

Issue 40

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2009

News

PRTB makeover
Students happy
with their lot
Tenant purchase
in Scotland
Empowerment

Features

A flagship change
Making a home
in Ireland

Features

Sharing the power –
working together
A charitable Act

CornerStone interview

Fr Peter McVerry



The magazine of the Homeless Agency

The housing association review: hitting the target or a missed opportunity?



Vision: By 2010, long-term homelessness and the need for people to sleep rough will be eliminated in Dublin.

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Editor

Simon Brooke

Advisory group

Lisa Kelleher, Homeless Agency (chair)
Lorna Cronnelly, Homeless Network
Avril Feeney, Dublin City Council
Eithne Fitzgerald, Independent
Marian Gunn, FÁS
Brian Harvey, Independent
Roughan McNamara, Homeless Network
Alice O'Flynn, Health Service Executive

Publisher

The Homeless Agency, Parkgate Hall
6-9 Conyngham Road, Dublin 8
Telephone 01 703 6100
Fax 01 703 6170
Email: homeless@dublincity.ie
Web: www.homelessagency.ie

Contributors

Simon Brooke is a housing and social policy consultant
Fran Cassidy is a writer and researcher
Deirdre Connolly is services standards officer at Focus Ireland

Jim Ganley is head of the Voluntary & Co-operative Housing & Housing Grants Section at the Department of the Environment, Heritage and Local Government

Chris White is CEO of the Sue Ryder Foundation

Mairi Keddie is planning, partnerships and commissioning manager at City of Edinburgh Council

Evelyn Fitzpatrick is a financial consultant to the charity sector

Sinead McGinley is research officer at Focus Ireland

Declan O'Connell is a service user at Focus Ireland

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Note from the editor

In the last issue I said that I hoped the opportunity to use some of the thousands of empty homes for social housing would be grabbed with both hands.

Well it has!

Just before we went to press, the Department of the Environment, Heritage and Local Government published details of a Social Housing Leasing Initiative that is aimed specifically at housing associations. The scheme allows for two types of agreement: one where housing associations lease property from owners for a fixed period, at the end of which the property is returned to the owner; and another – which seems to me to be much more attractive – where housing associations purchase existing properties, using rent from tenants and a payment from the DoEHLG to cover the loan costs.

Of course not all the newly developed housing is suitable for social housing. In fact some of it probably isn't suitable for any housing, and should never have been built in the first place.

But where housing is in the right place, and has been built to acceptable quality, and is cheap enough for the sums to work, this could be a way of providing good quality affordable social housing for some of the 56,000 households on local authority housing waiting lists.

Of course it has to stack up financially – housing associations are not-for-profit organisations, but equally importantly they are also not-for-loss. So it depends on rent from tenants and fees from the DoEHLG matching the loan repayments. It's too early to estimate how many houses we're talking about, but it certainly looks likely that at least *some* deals will be possible under the proposed arrangements, and anyway it should be possible to tweak the scheme as it progresses if necessary.

The DoEHLG should be congratulated for listening to those who were pushing for this type of arrangement and for coming up with this scheme. It doesn't need legislation, and more to the point it doesn't depend on NAMA, so there's no excuse for waiting!

Simon Brooke

The magazine of the Homeless Agency

The housing association review: hitting the target or a missed opportunity?



News	2	Making a home in Ireland	13
PRTB makeover; Private rented students happy; Tenant purchase in Scotland; Update on Update .		Sinead McGinley describes a study examining the housing experiences of minority ethnic households in Blanchardstown.	
The housing association review: summary	4	Sharing the power – working together	16
The Grant Thornton review signals major changes for the housing association sector. This article summarises the main findings.		Deirdre Connolly and Declan O'Connell report from FEANTSA's conference in Copenhagen.	
The housing association review: timely and helpful	7	A flagship change	18
Jim Ganley argues that the report endorses a long-term leasing approach as an alternative to some current funding arrangements and flags the future direction of the sector.		What happened when the City of Edinburgh introduced open tendering for homeless services? Mairi Keddle reveals all.	
The housing association review: a missed opportunity	10	A charitable Act	21
The review says little, according to Chris White , and provides little practical guidance and leaves the sector and the DoEHLG to find their own way forward.		Evelyn Fitzpatrick explains what charities will have to do to comply with the Charities Act 2009.	
		The CornerStone interview	23
		Fran Cassidy discusses homelessness and religious belief with Fr Peter McVerry	
		CornerStone Questionnaire	26
		Paul Conlon , chief executive, Coolmine Therapeutic Community	

NEWS

PRTB makeover

The Private Residential Tenancies Board (PRTB) was set up to resolve disputes between private landlords and their tenants, and to operate a national tenancy registration system. It's been up and running for five years now and so it's time to do some tweaking.

Housing Minister Michael Finneran has announced that he's going to bring in legislation that will produce the following changes:

- Dispute resolution cases to be sorted out within a maximum period of six months
- A smaller PRTB Board – from 15 to 21 members
- Fixed fines for landlords where deposits are illegally retained
- Action against tenants, including eviction if they refuse to pay rent during a dispute process
- Ways of encouraging more people to use mediation rather than a more formal hearing as a way of settling disputes – most people choose the more formal adjudication over mediation
- Simpler procedures for registration and ending tenancies
- Bringing 'standard' social housing tenants of housing associations under the remit of the PRTB

As well as the above, the Minister is considering how best to deal with:

- Third party complaints
- Anti-social behaviour
- Deposit retention
- Other ways of making the operation of the Residential Tenancies Act more efficient

Deposit retention is a huge part of the PRTB's work. Nearly half of the 1650 disputes referred to the PRTB in 2008 were complaints by tenants that their landlord had refused to return a deposit, when the tenant moved out. In three quarters of these cases, the PRTB said that the landlord had to refund all or part of the deposit. So the introduction of a mandatory fine is an attempt to act as a deterrent to landlords who won't give back tenants' deposits. Don't forget that a deposit is normally a month's rent and even with rents falling this would be well over €1000 for a two-bed apartment in Dublin, which is serious money by anyone's measure.

Bringing some housing association tenants under the remit of the PRTB is a very interesting proposal, which may be a signal of bigger changes ahead. Those who are against it say that it moves housing associations away from local authorities who are their naturally closest relatives, and that the PRTB, with its emphasis on private landlords, is not an appropriate body for not-for-profit organisations. However, against that it is claimed that this would give housing association tenants greater rights, and provide a much better mechanism than the courts for dealing with landlord/tenant problems. It might also be a shift in the direction of tenure neutrality, which means that tenants' rights and obligations would be same regardless of their tenure.

Update on Update

Update is the Homeless Agency's online bi-monthly newsletter, which you can read on www.homelessagency.ie

It covers regular features such as news in relation to the *Pathway to Home* model implementation, Homeless Agency Board and Consultative Forum, Holistic Needs Assessment and Care and Case Management, Research and Policy matters. The newsletter also highlights news, events and seminars taking place within the homeless sector. If you would like to submit an article to Update please contact Sorcha Donohoe, Editor on (01) 703 6100 or send us an email on homeless@dublincity.ie

The November/ December issue will be on the website mid December, and will include the following:

- Progress on implementation of *Pathway to Home*
- Rough sleeper count – November 2009
- Budget submission and review
- Introducing board member: Eddie Matthews, HSE
- Introducing consultative forum member: Sharon Cosgrove, Sonas Housing
- Older people's experience of housing exclusion: an explanatory study
- Care and Case Management Guidebook
- MABS debt study
- Oireachtas Bulletin – Policy matters
- A day in the life – Julie Ryan, Tenancy Sustainment Officer, Dun Laoghaire-Rathdown County Council

NEWS

You will find *Students in the Private Rented Sector: what are the issues?* on www.chr.ie

Students happy with private rented housing

Nearly 90% of students in private rented accommodation are very satisfied or satisfied with their current accommodation. That's according to a survey carried out by the Centre for Housing Research.

Students in the Private Rented Sector: what are the issues? is the report of a survey of over 1,300 university students in Dublin, which was commissioned by the Department of the Environment, Heritage and Local Government, the Department of Education and Science, the Union of Students in Ireland and the Private Residential Tenancies Board.

Nearly half said it was easy or very easy to find their accommodation, whilst just over a third said it was difficult or very difficult, citing high costs, competition from other students, and difficulties finding accommodation in the right area as the main reasons for this.

Nearly all (87%) lived in a shared house or apartment, with only 2% in bedsits.

However, whilst 62% said they were happy with their existing private rented accommodation; 18% said they would prefer to be in better private rented accommodation; 17% said they would prefer to live in college accommodation; and 3% were homesick and wanted to live with their family.

But the estate agents' mantra, 'location, location, location' doesn't appear to apply to students looking for private rented housing. Cost was the most important factor they considered

when looking for housing, followed by quality, then proximity to college (i.e. location), then personal safety, and finally size.

The great majority of students either had an excellent or good relationship with their landlord (60%) or had no contact with their landlord (34%). Only 6% said the relationship was not good or poor.

The report points out that, 'the surveys were carried out when the property market was experiencing a downturn, which may have influenced the generally positive picture of student accommodation...' It suggests that the situation could change again in the event of an upturn in the market, and recommends that this should be monitored.

