes introduced to encourage the re-use of these buildings have not met the targets set by Rebuilding Ireland. There are a number of reasons for this, one of which is the cost of the refurbishment works required and the rising cost of construction projects.

Aim:

Peter McVerry Trust wants to encourage more owners of vacant or empty homes to re-use them and in particular wants to ensure that the cost of renovating these properties is fully appreciated. This would result in more buildings re-used and more social housing provided.

Actions:

- Introduce a 0% VAT rate for construction projects involving long term vacant and derelict properties when these are to be used for social or affordable housing.
- Increase the maximum amount available under the Repair and Leasing Scheme to €70,000 in Dublin, Cork, Galway, Limerick, and Waterford as well as other large, high-rent population centres.

4.

INTRODUCE AN EMPTY HOMES TAX IN IRISH CITIES

Context:

Since 2016, Peter McVerry Trust has been advocating for the introduction of an empty homes tax. However, the response by government and the direction of its empty homes strategy has been entirely incentive-based and this has not delivered the numbers of housing units expected or needed. It is now imperative that local authorities, especially those with acute housing needs and/or high levels of vacancy are given a toolkit to push owners to act. An empty homes tax is not about raising revenue, but rather about creating more social housing, improving communities and lessening carbon outputs by re-using empty buildings.

Peter McVerry Trust's Proposals for Budget 2020

Aim:

Our aim is to stimulate the reuse of tens of thousands of empty buildings across Irish cities, towns and villages.

Actions:

- To introduce legislation to empower local authorities to enact additional rates of local property tax for buildings found to be long-term vacant and do not qualify for reasonable exemption.

This additional empty homes tax would, at a minimum, be at least 3 times the normal Local Property Tax (LPT) and scale up to a maximum levy over a period of 5 years.

5.

INCENTIVISE THE SALE OF EMPTY PROPERTIES TO HOUSING CHARITIES

Context:

Through our ongoing work in researching, contacting and engaging with the owners of long-term empty buildings we have found that most owners are unwilling to take action to reuse their building and are unsure of what they will do with the property in the future. There is likely to be a substantial number who would be encouraged to sell the asset if a financial incentive, over and above the open market value purchase of the property, was available.

Aim:

Our aim is to seek every possible opportunity to allow empty buildings to be reused for the purposes of social and affordable housing. This may encourage more owners to sell properties that could be used as social housing, and housing charities and local authorities would be able to fund the acquisition and repairs through the Buy and Renew Scheme.

Actions:

- Peter McVerry Trust proposes introducing a reduced rate of Capital Gains Tax when an owner of a long term vacant property, in an area of social housing need, sells that property to a housing charity or a local authority.

6.

AMEND THE FAIR DEAL SCHEME

Context:

The Nursing Home Support Scheme (Fair Deal Scheme) and the rather punitive measures applied to income of the scheme's recipients is creating a scenario that sees individuals and families leaving readily habitable homes vacant rather than rent or sell them. The HSE's own figures suggest that thousands of properties have been left vacant indefinitely as a result.

Aim:

Peter McVerry Trust wants to encourage individuals and families who are involved in the Fair Deal Scheme to rent or sell properties that would otherwise sit vacant.

Actions:

- Peter McVerry Trust proposes that when a property is let or sold for social housing purposes that it be excluded from assessable income under the fair deal scheme. This would, of course, only be allowed for properties in areas of social housing need as determined by each local authority.

7.

EDUCATION SUPPORTS FOR CHILDREN IMPACTED BY HOMELESSNESS & GROWING UP IN STATE CARE SYSTEM

Context:

Peter McVerry Trust believes that investment in a better, fairer education system is core to improving young people's life outcomes. It can also play a huge part in reducing the risk of people becoming homeless and thus enable Irish society to reduce homelessness in the long term.

Aim:

Peter McVerry Trust is keen to ensure that the children impacted by homelessness, or growing up in State care in Ireland today, do not become the homeless adults of the future.

Peter McVerry Trust's Proposals for Budget 2020

Actions:

- Specifically, with regards to children growing up in homelessness or in State residential care settings in Ireland today, Peter McVerry Trust wants to see the introduction of a bursary scheme for these children. This would be used to ensure that any child who, in the future, wishes to pursue third level, further education, apprenticeships or training would be enabled to do so and thus hopefully benefit from improved life outcomes.

8.

TAILORED, INTENSIVE PATHWAYS TO EMPLOYMENT FOR VULNERABLE GROUPS

Context:

Ireland is currently in a very fortunate position of near full employment, yet there are many people for whom employment remains only a distant idea. While there are lots of people in homelessness who are working and holding down their jobs there are more who are long term unemployed, who have never worked and for whom existing schemes will not reach, or cannot provide sustainable employment pathways. Our proposal is designed to target particular groups within homelessness and social housing who are in need of very specific support packages.

Aim:

To increase employment participation and retention rates amongst the most vulnerable groups in society, with specific reference to people impacted by homelessness.

Action:

- To fund new initiatives that will create tailored, intensive supports to enable more people from particularly vulnerable groups, such as homeless youth and recipients of the Housing First programme, to secure and sustain employment opportunities.

9.

SOCIAL WORKER BURSARY PROGRAMME

Context:

Ireland has a current shortfall in appropriately qualified social workers for key agencies and support services. This, coupled with known long term social needs across children services, adult services, specialised support services such as homeless services and social housing, means there will be a significant need to increase the availability of social workers in the future.

Aim:

To ensure an appropriate level of social workers in Ireland to cope with current and future employment needs in the care and support services.

Action:

- To commit to reviewing the merits of the Social Worker Bursary Scheme to encourage more people to take up this career path and to increase the number of suitably qualified staff available to work in frontline supports and services across a range of statutory and voluntary service providers.

10.**END LONG TERM MORTGAGE ARREARS****Context:**

In 2019, the number of residential mortgages in arrears of two years or more actually increased. As of April 2019, there were 40,234 mortgages linked to Private Dwelling Homes (PDH) and Buy To Let (BTL) properties in arrears of two years or more. A conservative figure, based on the average household size, represents the homes of 100,000 people.

Aim:

Peter McVerry Trust wants to see an end to the issue of long term mortgage arrears. Our goal is to achieve a managed, sustainable and appropriate resolution to the legacy of the economic crash following the Celtic tiger.

Action:

- As a first step, Peter McVerry Trust proposes that the thresholds for the mortgage-to-rent scheme be increased to €50,000 to enable more households to qualify for the scheme.

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