



Ending homelessness

Focus Ireland Pre Budget Submission 2011

Key proposals

Focus Ireland sets out a compelling social and economic case for maintaining existing spending on homeless services. Any cuts to funding for homeless services will deepen the homeless problem and keep people trapped in emergency accommodation.

- › Maintain combined HSE/DoEHLG homeless current expenditure budget at the 2010 level (€97.6m – DoEHLG at €62m and HSE at €35.6m)
- › Maintain DoEHLG Capital Assistance Scheme capital budget at 2010 level (€145m)
- › Ring fence circa €300m from DoEHLG social housing capital budget to build/buy circa 2,000 homes for people coming from emergency homeless services in 2011
- › A commitment from the DoEHLG that long-term housing support will be provided to those who need it

25
years

Working for everyone
without a home



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Ireland

Homeless Strategy 2008

In 2008, the government launched its new homeless strategy, *The Way Home*. At the centre of the strategy was a commitment to end long-term homelessness and the need to sleep rough by the end of 2010.

Ending long-term homelessness (i.e. a period of homelessness greater than 6 months) was to be achieved by reducing the number of people currently in emergency accommodation by providing long-term housing (with support where necessary). This would ensure that no person who becomes homeless would be in emergency accommodation for longer than six months.

This shift in the nature of homeless service provision was to be met within existing budgets. As people moved out of comparatively expensive emergency accommodation into long-term housing savings made would be redirected into support and prevention.

It has been accepted by all that as the strategy was being implemented the overall numbers of people who are homeless at any given time would fall and in turn the overall homeless budget could also fall.

This meant that the Homeless Strategy not only offered a better deal for people who were homeless, it would also be less expensive. These savings are not long-term return on social investment, such as investments in disadvantaged areas or early education, they can be fairly quickly realised, even within the Government's four year budgetary framework.

This was recognised by the Government's Report of the Special Group on Public Service Numbers and Expenditure Programmes produced by Colm McCarthy which singled out the Homeless Strategy as one of the few social programmes that it recommended should continue to be pursued.

Since 2008 detailed work was carried out by the Homeless Agency in Dublin, the county's four local authorities, the Department of Environment, the HSE and the voluntary sector to map out how this change in service would take place.

The success of the strategy rested on two key elements:

- 1 Providing a stream of adequate long-term mainstream housing (with support where required) for people moving on from emergency accommodation.
- 2 Reconfiguring existing homeless services to meet the changing nature of demand for those services as the number of people in emergency shelters and sleeping rough began to fall.

Progress to date

Substantial progress has been made by all partners during 2009 and 2010.

This work has received significant political support from both the Minister for Housing, Michael Finneran TD, and the Minister for the Environment, John Gormley TD. This support was evidenced in the increase in homeless funding in Budget 2010 which took place in the context of significant cutbacks in other areas.

Housing support

Of particular importance was the provision of a revenue stream for housing support to be provided by the Department of Environment. In our 2010 pre budget submission Focus Ireland outlined the significant savings that could be made by transferring people from emergency accommodation to long-term housing with support.

In that submission we demonstrated the savings that could be made in Dublin by providing long-term housing with support for the 987 households identified by the Homeless Agency as ready to move on from emergency accommodation.

It currently costs €19.5m per year to provide emergency or transitional accommodation to these 987 households. The combined cost of housing with support for these households would be €12.5m per year. That would represent a saving of €7m per year.

The Department of Environment accepted this logic and launched the Support to Live Independently scheme, which seeks to provide mainstream housing with support for people currently in emergency or transitional housing programmes.

However, at present this support is only provided on a six month basis.

Focus Ireland would like to see a commitment by the Department to provide this support on a long-term basis where this is required.

Housing targets

The housing targets set by the Homeless Agency, which are required for the strategy to work, have not been met.

In 2009 the Agency set a target moving 1,000 people from emergency accommodation to long-term housing.



By the end of 2009 only 305 of these tenancies had commenced (159 via local authority housing, 102 via voluntary housing and 44 via leased unsold affordable units). A further 424 tenancies were agreed (via reconfiguration of existing accommodation) but had not commenced.

In 2010 the Homeless Agency set a new housing target of 1,200 tenancies to be created in 2010. These tenancies were to be provided through a special leasing scheme initiated by the Department of Environment.

1,200 tenancies was the number required if Dublin was to meet the commitment to ending long-term homelessness.

As of September 2010 no tenancies had been created via the leasing scheme while only 171 allocations had been made to people in emergency homeless accommodation by Dublin's four local authorities.