Nearly half of Ireland's 84,000 university students live at home; about 1 in 8 live in college accommodation, and over a quarter live in private rented housing.

There is a huge variation between countries in the type of accommodation students live in: in Italy and Spain about 75% live at home; in France, the Netherlands and Ireland it's round about 40%; but in the UK and Germany most students escape from their parents as quickly as they can, leaving only about 20% living with at home.

Scotland scraps right to buy

Nicola Sturgeon, the Scottish Health Minister announced at the SNP conference in Inverness that new social housing tenants will not have the right to buy, saying that the policy has 'had its day'. She estimated that this will mean 18,000 fewer social housing tenants buying their homes over the next decade. People moving into newly built social housing have already lost the right to buy, so only those who are already tenants will still be able to buy them.

The right to buy, which was introduced by Margaret Thatcher in 1980, was hugely popular and helped to double the percentage of owner occupiers Scotland to 6%.

The Conservatives predictably attacked the proposal saying that it amounted to 'political vandalism', and Labour, rather less convincingly claimed that it missed the point which is that there aren't enough homes for people in need.

FEATURES

The housing association review: *Hitting the target or a missed opportunity?*



The long awaited review of housing association funding was published at the end of September 2009. This report signals major changes for the housing association sector, which amongst other things has made a huge contribution to tackling homelessness. **CornerStone** commissioned two commentaries on the Grant Thornton report, from **Jim Ganley** who is head of the Voluntary & Co-operative Housing & Housing Grants Section at the Department of the Environment, Heritage and Local Government, and **Chris White**, who is CEO of the Sue Ryder Foundation, which is a housing association that provides sheltered housing for the elderly and others with special needs. First however, to save you reading the whole report **CornerStone** has provided a summary.

Strategic Review of the Capital Funding Schemes for Voluntary and Co-operative Housing, was produced by Grant Thornton. The name 'Fitzpatrick Associates' also appears on the front cover, but its involvement is not stated. The report can be downloaded from www.enviro.ni/en/Publications/DevelopmentandHousing/Housing/ where it is called 'Centre for Housing Research Report – Grant Thornton'

There are currently two funding schemes for housing associations: the Capital Assistance Scheme (CAS) and the Capital Loan and Subsidy Scheme (CLSS). The CAS scheme provides 95% of building costs and is mainly used for special needs housing, that is housing for people who identified needs in addition to their housing need, which require special housing arrangements. The CLSS provides 100% of building costs and is mainly used for general needs housing, that is, mainstream housing for people on low incomes in housing need.

The labels used are confusing. An 'approved housing body' is the legal name for a housing association or housing co-op. The expression 'voluntary and co-operative housing' is used to mean a housing association or housing co-op. In this summary, and in the title, 'housing association' is used to mean housing association or housing co-op.

The Grant Thornton report was commissioned by the Centre for Housing Research on behalf of the DoEHLG with a remit to examine capital funding schemes for housing associations and the role of the housing association sector.

The report's recommendations are provided under a number of headings, illustrated by quotations. As the title of the report suggests, the largest section is the one headed 'Funding'.

Profile of voluntary and co-operative sector

The fieldwork included the administration of a questionnaire, sent out to 728 housing associations. Only 18% responded, representing approximately 35% of Irish Council for Social Housing (ICSH) and National Association of Building Co-operatives (NABCo) members.

"In essence, it is not possible to define from the survey the precise status of all the voluntary and cooperative bodies that have been approved and the housing stock in their ownership"

Recommendations:

- Housing associations that have never received funding or are no longer active should have their approved status removed.
- Local authorities should be required to carry out a condition survey and during this verify that sound governance procedures are in place and being operated.

Industry fragmentation

"The voluntary and co-operative housing sector in Ireland is a very fragmented sector with 728 approved voluntary and co-operative housing associations providing some 22,000 dwelling units to persons of need . . . Given the complex nature of providing, operating and maintaining dwelling units for social housing purposes, it must be questioned as to whether a sector that is so fragmented can operate effectively and efficiently at all levels."

Recommendations:

- Greater co-operation between bodies should be fostered.
- The Department of the Environment, Heritage and Local Government (DoEHLG) should facilitate mergers.

Governance

"...based on our discussions with bodies in the sector, we conclude there is scope for supervision on the part of local authorities over the sector to be improved."

Recommendations:

- All applications for funding should be accompanied by evidence of sound governance or a housing association can seek an annual form of approval.
- Information should include as minimum:
 - Copy of audited accounts

- Copy of annual return made to Companies Registration Office
- Statement of no. of dwellings held or under development
- Statement regarding frequencies of board/trustee meetings
- Annual report, if prepared
- This role could be provided by the new Housing Services Support Agency.

Planning

"In terms of housing planning, the voluntary and co-operative sector is not integrated in the national strategic planning process to the extent it could be, particularly in planning at the local authority level."

Recommendations:

- Housing associations should be engaged in local authority housing strategy and planning process.

Cost effectiveness

"...there was a consistent view expressed to the consultants that the voluntary and co-operative sectors are marginally more cost effective than local authorities in the management and operation of housing"

No recommendations

Tenant purchase

"The issue of tenant purchase among the voluntary and co-operative sector has been raised, and in general, the view is that both current legal structures and the wishes of the voluntary and cooperative sector do not favour the tenant purchase options."

No recommendations

Future role of housing association sector

"...it is difficult to distinguish housing provided under the CLSS from housing provided by local authorities."

However, advantages of housing provided under CLSS scheme are offered:

- Less stigma than local authority housing
- Better management of tenants and houses than local authorities
- More cost-effective than local authorities

The report identifies a particular role for housing associations providing housing "...as part of an overall service that includes services to people with needs", because this is not provided by local authorities.

Recommendations:

“... we consider that an approach where funding be limited to the CAS scheme and where the voluntary and cooperative associations should seek to involve tenants other than persons from the local authority housing lists should be a focus of the voluntary and co-operative sector.”

“In our view, the continued use of the CLSS should also be questioned in a context where other schemes (leasing and CAS) are more cost-effective, and where Government policy is to seek more cost-effectiveness in current and capital expenditure.”

Funding

“The sector has relied to a very substantial extent on State funding in the past, and in the current economic climate, it is unlikely that the State will have the requisite levels of funding to meet the ambitions of the sector.”

“...we question whether the skill base exists within the range of existing bodies to operate in an environment that has a reduced, or possibly significantly reduced dependency on State funding.”

Seven distinct funding options are considered:

1. A continuation of the current CLSS scheme

“...we consider that the CLSS scheme could be terminated without a significant impact on the voluntary and co-operative sector.”

2. A continuation of the existing CAS scheme

“The option of continuing with CAS scheme is in our view a viable option for the voluntary and co-operative sector.”

“...we are proposing that in future applications under the CAS, the voluntary and co-operative bodies should indicate the scope they have to make a greater contribution either through their own resources or through the means of the tenants that they propose to house in the new development.”

3. The sourcing of monies on commercial lending basis from banks, building societies and/or credit unions

“In this case, in our view, the key role of the Department would be to ensure that either the tenant or the voluntary body would have sufficient income to enable it to service the mortgage loan. ...this income would be higher than that generated under the differential rent scheme and this would require the expansion of a scheme similar to the current Rental Accommodation Scheme.”

4. The sourcing of funding from investors such as pension funds

“Provision of funding through investors such as pension funds effectively covers the leasing option”

“The lease payment would increase at regular periods to reflect some of the capital appreciation. Investors could sell the dwellings with sitting tenants so that the dwellings would remain in use for social housing.”

“...in our view, the leasing option would be more suitable to large scale property owning companies and pension funds which could provide a relatively substantial portfolio of dwellings.”

5. Participation by voluntary and co-operative bodies in commercial property ventures

“...we do not envisage that voluntary and co-operative bodies will become large scale property developers. ...the potential for including retail units at street level would merit consideration.”

6. Participation on the part of voluntary or co-operative bodies in Public Private Partnership (PPP) type schemes

“...in the case of voluntary bodies who wish to provide an element of housing to persons with needs, such as the elderly, consideration might be given to a form of public private partnership where the tenants of a completed development would consist of a proportion of local authority tenants; a proportion of voluntary body tenants together with potentially some private sector acquirers. The funding mechanisms for such developments could replicate those that have been proposed for private sector PPP projects in the past.”

7. The release of funding through a sale and lease pack of existing assets.

“...this option would entail the sale of some existing properties and the gaining of a capital sum that will enable new properties to be developed.”

The report states that the sale and leaseback approach appears to offer no benefits over the leasing option. However, “...in our view, sale and lease back to provide some capital monies that would enable urgently needed developments to occur would merit consideration.”

Recommendation:

The housing association sector should avail of all of these alternatives to the greatest extent possible. Leasing is a cost-effective approach and a preference for proposals involving leasing could provide better value for money.

