

The Liffey Champion

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Rent Pressure Zones not working – Ó Broin

The latest *Daft.ie* rent report confirms that in the 12 months since the Rent Pressure Zones (RPZs) were introduced, rents have increased by 10%, Sinn Féin Deputy Eoin Ó Broin told the Dáil.

“This is the seventh report which indicates increases in rent which has been published since the pressure zones were introduced,” he said. “All four *daft.ie* reports show rent increases above the 4% cap, but, crucially, the three ESRI Residential Tenancies Board reports which include existing tenancies show rent increases above the 4% cap in each of the three quarters. Therefore, on average it now costs in excess of €20,000 per year to rent in Dublin, while on average it costs at least €10,000 per year to rent outside Dublin.”

Deputy Ó Broin said rents have increased by 65% since 2011 and are now 19% higher than at the peak of the boom in the Celtic tiger period. “How are ordinary people meant to afford this level of rent?” he asked. “They include young working people, young couples, students or later in life couples. Does the Taoiseach really believe they can afford such excessive rents? Have their incomes increased by 65% since 2011? Perhaps he might think they should ask their parents for the extra rent.”

The Rent Pressure Zones are not working, he said. That is what the figures in all seven reports tell the Taoiseach. “They have created a two-tier rental market. Long-term secure tenants have some protection, but those in vulnerable or new tenancies have no protection. The *daft.ie* report confirms that breaches of the 4% cap are widespread in the case of new tenancies. There is also a growing number of landlords who are charging existing tenants illegal under-the-counter payments above the 4% cap. Landlords outside the rent pressure zones in Waterford, Limerick and parts of Cork are actively encouraged to jack up rents to unsustainable levels within the rent pressure zones. Worst of all, the Taoiseach expects vulnerable tenants to police the system.”

In response, Taoiseach Leo Varadkar said the purpose of the Rent Pressure Zones was to protect people in existing tenancies from big increases in their rent that may cause them to lose their homes. “The majority of people who now rent in Ireland are covered by the rent-pressure zones and are seeing rent increases of 4% or less,” he said. “There are, of course, exceptions to that, for example, in the case of substantial refurbishment and other things. The difficulty that arises is that for new tenancies and new properties, rents are continuing to rise at double-digit rates.”

Lawless calls for regulation on cryptocurrencies

The value of the online cryptocurrency Bitcoin has all the hallmarks of a bubble, with dubious transactions taking place on certain exchanges and significant market volatility, Fianna Fáil Deputy James Lawless told the Dáil.

“Despite this, Ireland has still not introduced regulations on cryptocurrencies,” he said. “While people are entitled to do as they wish with their money, there is a risk of contagion and market instability, not to mention the potential for criminality and money laundering. This has been recognised by the European Banking Authority since 2013, but its recognition has yet to make its way to this jurisdiction.”

Deputy Lawless said he submitted a number of parliamentary questions to the Department of Finance seeking clarity on the risk mitigation, planning or governance measures in place for cryptocurrencies. “It replied that it hoped to have something in place towards the end of 2018,” he said. “I am not sure that an issue as volatile as this can wait for a year, given the risk we have seen in the past.”

Kenny seeks restoration of pain-reducing drug Versatis

The withdrawal of pain-reducing Versatis patches from the drugs payment scheme and the medical card has been a debacle, People Before Profit Deputy Gino Kenny told the Dáil.

“Somebody should put his or her hand up and say that he or she has got it very wrong,” he said. “Those who benefit from the patches, numbering tens of thousands, are being denied this medication that gives them relief. I know the HSE has said it is based on clinical grounds but most people listening in or who have been on radio or television think it is a monetary decision. A number of people contacted our office about this, and to say they are distraught is an understatement. They are going through life with a condition that has chosen them. They have not chosen the condition of chronic pain or neuropathic pain.”

Deputy Kenny said the HSE might save money in the short term but it will cost the HSE much more money in the long term and hardship, particularly for the people benefitting.

In response, Health Minister Simon Harris said he was concerned that he had heard many patients worried and upset about this and it is important that they hear how they can have their case reviewed.

“Lidocaine 5% medicated plasters are licensed to treat neuropathic pain from previous shingles infection, or post-herpetic neuralgia, PHN, in adults,” he said. “They have been reimbursed in the community drugs schemes since 2010. When the patch was first introduced, its projected budget impact was low because of the very specific licensed indication. It was clearly a clinical cause of concern when the reimbursement cost increased from €9.4 million in 2012 to over €30 million in 2016, mostly from unlicensed use of the patch.”

He said the National Centre for Pharmacoeconomics estimated that only 5% to 10% of prescribing of the patch has been for the condition it was licensed for. “In light of this clinical review, the HSE introduced a new reimbursement system for Lidocaine patches from 1 September 2017, as has been done for other medication, including Entresto, a heart failure drug,” he said. “This process supports its appropriate use and ensures that post-shingles patients continue to receive this treatment.”