



Housing Policy Discussion Series

Promoting Improved Standards in the Private Rented Sector: Review of Policy and Practice

Price €7.50

ISBN: 1-903848-26-1

Centre for Housing Research
Ionad Taighde ar Thithíocht

E chr@ipa.ie
W www.chr.ie

Training and Administration 57-61 Lansdowne Road, Dublin 4
T 01.240 3600 F 01.668 9135

Research and Director's Office Floor 2, Block 4, Irish Life Centre
Lower Abbey Street, Dublin 1 T 01.889 8250 F 01.872 6818



Centre for
Housing Research

Other Publications

RESEARCH REPORTS

- Housing Policy Review 1990-2002
- Mixed Tenure Estates: Development, Design, Management & Outcomes
- Profiles of Households Accommodated by Dublin City Council
- The Housing Management Initiatives Grants Scheme: An Evaluation
- Supplementary Welfare Allowance, Rent Supplement: Implications for the Implementation of the Rental Accommodation Scheme
- Supporting Low-income Homebuyers in Ireland, 1990-2003: Profile, Policy and Issues

GOOD PRACTICE GUIDELINES

- Housing Refugees
- Managing in Partnership: Enabling Tenant Participation in Housing Estate Management
- Preventing and Combating Anti- Social Behaviour
- Repair and Maintenance of Dwellings
- Rent Assessment, Collection, Accounting and Arrears Control
- Training and Information for Tenants
- Void Management
- Regenerating Estates, Rebuilding Vibrant Communities
- Standards in the Private Rented Sector: Strategic Planning, Effective Enforcement

POLICY DISCUSSION SERIES

- Regenerating Local Authority Housing Estates: Review of Policy and Practice

All publications are available on our website www.chr.ie

Housing Policy Discussion Series

2

Promoting Improved Standards
in the Private Rented Sector:
Review of Policy and Practice

Authors: Dermot Coates and Naomi Feely

November 2007

Written by

Dermot Coates, Centre for Housing Research
Naomi Feely, Centre for Housing Research

© Centre for Housing Research
Research and Director's Office
Floor 2, Block 4
Irish Life Centre
Dublin 1
T 01.8898250 F 01.8726818

E chr@ipa.ie
W www.chr.ie

ISSN: 1-903848-26-5
ISBN: 1-903848-26-1

Training and Administration
57-61 Lansdowne Road,
Dublin 4
T 01.240 3600 F 01.668 9135

The views expressed in this report are those of the authors and do not necessarily reflect those of the Board of Management of the Centre for Housing Research or funding organisations. This document is not intended to be a legal interpretation of any existing legislation or to be a legal instruction in relation to procedure.

All rights reserved. No part of this publication may be reproduced or transmitted in any form, or by any means, electronic or mechanical, including photocopying, recording or any information storage and retrieval system, without permission in writing from the publishers.

Contents

SECTION	TITLE	PAGE
	Foreword	vii
1	Introduction	1
2	Policy and Funding	9
	2.1 Legislative and Regulatory Framework	9
	2.2 Funding Model and Financial Arrangements	22
	2.3 Role of Fiscal Incentives	28
3	Current Practice	35
	3.1 Inspection Activity Undertaken	36
	3.2 Understanding Local Variations	49
	3.3 Inter-Agency Perspectives	52
	3.4 Scope for Enforcement and Prosecution	54
4	Research Evidence	61
	4.1 Housing Quality Considerations and the Incidence of Non-Compliance	62
	4.2 Incidence of Multiple Housing Deprivation	68
	4.3 Exploring the Economic Rationale for Poor Quality Rented Housing	75
	4.4 The Reform Agenda: International Experience	91
5	Issues Arising	95
	Appendix A: Registration, Fees and Associated Recoupment by Housing Authority	103
	Appendix B: Rent Averages of One-Bedroom Accommodation by Local Authority Area	106
	Appendix C: Rent Averages of Three-Bedroom Accommodation by Local Authority Area	108
	References	111

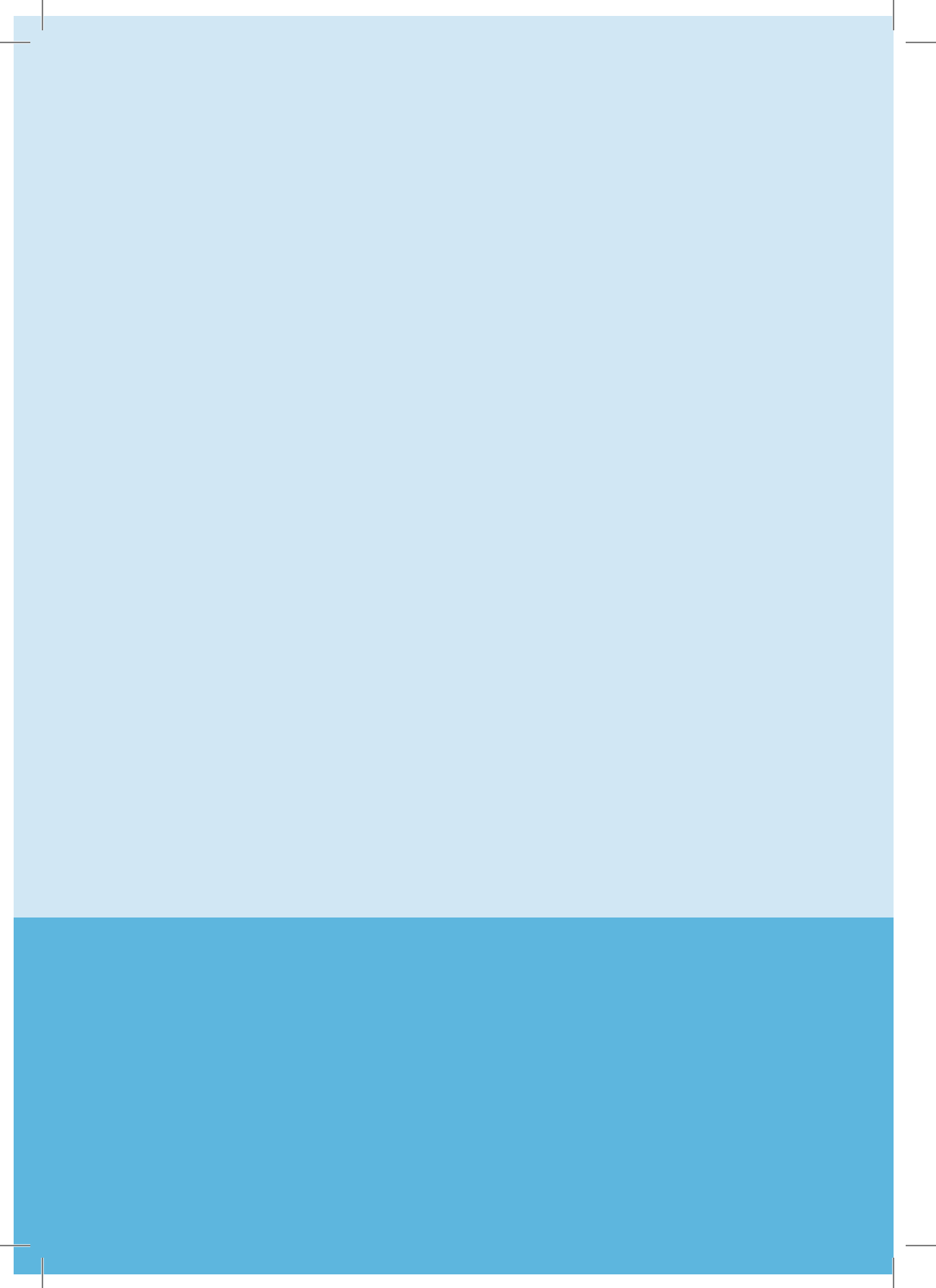
List of Tables

NUMER	TITLE	PAGE
1	Summary of the principal provisions of the Housing (Standards for Rented Houses) Regulations 1993	14
2	Number of inspections carried out (2006) and inspection activity targets (2007) for selected local authorities	19
3	Synthesis of selected issues raised by submissions to the DoEHLG on the review of the Housing (Standards for Rented Houses) Regulations 1993	20
4	Summary of principal requirements relating to rent books and fire safety	21
5	Allocation of funding for 2006	26
6	Reported inspection activity 2001-2006	38
7	Reported RAS-specific inspection activity 2005-2006	40
8	Estimated rates of non-compliance 2001-2006	44
9	Reported additional inspection activity 2005	46
10	Summary of the RAS requirements sought by Dublin City Council in excess of the Housing (Standards for Rented Houses) Regulations 1993	51
11	Enforcement activity – legal action initiated 2001-2006	58
12	Experience of specific types of housing deprivation, by selected country 1996-1998	62
13	RAS inspection activity for selected case study areas and preliminary estimates of non-compliance rates, 2005-2006 (Q2)	65
14	Occupancy status by dwelling type and year of construction, 2003 (Q3)	67
15	Estimated index of multiple housing deprivation	69
16	Estimated incidence of non-compliance	70
17	Profile of PRTB registrations and failed inspection files reviewed	73

18	Profile of property types and failed inspection files reviewed	73
19	Profile of non-compliance with additional RAS-specific requirements (%)	74
20	Profile of estimated rents for multiple occupancy dwellings by rent limit regions (Q4, 2006)	78
21	Profile of estimated rents for single occupancy dwellings by rent limit regions (Q4, 2006)	79
22	Profile of estimated concentrations of multiple occupancy dwellings by rent limits (Q4, 2006)	82
23	Profile of estimated concentrations of single occupancy dwellings by rent limits (Q4, 2006)	84
24	Estimated average weekly rent for one-bed units in multiple occupancy dwellings by local authority (Q3, 2006) and changes to Rent Supplement rent limits, 2006-2007	86
25	Overview of some recent international developments in selected jurisdictions	92

List of Figures

NUMBER	TITLE	PAGE
1	Long-term Trend in Private Rent Levels 1995-2005	3
2	Recent Trends in Private Rent Levels 2002-2006	4
3	Total number of tenancy registrations, 2002-2006	24
4	Estimated cost for certain reliefs pertaining to the private rented sector 2000-2003 (€m)	31
5	Change in fines compared to the annual percentage change in the Consumer Price Index (CPI) 1992-2004	55



Foreword

In September 2006 the Department of the Environment, Heritage and Local Government (DoEHLG) published *Action on Private Rented Accommodation Standards* which provided a framework to achieve the commitments in the partnership agreement *Towards 2016* that minimum standard regulations in the private rented sector will be updated and effectively enforced. The main features of the Action Plan involve promotion, information, appropriate regulation and strategic enforcement.

As part of the Action Plan, the DoEHLG requested the Centre for Housing Research to undertake a study of measures to promote improvement in private rented accommodation standards and develop good practice guidelines to assist housing authorities in their functions relating to the private rented sector with a view to achieving increased effectiveness, including more strategic and proactive approaches to enforcement.

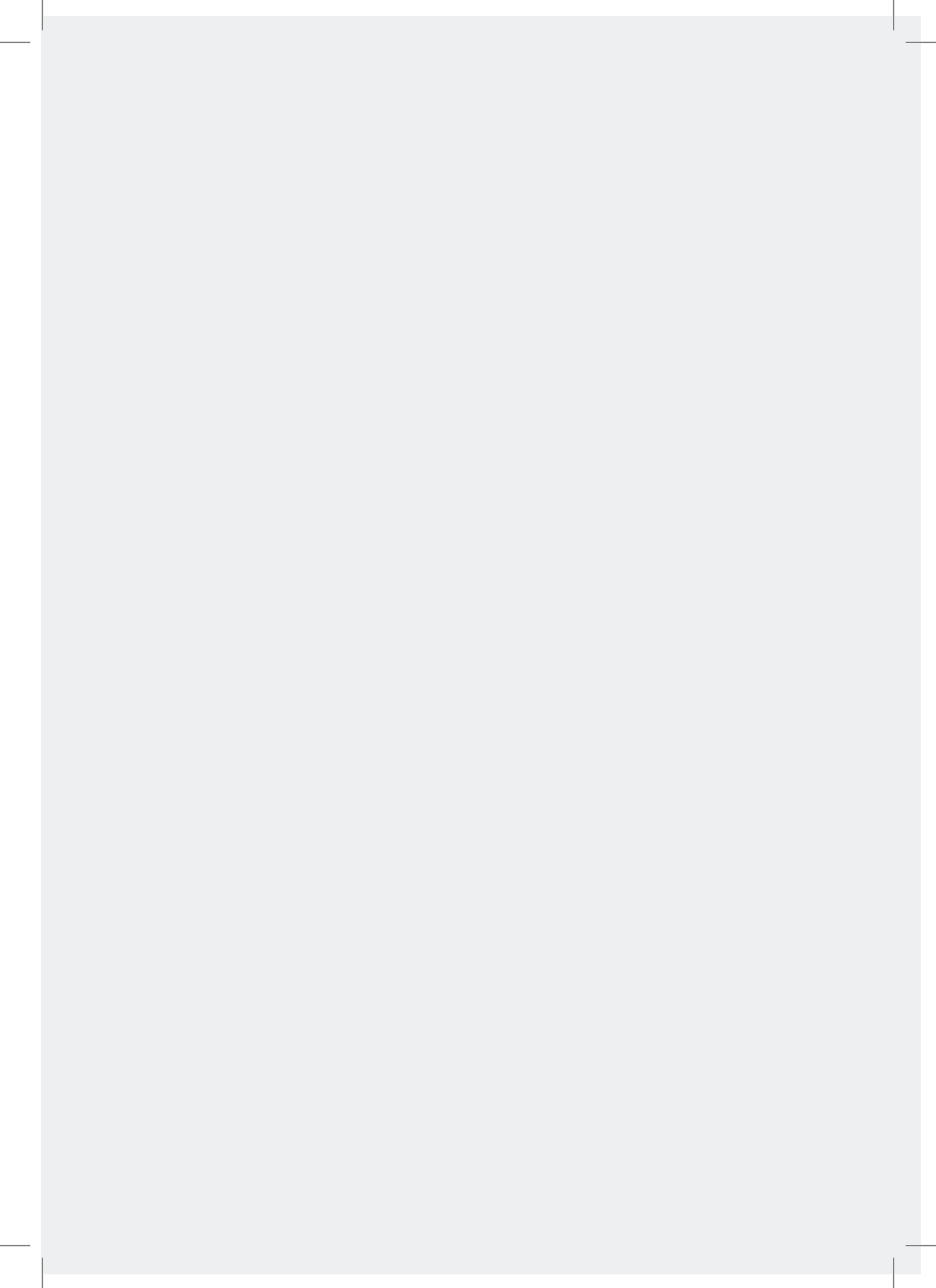
The Centre for Housing Research has produced two documents in response to this request. These are (i) Policy Discussion Paper on Promoting Improved Standards in the Private Rented Sector and (ii) Good Practice Guidelines for Local Authorities *Standards in the Private Rented Sector: Strategic Planning, Effective Enforcement*.