FEATURES



Jim Ganley is head of the Voluntary & Co-operative Housing & Housing Grants Section at the Department of the Environment, Heritage and Local Government

The housing association review: *Timely and helpful*

Background

In 2008, the Centre for Housing Research, at the request of the Department of the Environment, Heritage and Local Government, commissioned Grant Thornton to carry out a strategic review of the capital funding schemes for voluntary & co-operative housing. This was in response to a commitment in the Government's Housing Policy Statement *Delivering Homes, Sustaining Communities* to put mechanisms in place to ensure that funding is spent as cost effectively, efficiently and equitably as possible.

A Request for Tenders was published, seeking proposals for a report dealing with:

- A review of the current policy and provision under the voluntary & co-operative funding schemes
- The future policy and direction of the voluntary and co-operative housing investment programme

Grant Thornton was appointed following a competitive tender process. The consultants were asked to take a broad look at all the issues facing the sector and the brief was as non-prescriptive as possible.

The draft report was delivered on Monday, 31 August 2009 and circulated to the Irish Council for Social Housing (ICSH) the National Association of Building Co-operatives (NABCo) and the City and County Managers Association (CCMA) for comment. The final report was launched by the Minister for Housing and Local Services, Mr. Michael Finneran TD on 17 September at the ICSH housing conference in Athlone.

The main findings

The Grant Thornton review is a completely independent and external view of the voluntary and co-operative housing sector. The authors recognise the unique contribution of the voluntary and co-operative housing sector in providing accommodation and care for the elderly, the homeless and persons with a disability. It strongly supports the continued funding of special needs housing under the Capital Assistance Scheme (CAS).

However, the traditional approach to social housing delivery, based on 100% capital funding by the State, is not seen as sustainable in the context of the current fiscal climate.

The report recommends a shift in emphasis from the capital funding of new construction and acquisitions to the revenue funding of market based delivery mechanisms largely centred around the long-term leasing of properties and the use of private finance to fund acquisitions and new build projects.

In the case of family type accommodation provided under the Capital Loan & Subsidy Scheme (CLSS) the report cites no significant advantages for the CLSS approach traditional over local authority provision and, in the current fiscal climate, suggests that the CLSS is terminated and substituted by alternative approaches using private finance and leasing. The report is generally supportive of a transition from the capital funding of new construction to a situation where a guaranteed annual income stream could be used by approved housing bodies to service the borrowings needed for acquisitions and/or new build. Grant Thornton endorses the long-term leasing approach and shows it to be more cost effective than capital funding or mortgage funding.

Future funding options

On the question of future funding options for the voluntary and co-operative housing sector, the report points to the use of private finance, sourced mainly from commercial banks and pension/investment funds, to make good the shortfall in direct capital funding by the State and sets out the circumstances in which these might operate. The Department's role in creating a supportive environment for the use of private finance is seen as critical to the success of this option. The report shows that an individual approved housing body would have to have sufficient income to enable it to service a mortgage loan. It concludes that, in these circumstances, the income needed is higher than what is currently generated through the differential rent scheme and needs to reflect the income stream to private landlords as presently provided for under the Rental Accommodation Scheme. A mechanism needs to be developed which would, in effect, provide a form of State guarantee or underwriting to enable an approved housing body to access funds at the AAA rate which normally only applies to State borrowing.

The report sees little merit, from a financial perspective, in continuing with the CLSS approach to funding new build, family-type accommodation by way of mortgage finance from the Housing Finance Agency. The provision of special needs housing under the CAS is seen as meritorious and should be continued.

Principal recommendations

The report contains eight main recommendations:

- DoEHLG to obtain evidence of satisfactory governance from all approved housing bodies¹. Funding should be conditional on this evidence being provided. Approved status to be reviewed in cases where no activity reported/detected
- Funding applications to be considered/approved only where identified local housing needs are proven to exist
- Local authorities to carry out an audit of all voluntary & co-operative housing organisations nationally, to be followed by a housing condition survey
- There should be greater co-operation and resource sharing between approved housing bodies. The representative bodies should oversee this. Mergers and amalgamations should also be considered
- Financial management within approved bodies to be tightened up. Funding applications to be backed up with audited accounts
- Approved housing bodies should pursue alternative sources of funding to boost housing provision – for example pension funds, credit union funds, commercial banks. Overall, the report recommends a move from capital funding of new build

to revenue funding to support delivery through market based mechanisms. Leasing is a cost-effective approach, represents optimum value for money and will have greatest impact on addressing housing needs

- Approved housing bodies should have greater involvement in local authority housing action planning and in determining/addressing housing need, especially in the area of special needs housing
- There should be a tighter focus on the achieving an agreed inter-agency approach to the provision of supports, including care, in the case of special needs housing

Department's perspective

Given the serious constraints on the capital budgets for 2010 and beyond, we have little options but to recast our approach to social housing delivery, if we are to meet growing needs from the more limited resources now available to us. The traditional acquisition and construction approach to delivery, based on 100% capital funding from the Exchequer, cannot be sustained and alternative supply routes must be exploited. We need creative, workable and flexible measures to make up the shortfall in supply coming through the traditional delivery mechanisms.

Only two years ago, investment in the housing programme amounted to some €2.4 billion of which €1.73 billion came from the Exchequer. We are now in a very different place. The housing market has gone through a sharp decline, unemployment has risen and access to credit is much more restricted. To add to the challenge, numbers on the housing waiting list increased by 30% over the period 2005 to 2008.

The environment in which housing policy operates has undergone a huge transformation over the past two years. So has the nature and scale of the supports for social housing delivery. The Grant Thornton report is both timely and helpful in shaping that policy and in flagging the future direction of the voluntary and co-operative housing programme.

Consultation with stakeholders.

The Government and the Department are strongly committed to supporting priority areas such as special needs housing provision under the CAS, grants for adapting and upgrading the homes of older people and people with a disability, the regeneration of run-down local authority estates and implementing energy conservation measures in older housing stock.

¹ 'Approved housing bodies' is the legal name for a housing association or housing co-operative

Stakeholder consultation on how we go about implementing the principal recommendations of the Grant Thornton report will be done through the Working Group on Voluntary and Co-operative Housing, which is representative of the Irish Council for Social Housing (ICSH), the National Association of Building Co-operatives (NABCo), the County and City Managers' Association (CCMA) and the Department.

The future funding arrangements for family type accommodation, which up to now was funded under the CLSS, will be a key concern having regard to the recommendations set out in the report. The report supports the expansion of the long-term lease arrangements as a workable and cost advantageous measure in the context of the current over supply in the housing market. Since the publication of the report, the Department has extended the leasing programme to the voluntary and co-operative sector. The Department wants the sector centrally involved in the leasing programme. So far, a number of leasing projects have been approved, involving the local authorities working in co-operation with approved bodies. We are working closely with a number of approved bodies and ICSH and NABCo in getting a number of projects off the ground where the approved bodies themselves directly lease properties and, in turn, make them available for social renting. It is particularly pleasing to see a number of voluntary bodies which provide services to the homeless becoming actively involved in the leasing programme.

Other issues arising from the report.

Grant Thornton issued a survey questionnaire to each of the 728 approved housing bodies in Ireland. It is disappointing to note that only 128, or 18% of the total, provided responses. However, on a more positive note, the respondents represent around 54% of the total voluntary and co-operative housing stock nationally. Notwithstanding the fact that the questionnaire was long and detailed, the vast majority of approved housing bodies have successfully planned and implemented housing projects and should be familiar with the subject matter involved. All stakeholders, and not just the policy makers, would have benefited from a more comprehensive response. Perhaps this points to a possible communication deficit within the sector that needs to be addressed. The sector is highly dependant on voluntary effort, with over 50% of all bodies having no paid staff. In the case of bodies which have paid staff, these are mostly assigned to care related duties. This may partly explain the poor response rate.

Increased awareness of, and access to, training and education programmes operated by the two national bodies could be expected to improve communication and overall performance within the sector. The report suggests that only one in three voluntary bodies have a formal written staff training and development plan and that only 30% of voluntary bodies participate in ICSH-run training courses. We need to improve on this as well as ensuring that we have well resourced national umbrella organisations for the voluntary and the co-operative sectors to facilitate this

As we go about the task of implementing change, we need to communicate our message clearly and accurately, using all the avenues open to us, including through the excellent Cornerstone magazine. We look forward to working with, and listening to, all stakeholders in addressing the many challenges which lie ahead for the voluntary and co-operative housing sector in Ireland.

The traditional acquisition and construction approach to delivery, based on 100% capital funding from the Exchequer, cannot be sustained and alternative supply routes must be exploited

FEATURES



Chris White
is CEO of the
Sue Ryder
Foundation

The housing association review: *A missed opportunity*

Oscar Wilde said that the definition of a cynic was “a man who knows the price of everything and the value of nothing”. I would suggest that the Grant Thornton report is a cynical attempt to place prices against values. The eight month review was designed to be an objective assessment of the current funding arrangements of the voluntary housing sector, but the report’s nine recommendations will introduce stagnation and retrenchment into the sector.

A report of this type was much needed and welcomed. The sector has grown dramatically in the last ten years; it has become a major player in the delivery of social housing but its ability to press forward and deliver yet more units, yet more services and yet more capacity has been constrained by the administrative and funding structures currently in place. A victim of its own success, the development of the sector is dependent on too many external agencies, all of whom have varying levels of competency and vested interest.

