

Sarah Cremin

From: Robert Sweeney <rsweeney@tasc.ie>
Sent: Monday 14 June 2021 10:53
To: Public Accounts Committee
Subject: Re: Correspondence from the Committee of Public Accounts
Attachments: Response to PAC follow-up.docx

Categories: Correspondence for future meetings

R0649 PAC33

Dear Sam,
Please find attached my response to request from the PAC.
Let me know if you have any further questions/clarifications.
Best
Robert

From: Public Accounts Committee <PAC@oireachtas.ie>
To: "rsweeney@tasc.ie" <rsweeney@tasc.ie>
Cc: Public Accounts Committee <PAC@oireachtas.ie>
Sent: 28/05/2021 4:22 PM
Subject: Correspondence from the Committee of Public Accounts

Dear Dr. Sweeney,

Please find attached correspondence from the Committee of Public Accounts. Please can you acknowledge receipt of same.

Kind regards,
Sam

Sam Keenan
Administrative Officer
Committee of Public Accounts
Houses of the Oireachtas Service
Kildare House, Dublin 2 | D02 XE00
Tel: (01) 618 3659



<https://www.oireachtas.ie/>

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Response to Public Accounts Committee follow-up
Think-Tank for Action on Social Change

1. The total number of people availing of HAP each year since the inception of the scheme (pg. 7).

The following table displays the total cumulative number of households availing of the HAP scheme each year since its inception. The data table was produced by the Central Statistics Office.

Show Table: Table 2.1 Number of HAP Households (stock) by Year and Family Type

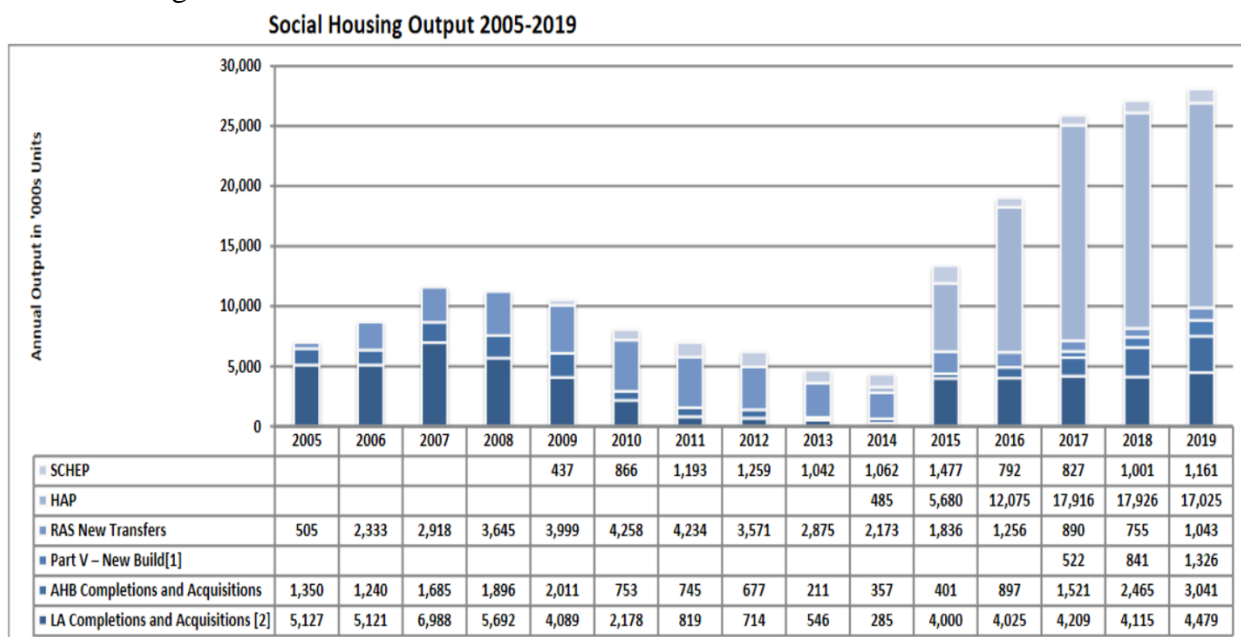
Table 2.1 Table of HAP households (stock) – By Year and Family Type¹

	Single	Single 1 Child	Single 2 Children	Single 3+ Children	Couple	Couple 1 Child	Couple 2 Children	Couple 3+ Children	Other	All
2014	140	70	50	30	20	30	50	30	20	420
2015	1,660	1,110	680	380	210	400	580	500	240	5,770
2016	4,690	3,350	2,120	1,160	610	1,160	1,690	1,470	680	16,940
2017	8,240	6,860	4,300	2,170	1,240	2,340	3,430	2,860	1,370	32,810
2018	11,080	10,280	6,160	3,020	1,840	3,580	4,970	3,970	2,190	47,080
2019	13,200	13,150	7,530	3,580	2,280	4,510	5,950	4,590	2,850	57,630

¹Figures are rounded to the nearest 10. 'All' figures may not add up to the sum of the cells due to households crossing family types within a year

Source: Central Statistics Office (2021)

This data is intended to complement the following figure, provided in the original testimony, which details the annual rate of social housing creation, not cumulative totals of social housing stocks.