I would like to thank those who have contributed to the production of this Policy Review, particularly its authors, Dermot Coates and Naomi Feely. Members of the Steering Group gave freely of their experience and expertise. I would also like to thank those who provided very helpful submissions to the authors. Helpful comments were also received from officials in the DoEHLG, the Department of Social and Family Affairs, and two independent referees: Dr Eoin O’Sullivan, School of Social Work and Social Policy, Trinity College Dublin and Dr Áine Ryall, Faculty of Law, University College Cork. Their help with this work is very much appreciated.

David Silke

Director

Centre for Housing Research



SECTION ONE



Introduction

In the past two decades, the role of the private rented sector has expanded due to a range of socio-economic factors. These include:

- the slow growth in the supply of publicly funded social housing along with an increase in the reliance on Supplementary Welfare Allowance Rent Supplement payment
- affordability difficulties encountered by potential owner-occupiers and
- broader demographic changes such as inward migration.

In addition, urban renewal schemes, introduced to address the issue of neglected urban areas across the country, have contributed to a major rejuvenation of inner areas of towns and cities. Most of these schemes have been driven by tax relief concessions and this, in turn, has led to an upsurge in investment in the buy-to-let market.

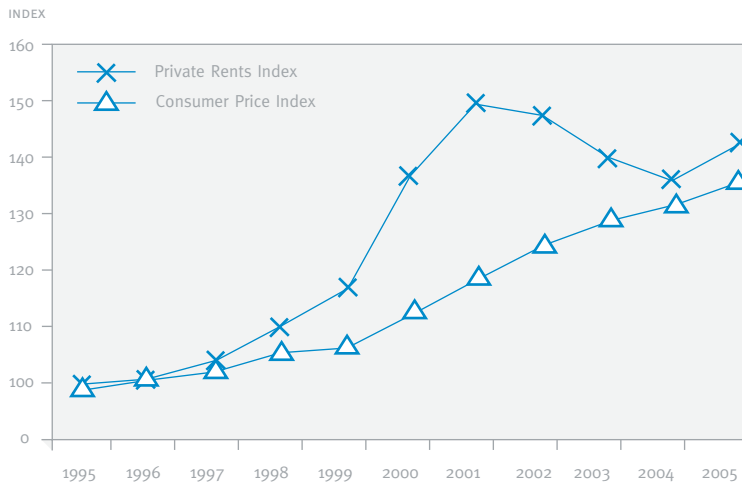
These factors, particularly the expanded role of the market in meeting the needs of low-income households have indirectly contributed to growing concerns regarding the standard of accommodation provided in this tenure and the treatment afforded to tenants, particularly at the lower end of the market. In response to such concerns, both the *Towards 2016* social partnership agreement (Government of Ireland, 2006a) and the

Action on the Private Rented Accommodation Standards (DoEHLG, 2006b) have committed the State to addressing the issue.

The private rented sector is undergoing substantial changes. These include dynamic growth, accompanied by a diversification of the population catered for and rising expectations in the context of general improvements in the standard of housing. The absolute size of the tenure has risen from 141,000 households in 2002 to at least 145,000 households in 2006. Such expansion appears to be on the low side given that the tenure grew by an average of more than 5,000 households per annum between 1991 and 2002. At the time of writing there was some confusion regarding the proportionate change in the size of the private rented tenure. The Central Statistics Office (CSO) report on Census 2006 (CSO, 2007) indicated that the private rented sector fell as a proportion of all housing to just 10 per cent of all households (145,000 approx) although it is possible that this tenure actually accommodated 12 per cent plus (175,000 approx) of all Irish households by that year.

Figure 1 shows the growth in rents as captured by the CSO using the Private Rents Index. This index is calculated by the CSO through the collation of data from 40 estate agents in various locations across the country. The respondent estate agents submit returns on the average rent across their portfolios. This represented a cumulative total of approximately 15,000 properties (or 10 per cent of the tenure) for 1 and 2-bed apartments and 3 and 4-bed semi-detached houses. Whilst the categories for 1 and 2-bed properties may capture the rents payable for flats in some localities, bedsits are not included in the index.

Figure 1 Long-term Trend in Private Rent Levels, 1995–2005



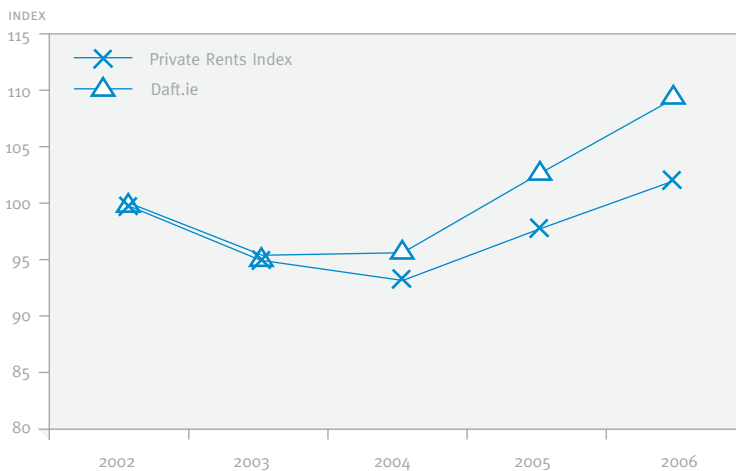
Source: CSO 2006a; CSO 2006b

The selection of locations and participant estate agents is a subjective decision for CSO officials but as an informal rule, these generally include cities and towns with an Institute of Technology. The figures returned to the CSO by the selected estate agents draw on the rents being paid across their portfolios. These are compiled into a composite national index on a monthly basis. However, there is a substantial shortcoming in this methodology, as it does not allow for the index to be disaggregated by location or property type below the national index.

As Figure 1 illustrates, rents have continued on a strong upward path in this housing tenure over the past decade – 40 per cent in 10 years. This is notwithstanding a reduction over the period 2002–2004 and with a pronounced rise in the period 1998–2001 when rents outperformed the long-term average rise in rent of 3.5 per cent. The rate of growth has outpaced the rate of general inflation over much of this period. Moreover, the upward trend has resumed in recent years and in the period late-2005 to early-2007, rents grew by more than 10 per cent.

The data illustrated in Figure 2 further corroborates this. Based on rents compiled by Daft.ie it shows ongoing increases in rent levels in the private rented housing sector between 2002 and 2006 (Daft, 2007). The Daft data appears to have captured the upturn in rents sooner than the CSO. While data from the Permanent TSB/ESRI House Price Index (ESRI, 2007) shows a decline of 2.6 per cent for the first half of 2007, the previous year’s commentary (ESRI, 2006) showed that house prices increased by almost 300 per cent over the past ten years. Thus the increase in rents has been fairly modest in comparison.

Figure 2 Recent Trends in Private Rent Levels, 2002–2006



Source: CSO 2006a; Daft 2007-10-24

Note: Figures for each year refer to end-year except for 2006 (end-Q3)

Given that the overarching objective of this report is to discuss the need for improvement in standards within the private rented sector, there is a consequent focus on the lower (or budget) end of the market where sub-standard accommodation is most prevalent. Nevertheless, it is important to stress that this tenure consists of a broad spectrum of accommodation types that ranges from low through to high quality. Although Rent Supplement recipients account for approximately 40 per cent of all households within the tenure, there are also many medium to high income households accommodated in good quality, privately rented dwellings.

The expansion of the national housing stock with the delivery of 380,000 new units over the 5 year period 2002-2006 will undoubtedly have a positive impact on the standard of properties available to let.

The State has increasingly intervened in the private housing market in recent years. These interventions included a range of demand and supply-based initiatives and reforms and the introduction of statutory changes. The latter included the establishment of the Private Residential Tenancies Board (PRTB) and the rollout of new rights and protections for tenants. These rights include the specification of minimum standards for privately rented accommodation.

Fiscal incentives are available to property owners to upgrade their properties (see Section two for further discussion). These incentives are paralleled with an enforcement regime underpinned by fines.

Standards' enforcement is primarily a function of the housing authorities. It is funded by the DoEHLG via the PRTB. Funding is made available from the fees paid to the PRTB by landlords for the registration of private rented tenancies. It is expected that approximately €7m will be made available to local authorities in the period 2005-2007. From 2007 onwards, payment will be based on a methodology that takes account of actual enforcement performance.

In 2007, the DoEHLG contacted each housing authority to suggest the need to intensify inspection and enforcement activity. It has also committed to a programme of action to address the relevant issues. This programme includes a number of main features under four principal headings, as follows:

- Regulation – a general review and update of the standards from late-2006.
- Resources and Enforcement – increased funding to local authorities and adoption of a planned and strategic approach to enforcement.

- Research, Information and Promotion – a study of measures to promote improvements in standards of accommodation along with increased provision of public information.
- Co-ordination – co-ordination and co-operation by local authorities with relevant agencies and other local authority functions.

This Policy Discussion Paper reviews policy and practice in relation to the monitoring and enforcement of standards in the private rented sector by the local authorities. The paper aims to help inform the development of policy and practice in this area. It reviews current approaches throughout this country, draws on domestic and international research evidence and makes suggestions for improvement.

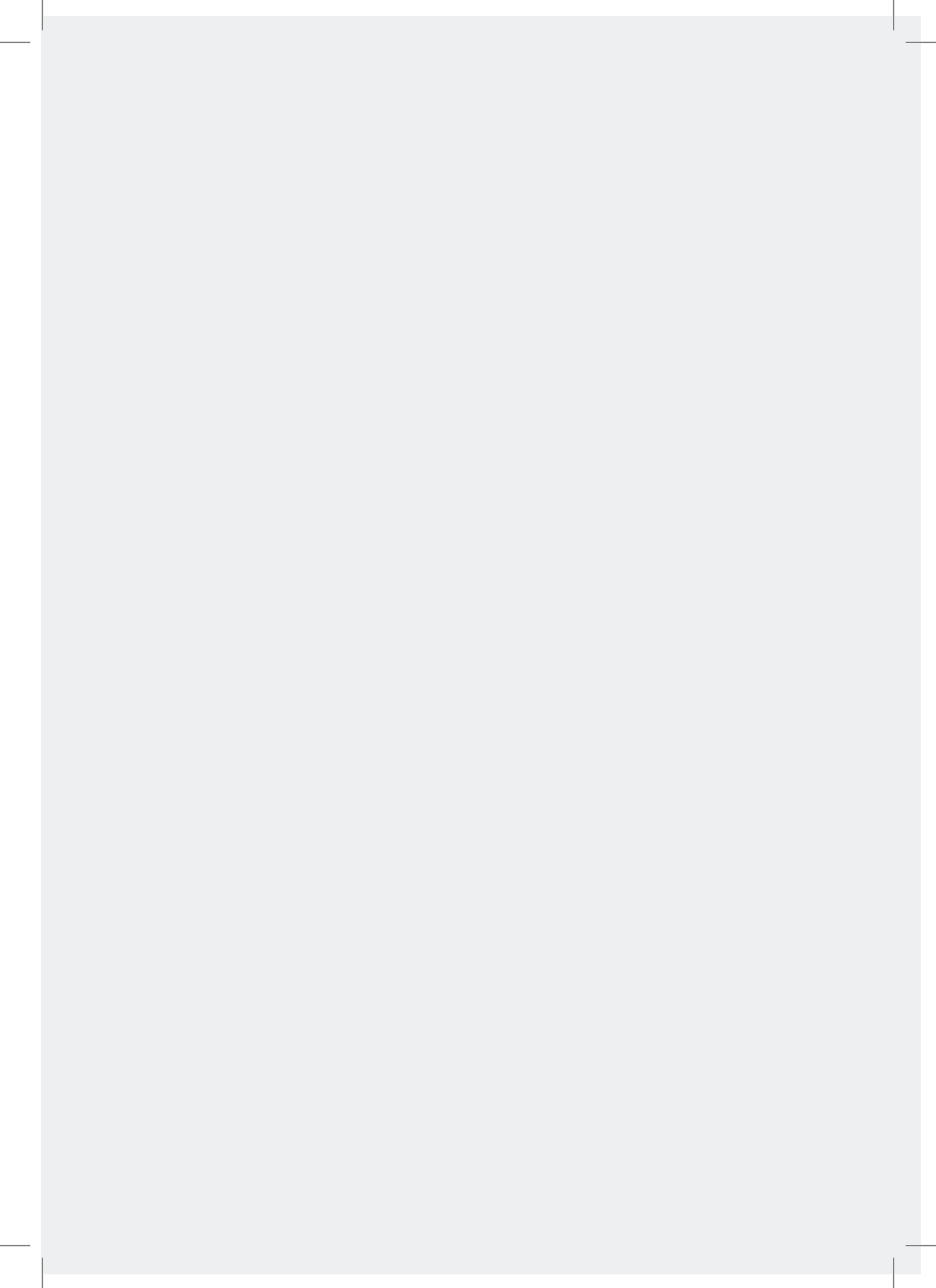
The discussion is organised into the following sections:

Section 2 examines the regulatory and legislative framework and the funding mechanisms currently in place.

Section 3 examines the current level of inspection activity and identifies some of the difficulties and obstacles encountered.

Section 4 reviews the research evidence from Ireland and abroad and identifies the key causes of non-compliance with the current standards.

Section 5 summarises issues arising from the preceding discussion and makes suggestions regarding the reform of policy and practice.



SECTION TWO



Policy and Funding

This section of the paper examines the policy and funding issues relating to the private rented housing sector. It discusses the key developments in the legislative and regulatory environment and the range of funding considerations that is deployed by the State in pursuit of appropriate standards of accommodation.

2.1 Legislative and Regulatory Framework

Laws covering landlord and tenant relationships have comprised a complex mix of common law and statutory provisions. In common law provision the application of the principle *caveat emptor* or let the buyer beware applies to the tenant when leasing a dwelling. An exception to this principle applies to letting a furnished dwelling as the landlord must ensure the property is *'fit for human habitation'* when the tenancy commences.