Commissioning this report was an opportunity to look at what was preventing the full potential of the sector being achieved, what structural obstacles needed to be addressed; but that opportunity has been missed, instead, we have a report that needs another report to interpret it.

The report however is not without some merit, it identifies some long standing corporate governance issues, all of which had been raised with the DoEHLG previously, and these can be implemented with comparatively little effort by the DoEHLG. The lack of concrete practical concepts that would allow the sector to continue to develop in the current environment is the most disappointing element and undermines the central core of the report.

The report is extremely good at saying definitively what should *not* be done or continued, but is vague in stating what should be done to ensure the continued output of the sector. This is where the report has its most obvious failures.

The sector would welcome greater interaction with the DoEHLG, annual returns and the demonstration of good corporate governance hold no fears for the sector. The only caveat being that the level of return should be reflected in the activity of the association. It is unfair to expect a local parish association, which is run entirely by volunteers to provide the same level of reporting as the Sue Ryder Foundation.

The actual methodology of the report failed to grasp this proportionality issue and as a result is clearly flawed. Astonishingly, the report completely ignores the fact that associations vary hugely in size, from less than 20 units to over 3,000. As a result, it gives a distorted view; the characteristics of the sector as identified by Grant Thornton are not a true reflection of the actual activity throughout the country. Larger associations responded to the questionnaire, smaller associations did not do so in great numbers, but this does not mean that their contribution should be disregarded.

The most controversial elements of the report are clearly its recommendations about the future of capital funding. These recommendations can be characterised into two sections: what should stop, and potential new sources of funding. The list of potential actions comprises seven action points:

1. A continuation of the Capital Loan and Subsidy Scheme (CLSS)
2. The continuation of the existing Capital Assistance Scheme (CAS)
3. The sourcing of monies on a commercial lending basis from banks, building societies and /or credit unions
4. The sourcing of funding from investors such as pension funds
5. Participation by voluntary and co-operative bodies in commercial property ventures
6. Participation on the part of the voluntary and co-operative bodies in Public Private Partnership type schemes
7. The release of funding through the sale and lease pack of existing assets

These points have more or less merit depending on the perspective of the association but generally speaking they are a mixed bag of ideas, with little unity of thought applied to them except a view that price and cost are the underlying values in the sector.

The CLSS

The report recommends that the CLSS should be abandoned – essentially because of the leaseback scheme. Of course the large over hang of empty property needs to be addressed but trying to shoehorn social housing into schemes that would not meet the DoEHLG technical standards, to be run by the voluntary housing sector is not necessarily the solution to the problem.

Excluding voluntary housing associations from general needs provision, or perhaps more accurately restricting it to leasing options only when the evidence is that voluntary housing associations are more effective, is short sighted and plays into a local authority view that housing associations are competing with them rather than complimenting them.

The consequence of retaining the CAS and running down the CLSS is that smaller housing associations focussing on special needs may be squeezed out. This appears to be an undercurrent running through the report: greater governance, more collaboration, more sharing of skills and resources all suggest that large is better than small and that smaller associations should be phased out or amalgamated to facilitate corporate governance in the sector.

The larger developing associations will be forced to look for CAS funding opportunities, be they for elderly, disabled or homeless provision. The impact of this would to undermine the smaller associations and the values and skills that they bring to the sector. Yes, they need greater support from the ICSH and the DoEHLG, but they bring considerable resources to the sector which cannot be easily replaced with professional staff.

The report is extremely good at saying definitively what should not be done or continued, but is vague in stating what should be done to ensure the continued output of the sector

The CAS

It is reassuring to hear that the Capital Assistance Scheme will remain in place; however it remains to be seen how the allocation of these funds will be managed. The redirection of development staff of the larger associations from the CLSS to the CAS will lead to further competition between associations and the DoEHLG will have to be very clear in its direction to local authorities as to how that is treated.

There are no recommendations in the report on how schemes should be prioritised by the DoEHLG, in terms of whether there should be a time based list, which appears to be the current process or whether there should be a more sophisticated method of assessment based on need, value for money etc.

Commercial Lending

Again, the idea of commercial lending to housing associations appears attractive to the DoEHLG and the sector and perhaps it will form the basis of a solution for future development, but the details are absent, suggesting that private lending could be accessed, is very different from outlining a workable private finance initiative. The sector was crying out for that this type of detail from the economic consultants, what has been delivered is vague, unfinished and unworkable in the proposed form.

Pension Funds

Without significant legislative change, there is little evidence that pension funds would be attracted into providing funds for social housing development. The Mespil Estate affair is the most obvious example of pension fund investment going wrong. Tenants were close to having 20 years occupancy which would allow them to have a 35 year lease. However, Irish Life who owned the complex, anticipated that this would lead to a drop in value so it evicted the tenants and sold the apartments. This was a PR disaster and led pensions funds to be extremely wary of residential social property investment. To attract them back to the market would require the DoEHLG to introduce new legislation to protect tenants' rights above that of the PRTB and ensure an adequate return for the investment funds. This would be a significant challenge for the DoEHLG and one, which I doubt they have the appetite for.

Participation by voluntary and co-operative bodies in commercial property ventures

The suggestion that approved housing bodies (the legal name for voluntary and co-operative bodies) should get involved in risk bearing commercial activity illustrates that the authors have failed to read the guidelines under which approved housing body status is awarded. In *Capital Funding Schemes for the Provision of Rental Accommodation by Approved Housing Bodies* it states in section 2.11:

“... may not be controlled or be a subsidiary of another organisation. Approved housing bodies may not engage in any other commercial risk taking activities, which may adversely affect the financial solvency of their housing activities. Bodies seeking approved status must have a genuine commitment to the provision and ongoing management of social housing services”.

Careful consideration should be given to any such venture and the approval of the DoEHLG would have to be sought.

Participation on the part of the voluntary and co-operative bodies in Public Private Partnership type schemes

This would fall into the same category as commercial property ventures merely wrapped in different jargon, permission would still be required by the Approved Housing Body as previously stated.

The release of funding through the sale and lease pack of existing assets

This formless proposal, has at its core a sensible idea, that of releasing equity and assets to enable the sector to borrow privately, however it is fraught with difficulty and risk and would require extensive consultation with the DoEHLG to determine if it was viable.

Overall, this report is a missed opportunity, which fails to look at how the sector could thrive in difficult times, to build on the strengths that have developed over the past decade and examine how they could be focussed on delivering homes, services and economic stimulus into a faltering economy. Instead we have been presented with an ivory tower of a report that says little, provides little practical guidance and leaves the sector and the DoEHLG to continue their own efforts to ensure the voluntary housing sector contributes to economic recovery in the next five years.

FEATURES

Making a Home in Ireland can be downloaded from www.focusireland.ie and www.immigrantcouncil.ie



Sinead McGinley is research officer at Focus Ireland

Making a home in Ireland

Sinead McGinley writes about a study commissioned by Focus Ireland and the Immigrant Council of Ireland to examine the housing experiences and ‘housing careers’ of migrants in a Dublin satellite town.



The relationship between housing and integration is important, in that housing location and type can impact on access to services, local community facilities and social networks. Poor quality housing can work against integration, and inadequate housing can negatively impact on the health and well-being of minority ethnic groups.

The importance of the role of housing in the integration process is highlighted in a number of studies in Ireland, such as *Getting On: From Migration to Integration* (2008) commissioned by the Immigrant Council of Ireland, which recommends improved access to low-cost housing and the regulation of the private housing sector in order to avoid social tensions. In the context of the current recession, integration of migrants must remain a priority in order to avoid the potential pitfalls of segregation. The provision of good quality housing as a determinant of the inclusion of migrants is a relatively recent objective in Ireland. *Migration Nation: Statement on Integration Strategy and Diversity Management*, which was launched by the Minister for Integration, states that ‘If core services such as employment, education, health and housing are delivered successfully and equitably to the new communities, then the changes of successful integration are greatly increased’ (2008).

Focus Ireland and the Immigrant Council of Ireland (ICI) both recognize the central role appropriate housing plays in a migrant's ability to feel at home in Ireland. Although the growth of the housing market (including housing quality in the privately rented sector) took place in the last decade along with a growth in migration to Ireland, it is clear from research by the National Consultative Committee on Racism and Interculturalism (*Developing an Intercultural Approach to Housing Policy and Practice in Ireland, 2008*) that a number of challenges for housing and planning policy remain.

Making a Home in Ireland: Housing Experiences of Chinese, Indian, Lithuanian and Nigerian Migrants in Blanchardstown is a small-scale, exploratory study that was commissioned by Focus Ireland and the ICI to examine the housing experiences and 'housing careers' of migrants. Blanchardstown, located in Fingal County Council, experienced the fastest population growth rate in Ireland in the 2006 Census, and migrants accounted for 22 per cent of the population (twice the proportion of the State as a whole). The four migrant groups chosen in this study reflect different entry routes into Ireland, legal status, socio-cultural characteristics, and civic and political entitlements.

