

**Joint Oireachtas Committee on Housing Local Government and Heritage**

**Social Housing Acquisitions and Cost Rental Tenant-in Situ Scheme**

**21 September 2023**

**Opening Statement – Minister Darragh O’Brien**

Chair, Members

Thank you for the invitation to appear before the Committee today to discuss Social Housing Acquisitions and the Cost Rental Tenant-in-Situ Scheme.

I am accompanied here today by Caroline Timmons, Assistant Secretary with responsibility for Housing Affordability Inclusion & Homelessness and David Kelly, Principal Officer with responsibility for Housing Finance and Social Housing Delivery Coordination.

The acquisition of homes through the social housing acquisition programme and the Cost Rental Tenant-in-Situ programme is a very important response by the Government to support households to stay in their rental property when a private landlord has made a decision to sell their property. In March this year, the Government announced that the ‘Winter Emergency Period’ under the Residential Tenancies (Deferment of Termination Dates of Certain Tenancies) Act 2022 would expire at the end of March.

As part of a suite of measures to respond to this change in the private rental sector, the Government increased the target for the number of social housing acquisitions to be developed this year and developed the ‘Cost Rental Tenant In-Situ’ (CRTiS) scheme for tenants who were not eligible for social housing supports. These schemes were introduced to support households who were at risk of becoming homeless at the end of their tenancy period.

Housing for All sets out ambitious targets for the delivery of social and affordable housing. Under the Plan we will deliver over 90,000 new social homes and 54,000 new affordable homes in the period 2022-2030. Record levels of funding are being provided to support capital investment in social and affordable housing, with over €4bn in capital funding available this year.

In increasing the delivery of social housing, our focus is on delivery through new build projects and 2022 saw the highest level of new build social homes delivered since 1975. We are also increasing the delivery of affordable purchase homes and through the new tenure of Cost Rental, providing more affordable homes to rent.

Over the past 18 months, we have seen significant pressures on our housing system. Ireland has quite rightly provided support to large numbers of Ukrainians fleeing the Russian invasion of their country. These pressures, combined with the exit of a significant number of private landlords from the private rental market, has required the introduction of additional targeted measures to support the acquisition of additional properties for both social housing and cost rental.

For 2023, my Department will support local authorities to deliver at least 1,500 social housing acquisitions, an increase of 1,300 on the original Housing for All target. These additional acquisitions are being focussed on properties where a HAP or RAS tenant has received a Notice of Termination, due to the landlord's intention to sell the property. There has been very significant activity in this area by local authorities. Data on acquisitions will be included in my Department's quarterly statistical reports. However, preliminary data provided by the local authorities to my Department shows that over 800 acquisitions have been completed and over 1,000 are sale agreed and in the conveyancing process.

It is important to note that the acquisition of a property is just one of the supports offered to a tenant at risk of homelessness. Local authorities take appropriate steps to ensure that the first response will be to support households to try to prevent homelessness in cases where tenants have been served with a notice of termination by their landlord.

The Cost Rental Tenant-in-Situ Scheme supports households who are not eligible for social housing supports but who are within the income limits for Cost Rental Housing. Originally in March 2023 the income limit for cost rental was set at a net income of no more than €53,000. This increased for cost rental on 1 August 2023 to €66,000 for Cost Rental homes in Dublin and €59,000 elsewhere. These changes to the income limits were mirrored in the CRTiS Scheme with effect from 1 August.

Local Authorities have a role in the assessment of tenants who are in receipt of a valid Notice of Termination due to an intended sale of the property. This assessment is conducted by a Local authority Housing Officer in exactly the same manner and using the same evidence base as any other situation in which someone presents to the Authority and claims to be at risk of homelessness.

Based on this referral from a local authority the Housing Agency administer the CRTiS Scheme directly. This is done by a dedicated team set up to deal with queries, engage with potential tenants and their current landlords and ultimately acquire houses referred to them under the Scheme were appropriate.

The Housing Agency acquires homes with full capital funding, in line with the acquisition guidelines already in place for the social housing tenant in situ scheme. It often takes a significant amount of time to acquire these homes, which can take several weeks from date of referral of a household to the Housing Agency by the local authority to the acquisition of that house. As of end Q2 2023, 68 cases had been referred to the Housing Agency by 21 local authorities.

The CRTiS remains on an administrative basis while my Department continues to work towards planning for the establishment of this scheme on a permanent basis. This may require some changes to the standard Cost Rental framework to allow for the fact that such tenants are already in situ. In addition, the Housing Agency which has now been administering this scheme for 6 months, is collating the learning from this work in order to feed into the development of a more permanent scheme which is in line with the standard cost rental framework.

This is a priority for me as Minister and in the interim the scheme will continue to work on temporary administrative basis to the end of 2023.

I will be happy any questions that members have.

Thank you.