
For Written Answer on : 03/12/2019
Question Number(s): 631,632 Question Reference(s): 50178/19, 50179/19
Department: Housing, Planning and Local Government
Asked by: Brendan Smith T.D.

QUESTION

* To ask the Minister for Housing; Planning and Local Government the timeline for the completion and publication of the review of income eligibility limits for social housing; and if he will make a statement on the matter.

- Brendan Smith T.D.

For WRITTEN answer on Tuesday, 3 December, 2019.

* To ask the Minister for Housing; Planning and Local Government his plans to increase substantially the income eligibility limits for social housing in areas such as counties Cavan and Monaghan in which the present limits are much too low and are denying persons and families the opportunity to apply for social housing (details supplied); and if he will make a statement on the matter.

- Brendan Smith T.D.

For WRITTEN answer on Tuesday, 3 December, 2019.

REPLY

Applications for social housing support are assessed by the relevant local authority, in accordance with the eligibility and need criteria set down in section 20 of the Housing (Miscellaneous Provisions) Act 2009 and the associated Social Housing Assessment Regulations 2011, as amended.

The 2011 Regulations prescribe maximum net income limits for each local authority, in different bands according to the area concerned, with income being defined and assessed according to a standard Household Means Policy. Under the Household Means Policy, which applies in all local authorities, net income for social housing assessment is defined as gross household income less income tax, PRSI and the universal social charge. The Policy provides for a range of income disregards, and local authorities also have discretion to decide to disregard income that is temporary, short-term or once off in nature.

The income bands and the authority area assigned to each band were based on an assessment of the income needed to provide for a household's basic needs, plus a comparative analysis of the local rental cost of housing accommodation across the country. It is important to note that the limits introduced at that time also reflected a blanket increase of €5,000 introduced prior to the new system coming into operation, in order to broaden the base from which social

housing tenants are drawn, both promoting sustainable communities and also providing a degree of future-proofing.

Given the cost to the State of providing social housing, it is considered prudent and fair to direct resources to those most in need of social housing support. The current income eligibility requirements generally achieve this, providing for a fair and equitable system of identifying those households facing the greatest challenge in meeting their accommodation needs from their own resources.

However, as part of the broader social housing reform agenda, a review of income eligibility for social housing supports in each local authority area is under way. The review will also have regard to current initiatives being brought forward in terms of affordability and cost rental and will be completed when the impacts of these parallel initiatives have been considered.

The Government has introduced a number of affordability measures to support people who wish to purchase their own homes. In particular, following a review of the previous two existing local authority home loan schemes, the House Purchase Loan and the Home Choice Loan, a new loan offering, known as the Rebuilding Ireland Home Loan, was introduced with effect from 1 February 2018. The loan enables credit worthy first time buyers to access sustainable mortgage lending to purchase new or second-hand properties in a suitable price range. The low rate of fixed interest associated with the Rebuilding Ireland Home Loan provides first time buyers with access to mortgage finance that they may not have otherwise been able to afford at a higher interest rate.

As with previous local authority house purchase loan finance, the Rebuilding Ireland Home Loan is available to first time buyers only. This is to ensure the effective targeting of limited resources.