The qualitative research, which was led by Jane Pillinger, was participatory in nature, and five peer researchers living in the study area, from the four migrant communities, conducted in-depth interviews with forty migrants residing in Blanchardstown (ten from each of the four communities studied in the research). The sample of interview participants reflects the diversity of the population in terms of age, gender, marital and family status, length of time living in Ireland, language skills, educational background, housing tenure, employment, and migration status.

The research found that housing quality, security of tenure, safety and security in the local neighbourhood, and access to information and local services varied between and within the four migrant communities.

Migrants living in Blanchardstown chose to live in the area primarily because of affordability of housing and proximity to work, and somewhat also because of social networks. The majority of individuals and households interviewed living in local authority housing, owner-occupied housing, and newly built premises to rent reported good housing conditions (this was particularly the case in the Indian and Nigerian communities). However, most of the migrants were living in privately rented accommodation and reported serious problems including overcrowding, damp housing, insecurity of tenure, limited furnishings and landlords not carrying out repairs. One Nigerian person stated that their accommodation was "private rented and landlord did not care about maintaining house".

People living on rent allowance experienced significant problems in finding suitable and good quality accommodation. Several felt discriminated against by landlords and said they had to move regularly. It is interesting to note that the evidence from the housing pathways of the interviewees found that the quality of their accommodation tended to improve the longer a person had been resident in Ireland.

A migrant's 'sense of home' and belonging can be affected by their legal status, ability to make long-term plans, and housing conditions. Having a sense of home was found in the study to be closely linked to a sense of belonging and connection and, in turn, to integration. For some, 'home' was where their families lived in their countries of origin; while for others who planned to stay in the long-term, home was Blanchardstown. Those who felt the most integrated correspondingly also felt the most accepted and welcomed in their local community.

For many migrants, their level of integration into the local community was impeded by a lack of information, poor access to services, language difficulties, different and long working hours, low pay, lack of acceptance by local people, lack of community facilities and cultural differences. One Chinese respondent discussing the extent to which they felt welcomed in their area stated: "Different culture, different country and don't really communicate with each other". The most important factors that people felt would facilitate integration into the local community were being able to speak the English language well, having better access to local services and information, improved community facilities, and improved acceptance by the local community. Access to local services and information was found to be highest in the Nigerian community and lowest in the Chinese community.

Where people live and settle is important in determining their quality of life, access to services and long-term integration

Damilola

Damilola and her husband and their two children came to Ireland eight years ago as asylum seekers from Nigeria. She is a local authority tenant and is studying full-time. She plans to live permanently in Ireland. She lives in a three-bedroomed house in Mulhuddart, which she considers affordable, well-built and of good condition. However, she says that she sometimes does not feel safe in the neighbourhood.

She applied for local authority accommodation when she was living in her previous two-bedroomed apartment in Rialto. During this time she was struck off the local authority waiting list for two years, without being aware that this had happened. Her application was finally processed when she threatened to go to the Ombudsman. Today, Damilola says that she is relaxed and happy because she does not live in fear of landlords anymore.

Living in the same area as people from a similar culture gives Damilola a sense of being 'at home'. However, she says that she does not have time to socialise due to the workload of her course and because her children are not attending schools locally. She has not found it easy to socialise in the neighbourhood.

Damilola has had positive experiences in accessing local services in the community, but feels that healthcare services are not adequate for the area. Also she says that there is a lack of interconnectivity on the bus route within Blanchardstown. She says that this does not facilitate integration and sustainable living.

Legal status also impacted on access to good quality housing. For some interviewees, being undocumented meant that there was no possibility to complain about housing conditions or to have access to local services. For others, gaining legal status enabled them to access local authority rented accommodation and home ownership.

Where people live and settle is important in determining their quality of life, access to services and long-term integration. Housing policies play a key role in influencing settlement patterns and housing provision, which in turn can impact on segregation and clustering. *Making a Home in Ireland* calls for greater resources for local authorities to carry out inspections in the private rented sector (and the enforcement of regulation of lettings) to help tackle these issues and provide better protection for everyone living in privately rented accommodation.

Migrants can be particularly vulnerable to homelessness, due to income and work-related problems, overcrowding, tied accommodation, poor quality accommodation, and non-return of rent deposits. *Making a Home in Ireland* recommends that no person should be denied access to emergency homeless services on the grounds of Habitual Residency Condition non-compliance.

It is positive to note that the people living in local authority housing who took part in the research study reported good housing experiences. It is clear from the research that planning is key - new housing developments must be supported by integrated local services, including access to public transport, schools, and adequate community and recreational facilities which promote integration between communities. Migrant integration must be mainstreamed into housing policy and planning at both a national and local level to help improve integration and social

inclusion for new communities. Improved access to suitable housing and support services are central to supporting families to integrate into their new homes and communities.

Local authorities play a central role in supporting the integration of migrant communities. In the next year, they will begin to revise their five-year Housing Action Plans and it is crucial that they respond with a view to building sustainable, clustered communities. The clustering of migrant communities is a natural occurrence that can help build sustainable communities. In order to avoid clusters becoming ghettos it is vital that there is investment in housing advice/information and local amenities that benefit the whole community.

It is hoped by Focus Ireland and the ICI that implementing *Making a Home in Ireland's* recommendations will reduce isolation experienced by some migrants and enhance their sense of belonging. It would also help to build better connections between local people and new arrivals, as more migrants will feel at home in Ireland. While the report's recommendations address migrants' housing needs and experiences, many would if implemented also provide real benefits for communities in general.

FEATURES



Deirdre Connolly

is services standards officer at Focus Ireland

Sharing the power – working together

FEANTSA, the European Federation of National Organisations working with the Homeless, chose as its theme for 2009, 'Sharing the Power – Working Together' which focused on developing service user participation as a tool to solve homelessness. For the first time in its 20-year history FEANTSA, invited service users to attend its annual conference held in Copenhagen in October and provided funding for one service user delegate per country. **Deirdre Connolly** and **Declan O'Connell** were there.



Declan O'Connell

is a service user at Focus Ireland

Deirdre Connolly

In April 2009, I worked with Catri O'Kane of the Simon Communities of Ireland to begin to shape how we would go about identifying and supporting an individual to participate in this conference. It was important that the person felt that they would contribute to the debate on why service user participation is important and why services should share the power. It was also important that they felt confident speaking in front of 300 people given that they would be speaking at the opening session, along with the service user delegates from other countries. No pressure then!

Core Action 6 in 'A Key to the Door' outlines that "The Homeless Agency is committed to the principle of Service User Participation, as a means of delivering better services in line with the principle of maximising service users control over their own lives". We advertised in our respective services and then met with all of those interested in participating in the conference. While we only had funding for one delegate from FEANTSA, the Homeless Agency was very supportive of the opportunity to involve service users and generously provided funding for two further delegates to attend the conference. When the three delegates had been selected, we met with them regularly and discussed practical tasks like getting passports as well as other areas such as dealing with new situations and public speaking.

We worked with Declan O'Connell – our service user delegate who spoke at the plenary sessions – to put together a written piece on his experience of participation which emphasises why it's important

for service users to participate and what blocks there may be to participation.

In preparation for the conference, FEANTSA held a Service User Group meeting in Brussels in September, which provided a great opportunity for delegates to get to know each other, to discuss the topics that would arise at the conference and to develop their own input.

Unfortunately, one delegate was not able to attend the conference, but after six months of planning, we were finally off to Copenhagen. FEANTSA worked in cooperation with two Danish service user organisations, SAND and Projekt Udenfor, to put together the conference. The attention to detail to ensure that the conference went smoothly was amazing.

On the evening before the conference over 300 people gathered in Copenhagen's City Hall to be welcomed by the mayor of Copenhagen and the president of FEANTSA. On the day of the conference, Declan and other delegates spoke at the plenary session about their experience of participation: what worked and how services could develop and improve so that service user knowledge, expertise and energy could be harnessed. Declan used his experience of being a peer researcher in Focus Ireland and developing a customer charter to highlight why service user participation is important.

Over the course of the day we attended workshops that covered all aspects of service user participation, from political participation to involving service users through the arts. Focus Ireland's Roughan Mac Namara presented at a workshop on service user



participation in media work; Declan also attended this and contributed to the workshop. (See www.feantsa.org for the full list of workshop details).

While the Irish service user delegates thought the workshops were interesting, they felt that there could have been some more room for interaction and discussion.

At the close of the conference the service user delegate panel were asked to review the conference and to make recommendations for next steps. All the delegates said that the ideas and learning coming from the conference needed to be built on and used to support other people who were at risk of homelessness or were experiencing homelessness. They agreed that sharing ideas, expertise and learning shouldn't end at the end of the conference; rather this should be the starting point.

On a broader level, our recommendation is that organisations create or expand their opportunities and structures for the people who use their services to have a say in how they are operated.

Declan O'Connell

When you're homeless it's not like you have less rights than others, it's like you're invisible, that you don't even exist so the idea of rights doesn't even apply to you.

I believe that if nobody listens, if nobody includes you in the process, it leads to isolation and alienation. If nobody includes you, it leads to mistrust and makes you vulnerable.

When I started working with Focus Ireland the staff listened to me. They supported me to take action on my situation. I learned to trust that they would listen to me and support me but that took me going back to them again and again.