Statutory provisions in this area date back to pre-independence. However, Acts such the Landlord and Tenant Law Amendment Act (Ireland) 1860 (Deasy's Act) and the Public Health (Ireland) Act 1878 provided minimal provisions with regard to repairs and

maintenance. For instance Deasy's Act provided for repairing obligations with respect to 'cottier' tenancies (Wylie, 1998).

Until the 1980s, these laws tended to cover only issues such as rent control and the granting of leases but did not specify any detailed standards for privately rented accommodation.

Minimum standards were specified in the bye-laws of a small number of local authorities (O'Brien and Dillon, 1982). These bye-laws were introduced under the Housing Act 1966 although the extent to which all local authorities complied with the requirement to introduce and enforce these standards is unclear. The legislation (section 70(1) Housing Act 1966) asserted that local authorities should make bye-laws with regard to rented housing for the purposes of:

- Ensuring provision of proper drainage, lighting and ventilation
- Ensuring that the necessary repairs are undertaken to maintain the structure of the property
- Ensuring the provision of water supplies and facilities for the storage and preparation of food
- Ensuring that the property is maintained to an adequate standard of cleanliness

Under the Housing (Private Rented Dwellings) Act 1982 central government began to assert a direct regulatory influence in this area and began to develop a comprehensive set of national standards. This legislation empowered the Minister for the Environment to make regulations prescribing standards for rented dwellings and stated that the following areas be covered under the regulations:

- The quality and condition of the accommodation, furnishings and appliances
- The maintenance of the dwellings in good repair and in an adequate state of cleanliness
- Ventilation and lighting

- The provision of water supplies, sanitary facilities and drainage
- Heating and cooking
- Accommodation for the storage of and facilities for the preparation of food

The Housing (Private Rented Dwellings) (Standards) Regulations 1984 (SI No 337 of 1984) were subsequently introduced in 1984 and came into effect from April 1985. The scope and exercise of these regulations was initially quite limited and they applied only to the formerly rent-controlled sector.

These regulations were later revoked under the terms of the Housing (Miscellaneous Provisions) Act 1992. This introduced a range of new measures addressing broader issues such as rent books and tenancy registration and revised the 'minimum' standards. The revised Housing (Standards for Rented Houses) Regulations 1993 (SI No 147 of 1993) replaced both the outgoing regulations and the existing local authority bye-laws. These regulations continued the trend towards a more prescriptive intervention by the State by expanding upon the previous standards. They added a number of additional provisions, including the following:

- A sink must be provided in the habitable area of the dwelling
- A piped supply of hot water must be provided in the case of each sink, bath and shower
- Each dwelling must contain an appliance or appliances capable of providing space heating (an open fireplace is sufficient)
- The specified openable area of windows for every bathroom, washroom and watercloset was raised to 1,000 square centimetres

Though an improvement, the new standards remained quite basic. They came into effect from January 1994. Unlike the Housing (Private Rented Dwellings) (Standards) Regulations 1984, these were applicable to all rented accommodation although they did not apply to local authority housing until January 1998. The regulations state that in determining a reasonable standard ‘regard shall be had to the age, character and prospective life of the house’ and thus imply that not all older dwellings will be required to meet the standards set out therein (Norris and Winston, 2003).

Table 1 overleaf summarises key provisions of these standards. The regulations apply to the bulk of open market lettings. Under Article 4 there are a number of exemptions. The regulations are taken to apply to ‘every house let for rent... unless the house is let as follows:

- For the temporary convenience or to meet the temporary necessity of the landlord or tenant
- To a person only for the purpose of conferring on that person the right to occupy the house for a holiday
- By a health board [now the Health Service Executive (HSE)] or by an approved body, as accommodation with sanitary, cooking, dining or other essential facilities provided for communal use within the building which contains the house
- By a housing authority pursuant to any of their functions under the Housing Acts, 1966 to 1992, and is a demountable house

The Housing (Miscellaneous Provisions) Act 1992 assigned responsibility for the monitoring and enforcement of these standards, the regulation of rent books and the registration of tenancies to the local authorities. A Commission established by the Minister for Housing and Urban Renewal to review the regulation of the sector recommended that, among other things, a Private Residential Tenancies Board (PRTB) be established to mediate in landlord-tenant disputes and to conduct tenancy registration activity (Commission on the Private Rented Residential Sector, 2000).

Following the Commission's report, the *Residential Tenancies Act 2004* provided for a modern system of residential landlord and tenant legislation. This included the establishment of the PRTB with responsibility for tenancy registration, dispute resolution and research, information and policy advice. In its first year in operation (01/09/2004-31/12/2005) the PRTB registered almost 84,000 tenancies. Close to 900 disputes between landlords and tenants were referred to the Board (67% of which came from tenants) (PRTB, 2007).

Table 1

Summary of the principal provisions of the Housing (Standards for Rented Houses) Regulations 1993

Article No	Article Title	Key Issue(s)
5	Structural Condition	<ul style="list-style-type: none">■ Each house must be maintained in a proper state of structural repair■ This means essentially sound, with roof, floors, ceilings, walls and stairs in good repair and not subject to serious dampness or liable to collapse because they are rotted or otherwise defective
6	Sinks, Waterclosets and Water Supply	<ul style="list-style-type: none">■ A sink must be provided in the habitable area of each house■ Each sink, watercloset, fixed bath or shower must have an adequate supply of piped cold and hot water■ Each house must have a safe and effective means of drainage■ The water supply pipes, the water storage cistern and the distribution pipes must be protected against damage by frost
7	Heating, Cooking and Food Preparation	<ul style="list-style-type: none">■ Each house must contain an appliance(s) capable of providing adequate space heating■ Each house must contain facilities for the installation of cooking equipment with provision, where necessary, for the safe and effective removal of fumes to the external air■ Each house must contain facilities for the hygienic storage of food

8 Electricity and Gas

- Installations in each house for the supply of electricity and gas must be maintained in good repair and safe working order

9 Ventilation and Lighting

- Every room used by the tenant must have adequate ventilation and natural lighting
- All windows and other means of ventilation must be maintained in good repair and working order
- Every room used by the tenant must have adequate means of artificial lighting

10 Common Areas and Stairways

- All means of preparation, cooking and storage of food must be maintained in good repair and safe working order
- All means of lighting and heating must be maintained in good repair and safe working order
- Every stairway must have a substantial handrail securely fixed
- All areas of a house used in common by the occupants of more than one house must be maintained in good repair and in a clean condition

11 Basements, Outoffices and Yards

- Every unoccupied basement and cellar must be maintained in good repair and in a clean condition
- All boundary walls, fences and railings must be maintained in good repair

Nevertheless, departmental circulars in the intervening years have emphasised the continuing statutory role of the local authorities in the sector. The most recent circular from the Department on this issue states that:

- Housing authorities continue to be responsible for enforcement of the standards and rent book regulations under the Housing Acts
- Housing authorities have been reminded of the need to respond promptly to complaints and to undertake pro-active routine enforcement (DoEHLG, 2006a)

The *Housing (Miscellaneous Provisions) Act 1992* – and subsequent regulations – function as a series of tenant-protection measures that impose obligations on landlords only. The *Residential Tenancies Act 2004* addresses the issue of tenants' obligations. These obligations include the following:

- No act or omission by a tenant will result in the obligations of a landlord not being met
- A tenant is prohibited from causing any deterioration in the condition of the dwelling, other than wear and tear
- A tenant is required to pay the rent and any other charges
- A tenant is required to notify a landlord of any repairs required
- A tenant is required to allow access for repairs to be carried out
- A tenant will not engage in, or allow, anti-social behaviour

Different rights and obligations apply where individuals occupying the accommodation are licensees. Licensees can arise most commonly in the following situations:

- (a) persons staying in hotels, guesthouses, hostels, etc.
- (b) persons sharing a house/apartment with its owner e.g. under the 'rent a room' scheme or 'in digs'
- (c) persons occupying accommodation in which the owner is not resident under a formal licence arrangement with the owner where the occupants are not entitled to its exclusive use and the owner has continuing access to the accommodation and/or can move around or change the occupants, and
- (d) persons staying in rented accommodation at the invitation of the tenant (for more information see www.prtb.ie)

It is more than 13 years since the current housing standards were updated. Marsh *et al* (2000) have commented that ‘*over time commonly used indicators of housing deprivation...become increasingly inappropriate*’. In recognition of the need for modernisation, the social partnership agreement, *Towards 2016*, has stated that ‘*Minimum standards regulations for the private rented sector will be updated by the Department of the Environment, Heritage and Local Government and effectively enforced by local authorities* (Government of Ireland, 2006).

To underpin this commitment, an *Action on Private Rented Accommodation Standards (DoEHLG, 2006b)* was circulated. This plan reiterates the DoEHLG’s intention to review the current standards and sets out requirements in relation to the formulation of future good practice. It also imposes a requirement for each local authority to set annual targets for each year and submit these to the DoEHLG.

Table 2 summarises the number of inspections carried out in 2006 and 2007 targets for a number of local authorities. At the time of writing the majority of City and County Councils has submitted these targets to the DoEHLG. These suggest the scope for a more proactive inspection culture to emerge (see Table 2).

Table 2**Number of inspections carried out (2006) and
Inspection activity targets (2007) for selected local authorities**

Local Authority	2006	2007* (Target)
Dublin City Council	3,639	4,000
Laois County Council	9	97
Longford County Council	192	150
North Tipperary County Council	60	200
Galway County Council	86	200
Kilkenny County Council	43	100

* The target for 2007 specifically does not include RAS-specific inspections.

Source: Department of Environment, Heritage and Local Government (unpublished, 2007)

As part of the review of the current standards, both the DoEHLG and the Centre for Housing Research requested submissions from a range of statutory and voluntary bodies in late-2006 and early-2007. Among those received, there were a number of recurrent themes. These included the need to incorporate certain fire safety elements into the standards, the need to address thermal efficiency issues and the need for a requirement on the provision of white goods. Table 3 provides a synthesis on some of the issues raised by these submissions.

Table 3

Synthesis of selected issues raised by submissions to the DoEHLG on the review of the Housing (Standards for Rented Houses) Regulations 1993

- That the standards should recognise differences in the seriousness of breaches (e.g. greater sanctions for those breaches that give rise to immediate health and safety risks similar to the new UK model; see Section 4)
- That the local authority's right of access for an inspection and for doing repairs should be strengthened
- That penalties be uprated regularly to maintain the deterrent effect
- That landlords be required to produce certification from an authorised body on the compliance of gas and electricity installations for a pre-determined duration
- That a notice be posted in each dwelling giving landlord/agent name, contact details and PRTB registration information
- That all sanitary facilities be provided in a habitable area of the dwelling (i.e. indoors)
- That a wash hand basin be provided adjacent to each toilet
- That the meaning of 'temporary convenience' under Section 4(1)(a) of the current regulations be clarified to limit the scope for abuse

The local authority sector plays a broader enforcement role in the private rented sector than merely conducting inspections pursuant to the Housing (Standards for Rented Houses) Regulations 1993. Although the responsibility for inspections to ascertain whether a tenancy was registered was vested in the PRTB post-2004, each local authority – in its capacity as a housing and fire authority – retains responsibility for inspections relating to rent books and fire safety. The relevant requirements are summarised in Table 4.

Table 4

Summary of principal requirements relating to rent books and fire safety

Rent Book Requirements

Housing (Rent Books) Regulations 1993 (amended by SI No 751 of 2004)

- On the commencement of a tenancy, a landlord must provide a rent book, or like documentation, to a tenant
- Therein, the landlord shall provide certain information including the address of the dwelling, the name of the tenant, the term of the tenancy, how the rent is to be paid and the amount of any rent in advance, amount of any deposit paid
- The amount, date and purpose of each payment should be recorded
- Responsibility for the enforcement of these regulations is vested in each local authority (housing authority)

Fire Safety Requirements

Fire Service Act 1981 (amended by Licensing of Indoor Events Act 2003)

- A local authority (fire authority) can serve notice on the owner or occupier of a building prohibiting the use of the building or some part thereof
- A fire safety notice can impose requirements on the owner or occupier of a building concerning the provision and maintenance of fire detection and prevention equipment
- An official of the local authority is entitled to enter and inspect any building (excluding a single occupancy dwelling)

Departmental Guidance Document on Multiple Occupancy Dwellings (e.g. apartments, etc)

- Escape routes should be provided
- Directional lighting should be provided
- Relevant fire safety and prevention equipment should be provided (e.g. mains-connected detectors/alarms, fire extinguishers and fire blankets)

Under the Housing Act 1966 (section 69) a local authority may enter a rented dwelling for the purposes of doing any works where these have been specified in a repairs notice and where the landlord has not complied with the term of this notice.

Finally, a Rent Tribunal was established by the Rent Tribunal (Date of Establishment) Order 1983 (SI No 220 of 1983) pursuant to the Housing (Private Rented Dwellings) (Amendment) Act 1983. In the case of a small sub-section of the tenure (i.e. those affected by the de-control of rents), this Tribunal is empowered to set the terms of a tenancy (including the rent payable) where these have not been agreed by the landlord and tenant.

In the case of 'original tenants' (or those who took up a tenancy in a rent-controlled dwelling prior to 26 July 1982) the Rent Tribunal continues to be responsible for setting the rent and other terms of the tenancy, and these tenants are entitled to claim a Rent Allowance from the Department of Social and Family Affairs (DSFA). For the purposes of setting the rent, a Rent Officer or a person authorised by either the Tribunal or a housing authority may enter and inspect a dwelling.

It is acknowledged that standards of accommodation in this sub-section have tended to be quite poor. However these are not discussed separately in this report given that this sub-section of the tenure is very small. For instance, in 2001 only 23 claims for the Rent Allowance were awarded and this had fallen to just nine by 2005.

2.2 Funding Model and Financial Arrangements

The conduct of inspection and enforcement activity under the Housing (Standards for Rented Houses) Regulations 1993 is funded from the registration fees payable by landlords and collected by the PRTB. The Residential Tenancies Act 2004 imposed an obligation on landlords to register all tenancies by December 2004 and within one month of the commencement of

each new tenancy. The associated registration fee was set at €70, with a composite fee of €300 for multiple-occupancy dwellings (when all are registered at the same time), and a late registration fee of €140. Prior to the establishment of the PRTB in late 2004, these registration fees were collected by each local authority and were set at €50.97 (IR£40) per tenancy under the Housing (Registration of Rented Houses) Regulations (SI No 30 of 1996) as amended by Housing (Registration of Rented Houses) (Amendment) Regulations 2000 (SI No 12 of 2000).