Source: Malone (2020)

2. A comparison of the average cost per unit to approved housing bodies and local authorities for (a) completions and (b) acquisitions (pg. 7-8).

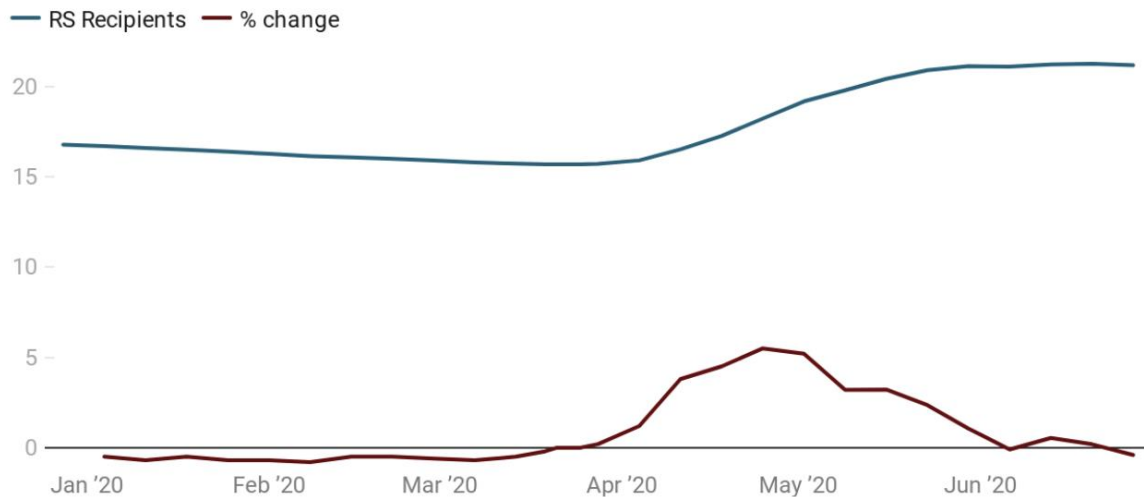
In 2020, the average per unit cost to local authorities was €233,000 for completions, as opposed to €270,000 for turnkey acquisitions. For approved housing bodies, the costs averaged €251,000 for direct builds and €305,000 for acquisitions. These data were based on an analysis of social housing costs that used six local authorities as a case study.

Source: Farrell et al., (2020)

3. The number of existing tenancies remaining under the rent supplement scheme (pg. 10).

Due to the adverse economic conditions created by the Coronavirus pandemic, demand for short-term Rent Supplement payments has increased, reversing a trend of steady decrease witnessed after the creation of the HAP programme. From March 2020 to June 2020, rent supplement demand increased by 34.9%, leading to a peak of 21,171 recipients in June 2020.

Figure 1: Increase in the number of Rent Supplement recipients (,000s) January – June 2020



Created with Datawrapper

Source: L&RS (2020), using data provided by Department of Employment Affairs and Social Protection

Note: The above data is for applicants who were granted rent supplement. The numbers of recipients above may be greater than the total number of tenancies where rent supplement recipients live, since multiple residents in the same tenancy can receive rent supplement.