An opportunity came up to be involved in a peer research project to create a Customer Charter saying what service users could

expect in Focus Ireland services. The idea was to ask service users what they thought of Focus Ireland services and how they could be improved.

I was very interested in this, but what really helped me go for it was being asked and encouraged by a member of staff who knew me well to go forward for it. It made me feel like I'd be able for this role.

It was really important for me and for the service users who had been involved to have an outcome and this is what the Focus Ireland Customer Charter is, a real outcome that can make a difference to service user's lives.

Having the opportunity to travel to Copenhagen to speak at the FEANTSA conference has given me another outcome from my involvement. It gave me the chance to share my experience with a huge range of people including service users, politicians, academics and policy makers.

The conference was really interesting. Not only did it give me a chance to share my experience, but I also got to talk to people about what was happening in other countries and to build networks with other people who have huge experience of participation and great ideas for developing future opportunities.

My main recommendation from this experience and for service user participation in general, is that it doesn't just get left there. That would defeat the purpose and given the cost of the conference and the amount of work that went into it, that would show a lack of stewardship by the services.

I think service user experience should be used by both FEANTSA and all organisations in developing and improving their services for people who have been homeless or who are vulnerable to homelessness.

FEATURES

A flagship change

The City of Edinburgh has developed a new homelessness strategy, and introduced open tendering for all homeless services. So how did it go? Mairi Keddie, who was in charge of the tendering process, explains.



Mairi Keddie is planning, partnerships and commissioning manager at City of Edinburgh Council

Often current homelessness services do not really work. People still have recurrent episodes of homelessness and often never achieve long-term stability in their own home. Despite this millions are spent on the services provided. In response to this, Scotland's capital city has introduced a flagship change in procurement policy, prioritising efficient business planning and financial control to an unlikely recipient service - homelessness services - ensuring more or better services for the same or less money. The results have been remarkable. Our new services are high quality, innovative and well linked to strategy. The savings made have been around 16% and have allowed us the potential to buy more services if we need it.

Why take this approach?

There were four key reasons for undertaking this approach:

- Changing strategy
- The need to improve the commissioning process
- Generate efficiencies and savings
- Requirements for best value
- Transparency of approach

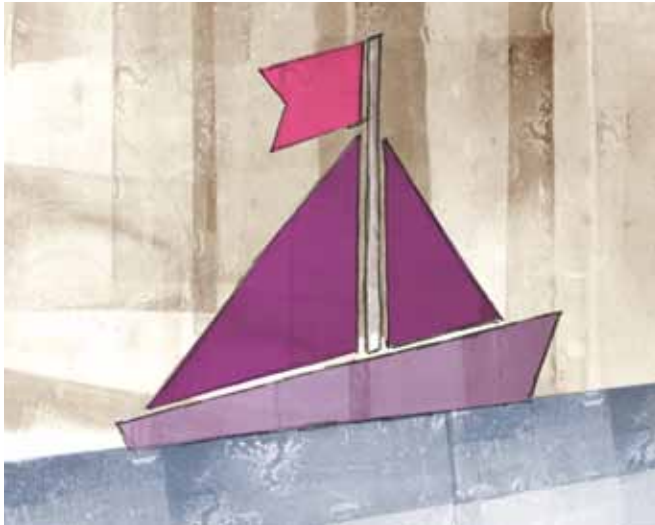
The City of Edinburgh Council's Homelessness Strategy was revised early in 2008. Like many large cities, Edinburgh has had a significant problem with homelessness and rough sleeping.

As a result of previous strategies the level of rough sleeping in the city had fallen dramatically. In the period around 2003, numbers were estimated to be around 1500, this has now dropped to an estimate of 600. Despite this, high levels of homelessness remain with applications to City of Edinburgh Council from homeless people remaining stubbornly around 5,000 per annum.

The level of homelessness is exacerbated by an overall shortfall in housing and issues of affordability. Housing needs assessments have shown that the City of Edinburgh requires more than 30,000 additional homes over the next ten years. The shortfall in affordable housing amounts to more than 15,000 units. The capacity within Edinburgh's own stock of housing falls more than 1,000 units short of what would be needed each year to house homeless applicants. Additionally, it is recognised that becoming homeless causes a number of issues for those involved, which are often long term. Many Council resources are also involved in homelessness assessment and rehousing.

These issues pointed to the need for a new strategy focused on intervention before homelessness happens and on the use of other resources to rehouse people. The new homelessness strategy outlined three key priorities:

- Preventing homelessness
- Accessing the private rented sector
- Maintaining a home



The existing services remained focused on rough sleeping and crisis intervention. Additionally, these services had been commissioned over a long period of time on a relatively ad hoc basis. This commissioning process meant that there were more than 20 services, sometimes overlapping, paid at different rates and not always co-ordinated in approach. These had been procured at a time when funding was more plentiful and the number of projects helped to maximise funding in Edinburgh.

Increasingly, the Council wanted to ensure that each service purchased, provided best value for public money. Extensive work was undertaken to identify where improved procurement could generate efficiencies for the Council. Homelessness Services and Supporting People services (a government programme helping vulnerable people to live independently) were identified as a major area, with a target of £2.4m savings per annum.

Procuring new services through open tendering also allowed transparency of approach. Previously, the option to deliver these services had not been openly tendered and it was therefore difficult to demonstrate that the best value and best quality service had been chosen.

How was it done?

The process was designed to ensure that it was open, fair, provided high quality services and focused on key outcomes. Contract packages were openly advertised using the City of Edinburgh’s website, the Scottish Government website and relevant journals. The tender documentation included detailed information on the current services, the proposed services and the direction of the homelessness strategy.

There was a high emphasis on quality, meeting the outcomes and innovative approaches. The quality section of the tender amounted to 70% of the overall score and the scoring was carried out independently from that on pricing. A high proportion of that score was focused on how bidders would achieve the outcomes set out in the Council’s Homelessness Strategy. These were to:

- prevent homelessness
- improve access the private rented sector
- support customers to sustain accommodation
- ensure customers access temporary accommodation
- support customers in accessing training, employment, volunteering
- ensure customers access primary health care services

The Council did not set out a methodology for meeting each of these outcomes but asked bidders to provide their own approach. The documentation made clear that the outcomes would be a key focus in future contract monitoring.

The open approach to methodology allowed providers to develop innovative ways of meeting outcomes and the Council actively encouraged this. Some examples of the results of this are a new night stop service which diverts young people from mainstream homelessness services and a changed process for furniture provision.

What were the achievements?

The procurement approach has enabled us to save 16% on total costs. This amounted to approximately £1m on a total budget of almost £6m. However, equally as importantly it allowed a number of improvements in capacity and quality.

Our visiting support services can be increased by up to 20% (500 hours per week). These hours can be focused on the areas of support which are most needed whether that is preventative, general or multiple needs support. We have also been able to increase assistance to households as they re-establish themselves in new homes. This assistance includes work with utilities companies, furniture and appliance provision. Perhaps most significantly, those who are homeless or at risk of homelessness will have access to 1,000 private rented sector properties over three years. This will supplement the existing Council and Registered Social Landlord provision.

There are also a number of new or improved services, these include:

- A new preventative support service which delivers 500 hours a week of support to those who are at risk of homelessness.
- A ‘night stop’ service for young people in immediate

accommodation crisis. This service uses rooms provided within family accommodation in the city (suitably checked etc) to divert young people from mainstream homelessness services. This helps avoid them from becoming involved in a 'homelessness scene' and related issues such as alcohol and drug use. It can also provide a safer environment than emergency accommodation.

- A move away from the use of a night service to provide emergency accommodation. The existing night service was used by up to 40 people a night, sleeping on mats and chairs, although this had never been an intended part of its purpose. This will be replaced by better use of hostels and other temporary accommodation to ensure that people do not have to sleep in unsuitable locations.
- Assistance with access to the private rented sector for those who are at risk of homelessness. This includes sourcing accommodation in the area of choice for the client. While no deposit is required at the outset, support is given to save for a deposit so that people can become fully independent in the private sector. Links are established to ensure visiting support is provided where necessary.
- Assistance to householders who have been homeless in setting up their new home. This includes help to ensure that utilities are connected. It also includes the provision of a core package of necessary goods – something to cook with, sleep on and sit on. Additional small packages of electrical goods and other household necessities are also supplied. This service can also provide assistance and training to some households in decoration of the house.
- A neighbourhood focus to service, which avoids the necessity for people to always come into the city centre for support or advice in relation to homelessness.

What lessons can be learned from the process?

This was the first time City of Edinburgh Council had undertaken procurement of homelessness services in this way and on this scale. The potential to learn was therefore enormous. The key lessons centred around the fact that tendering can be a very positive process; employment related issues and the need for robust strategy and process.

The tendering process proved to be a great opportunity for existing providers, including those who are small and voluntary. The tendering process did not take into account whether bidders were local, current providers, or the nature of the organisation. However, in this case all of the new providers were existing providers with a strong local presence. The experience in Edinburgh showed that those with local knowledge were often best able to outline a methodology to meet the new priorities. It also gave organisations a much improved opportunity to put forward proposals to change the service for the better.