Although the local authority sector has collected these registration monies for many years, quite a number of local authorities did not traditionally apply the funds to the purpose presumably intended by the legislation (i.e. conducting inspection activity). For many years, a number of local authorities collected registration fees but have conducted few, if any, inspections. For example, if one presumes that each registration fee paid should equate to an inspection, the local authorities could have been expected to undertake more than 200,000 inspections over the period 1996 - 2004, given that they collected more than €10m for 205,000 registered properties. However, only 40,000 inspections were conducted, implying that, proportionately, more than €8m was applied elsewhere.

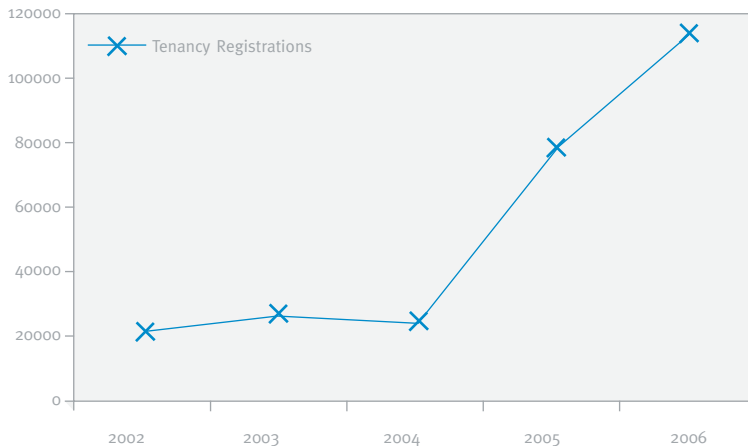
Even taking cognisance of the likelihood that a registration fee will not cover the cost of an individual inspection, there has nevertheless been a significant shortfall in the volume of inspections conducted. For example, in 2004, one particular county council collected €4,300 in registration fees – for 840 dwellings – but conducted no inspections. Future research in this field should endeavour to calculate the economic cost of an inspection. This would allow for a comparative analysis of the efficiency of inspection regimes across the State. It would make clear the extent to which a landlord funds the cost of an inspection of his/her property and it would allow for the determination of a ratio of expected registrations through inspections (i.e. would quantify the traditional shortfall in inspection activity).

Census returns revealed that only 25,000 tenancies, approximately 20 per cent of all private rented dwellings, were registered with local authorities (CSO, 2003). This had risen to more than 80,000 by 2005 and 110,000 by 2006. By 2005, total registration fees received had risen to €4.4m, approximately a 300 per cent increase on the 2004 position. This was driven by the significant rise in the number of registered tenancies under the PRTB and, to a lesser extent, by the rise in cost of the registration fee (see Figure 3).

Under ministerial direction, almost 30 per cent of all fees collected are retained by the PRTB in respect of administration costs in operating the new registration system.

The new legislation, combined with publicity surrounding the penalties for late registration (i.e. double the normal registration fee), has brought about a rapid increase in registrations. A further significant incentive for landlords to register is that they cannot avail of the PRTB dispute resolution mechanism unless the relevant tenancy is registered (see Figure 3). In addition under the Finance Act 2006 entitlement to tax relief for landlords is dependent on registration requirements. Thus the latter quarter of 2006 saw an upsurge in the number of registrations as landlords endeavoured to meet the December 31st deadline.

Figure 3 Total number of tenancy registrations, 2002 – 2006



Source: Department of the Environment, Heritage and Local Government (various years).
Note: Data for 2002-2004 refer to number of houses registered. Data for 2005 and 2006 refer to the number of tenancy registrations. Data for 2006 refer to the Q3 figure.

The remaining €1.6m from the 2005 registration fees was retained by the PRTB in order to reflect the lower fee income receivable in the later years of the three-year tenancy cycle. These monies (e.g. the retained fees plus any additional registration fees paid in the following years) are being distributed to the local authorities in the period 2006–2007. In late 2006 an interim payment of €1m was allocated through the PRTB for that year. These funds were allocated on the basis of the distribution of registered tenancies with each local authority guaranteed a minimum payment of €1,000. On this basis, the city councils received more than half of all funds allocated in 2006, with 33 per cent of all funds payable to Dublin City Council. The balance of the 2006 PRTB funding was paid on the basis of the number of tenancies registered at 31/12/2006 and the number of inspections carried out in 2006 (see Table 5)

Further payments in 2007 are due to follow and at the time of writing it is expected to bring total funding to €3m for 2007. In the period 2005 – 2007, it is expected that cumulative total of almost €7m will be allocated for the purpose of property inspections by local authorities. This contrasts favourably with total funding of around €10m for the operation of both registration and standards enforcement in the period 1996 to 2004. In line with the objectives of the Action Programme on Private Rented Accommodation Standards (DoEHLG 2006b), this future funding will be more directly related to the level of enforcement activity as reported by authorities in their statistical returns.

Table 5

Allocation of funding for 2006

Local Authority	Interim funding	Funding based on the number of tenancies as at 31/12/06	Funding based on the number of inspections carried out in 2006	Total 2006
Cork City Council	64,210	32,155	39,654	136,019
Dublin City Council	332,860	148,378	185,003	666,241
Limerick City Council	27,800	12,202	20,946	60,948
Galway City Council	61,750	30,566	8,033	100,349
Waterford City Council	14,640	7,731	17,336	39,707
City Councils	501,260	231,032	270,971	1,003,263
Clonmel Borough Council	6,380	3,071	0	9,451
Drogheda Borough Council	7,750	3,941	0	11,691
Kilkenny Borough Council	6,430	3,098	51	9,578
Sligo Borough Council	9,660	4,976	0	14,636
Wexford Borough Council	8,830	4,520	0	13,350
Borough Councils	39,050	19,606	51	58,707
Carlow County Council	8,850	4,377	1,983	15,210
Cavan County Council	4,880	2,499	51	7,430
Clare County Council	7,140	3,561	8,846	19,547
Cork County Council	29,600	15,165	51	44,815
Donegal County Council	6,150	2,921	56,024	65,095
Dun Laoghaire-Rathdown County Council	56,630	31,394	14,286	102,310
Fingal County Council	53,000	29,889	34,316	117,205
Galway County Council	11,790	6,319	4,372	22,482

Kerry County Council	6,350	3,150	6,812	16,313
Kildare County Council	27,310	13,979	11,185	52,473
Kilkenny County Council	3,690	1,833	2,135	7,658
Laois County Council	5,740	3,064	458	9,261
Leitrim County Council	3,760	1,991	10,269	16,021
Limerick County Council	10,370	7,787	0	18,157
Longford County Council	4,540	2,349	7,067	13,955
Louth County Council	3,750	1,920	13,726	19,396
Mayo County Council	5,550	2,906	6,101	14,556
Meath County Council	11,730	5,981	0	17,711
Monaghan County Council	2,230	1,076	0	3,306
Offaly County Council	3,330	1,694	5,186	10,209
Roscommon County Council	5,260	2,763	2,034	10,056
Sligo County Council	4,610	2,251	458	7,318
South Dublin County Council	44,650	29,535	21,657	95,842
Tipperary (NR) County Council	4,540	2,213	2,796	9,549
Tipperary (SR) County Council	3,700	1,867	102	5,669
Waterford County Council	4,550	2,420	3,559	10,529
Westmeath County Council	8,460	4,502	2,034	14,995
Wexford County Council	7,850	4,622	915	13,387
Wicklow County Council	11,600	5,687	1,983	19,270
County Councils	361,610	199,713	218,404	779,727
Town Councils	107,330	49,649	10,574	167,553
Grand Totals	1,009,250	500,000	500,000	2,009,250

Source: Private Residential Tenancies Board; Department of the Environment, Heritage and Local Government

2.3 Role of Fiscal Incentives

Since 1981, tax-based property incentives have been available in Ireland. These have played an important role in the rejuvenation of many disadvantaged areas and, in more recent years, the transformation – expansion of much of the stock of private rented accommodation. In 1994, the Department of Finance introduced a new incentive scheme where tax relief and rates remission were provided for urban renewal in designated areas. The principal relief is the Rented Residential Accommodation Relief (often referred to as Section 23 relief). This applies to rented residential property in a tax incentive area. It is available to a person incurring expenditure for the purchase, construction, conversion or refurbishment of a rented dwelling – house or apartment. The relief can be set against rent received from that property or any other Irish rental income in order to reduce the amount of tax payable by the lessor.

A general rental refurbishment scheme is also in place. This scheme, Relief for the Refurbishment of Certain Residential Properties, allows lessors to claim relief on expenditure incurred for the refurbishment of a rented property by setting this against all Irish rental income over a seven-year period. Following a review of much of the tax relief in operation, the Minister for Finance announced that a number of tax relief schemes would be discontinued by 2007. These included the Urban Renewal scheme and the General Rental Refurbishment scheme. However, the Finance Act (2007) extended the existing termination date for these schemes to mid-2008.

The latter scheme was reviewed by Indecon Economic Consultants, as part of the overall examination of property-based incentive schemes on behalf of the Department of Finance. Their report noted that there had been little or no investment under the scheme, that there was no justification for the incentive and that the scheme had not been widely publicised. A survey of local authorities, also conducted by Indecon Economic Consultants, found that 87 per cent of respondents felt there was little awareness of the scheme in their area.

Beyond the specific incentive schemes such as Section 23, an important factor in the level of investment in the private rented sector in recent years has been the tax deductibility of interest on borrowings for the purchase, repair or refurbishment of residential accommodation to let. This provision was withdrawn for lettings in most parts of the country in 1998. In the wake of the first Bacon report (Bacon, 1998), this was restored from January 2002 and has exerted a significant influence in promoting investment which, in turn, has led to an improvement in the standard of available lettings.

In addition to these reliefs, there is a range of other schemes targeted at the private rented sector, including the provision of relief to tenants on the rent paid in private tenancies. Under the terms of Budget 2007, this is available at the standard rate of 20 per cent, subject to a maximum of €1,800 per annum for a single person aged less than 55 years and to a maximum of €3,600 for married / widowed persons. For people aged over 55 years maximum rates of €3,600 and €7,200 apply to single and married / widowed persons respectively.

The Revenue Commissioners have stated that there are a number of reliefs which costs are not quantifiable, are negligible or are not identifiable within total aggregates. These include various schemes for urban, town and rural relief. It may also include the general rental refurbishment scheme given that, as has been noted by Indecon Economic Consultants (2006), there does not appear to have been much investment under the scheme.

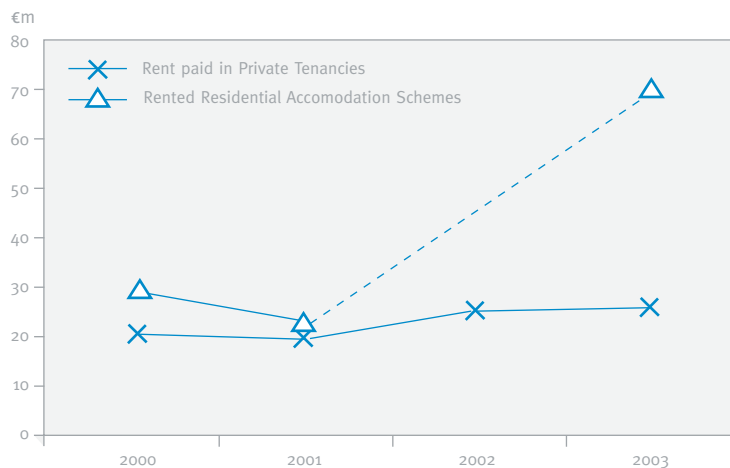
When residential development under all of the various renewal schemes are taken into account, the total cost of the tax foregone (present value) was estimated at €1 billion by mid-2006 (Goodbody, 2005). However, on the basis of the information published by the Office of the Revenue Commissioners (various years) it is difficult to disaggregate this by scheme.

As Figure 4 shows, the cost of relief for rents paid rose from €19.1m in 2000 to €28.1m in 2003. The number of persons availing of this relief rose by 12,600 (or 14 per cent) to 102,000 claimants over this period. Similarly, the cost of relief under the Rented Residential Accommodation Scheme rose to almost €70m by the end of the period 2000-2003. Almost 2,000 persons made claims in the last year for which information was published. However, it is more difficult to draw firm conclusions from this for a number of reasons:

- Estimates prior to 2002 were based upon data supplied by the DoEHLG not Revenue-sourced data. These could not be linked to tax claims and any Revenue figures on the relief were merged with other reliefs under existing computer codes so that the relevant segment(s) were not distinguishable.
- Reflecting the Revenue Commissioners' commitment to improving the quality of information available in relation to tax expenditures, the published figures for this relief were discontinued in the statistics for 2002 as they were deemed to be incomplete (i.e. heretofore, they had only included urban renewal schemes in place before 1999 but none of the later schemes).
- The figures included in the statistics for 2003 related to income tax claims only, whilst the early figures related to income and/or corporation tax.

However, it should be noted that since 2004 steps have been taken to capture more data in relation to various tax relief. The income tax Form 11 for that year contains a schedule to identify and capture data on tax relief. Furthermore the corporation tax return form, CT1, contains a similar schedule in relation to tax relief claimed by companies.

Figure 4 Estimated cost for certain reliefs pertaining to the private rented sector, 2000–2003 (€m)



Source: Office of the Revenue Commissioners (Statistical Reports; various years).
Note: No figures for 'Section 23' were published for 2002. At the time of writing, no statistics had been published for the post-2004 period.