On the basis of these figures it is clear that the 1,200 target will not be met.

The core problem is that, despite the much discussed overhang of empty housing developments, there is still not an adequate supply of available, appropriate long-term housing for people moving out of expensive emergency accommodation.

Reductions in social housing spending in successive budgets and difficulties with the Government's enhanced leasing scheme have prevented an adequate stream of housing becoming available.

Outside Dublin, the instrument for implementing the 2008 Homeless Strategy is the Regional Homeless Fora. These bodies were established in mid 2010 and are only now in the process of mapping out how they intend to implement the strategy in their designated areas.

As December 2010 approaches it is clear that the target of ending long-term homelessness contained in the 2008 strategy will not be met

However Focus Ireland firmly believes that the thinking behind the 2008 strategy remains sound and that is the best plan available for ending long-term homelessness and the need to sleep rough.

The government needs to set out a new timeframe for meeting the targets and all stakeholders in the statutory and voluntary sector must redouble our efforts to ensure that the vision of an end to long-term homelessness contained in the strategy is not lost.

Budget 2011

As we approach Budget 2011 any consideration of homeless funding must be placed in this context.

Focus Ireland believes that there should be no reduction in capital or current expenditure in the homeless budgets of the HSE and DoEHLG.

Any reduction in the existing levels of funding to either the HSE or the DoEHLG homeless budgets will make it impossible to implement the Homeless Strategy.

Cutting funding now will mean that people who are ready to move into long-term housing will be forced to remain in emergency accommodation. This will not only

negatively impact on their well being but cost the state more – even in the short-term.

The most effective way to reduce expenditure on homelessness is to fully implement the Government's 2008 Homeless Strategy and in doing so reduce the number of people in expensive emergency accommodation.

Secure supply of housing

The full implementation of the Homeless Strategy will also need a secure supply of housing to meet the needs of those households in homeless services who are ready to move into cost effective long-term housing.

Focus Ireland believes that this would be best achieved by ring fencing an appropriate portion of the 2011 social housing capital budget specifically for funding the purchase or building of sufficient housing units to ensure the implementation of the homeless strategy.

At a minimum this would require a supply of 2,000 housing units across the country in 2011 at an average cost of €150,000 per unit. This would require a ring fenced social housing fund in the region of €300 million.



Rising housing need

Focus Ireland also believes that any decision on funding for homeless services in 2011 must also take into account the rising levels of housing need and the increase demand for housing and homeless services arising from the economic and social crisis.

From 2008 to 2009 the numbers of households on local authority waiting lists rose from 56,000 to just under 100,000 (figures obtained by Irish Independent, December 2009).

In the same period the number of people claiming Rent Supplement increased dramatically to 91,100 (Q3 2010). There was also a significant increase in households experiencing difficulties repaying their mortgages with 17,000 claiming Mortgage Interest Relief (Q3 2010), more than 36,000 households in mortgage arrears, and a rising number of home repossessions cases in the courts.

All of these figures have continued to rise throughout 2010.

While no official count of homelessness has been taken since Counted In 2008, homeless service providers have reported an increased demand for their services in the last 18 months.

Considering the profound impact that the economic crisis has had on housing need and the numbers of people at risk of homelessness there can be no justification for a reduction in the homeless budgets in 2011. While, as noted above, the DoEHLG contribution to homeless services rose in 2010, many voluntary homeless service providers experienced significant reductions in funding levels in 2010 as a result of HSE cuts and reductions in charitable donations.

Summary

Focus Ireland believes there is an overriding social and economic case for maintaining the 2010 HSE and DoEHLG budgets for homelessness into 2011 and ring fencing a portion of the social housing capital budget to supply a sufficient number of homes to people experiencing homelessness. Keeping faith in the Homeless Strategy will not only provide a better future for people who are homeless or at risk of homelessness but also ensure significant Government savings in the short-term.

Focus Ireland is calling on the Government to ensure that Budget 2011:

- Maintains the combined HSE/DoEHLG homeless current expenditure budget at the 2010 level (€97.6m – DoEHLG at €62m and HSE at €35.6m)
- Maintains the DoEHLG Capital Assistance Scheme capital budget at 2010 level (€145m)
- Ring fences circa €300m from DoEHLG social housing capital budget to build/buy circa 2,000 homes for people coming from emergency homeless services in 2011
- A commitment from the DoEHLG that long-term housing support will be provided to those who need it

In order to protect the identity of our customers the photographs in this document are of volunteers.

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