At the outset of the process it was not clear how smaller and/or voluntary organisations would fare given the larger packages of work. In many cases small, specialist organisations have done very well in the process. This has often been the result of well thought out partnerships where they add their specialist knowledge. Voluntary organisations often also brought a number of additional benefits to the service such as volunteering and training opportunities.

The process is time consuming, particularly when it is being done for the first time, but the results are worthwhile. Feedback suggests that this is also the case for new providers who have however valued the opportunity to take a step back and review future direction.

Dealing with the implications for staffing from outgoing providers has proved a particularly challenging issue. Much of this is related to the TUPE – Transfer of Undertakings (Protection of Employment) regulations – which protect employees if the business they are employed in changes hands. Our existing contracts were not set up in such a way as to ensure that the required information could be provided in advance of the legal timescale (which is two weeks before transition). The services being recommissioned were not a direct fit to those previously delivered. Additionally, for most this was their first experience of implementing TUPE regulations. These three issues made this area particularly challenging. It is therefore important that outgoing and incoming organisations have a clear understanding of the TUPE legislation. It is also important that those bidding cost in the risk of any uncertainties in the number and cost of staff who may transfer.

It is important to have a robust strategy on which the tendering process is based and a fair and transparent selection approach. This allows all interested parties to clearly understand the basis on which tender packages have been selected. It also ensures that those involved have the confidence that the process was scrupulous. As a Council, we have sought to maintain close links with outgoing providers and made sure there was close contact throughout the transition period. Although sometimes awkward, this led to feedback from many that while disappointed they acknowledged the fairness of the process. Close contact throughout the transition process also meant that any potential issues were quickly identified and resolved. In general our outgoing providers were exemplary in their approach to ensuring that services transitioned successfully.

The Future

This process has proved invaluable in achieving the Council's strategic aims for both outcomes and cost. It is already being used again for other services, with processes revised to take account of the lessons learned. The next stage is to develop the appropriate processes for procuring accommodation based services such as hostels and temporary accommodation.

FEATURES

A charitable Act



Evelyn Fitzpatrick is a financial consultant to the charity sector

The Charities Act 2009, provides for a long-overdue regulatory system for charities that aims to ensure greater accountability and improve public trust. But what will charities actually have to do? **Evelyn Fitzpatrick** explains.

The Charities Act 2009 became law in February 2009. Its purpose is to reform the law of charities to ensure greater accountability and to protect against fraud and the abuse of charitable status. It is expected to enhance public trust and confidence in charities and to increase transparency in the sector. It signals the Government's recognition of the importance of the voluntary sector to Irish society and its commitment to supporting legitimate charitable activity. This is the first piece of charity law in Ireland in nearly 30 years and was both necessary and welcome as until now the sector has been largely unregulated. There are approximately twenty thousand non-profit organisations in Ireland, which account for 8 % of GDP. That's nearly €15 billion per year.

The Act will affect all charities, and in particular will add administrative burdens to unincorporated charities, i.e. those that are not companies limited by guarantee. However, larger charities will have to provide more information than smaller charities. This principle of proportionality has been widely welcomed.

The main provisions of the Act are:

Definition of Charitable purpose

A purpose is charitable if it is of public benefit and if its aim is:

- The prevention or relief of poverty
- The advancement of education
- The advancement of religion

Establishment of a Charities Regulatory Authority (CRA)

The functions of the Authority will be to secure compliance and encourage better administration of charities. It will have strong investigative powers and



have a right to remove charities from the Register. The Regulator will be consultative and will assist charities to comply with their obligations under the Act.

Register of charities

The CRA will establish and maintain a register of charities and registration will be mandatory. Charities registered with the Revenue Commissioners, (CHY No.) will be automatically included in the Register. It will be an offence for an organisation that is not registered to describe itself as a charity. The Revenue Commissioners will still be responsible for charitable tax exemption.

Advocacy

Charities will be allowed to engage in political advocacy and lobbying, provided it relates directly to advancing their charitable purposes.

Fundraising

There will be a three-pronged approach to the regulation of fundraising:

- Garda permits will be required for cash and non-cash charitable fundraising
- Details of fundraising activity and income will be required in the Annual Activity Report (see next section)

- Operational and administrative fundraising issues are to be regulated by means of agreed codes of practice with the sector. (Irish Charities Tax Research Ltd. recently developed a scheme for this in partnership with the Department CRaGA see www.ictr.ie for details)

Annual Reporting requirements

Charities will be required to make Annual Returns and Annual Activity Reports to the new Authority. Audited accounts will be required for charities where Income exceeds €100,000 in a financial year. This will apply to unincorporated charities and Trusts. Prior to the legislation there were no statutory filing requirements for unincorporated charities or Trusts. Under the new legislation, unincorporated charities will need to maintain the same standard of record keeping as incorporated charities. An examination of accounts will be required for charities with income under €100,000 but charities with income below €10,000, will not be required to prepare accounts. All charities regardless of size will have to submit an Annual Activity Report to the CRA. The content has yet to be determined, however the minister has indicated he will consult with the sector. (It is expected to be similar to the UK Charities' Activity Report.)

Charity Trustees

The Act sets out the duties and responsibilities of charity trustees/directors. They must be qualified to act, ensure the statutory duties set out in the act are met, not have a conflict of interest and act in the best interest of the charity. Provision is made for allowing Trustee Indemnity Insurance and for payment for non Trustee work. Trustees will be afforded court protection from personal liability, if the court is satisfied that they acted honestly and reasonably.

Governance

Compliance with the new legislation will require that best practice in governance of charities is adopted and maintained to ensure that the organisation is guided in an appropriate manner strategically. The board/trustees are responsible for directing and monitoring the organisation effectively and are accountable to its stakeholders. Their responsibilities under the legislation are significant and it is important that they are fully aware and comply.

Investigations

The CRA will have strong investigative powers, to search records and enter premises on foot of a search warrant. It will be able to impose sanctions and remove a body from the register if it is satisfied that the charity has breached certain provisions of the Act. It can impose penalties for offences.

Charities Appeal Tribunal

Provision is made for a speedy, inexpensive mechanism for appealing decisions of the CRA. Charities will still have recourse to the courts if they are unhappy with the ruling of the appeals Tribunal

Consultative Panel

There are provisions for Consultative Panels to bring together relevant stakeholders (including sector representatives) to advise the CRA on specific issues as appropriate

For many years charities in Ireland have looked for reform of charity law to enhance public trust and confidence in the sector and to protect against fraud and bogus charities. The creation of the CRA is a milestone towards achieving this and when operational, will be welcomed by legitimate well-run charities.

Be prepared

The Act is structured in such a way that the various provisions can be phased in, allowing sufficient time for the sector to be prepared. This time should be used to review structures and reporting standards. The following checklist may be helpful:

- Decide whether you need to register with the CRA
- Review your governing documents to make sure they reflect and are consistent with what you do
- Brief your board/trustees on their responsibilities under the Act
- Check that the board is properly appointed and meetings are properly recorded
- Review board policies, procedures and board training manuals
- Conduct a skills audit of the board
- Identify the returns/ filing that will be required
- Consider whether reorganisation is advisable or necessary
- Ensure systems, skills and resources are adequate to meet the requirements of the Act
- Check whether financial records are robust, with financial advice as appropriate
- Ensure compliance with the fundraising codes of practice
- Test the internal governance system to ensure compliance
- Make sure that assets are protected from possible liabilities



Fran Cassidy,
writer and
researcher

Father Peter McVerry

Father Peter McVerry has been an indefatigable advocate for social justice and an uncompromising voice for the marginalised in our society for decades. Alongside homelessness issues, he is a campaigner for the humane treatment of prisoners and those with addiction and mental health difficulties. He spoke to **Fran Cassidy** about eliminating homelessness, and what he believes in.

In my own interviews conducted through research for the Homeless Agency with people who have experienced homelessness, drug addiction, and in many cases abuse, the level of respect, gratitude and affection expressed for Fr Peter McVerry by those he has worked with has been quite remarkable. These testimonials are often from people who are scathingly sceptical about a society that they see as having abandoned them, and some cite 'Hedge' (as he is known to many) as the one positive influence in their lives.

I'm a supporter of the Homeless Agency he tells me. They have achieved a huge amount, particularly in regard to co-ordination of what were very isolated and scattered services, and in terms of improving the quality of services. But the success of eliminating homelessness depends on factors outside their control – notably whether the HSE is going to establish adequate services. If those services remain as poor as they are then it's going to be almost impossible to eliminate homelessness.

You can't just meet homeless needs independently, you have to deal with the person holistically. We're dealing with people with multiple needs. Their homelessness may have been caused by, and would certainly have been aggravated by mental health needs or addiction, and many homeless people have traumas from their childhoods that were never adequately dealt with, and they may need intensive counselling and therapy.

If primary care teams, and addiction, mental health, and counselling services are not first class, and readily available and accessible, then it is going to be extremely difficult to maintain some people in their own accommodation. For a significant

minority of people, unless you provide all those services and deal with all those problems, the odds are stacked against you.

Do you think this is likely?

Unfortunately, I don't see any possibility of addiction or mental health services improving in the near future.