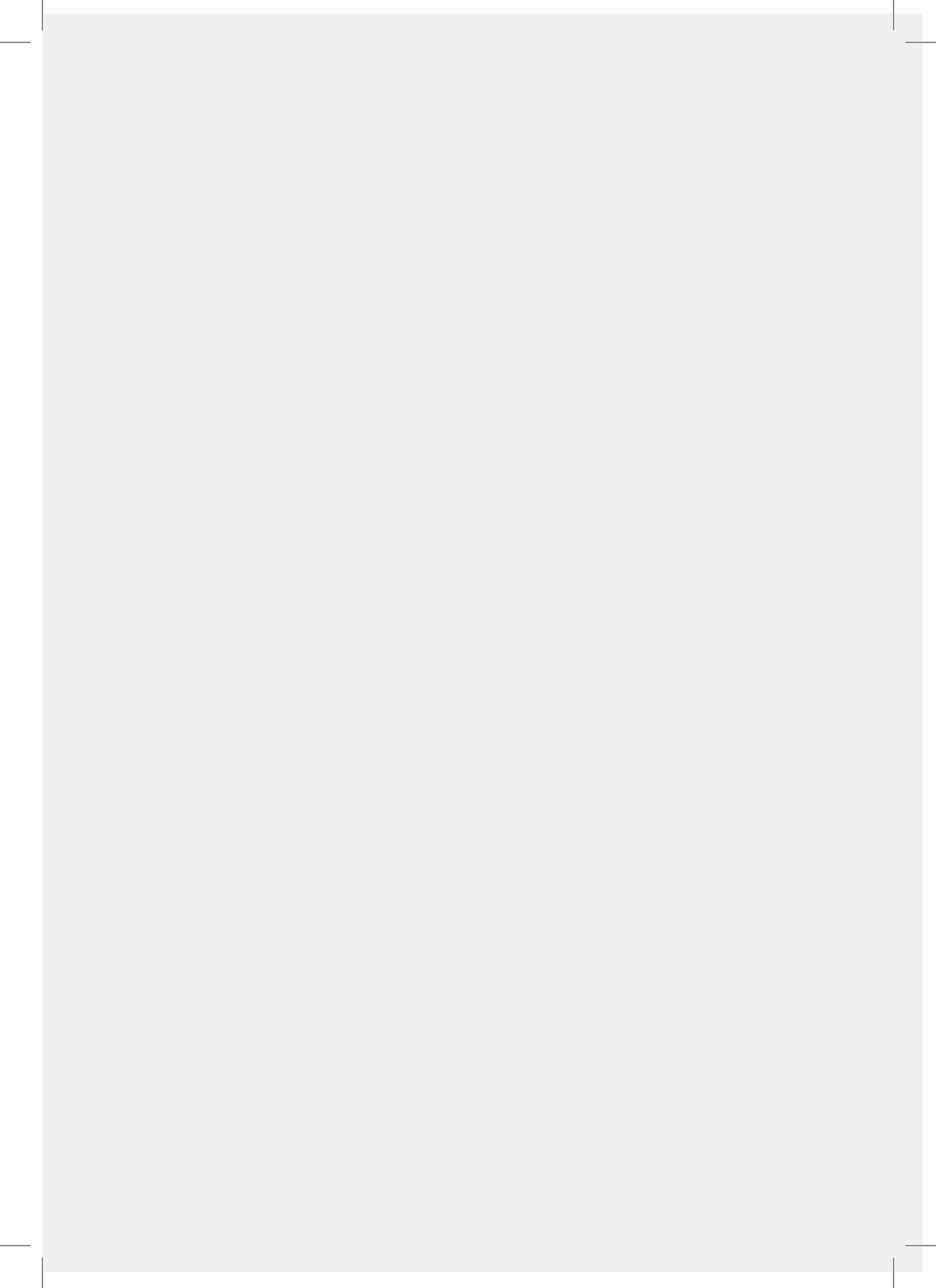
Beyond these targeted reliefs, expenditure for repairs, management and maintenance are also incentivised by virtue of being tax deductible and this will continue to be the case. Under the current rules for the calculation of an income tax liability pursuant to the receipt of rental income from lettings, a landlord can deduct a range of allowable expenses when determining his/her profit or loss. These include a number of management and administrative expenses such as insurance, ground rent and professional fees. In computing the tax liability, an allowance can also be made for a number of issues that contribute to the non-compliance of properties with the minimum standards, including the following:

- Maintenance
- Wear and Tear
- Repairs

The cost of the general cleaning and servicing of the premises is already tax-deductible under the current arrangements. The provision of appliances, furniture/fittings and related equipment (e.g. fire extinguishers) are covered by the 'wear and tear' provisions, whereby furnished premises let for residential purposes qualify for an allowance of 12.5 per cent over 8 years. This provision covers a wide range of the potential expenditure incurred by any landlord including carpets, cookers, central heating, etc.

The current arrangements also allow a deduction for repairs. For tax purposes, a repair refers to the restoration of an asset by replacing subsidiary parts of the whole asset. As such, in issues relating to damp, for example, the existing tax reliefs already encompass rot and the replacement of defective doors and windows.

Finally, in calculating the rental income chargeable to tax, interest on borrowed monies employed in the purchase, improvement or repair of a rented property is tax-deductible. Under the Taxes Consolidation Act 1997, as amended by the Finance Act 2006, this deduction is now conditional on compliance with the registration requirements of the Residential Tenancies Act 2004.



SECTION THREE



Current Practice

This section examines current practice in the conduct of inspection activity. It identifies weaknesses in both the delivery and the recording of these inspections and makes recommendations regarding the more efficient and effective implementation of this regulatory role.

3.1 Inspection Activity Undertaken

Traditionally, inspection activity under the Housing (Standards for Rented Houses) Regulations 1993 was not undertaken nationwide or on a consistent basis. The decision to undertake inspections is taken locally. During 2001-2005, just over 27,000 inspections were conducted, an average of 5,500 inspections per annum. City Councils undertook three out of every four inspections.

Table 6 shows that, until recently, with some slight fluctuations, the annual output of inspections has increased slowly despite the substantial increase in the size of the private rented housing tenure. Recent changes such as the increased availability of funding and the introduction of the Rental Accommodation Scheme (RAS; introduced for those assessed as having a housing need, particularly long-term rent supplement claims) have served to drive the level of reported inspection activity rapidly upwards. In 2006, 9,800 inspections were reported. This was almost a 50 percent increase on 2005.

The RAS has provided a new impetus for a more proactive inspection regime. In 2006, 27 County and City Councils reported undertaking inspections under the RAS compared to just fifteen in the previous year. In an eighteen-month period from 2005 to 2006, almost 3,000 inspections were conducted specifically under the RAS. More than 85 per cent (2,532) of these occurred in 2006, representing approximately 17 per cent of all Rent Supplement cases reviewed by local authorities. This also indicates that more than 1 in 4 inspections in 2006 were undertaken for the purposes of the RAS.

Table 6

Reported inspection activity, 2001-2006

Local Authority	2001	2002	2003	2004	2005	2006
Cork City Council	544	850	838	730	794	780
Dublin City Council	2,127	3,178	3,201	4,354	3,735	3,639
Limerick City Council	52	2	1	6	0	412
Galway City Council	2	0	0	94	113	158
Waterford City Council	0	80	0	0	3	341
City Councils	2,725	4,110	4,040	5,184	4,645	5,330
Carlow County Council	0	0	0	0	0	39
Cavan County Council	0	0	0	0	0	1
Clare County Council	0	0	0	0	0	174
Cork County Council	28	0	8	0	0	1
Donegal County Council	0	0	0	0	0	1,102
Dún Laoghaire-Rathdown County Council	79	122	0	678	650	281
Fingal County Council	516	297	290	1,188	719	675
Galway County Council	63	0	0	0	0	86
Kerry County Council	129	21	80	1	2	242
Kildare County Council	3	0	0	0	0	220
Kilkenny County Council	0	0	3	4	3	43

Laois County Council	0	1	11	10	0	9
Leitrim County Council	0	237	260	0	389	202
Limerick County Council	8	0	0	3	0	0
Longford County Council	0	0	0	0	89	192
Louth County Council	0	0	0	0	0	270
Mayo County Council	0	0	1	1	0	127
Meath County Council	0	0	0	0	0	0
Monaghan County Council	3	3	2	3	1	0
Offaly County Council	0	0	0	1	0	102
Roscommon County Council	0	0	0	0	0	40
Sligo County Council	46	19	5	0	0	9
South Dublin County Council	82	206	0	92	314	426
Tipperary (NR) County Council	0	0	1	61	0	60
Tipperary (SR) County Council	0	23	0	0	0	3
Waterford County Council	0	20	0	0	1	71
Westmeath County Council	0	0	0	1	0	40
Wexford County Council	3	0	0	2	1	19
Wicklow County Council	0	0	2	3	1	71
County Councils	960	949	663	2,048	2,170	4,505
Grand Totals	3,685	5,059	4,703	7,232	6,815	9,835

Source: Department of the Environment, Heritage and Local Government (various years).

Table 7

Reported RAS-specific inspection activity, 2005-2006

Local Authority	2005	2006	Total
Cork City Council	0	290	290
Dublin City Council	20	343	363
Limerick City Council	77	29	106
Galway City Council	4	135	139
Waterford City Council	0	0	0
City Councils	101	797	898
Carlow County Council	0	27	27
Cavan County Council	0	0	0
Clare County Council	0	161	161
Cork County Council	0	0	0
Donegal County Council	28	128	156
Dún Laoghaire-Rathdown County Council	0	40	40
Fingal County Council	0	125	125
Galway County Council	0	1	1
Kerry County Council	0	151	151
Kildare County Council	0	0	0
Kilkenny County Council	0	41	41

Laois County Council	0	0	9	9
Leitrim County Council	0	0	0	0
Limerick County Council	0	0	0	0
Longford County Council	0	53	53	53
Louth County Council	128	250	378	378
Mayo County Council	0	7	7	7
Meath County Council	0	0	0	0
Monaghan County Council	0	0	0	0
Offaly County Council	1	101	102	102
Roscommon County Council	0	40	40	40
Sligo County Council	0	28	28	28
South Dublin County Council	4	426	430	430
Tipperary (NR) County Council	0	8	8	8
Tipperary (SR) County Council	0	11	11	11
Waterford County Council	0	44	44	44
Westmeath County Council	10	32	42	42
Wexford County Council	0	11	11	11
Wicklow County Council	0	41	41	41
County Councils	171	1,735	1,906	1,906
Grand Totals	272	2,532	2,804	2,804

Source: Department of the Environment, Heritage and Local Government (various years).

However, there appears to be less than complete recording of inspection activity. For instance, approximately 300 RAS-specific inspections were undertaken in 2005. This equivalent to almost 5 per cent of all inspections although the extent of double counting is unclear. These inspections, include 77 in the Limerick City Council operational area. However, this local authority reported no inspections under the DoEHLG's Annual Statistical Bulletin return for 2005. It is likely that the 'inspections' reported were, in fact, non-technical '*property visits*'. While these 'visits' give a sense of non-compliance with regulations they will not have been conducted pursuant to the regulations and do not fulfil the same function as an inspection. It is important to ensure that visits are not double counted – see Good Practice Guidelines (Coates and Feely, 2007) for further details.

This potential confusion regarding the reported volume of inspections is further deepened by a number of factors that make interpretation of the available statistics difficult. Firstly, under the terms of the regulations, a local authority can inspect its own social rented stock, but the published statistics do not capture the extent to which this occurs. However, funding is not paid in respect of inspections of social housing. The statistics collected and published appear insufficient for local authorities management of the inspection process or for policy formulation and oversight at national level. There is a need to improve both the scope of data capture and the guidance given to local authorities, so as to limit the propensity for differing interpretations of what data is required.

Prior to 2006, the published statistics related to the number of inspections conducted but not the number of dwellings inspected. It was not possible to determine the latter from the available data as there is no differentiation between 'initial' and 'follow-up' inspections. One consequence of this can be seen in the discussion of failure or non-compliance rates in the Irish literature. Norris and Winston (2004) have calculated this rate at 50.6 per cent in 2002, using a methodology whereby the number of dwellings not meeting the standard are taken as a proportion of all inspections conducted.

Using this same methodology, Table 8 shows that this rate has fallen in recent years and in 2006 was just 17.2 per cent. However, this is not a wholly accurate measure because the volume of inspections conducted will necessarily include a significant number of follow-up inspections. This does not actually show the number of dwellings that have been found to be non-compliant. Similarly, it should be noted that a number of inspections will be carried out on foot of complaints from tenants each year and these cases will have a greater likelihood of non-compliance. Nevertheless, a lack of clarity also exists in this regard as the number of complaints and the outcome of this specific category of inspections is not recorded.

From 2006 the published statistics will show both the number of inspections conducted and the number of dwellings inspected. The Good Practice Guidelines developed by the Centre (Coates and Feely, 2007) parallel to this research address the issues of responsiveness to complaints and the recording and reporting of inspections information.

Table 8**Estimated rates of non-compliance, 2001–2006**

	2001	2002	2003	2004	2005	2006
Reported inspections under the Housing (Standards for Rented Houses) Regulations 1993						
Failure Rate (N)	1,964	2,558	1,753	2,106	2,048	1,697
Failure Rate (%)	53.3	50.6	37.3	29.1	30.1	17.2
Reported RAS-specific inspections						
Failure Rate (N)	-	-	-	-	0	210
Failure Rate (%)	-	-	-	-	0	7.5

Source: Department of the Environment, Heritage and Local Government (various years).

Thirdly, the reported volume of non-compliant cases does not differentiate the type and scale of a 'fail'. It may be that, in many incidences, a property will be found to be in contravention of the standards as a result of a relatively minor infringement, which can be rectified by the landlord without delay.

Finally, the figures on non-compliance provided to the DoEHLG's RAS section by the local authorities use a different definition of non-compliance. As Table 8 shows the failure rate for these inspections was just 7.5 per cent. However, unlike the figures provided for inspections under the regulations proper, a fail in these cases was only recorded where a dwelling could not ultimately be transferred into the RAS scheme as a consequence of the accommodation being deemed to be unsuitable as opposed to referring to each incidence of non-compliance (including those on foot of an initial inspection).

Consequently, the scale of any initial findings of non-compliance is not captured by these statistics. As Section four discusses, the rate of non-compliance encountered in Rent Supplement tenancies is significant. Many local authority officials have reported that sub-standard accommodation (or the high rate of non-compliance found on foot of initial inspections) is an impediment to the implementation of the RAS in that this slowed the process of transferring tenants into the new scheme.

In addition to these property inspections, the local authorities also undertake a range of other inspection activity (see Table 9). In the first instance, when conducting an inspection pursuant to the Housing (Standards for Rented Houses) Regulations 1993, a local authority is also empowered to determine whether a rent book has been provided under the Housing (Rent Books) Regulations 1993. Prior to 2005, the published statistics recorded the annual number of these inspections conducted. Thereafter, only the number of dwellings inspected where no rent book had been provided is published.