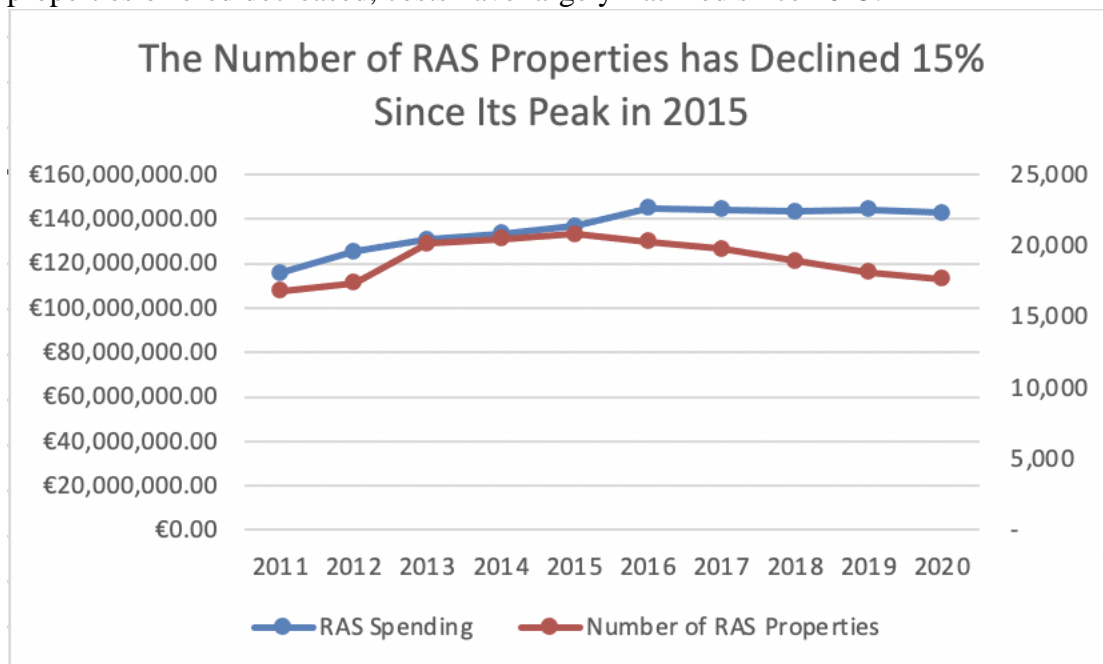
Source: Burke (2020)

4. A breakdown of the number of tenancies in receipt of rent supplement that fell into arrears (pg. 10).

We were unable to locate data for the number of tenancies in receipt of rent supplement that fell into arrears.

5. The number of landlords who have exited RAS since its inception (pg. 11).

While we were unable to locate individual data on landlord retention for the RAS programme, the supply of RAS properties has declined from 20,834, achieved in 2015, to 17,682 in 2020. While some of this offset may be attributed to the expansion of the HAP programme, RAS recipients are not eligible for direct transfers to HAP, implying at least a modest decline in landlord participation in RAS. Interestingly, while the number of properties offered decreased, costs have largely flatlined since 2015.

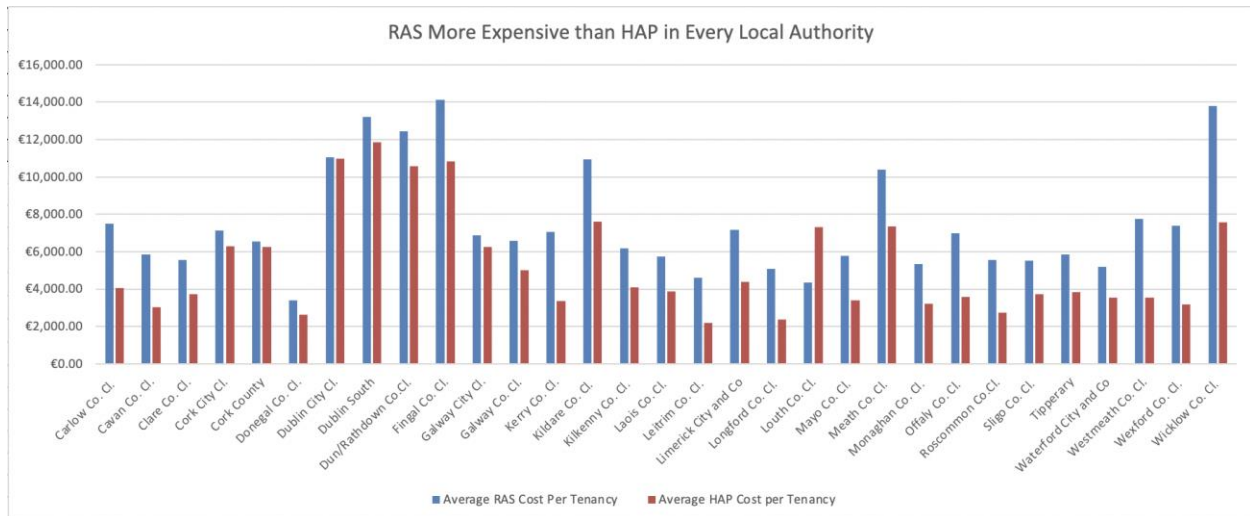


Source: Department of Housing, Local Government and Heritage (2020)