The evidence over the last five years is that there has been no priority given to mental health. Funding has been diverted into other areas. Nine times out of ten we fail to even access a service for people with mental health problems. Nobody will take responsibility. And where people do access a service, it's generally very poor and based on medication which is probably the last thing somebody with an addiction needs.

In addition, we need adequate addiction services. How do you support somebody in their own accommodation while they are waiting years to get on to a methadone programme for example? Even financially it is almost impossible.

What about targeting services at the homeless population?

Once you target services to a particular subgroup of the population, that creates its own problems. If you simply target those services at homeless people, and they are inadequate for the rest of the population, then people just end up becoming or pretending to be homeless in order to access services. This happens with housing. There is such a long waiting list, some people will register themselves as homeless. You need adequate services for the population, some of whom happen to be homeless.



Where would the money come from?

It would need a higher tax base. In fairer societies that is the case. The massive payback is that they are better communities for everyone to live in. We're all human beings, there is a solidarity between us all. It is appalling that some people get so little of what this world has to offer, some people suffer so much in this world because the rest of us are so greedy and selfish. Some people grab an inordinate share. We have in the western world. And within our country some people have grabbed an inordinate share.

So you wouldn't be confident of homelessness being eliminated in the near future?

I personally don't think there's a chance. Basically homeless people are at the bottom of the social housing waiting list, and three quarters of homeless people are single or separated so they are a very low priority in terms of social housing.

The solution to homelessness is to give people their own homes, but we are very short of opportunities for people to move into their own homes so I don't see that as possible. I think the government are planning to lease 2000 units from the NAMA sort of projects. But there are 56,000 households on the waiting list. I don't think you can separate the two issues. You could of course give all the social housing to homeless people but then you're just pushing people on the waiting list down.

What we can, and what we will do, is provide a significant number of homeless people with their own home. But they will tend to be the easier to deal with homeless people. Who is going to accommodate those with problems? The housing associations will do their best to provide support services, because they have the expertise in that, but they don't have the resources to give the high support level that such people in their own housing need. So unless they get substantially increased resources I don't see that voluntary bodies can make a significant impact into that very difficult homeless group.

Housing and the primary responsibility for accommodating homeless people rests with the local authorities. But local authorities aren't going to entertain people with problems – they are more likely to evict them than to house them! Although Dublin City Council, to give them their due, have been by far the best of all the local authorities in focussing on the needs of homeless people. Some other local authorities won't give any credence to being homeless.

Some things are getting worse at the moment. The primary way out of homelessness traditionally has been private rented accommodation with the rent supplement. Two things have happened because of cutbacks and the recession. Rent supplement is becoming harder to access, and has been cut back.

To get into private rented accommodation with rent supplement you now have to remain homeless for six months. That seems utter madness, while one state agency is trying to eliminate homelessness another state agency is increasing homelessness.

And the rent cap has gone down. You now have to pay an extra ten percent for a single person roughly. Ten percent of a single person's dole money can make all the difference to their quality of life. The argument that because rents have gone down, the homeless person should negotiate a lower rent, fails to see the issue. If I'm working I can go to a landlord and say unless you drop the rent I'm going to move out. But if you are homeless you can't do that. You don't have the deposit to look for another flat. The power relationship between the landlord and the tenant hasn't changed, at that rent subsidy level. So many landlords are simply refusing to lower their rent and the tenant is left paying an unofficial top up.

What do you think of the Housing First approach?

I've always supported the policy of putting people into their own homes and bringing the services to them. Traditionally we have said to people with addiction or mental health problems, 'go and get your problems solved and then we'll house you'. And that has turned out to be extremely expensive. You're putting people into hostels that have to be well staffed, and they're going nowhere. Putting people into a home and then bringing the services to them makes far more sense and is much cheaper and more effective.

At the moment homeless people have to go to one place for their addiction problem, somewhere else for their mental health problem, and somewhere else to sort out their welfare or medical card. It's very dispiriting and they don't know their way around the labyrinth of services that they need. Therefore, we should have a one-stop-shop where their needs are looked after, whether it's coming to them or located onsite, it doesn't really

And the Homeless RAS?

I disagree with it in principle, but in practice it is excellent! I think local authorities should be accommodating homeless people rather than relying on private landlords: but the scheme is proving very effective in getting people accommodation."

Despite my secularist outlook and a deeply entrenched distrust of organised religion, I find Peter one of the most interesting people I have ever met. He is somebody who personifies his values rather than preaching them. I ask him about the vision that inspires him.

His Jesus he tells me wasn't interested in trying to get us to heaven but came to form a community that would live together in justice and in fairness. That involves two characteristics. One is a community of radical solidarity where everybody shares everything they have and are for the sake of those in need in the community. Secondly it's a community of radical social inclusion where everybody is welcome and everybody is valued.

Imagine if we all lived together and ensured that everybody's needs were met. Everybody loved and valued and respected everybody else. God, wouldn't it be a wonderful place to live in! And I think that was Jesus' vision for the world.

And people who don't believe?

I would share with many people who don't believe, the desire to create a just world without poverty or exclusion. Believing in God is not a necessary pre-condition for wanting that. I think one of the innate characteristics of human beings is a sense of compassion. That compassion belongs to us as human beings, not as Christians. So I think we can desire a just world quite independently of what religion we are or whether we are of any religion. For me the Christian vision gives an added impetus.

What keeps you going?

I love the work I'm doing and the young people I work with. I think they are wonderful. I know if I had been born into their circumstances, I would be exactly the same as them. If they had been born into my circumstances, they would be coming up to visit me in prison. Everyone is worth helping. And the little you can do sometimes means so very much to them. I have learnt and got so much from them. They have changed my life totally - challenged everything I believed, my understanding of and my relationship with God, and my perspective on Irish society. I have got far more from them than I have given. So I find the job extremely satisfying and I enjoy it very much. It's worthwhile, and as I say it is supported by my understanding of God and my understanding of who Jesus is.

So as well as the frequent anger expressed in the media, there is happiness there?

The anger doesn't dispel the happiness. I'm a very happy person. I feel so grateful and privileged for all that I have received in life and for the opportunities that I've had to do this sort of work. People say 'how do you keep going?'. I wouldn't want to be doing anything else. I wouldn't want to live my life any other way.

Imagine if we all lived together and ensured that everybody's needs were met. Everybody loved and valued and respected everybody else. God, wouldn't it be a wonderful place to live in!

QUESTIONNAIRE



Paul Conlon,
chief executive,
Coolmine
Therapeutic
Community

When and why did you first get involved in the area of homelessness?

I qualified as a quantity surveyor and worked in the construction industry for five years in the late eighties in England and Scotland. I took a year out in the early nineties, and amongst other things did some voluntary work with homeless organisations. I liked it very much and never went back to the construction industry.

Has your understanding of homelessness changed since then?

I hope I have learnt a lot over the years, but my basic understanding, I feel is the same: homelessness is caused by poverty plus some form of personal crisis in a person's life. It is the duty of all of us as a society to put in place structures to address poverty and prevent homelessness where possible and limit the experience of homelessness for those who do find themselves in this situation.

What one policy initiative would make the most difference to homeless people?

For those who have become homeless and who have drug and alcohol problems, I would argue that the systematic adaption of evidence based practices, such as CRA, at a policy and operational level would make a difference in terms of supporting people to sustain outcomes and maintain change. This policy initiative would need to be backed up by sectorial incentives to train and supervise staff and insist that organisations take on new ways of working. I hope that the homeless strategy and the new national drugs strategy will take account of this.

What have you learnt from homeless people you have met?

Resilience. I have always been impressed by the potential of people to cope with difficulties, come through crisis and get back up on their feet.

Do you think poverty and homelessness will always be with us?

I think that in any society there will be individuals and families who will struggle, however, I do believe that we can support each other as a community better. We have some way to go on this.

Can you think of anything we can learn from another country about tackling homelessness?

Having access to housing for homeless people with appropriate supports is the key to improving outcomes. We should put our scarce resources into this area and remove some of the barriers so that this can be realised.

Which matters most, charity or political change?

I have always found it difficult to swallow the fact that organisations sometimes have to depend on the charitable good will of the general public to make up for shortcomings in public funding. It would be great if we could trust ourselves as a society to pay more in tax to fund decent public services.

What would you do if the homelessness problem was solved and you were no longer needed?

Get another job I guess.

Do you give money to people who are begging?

I have to admit that sometimes I still give money from time to time. I still haven't worked this one out for myself.



The Homeless Agency is responsible for the planning, co-ordination and administration of funding for the provision of quality services to people who are homeless in the Dublin area and for the development of responses to prevent homelessness.

We work in partnership with a range of voluntary and statutory agencies to implement the agreed plan A Key to the Door, Homeless Agency Partnership Action Plan on Homelessness in Dublin 2007-2010, to deliver integrated services to people who are homeless and assist them to move to appropriate long-term housing and independence with appropriate supports as required.

We advocate for improvements in mainstream policies and services to make them responsive to the needs of people who are homeless or at risk of homelessness and we work with voluntary and statutory bodies to develop strategies to prevent homelessness from occurring in the first instance.

The vision of the Homeless Agency is that by 2010, long-term homelessness and the need for people to sleep rough will be eliminated in Dublin.