Table 9

Reported additional inspection activity, 2005

Local Authority	Fire Safety 2005			Rent Books 2005		
	Premises Inspected	Inspections Undertaken	Notices Served	Premises Inspected where no Rent Book	Notices Served	Legal Action Initiated
Cork City Council	128	210	0	0	0	0
Dublin City Council	836	1,467	47	34	11	0
Limerick City Council	0	0	1	0	0	0
Galway City Council	0	0	0	0	0	0
Waterford City Council	90	106	0	0	0	0
City Councils	1,054	1,783	48	34	11	0
Carlow County Council	54	71	0	0	0	0
Cavan County Council	8	11	0	0	0	0
Clare County Council	28	28	1	0	0	0
Cork County Council	178	249	1	0	0	0
Donegal County Council	241	272	0	0	0	0
Dún Laoghaire-Rathdown County Council	0	0	0	337	0	0
Fingal County Council	0	0	0	2	0	0
Galway County Council	30	42	0	0	0	0
Kerry County Council	148	176	0	0	0	0
Kildare County Council	90	106	2	0	0	0

Kilkenny Council	23	31	0	0	0	0	0
County Council	31	31	0	0	0	0	0
Leitrim County Council	21	28	0	0	0	0	0
Limerick County Council	0	0	0	0	0	0	0
Longford County Council	20	25	0	38	38	38	0
Louth County Council	126	148	0	0	0	0	0
Mayo County Council	38	43	0	0	0	0	0
Meath County Council	110	110	2	0	0	0	0
Monaghan County Council	14	12	0	0	0	0	0
Offaly County Council	21	26	2	0	0	0	0
Roscommon County Council	5	12	0	0	0	0	0
Sligo County Council	99	99	0	0	0	0	0
South Dublin County Council	0	0	0	0	0	0	0
Tipperary (NR) County Council	1	1	0	0	0	0	0
Tipperary (SR) County Council	29	37	0	0	0	0	0
Waterford County Council	35	48	1	0	0	0	0
Westmeath County Council	12	18	1	0	0	0	0
Wexford County Council	10	15	3	0	0	0	0
Wicklow County Council	36	38	1	0	0	0	0
County Councils	1,408	1,677	14	377	38	38	0
Totals	2,462	3,460	62	411	49	49	0

Source: Department of the Environment, Heritage and Local Government (various years).

Over the period 2001-2004, 12,241 dwellings were inspected and notices were served in less than 3 per cent of cases (n=303). In 2005, 411 inspections were conducted where no rent book had been provided. Assuming that these inspections were undertaken for all dwellings inspected under the Housing (Standards for Rented Houses) Regulations 1993, this implies a rise in the failure rate to 6 per cent. However, there is again a substantial degree of variation across local authorities. Only four local authorities identified dwellings where a rent book was not provided. This implies very little activity was undertaken by the majority of local authorities. For example, 82 per cent of these cases were in the Dún Laoghaire-Rathdown operational area alone.

Under the Fire Services Act 1981, a local authority is vested with a range of inspection powers. These inspections are arguably more important than those in relation to minimum standards, given the more immediate threat to any tenants from a contravention of the requirements. Amongst the powers provided to each local authority are the following:

- Can inspect properties
- Can designate a building as ‘potentially dangerous’ for a number of reasons (this excludes a house occupied as a single dwelling)
 - A large number of persons habitually accommodated therein
 - Inadequate appliance for detecting or extinguishing fires
 - Inadequate facilities for enabling the occupants to escape
 - The flammable nature of furnishings, furniture or fittings
- Can serve a fire safety notice on the owner or occupier of a building designated as ‘potentially dangerous’

In 2005, the fire service was provided at a cost of almost €210m. This service included almost 3,500 inspections (excluding those for the purposes of planning and licensing), sixty-two notices were served although, once again, many local authorities reported little or no activity. In addition to this inspection activity, 30,537 fires were attended including 9,165 fires in domestic dwellings. Of the latter, 5,538 (or 60 per cent) were chimney fires, 2,928 (or 32 per cent) were categorised as ‘other’ whilst 470 (or 5 per cent) were in apartments/flats and 229 (or 3 per cent) were in caravans/mobiles.

3.2 Understanding Local Variations

The extent to which this responsibility for standards regulations is fulfilled varies across local authorities, with non-enforcement of the standards being a regular feature in many areas. In 2005, only 15 of the 34 City and County Councils undertook any inspections. Of the 6,815 inspections conducted, 3,735 (or 55 per cent) of these were concentrated in the Dublin City Council operational area alone.

This variation across local authorities can also be found in many other related areas, including how and by whom inspections are undertaken, the level of responsiveness to complaints received and the standards sought for the purposes of the RAS. With regard to inspection staff, some local authorities use Environmental Health Inspectors (EHIs) under a service agreement with the Health Service Executive (HSE). Others use local authority staff such as Building Regulations Inspectors. Where local authority staff are used, they are not always specifically qualified. While it is legitimate to use non-technical staff (i.e. administrative personnel) for certain inspection tasks, it is undoubtedly the case that suitably qualified staff have an important role to play.

Variation in local practice can also be found in the type of inspections conducted. Most local authorities undertake ‘full’ inspections. Others undertake ‘visits’ prior to an inspection.

For instance, in Louth County Council and Limerick City Council, 'property visits' (where these are something less than an inspection pursuant to the regulations) for RAS-specific properties were undertaken by non-technical administrative staff.

A similar variation can be found in the volume of complaints received and the level of responsiveness to these. In most local authorities very few complaints are received. It is unclear how effectively the complaint process is promoted and/or whether the low level of inspections and responsiveness to complaints in the past has discouraged tenants from contacting their local authority when in difficulty. For example, officials in Cork and Galway City Councils stated that it was difficult to determine either the number of complaints received or responded to; Clare County Council stated that, where received, complaints pre-2006 were not automatically pursued. South Dublin County Council and Limerick City Council received only five complaints each in 2005. Although these were pursued, they nevertheless accounted for only a small proportion of all inspection activity in that year.

For South Dublin County Council, this produces a discrepancy of 309 inspections – many, if not all, of these were undertaken for the purposes of assessing social housing application assessments (i.e. checking the accommodation details provided by applicants). It is unclear whether all local authorities report this particular category of private rented sector inspections. The published statistics do not differentiate on this basis. Local authorities also vary on the extent to which a planned programme of inspections is undertaken throughout each year.

With regard to the RAS, it seems that some local authorities now seek a standard of accommodation in excess of the requirements set out in the Housing (Standards for Rented Houses) Regulations 1993. All local authorities interviewed for this study stated that each dwelling must be furnished and that the landlord must provide fire safety and prevention appliances. Thereafter, differing approaches prevailed, with some local authorities being more prescriptive than others. For illustrative purposes, some of the requirements set out by Dublin City Council are presented in Table 10

Table 10

Summary of the RAS requirements sought by Dublin City Council in excess of the Housing (Standards for Rented Houses) Regulations 1993

- Accommodation must be in a good decorative condition and all furnishings in good condition
- Tenant has sole access to sanitary facilities
- Sanitary facilities must be provided within a habitable area of the dwelling
- Cooking and food storage appliances must be provided
- Central heating systems must be provided and controlled by the tenant
- Smoke detectors, fire blankets and fire extinguishers must be provided
- Hot water tank must be lagged

Source: Dublin City Council RAS Unit.

3.3 Inter-Agency Perspectives

The DoEHLG's *Action Plan on Private Rented Standards (2006b)* noted the need for improved coordination and cooperation with relevant agencies. The introduction of a new culture of partnership and information sharing between the local authority sector and the Community Welfare Officers (CWOs) administering Rent Supplement are key to such inter-agency working.

Until late 2006, the operating procedures for Rent Supplement issued to the network of CWOs throughout the State by the HSE stipulated that an applicant for assistance may be considered ineligible where his/her accommodation does not meet the standards laid down in the regulations for the private rented sector. Given that the conduct of inspections is the responsibility of the local authorities, CWOs have tended to be uninvolved in determining whether the standard of properties funded under this scheme are appropriate. They have usually opted to pay Rent Supplement regardless, given the risk of the recipient becoming homeless.

This overlap in the responsibilities and roles of both sets of agencies implies that there is considerable scope for co-ordination of effort to ensure that Rent Supplement recipients are accommodated in properties of an appropriate standard. In the course of this research, many of the local authority officials interviewed said that such co-ordination does not occur and that there is no formalised relationship between the local authorities and the relevant HSE officials for the sharing of information on Rent Supplement tenancies. The local authorities are not informed when these tenancies have commenced. Traditionally, they have not been able to undertake any form of systematic inspection regime for Rent Supplement properties, given the non-availability of the relevant data (e.g. address of tenant and landlord, etc.). Similarly, HSE officials are not routinely informed of the outcome of inspection activity.

The absence of a comprehensive framework for inter-agency co-operation and communication represents a critical weakness in the area of property inspections. It undermines the effectiveness of this activity at the lower end of the market. However, the advent of the RAS implies at least a partial improvement in this situation. Local authorities have recently been given access to data on the accommodation of long-term Rent Supplement recipients and have commenced inspections of these properties for the purposes of the RAS. The DoEHLG's recent instruction to local authorities to coordinate their activities with external agencies has been complemented by SWA Circular No. 09/06 (2006). This has introduced a new condition in respect of Rent Supplement. This condition allows the HSE to decide that assistance may not be payable where it has been notified by a local authority of non-compliance with the standards regulations.

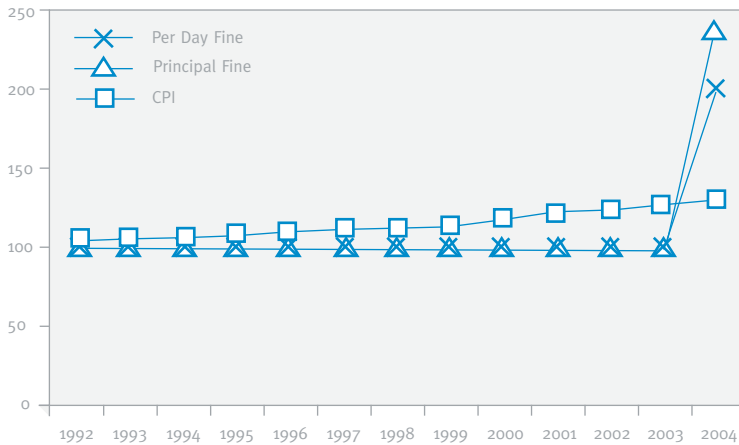
The *Action Plan on Private Rented Standards* also noted the need for improved coordination of *'enforcement of standards regulations and other local authority functions that may have a bearing on the standard or condition of accommodation or involve inspection of properties'* (DoEHLG, 2006b). However, in the course of this research many of the local authority officials interviewed informed the authors that effective systems for internal communication did not exist. The absence of such systems undoubtedly reduces the value of inspections conducted to the tenant, the local authority and the community in general. For instance, where inspection staff noted problems regarding fire prevention and safety, these were not always notified to the local Fire Officer.

On behalf of the DoEHLG, the Centre for Housing Research has published guidelines on inspection activity (Coates and Feely, 2007). These make recommendations on achieving good practice in a range of areas including information sharing, partnership working and the promotion of awareness.

3.4 Scope for Enforcement and Prosecution

The Housing (Miscellaneous Provisions) Act 1992 provided for the prosecution of any person contravening the terms of the standards. A person found guilty of an offence could be subject to a fine not exceeding IR£1,000 (€1,270), with a further fine of up to IR£100 (€127) per day where the contravention continues after conviction. Figure 5 shows how the relative impact of these fines reduced in real terms, as they were not regularly up-rated, over the period 1992 – 2003. The Residential Tenancies Act, 2004, doubled these fines to €3,000 and €250, respectively, which served to rectify the loss of real value since 1992. A further penalty of up to 6 months imprisonment was introduced in 2004. The phenomenon of the erosion of the real value of fines remains an issue. With inflation at 2.5 and 4 per cent in 2005 and 2006, respectively, the real value of these fines has already fallen. Part of this erosion of value can be contributed to the need for primary legislation to update the fines. This acts as a major barrier in keeping fine levels in line with inflation. It is recommended that the fines be updated when enacting new housing legislation such as the forthcoming Housing Bill.

Figure 5 Change in fines compared to the annual percentage change in the Consumer Price Index (CPI) (1992=100), 1992-2004



Source: Central Statistics Office (various years) • Analysis: Centre for Housing Research.

Under the 1992 legislation, prior to initiating legal action when a dwelling fails to meet the regulatory requirements, a local authority must issue a formal notification of non-compliance, giving '*not less than 21 days notice*'. This gives discretion to allow a longer notice period to each local authority. A sample of the inspection files were reviewed for this study. In a majority of cases 60 days was given. This varied by local authority and those interviewed stated that the duration of the notice was likely dependent upon the nature of the problem identified.

Once again, the actual propensity to initiate legal action against landlords varies significantly, with most local authorities taking no such cases in any given year. As Table 11 shows, the likelihood for the owners of those properties deemed not to meet the regulatory requirements to face a legal action through the courts fell between 2001 and 2005. However, in 2006 there was a relatively substantial increase with 2 per cent of all ‘fails’ resulting in the initiation of legal action. A contributing factor to this is that landlords’ responsiveness to notice of non-compliance has ensured that the need to prosecute is relatively low.

The extent to which a local authority will initiate a legal action is a function of a number of factors. In the first instance, the low volume of cases taken each year suggests that most examples of non-compliance are on a relatively minor scale and/or that most landlords are willing to undertake the necessary remedial works in a timely manner. However, it is unclear to what extent the attitude of the local authority and its willingness to commit resources to the prosecution of cases is also a determinant of the number of cases taken. Where a local authority does not adequately pursue each inspection – including through the courts, where necessary – this undermines the deterrence effect and effectiveness of the entire inspection process.

Many of those interviewed stated that the vague nature of the regulations made it difficult to successfully pursue a legal action. One suggested recommendation was for the DoEHLG to consider the feasibility of an operational manual that would address specific technical considerations, including the specification of:

- What comprises an adequate supply of piped hot water?
- What comprises the correct calibration for damp meters?