6. A breakdown by local authority of:

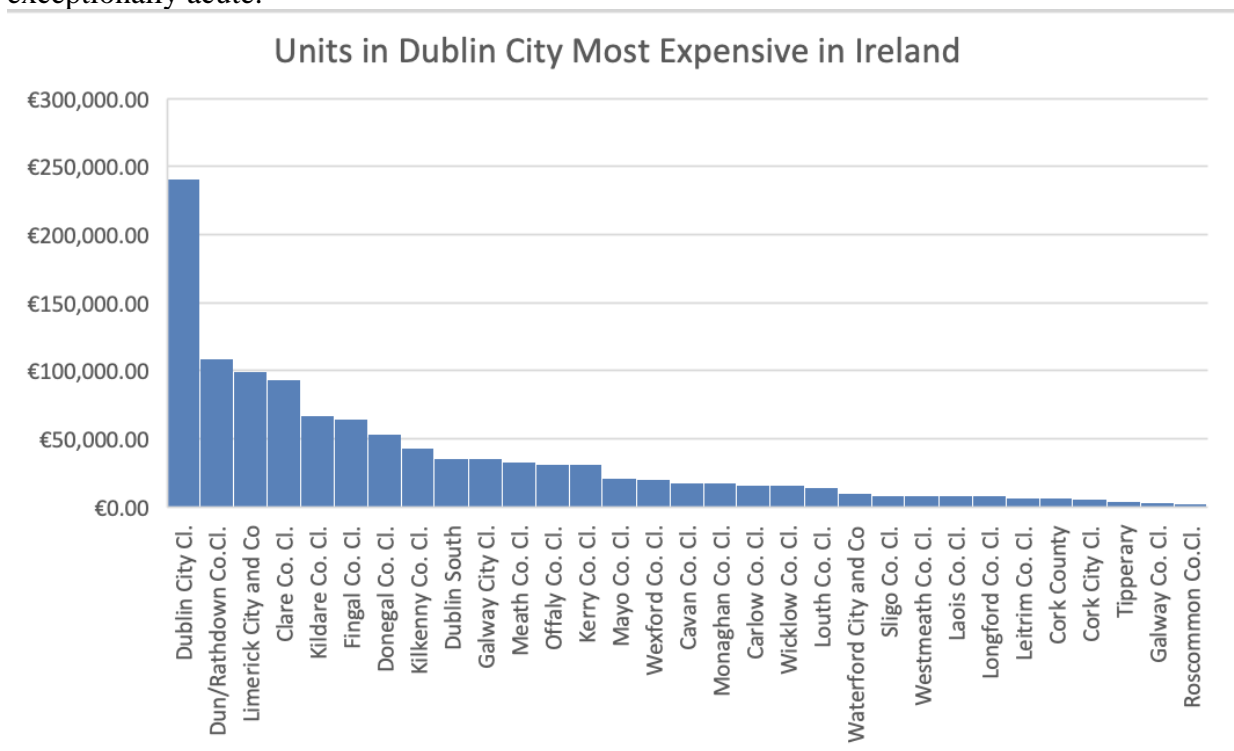
- the number of people who availed of each of the following social housing supports; (a) HAP, (b) RAS and (c) Rent Supplement, and
- the cost of running those schemes versus the cost of construction (pg. 11).

Local authority data on rent supplement recipients was not available, as the program is administered by the Department of Employment Affairs and Social Protection, not by individual local authorities. In every local authority, per tenancy costs for RAS exceeded per tenancy costs for HAP, although in some local authorities these two costs were quite close. While per tenancy costs for RAS tend to be higher than for HAP, overall spending for HAP has eclipsed overall spending for RAS due to the rapid growth of the HAP program.



Source: Department of Housing, Local Government and Heritage (2020)