Sections of the regulations have tended to be quite vague and an operational manual could also address more general topics such as providing a working definition of what is meant by terms such as ‘a proper state of structural repair’ or ‘essentially sound’.

Finally, the Courts Service does not publish statistical information on the outcome of cases taken in any given year, and it was not possible for this study to compile a profile of these outcomes.

Table 11

Enforcement activity-legal action initiated, 2001-2006

Local Authority	General Inspection Activity						RAS-specific Inspection Activity		
	2001	2002	2003	2004	2005	2006	2004	2005	2006
Cork City Council	0	0	1	0	0	0	0	0	0
Dublin City Council	8	15	9	1	9	22	0	0	0
Limerick City Council	1	0	0	2	0	6	0	4	0
Galway City Council	0	0	0	0	0	8	0	7	0
Waterford City Council	0	0	0	0	0	0	0	0	0
City Councils	9	15	10	3	9	36	0	11	0
Carlow County Council	0	0	0	0	0	0	0	0	0
Cavan County Council	0	0	0	0	0	0	0	0	0
Clare County Council	0	0	0	0	0	0	0	1	0
Cork County Council	0	0	0	0	0	0	0	0	0
Donegal County Council	0	0	0	0	0	0	0	0	0
Dún Laoghaire-Rathdown County Council	18	0	0	0	0	0	0	0	0
Fingal County Council	0	0	0	0	1	0	0	0	0
Galway County Council	0	0	0	0	0	0	0	0	0
Kerry County Council	0	0	0	0	0	0	0	0	0
Kildare County Council	0	0	0	0	0	0	0	0	0
Kilkenny County Council	0	0	0	0	0	0	0	0	0

Laois County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leitrim County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Limerick County Council	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Longford County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Louth County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
Mayo County Council	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Meath County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Monaghan County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Offaly County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
Roscommon County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sligo County Council	14	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Dublin County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tipperary (NR) County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tipperary (SR) County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Waterford County Council	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0
Westmeath County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wexford County Council	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Wicklow County Council	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
County Councils	40	2	1	1	1	2	0	0	0	0	0	0	0	0	0	0	0	0	5
Grand Totals	49	17	11	4	11	36	0	16	0	16	0	16	0	16	0	16	0	16	16
% of all 'fails'	2.5	0.7	0.6	0.2	0.5	2.12	0	7.6	0	7.6	0	7.6	0	7.6	0	7.6	0	7.6	7.6

Source: Department of the Environment, Heritage and Local Government (various years). Analysis: Centre for Housing Research.
Note: General Inspection Activity should include RAS-specific Inspection Activity.

SECTION FOUR



Research Evidence

Previous sections discussed the volume of standards' inspections undertaken to date by local authorities, the reasons underlying this performance and any obstacles to improvement that may be present. This section examines the reasons for the assessment of certain dwellings as non-compliant with housing standards. This is achieved by means of an examination of a sample of 300 inspection reports (or equivalent to almost 6 per cent of the annual average volume of inspections nationally) in 8 local authorities (5 urban and 3 rural).

Information from local authority files is used as the basis for the findings which follow. These are placed in the context of the recent research findings on factors that influence housing quality. This section also explores the economic rationale underpinning the apparent disproportionately high incidence of sub-standard accommodation at the lower end of the private rented market.

4.1 Housing Quality Considerations and the Incidence of Non-Compliance

The quality of housing in Ireland has been the subject of a number of research projects in the past decade. One such project placed housing deprivation in a comparative European context and found that Irish households were less likely to experience housing stress than their counterparts in many other EU member-states (see Table 12). Only 9 per cent of Irish households reported an experience of poor housing conditions (housing disadvantage), compared to 19 per cent in the UK and 39 per cent in Portugal, with only Luxembourg reporting a better statistic (7 per cent).

Table 12

Experience of specific types of housing deprivation, by selected country, 1996-1998

	Absence of Housing Facilities	Poor Housing Conditions	Housing Environment Problems
Belgium	8	16	18
Denmark	4	9	8
Ireland	7	9	10
Luxembourg	5	7	11
Portugal	34	39	20
UK	1	19	18

Source: Avramov (2002).

This concept of 'stress' is based upon the Composite Indicator of Housing Stress developed by Avramov (2002) which aggregated data from the European Consumer Household Panel (ECHP) in the late 1990s to identify three inter-related forms of housing deprivation:

- Absence of housing facilities (e.g. hot running water, central heating, etc)
- Housing disadvantage (e.g. damp walls, poor lighting, rot in windows, etc)
- Housing environment problems (e.g. pollution, vandalism, etc)

However, the experience of housing deprivation varied by housing tenure. According to the Economic and Social Research Institute (Watson and Whelan, 2003) private renters (17 per cent) and social renters (33 per cent) were substantially more likely to experience difficulties with the condition of their dwelling than owner-occupiers (6 per cent). Households with low incomes and/or residing in older dwellings are the most likely to experience problems with the services provided. These household categories were found to be the most likely to have no running hot water and to reside in a dwelling without central heating. It is necessary to be cautious of these figures as the housing problems are self-assessed.

The research evidence analysed for this study tends to reinforce the above findings. For instance, discussions with local authority inspection staff identified a number of recurrent themes:

- The disproportionate likelihood of older housing and/or certain types of property (e.g. bedsits) to be non-compliant upon inspection.
- The significantly higher incidence of non-compliance amongst accommodation occupied by low-income private renters – specifically, those in receipt of Rent Supplement – than is found for the private rented sector generally

These observations were borne out by empirical evidence. By the second quarter 2006, almost 800 RAS-specific inspections (e.g. Rent Supplement tenancies) were conducted in the eight case study local authorities visited. The initial inspection report for these properties indicated an exceptionally high rate of non-compliance with the Housing (Standards for Rented Houses) Regulations 1993. Table 13 indicates that approximately half of all those properties initially inspected did not meet the legal minimum, compared to less than 1 in 3 for all inspections in 2005 (see Section Three). A key factor of the high failure rate may be due in part to the high turnover of tenants in this tenure (forty-four per cent of Rent Supplement tenants in 2005 were in receipt of Rent Supplement for less than 18 months rising to more than 50 per cent of younger claimants (Coates and Norris, 2006)). In addition, as Rent Supplement tenancies represent the lower end of the market, tenants are less likely to push for higher standards and units are less likely to improve due to short-term lets.

These results varied by local authority operation area. In Dublin City Council, 78 per cent of all cases did not meet the legal minimum whilst almost all cases did not meet the higher standard stipulated by the local RAS unit. However, as the reported figures to the DoEHLG presented in Section 3 have shown, the vast majority of landlords do appear to make the changes requested and in 2006 less than 8 per cent were ultimately reported to the DoEHLG as a 'fail'. Indeed, despite the very high initial rate of non-compliance, Dublin City Council took all but a small number into the new scheme following an inspection.

Table 13

RAS inspection activity for selected case study areas and preliminary estimates of non-compliance rates, 2005–2006 (Q2)

	Inspections	'Fails' under 1993 Standards	'Fails' under 1993 Standards	'Fails' under 1993 Standards	'Fails' under RAS Requirements	'Fails' under RAS Requirements
	(N)	(N)	(%)	(%)	(N)	(%)
City Councils						
Dublin	227	178	78.4	219	96.4	
Cork	3	1	33.3	1	33.3	
Galway	28	5	17.9	5	17.9	
Limerick	200	76	38.1	76	38.1	
County Councils						
South Dublin	150	28	18.6	40	26.7	
Louth	150	84	56.0	84	56.0	
Clare	90	44	48.9	46	51.1	
Longford	5	2	40.0	2	40.0	
Grand Totals	853	418	49.0	473	55.5	

Source: Local Authority Administrative Files. • Analysis: Centre for Housing Research.

Note: In the case of Dublin and Limerick City and Louth County Councils, the failure rate is estimated upon the basis of the files reviewed by the authors. In the case of the two latter authorities, home visits were conducted rather than property inspections. These capture only minimal data on the property due to the non-technical nature of these visits.

It is expected that these rates will improve over time. However, poor standards prevailing in certain local authorities – and particularly, in older urban centres – have been identified by many officials as a potential obstacle to the implementation of the RAS although in most cases it appears that landlords do respond positively to the improvement notices issued.

It is also to be expected that more ‘at-risk’ properties (e.g. bedsits, etc) are found in those local authorities that have recorded the highest rates of non-compliance, such as Dublin City and Drogheda Borough councils, as they are more likely to have higher concentrations of older dwellings. The rate of non-compliance identified to date may also, to some extent, be a function of the targeting of inspections. This could occur where inspection staff have endeavoured to visit those Rent Supplement recipients residing in certain dilapidated areas and property types at an early stage of the RAS roll-out.

As has been previously mentioned, inspection staff interviewed for this study were agreed, that a higher incidence of non-compliant properties were disproportionately bedsits and/or older properties. However, over time these properties have fallen as a proportion of the total market. For instance, the number of dwellings constructed pre-1940 fell from 386,000 units in 1998 to 282,000 units in 2003 (see Table 14). A similar downward trend has occurred in the case of bedsits.

Table 14

Occupancy status by type of dwelling and year of construction, 2003(Q3)

	Owner-Occupation		Rented		Other		Not Stated		Total
	N	%	N	%	N	%	N	%	
Detached House	571.5	54.8	26.1	11.7	9.6	55.2	0.6	0.6	607.8
Semi-Detached/Terraced House	461.6	44.3	132.1	59.4	6.3	36.2	1.9	1.9	601.9
Bedsit/Apartment	9.8	0.9	64.1	28.8	1.5	8.6	0	0.0	75.4
Not Stated	0	0.0	0	0.0	0	0.0	96.7	97.5	96.7
	1043	100	222	100%	17	100	99	100	1382
Before 1919	149.9	14.4	26.7	12.0	4.9	28.3	0.3	0.3	181.8
1919-1940	89.1	8.5	10.2	4.6	1.9	11.0	0	0.0	101.2
1941-1960	136.1	13.0	17.7	8.0	1.6	9.2	0.3	0.3	155.7
1961-1970	95.9	9.2	16.8	7.6	0.8	4.6	0	0.0	113.5
1971-1980	199.5	19.1	35.1	15.8	1.3	7.5	0.7	0.7	236.6
1981-1990	140.3	13.5	26.6	12.0	1.6	9.2	0	0.0	168.5
1991 or later	190.7	18.3	49.6	22.3	2	11.6	0	0.0	242.3
Not Stated	41.5	4.0	39.6	17.8	3.2	18.5	97.4	98.7	181.7
	1043	100	222	100	17	100	99	100	1382

Source: CSO, 2006b.

The Irish private rented sector has, in the past, tended to lack modern, purpose-built, private rented units. Though similar to Britain, this situation contrasts with that in many continental European countries. The recent expansion in the national housing stock has enhanced the supply of new, high quality units although the stock still contains a high proportion of older dwellings, with an implicit risk of poor standards, insufficient facilities and lack of space. Census data from 2002 (CSO, 2003) shows that the private rented sector contained the highest proportion of pre-1940 dwellings of all the tenures (24 per cent). However, this has been declining as a result of the expansion of the sector and the stock also contains the highest proportion of post-1996 dwellings (23 per cent). Initial figures from Census 2006 (CSO, 2007) show that newer units have increased as a proportion of the total private rented stock (to approximately 40 per cent).

4.2 Incidence of Multiple Housing Deprivation

The data contained in the actual inspection files provide a useful source of administrative information for researchers and one that can be used to identify the reasons for non-compliance. For this study, inspection reports of more than 300 dwellings found to be non-compliant with minimum standards were examined. The files were drawn from all inspection activity in 2005-2006. Given the ongoing implementation of the RAS in this period, the majority of these files related to Rent Supplement tenancies. These were either inspections on foot of the RAS (197) or general inspection activity where some portion would have related to Rent Supplement recipients (135).

Each of these dwellings was deemed to suffer at least one housing deprivation. For the purposes of this study, an incidence of housing deprivation was taken as a contravention of any section of the Housing (Standards for Rented Houses) Regulations 1993. A breach of any of the 7 relevant Articles (i.e. 5 to 11) of the regulations as an indicator of deprivation is broadly consistent with the methodology employed in the international literature (Avramov, 2002; Marsh *et al*, 2000). However, the figures presented underestimate the cumulative degree of non-compliance as each

Article (or provision) contravened was counted only once (e.g. inadequate ventilation and lighting in several rooms will count as only one contravention of Article 9).

In all, these 300 plus dwellings recorded more than 500 contraventions of the standards. Table 15 reveals that half of all dwellings recorded more than one housing deprivation. Almost 1 in 3 'fails' recorded 2 contraventions of the regulations, with a small number recording more than 5 such contraventions.

Table 15

Estimated index of multiple housing deprivations		
Housing Deprivation Index	Dwellings (N)	Dwellings (%)
1	166	50.0
2	104	31.3
3	41	12.3
4	7	2.1
5	9	2.7
6	3	0.9
7	2	0.7
Totals	332	100

Source: Local Authority Administrative Files • Analysis: Centre for Housing Research.

Note: In a small number of cases recorded as a 'fail' no specific information was recorded on the cause of non-compliance; for the purposes of this table, these were assumed to have only one contravention.

Following on from these figures, Table 16 examines the reasons for this non-compliance. The presence of damp, inadequate ventilation and a lack of light were amongst the principal problems regularly encountered by inspection staff. This statistical profile is in line with the views expressed by the interviewees for this study. These data indicate that more than half of all contraventions related to just two Articles (or provisions) of the regulations, those covering structural condition and ventilation / lighting. In contrast, the inspection files note problems with the accumulation of rubbish or the absence of stairway handrails in only a very small number of cases.

Table 16

Estimated incidence of non-compliance				
Title and Article from 1993 regulations	Key Examples of Non-Compliance	N	%	
Structural Condition (5)	<ul style="list-style-type: none"> ■ Presence of Damp ■ Rot in Windows ■ Damage to Walls, Roof, etc 	124	23.2	
Sinks, Waterclosets, etc (6)	<ul style="list-style-type: none"> ■ Poor sanitation ■ Absence of running water ■ Absence of hot water ■ Ineffective drainage or protection of pipes against frost 	77	14.4	
Heating, Cooking, etc (7)	<ul style="list-style-type: none"> ■ Poor facilities for food storage ■ Ineffective facilities for removal of fumes to external air ■ Inadequate appliances for heating and cooking 	82	15.3	
Electricity and Gas (8)	<ul style="list-style-type: none"> ■ Defective sockets ■ Rewiring required ■ Installations in poor repair generally 	38	7.1	
Ventilation and Lighting (9)	<ul style="list-style-type: none"> ■ Inadequate ventilation ■ Poor natural and/or artificial lighting 	142	26.5	
Facilities, Stairways, etc (10)	<ul style="list-style-type: none"> ■ Common areas in poor repair ■ Absence of secure handrail for stairways 	40	7.5	
Yards, Boundaries, etc (11)	<ul style="list-style-type: none"> ■ Accumulated rubbish ■ Damage to boundary walls 	32	6.0	
Totals		535	100	

Source: Local Authority Administrative Files • Analysis: Centre for Housing Research.