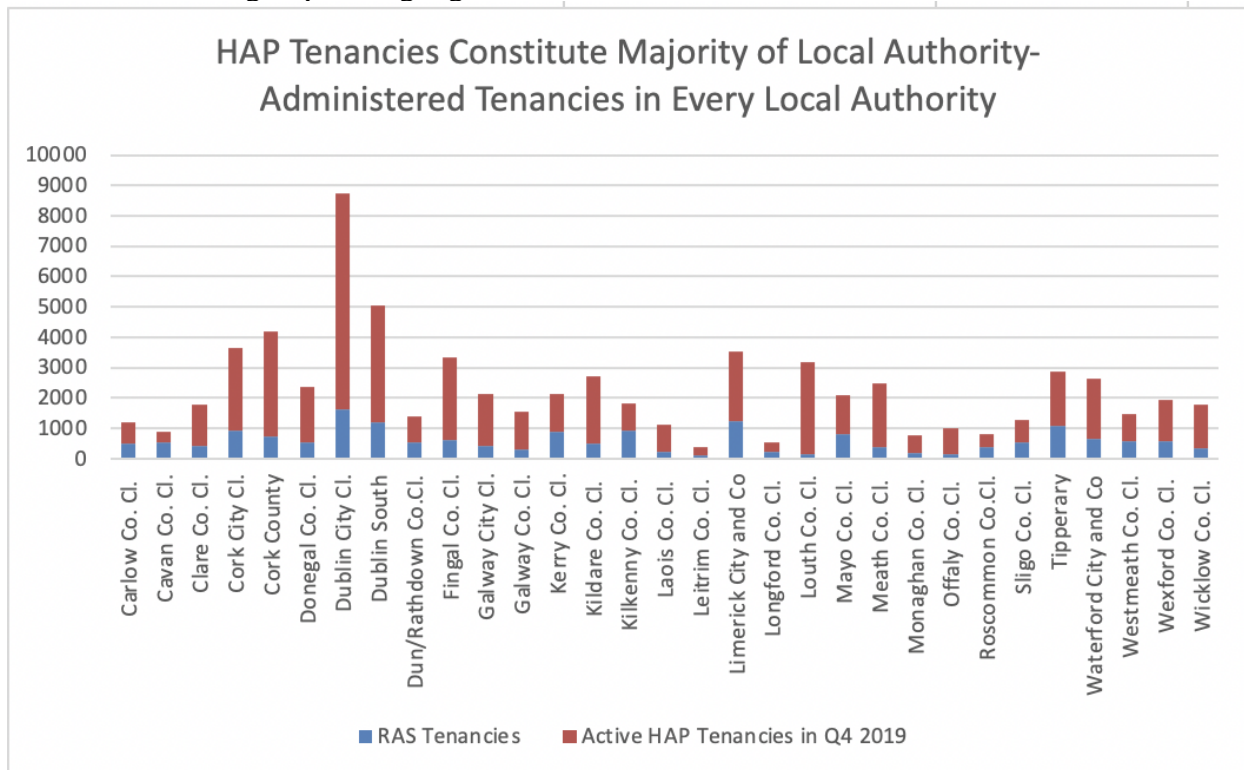
For comparative purposes, the following chart details the average per unit cost of funding new state-administered social housing for 2019, combining both purchases and acquisitions. New social housing units were most expensive in Dublin City, where housing demand is exceptionally acute.



Source: Department of Housing, Local Government and Housing (2020) and NUI Galway (2020)

The final chart measures the number of HAP and RAS tenancies per local authority. Since HAP and RAS are paid on a direct tenancy basis, there are more people who benefit from these services than there are tenancies where HAP and RAS are administered, due to

families and other groups living together under one unit.



Source: Department of Housing, Local Government and Heritage (2020)

7. The figures spent on HAP, RAS, Rent Supplement, Homeless Accommodation and other key areas of public current expenditure on the provision of housing in 2019 (pg. 14).

In 2019, the Irish government spent the following totals on providing discounted and affordable housing. The right column measures the gross spending on each program as a percent of gross housing spending from 2019, which was €2,365,271,000. Rent Supplement, which is administered by the Department of Employment Affairs and Social Protection, was included but does not fall under housing spending. The largest contributor to the category of other capital spending was Capital Advance Leasing Facility spending, which totalled €139,399,000 in 2019.

Programme:	Gross Expenditure:	As a Percent of Gross Housing Spending	Spending Type
Accommodation for Homeless	€165,000,000.00	6.976%	Current
HAP	€382,408,000.00	16.168%	Current
Local Authority Housing	€955,745,000.00	40.407%	Capital
RAS	€134,290,000.00	5.678%	Current
Rent Supplement	€125,234,000.00	RS is administered as social protection spending.	Current
SHCEP	€139,127,000.00	5.882%	Current
Other Current	€98,527,000.00	4.166%	Current
Other Capital	€490,174,000.00	20.724%	Capital

Source: Department of Public Expenditure and Reform (2019)

Note: These data represent a best government estimate pending official verification of 2019 spending data.

References:

Burke, Shane. *L&RS Note: Rent Arrears and COVID-19*. Oireachtas Library & Research Service, Houses of the Oireachtas, 09 July 2020. Available at https://data.oireachtas.ie/ie/oireachtas/libraryResearch/2020/2020-07-10_l-rs-note-rent-arrears-and-covid-19_en.pdf.

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National University of Ireland Galway. “2019 Local Authority Raw Data.” Local Authority Finances. NUI Galway, 2020. Available at <http://localauthorityfinances.com/download-data/>.