There is significant evidence indicating that housing is a key influence on health and that the experience of poor housing is associated with a greater likelihood of ill-health (Blackburn, 1990; Marsh *et al*, 2000). It is a reasonable observation that poor housing is frequently encountered in tandem with other indicators of social disadvantage. For many reasons, the private rented tenure is an important source of accommodation for people on low incomes. In particular, the lower end of the market accommodates many categories of vulnerable individuals and households including lone parents, the elderly, and members of ethnic and cultural minorities.

Incidence of non-compliance with the standards as presented in Table 16 could impose significant health costs, both current and future, on tenants. The available international literature emphasises associations between certain types of 'fail' (e.g. poor quality housing) with a tenant's current physical health, including:

- Damp – this can lead to respiratory disease, eczema and asthma
- Cold – this can lead to respiratory infection and heart disease

Marsh *et al* (2000) note that the experience of poor quality accommodation for dependent children of tenants – referred to as the accumulation of risk in childhood – can have implications for later adult health. For instance, the experience of the absence of hot water in childhood is a risk factor for future infection with *H Pylori*, which, in turn, can lead to peptic ulcers and gastritis. Moreover, self-rated health in adults is also significantly affected by the experience of poor quality accommodation in early life. These considerations on the life-long impact upon physical health are particularly important in the context of the results presented in Table 13 – the higher incidence of non-compliance in the Rent Supplement sector – given that more than 50 per cent of Rent Supplement recipient households have dependent children (Coates and Norris, 2006).

Such incidence of non-compliance with the minimum standards can alter the behaviour of tenants in a manner that reduces their standard of living. In doing so, further costs can be imposed upon tenants in addition to implications for physical health. According to Volkert (2006) sub-standard housing undermines many of a tenants' capabilities – or what a person can do – such as the ability to meet friends without losing self-respect or to live without shame.

As was stated in Section three, the local authorities vary widely in the type of additional data captured on their inspection files. In a limited number of cases the files did allow for inspection staff to record some additional information such as the type of property visited, but not the age, and whether the tenancy was registered with the PRTB at the time of the inspection. It appears that this type of information was intended to be noted on just 60 per cent of the 300 or so files reviewed (209) but was actually captured on only a small proportion of these.

For instance, just over 10 per cent of the files reviewed (61) actually recorded whether a tenancy was registered with the PRTB. Where these data were available, they indicate that tenancies were unregistered in more than 75 per cent of those properties that were in breach of the minimum standards (see Table 17). This finding reflects the outcome of a data matching exercise undertaken by the Centre for Housing Research on behalf of the PRTB in late-2006 in which an unexpectedly high level of non-registration among Rent Supplement tenancies was identified. It found that just 1 in every 3 Rent Supplement tenancies were registered with the PRTB. However, it is necessary to be cautious when interpreting this finding as a number of caveats attach, including the following:

- A substantial number of individual tenants registered with the PRTB did not provide a PPSN and thus could not be included in the matching exercise
- Many Rent Supplement tenancies may not be required to register with the PRTB (i.e. the approximately 3,500 tenants in the community and voluntary sector; equivalent to about 6 per cent of all Rent Supplement Claimants).

Table 17

Profile of PRTB registrations and failed inspection files reviewed		
Registered Tenancy	Number (N)	Per cent (%)
No	46	22.0
Yes	15	7.2
Not recorded	148	70.8
Total	209	100

Source: Local Authority Administrative Files.

In the case of property types¹, apartments accounted for almost 65 per cent of all failed inspection files reviewed, with bedsits / flats accounting for half of these (see Table 18). Such a finding indicates that apartments at this end of the market are more likely to be of a lower quality, given that this type of property accounted for less than 10 per cent of the overall private housing stock in 2002. By contrast, houses accounted for almost 90 per cent of the housing stock but less than 35 per cent of failed inspections. However, it should be noted that this variation might simply reflect a greater likelihood for inspection staff in some local authorities to target multiple occupancy dwellings rather than houses.

Table 18

Property Type	Distribution of all private households (2002)	Failed Inspections	
		Number (N)	Per cent (%)
1 Bed Apartment, Bedsit or Flat	8.6	65	31.1
Apartment (Other)		70	33.5
House	88.7	68	32.5
Not recorded	2.7	6	2.9
Total	100	209	100

Source: Local Authority Administrative Files and Census (CSO, 2003).

¹ For the purposes of this research, no clear definition was available for each property type as these were self-defined by respondents (i.e. local authority official, landlord or tenant).

Finally, as was noted in Section three, RAS-specific inspection files tended to record additional information over and above the statutory requirements set out in the Housing (Standards For Rented Houses) Regulations 1993, although again the nature and scope of this information can vary widely. On the basis of this cohort of non-compliant files (197), Table 19 examines the extent to which certain RAS requirements have not been met.

Table 19 reveals that among the most recurrent causes of non-compliance with these additional requirements was the absence of fire safety and prevention measures such as fire extinguishers and fire blankets. This indicates that fire safety does pose a problem for many private rented sector tenants and that there are more immediate risks to their health and well-being than those discussed previously.

Table 19

Profile of non-compliance with additional RAS-specific requirements (%)					
Outcome	Lagging Jacket	Pest Control	Fire Extinguisher	Fire Blanket	Fire Alarm/Detector
Non-compliant	12.2	11.2	57.9	58.9	46.7
Compliant	26.4	2.5	6.1	3.6	34.0
Not recorded	61.4	86.3	36.0	37.5	19.3
Total	100.0	100.0	100.0	100.0	100.0

Source: Local Authority Administrative Files.

4.3 Exploring the Economic Rationale for Poor Quality Rented Housing

Section four has already noted the higher probability of those at the lower end of the market, including a certain cohort of Rent Supplement recipients, to reside in accommodation that does not comply with the Housing (Standards for Rented Houses) Regulations 1993. This finding mirrors the outcome of previous research on this topic (for example, see Downey, 1998). This section has also identified the presence of sub-standard accommodation – particularly in urban centres – as a growing impediment to the implementation of the RAS, as local authorities are unwilling to transfer Rent Supplement recipients in sub-standard accommodation into the new scheme.

As in any other market, the quality of accommodation accessed in the private rented sector can generally be said to be a function of the ability to pay. This has implications for the quality of the accommodation available to those at the lower end of the market (i.e. lower cost dwellings). Consequently, those at this end of the market – either the ‘working poor’ and/or those reliant upon social welfare payments (including Rent Supplement) – will be more likely to experience housing deprivation as a consequence of the relatively low-cost nature of their accommodation. In Departmental Circulars, the Department of Social and Family Affairs (DSFA) sets out agreed maximum rent levels payable under Rent Supplement. Where the rent limits are set too low by the DSFA vis-à-vis the local housing rental market, this is likely to lead to a higher incidence of recipients residing in sub-standard housing. Indeed, this phenomenon is observable presently for certain dwelling types and in certain areas.

In general terms, this occurs because the marginal efficiency of profit attainable by the landlord encourages him/her to invest further resources in other assets rather than a given property. In other words, a low level of return on the investment – as a consequence of a low available rent – may encourage the landlord to seek to enhance the return by reducing expenditure on the property. This can take the form of discouraging an investor from undertaking any large-scale capital investment post-purchase (e.g. an initial refit etc), unless a higher rent was likely to be available

by means of moving up the value chain to the 'upper' end of the market and thereby making the rent unaffordable to low-income tenants. This phenomenon was most obvious in the case of rent-controlled tenancies pre-1982 where the rent payable was artificially capped.

This can also take the form of the deferment of standard maintenance and repairs, with a consequent deterioration in the quality of the property. The latter scenario has been referred to as self-perpetuating by Needleman (1965) because 'the longer the repairs were neglected, the greater would be the cost of restoring the property to an adequate condition and the less likely that the costs of such a restoration could be recouped in future rents'. Finally, in addition to minimising expenditure, maximising rental income would also represent a further strategy to enhance returns and could include – among other examples – the promotion of overcrowding.

It is worthwhile to further explore this phenomenon. This can be done by means of profiling the market rent levels applicable throughout the State using data collected by the PRTB as part of the tenancy registration process (see Tables 20 and 21 overleaf). In doing so, a critical appraisal of the sufficiency of the DSFA rent limits relative to the market can shed some light on the incidence of non-compliance discussed previously and may suggest some remedial action.

This analysis indicates that the Rent Supplement limits are broadly sufficient to access larger units for those with dependent children (e.g. three-bed houses). For instance, in almost all of the HSE regions (the groupings of counties used for the purpose of administering Rent Supplement pre-2007), the average market rent for a house is less than the rent limit applying to a couple with two children (e.g. approximately €279 per week in Dublin-Wicklow-Kildare). However, this does not always apply to single persons. In the case of the latter, it would appear that the relevant rent limit is simply too low to meet the cost of providing one-bed apartments in any of the HSE regions. In other words, the Rent Supplement payment available is less than the applicable average rent implying that at least some of the recipients of this payment will encounter difficulty in sourcing adequate accommodation.

For example, the average for a one-bed apartment in the Dublin-Wicklow-Kildare region is 80 per cent in excess of the limit for a single person. Only bedsits – and in some cases, one-bed flats – fall within the limits set for single persons. These findings are consistent with those of the Office of the Comptroller and Auditor General (Government of Ireland, 2006) which has noted that ‘the limits set for most household types were at, or a little below, the corresponding market rents’ although it further found that ‘the main exception is in respect of individuals living alone’.

It is possible that in some cases this problem can be partially alleviated where people share accommodation. For instance, couples living in one-bed accommodation will be able to avail of the higher rent limits for couples (e.g. approximately €222 per week in Dublin-Wicklow-Kildare). But this will not necessarily overcome the difficulty in all cases. The market rent for a one-bed apartment in the Dublin-Kildare-Wicklow region is still far in excess of the limit for couples.

However, the finding that single persons are generally restricted to bedsit-type accommodation by these limits should be taken in the context of the composition of supply. Bedsits are relatively scarce compared to other forms of one-bed accommodation. According to PRTB tenancy registration data, they account for 1 in 4 of all units in Dublin City. This falls to less than 1 in 10 of all units in rural areas. This implies that the payment of ‘under the counter’ contributions directly to landlords is common where Rent Supplement recipients wish to reside in apartments in certain areas of the State. Such a contention is supported both by anecdotal evidence from the RAS units and also by the findings of research into the operation of Rent Supplement (Combat Poverty Agency, 1999).

Table 20

Profile of estimated rents for multiple occupancy dwellings by rent limit regions (Q4, 2006)

HSE Region (for purpose of rent limits)	1 Bed Flat				1 Bed Apartment				Bedsit	
	Rent Cap	Mean Market Rent	Difference	%	Mean Market Rent	Difference	%	Mean Market Rent	Difference	%
	€	€	€	%	€	€	%	€	€	%
Dublin, Kildare and Wicklow	120	158	32	80	216	80	80	111	-8	-8
Westmeath and Longford	90	89	-1	29	116	29	29	75	-17	-17
Laois and Offaly	100	84	-16	30	130	30	30	85	-15	-15
Clare, Limerick and Tipperary North	100	118	18	27	127	27	27	79	-21	-21
Monaghan and Cavan	85	76	-11	20	102	20	20	64	-25	-25
Louth and Meath	100	105	5	33	133	33	33	79	-21	-21
Donegal, Leitrim and Sligo	85	75	-12	36	116	36	36	72	-15	-15
Carlow, Kilkenny, Waterford and Tipperary South	115	105	-9	7	123	7	7	98	-15	-15
Galway, Mayo and Roscommon	115	102	-11	30	149	30	30	77	-33	-33
Cork and Kerry	100	111	11	46	146	46	46	85	-15	-15

Source: Private Residential Tenancies Board • Analysis: Centre for Housing Research

Note: The distinction as to whether a dwelling was an apartment, flat or bedsit was made by landlords/tenants when registering with the PRTB and the veracity of each classification could not be verified by the authors. The mean market rent is a preliminary estimate and readers should note two important caveats. Firstly, although the three types of 1-bed dwellings selected do represent the majority of 1-bed dwellings, this is not an exhaustive list. This is because certain property types were deemed to play a relatively insignificant role (e.g. maisonettes and 1-bed houses) or because there were reservations regarding the accuracy of the classification of some properties. Secondly, although the authors did identify a relatively small number of outliers – either very high or low rents – no entries on the database were removed for the purposes of this analysis, as this would have been a purely subjective decision by the authors although further statistical research using this database would be very useful going forward.

Table 21

Profile of estimated rents for single occupancy dwellings by rent limit regions (Q4, 2006)

HSE Region (for purpose of rent limits)	Rent Cap	3 Bed Detached			3 Bed Semi-Detached			3 Bed Terraced		
		Mean Market Rent	Difference	%	Mean Market Rent	Difference	%	Mean Market Rent	Difference	%
Dublin, Kildare and Wicklow	279	290	4	271	-3	288	3			
Westmeath and Longford	160	137	-14	148	-8	148	-8			
Laois and Offaly	160	143	-11	160	0	154	-4			
Clare, Limerick and Tipperary North	170	148	-13	156	-8	152	-11			
Monaghan and Cavan	155	126	-19	140	-10	135	-13			
Louth and Meath	170	185	9	180	6	174	2			
Donegal, Leitrim and Sligo	153	124	-19	138	-10	142	-7			
Carlow, Kilkenny, Waterford and Tipperary South	170	150	-12	166	-2	157	-8			
Galway, Mayo and Roscommon	200	156	-22	170	-15	175	-13			
Cork and Kerry	190	164	-14	252	33	183	-4			

Source: Private Residential Tenancies Board • Analysis: Centre for Housing Research

Note: The distinction as to whether a dwelling was a detached, semi-detached or terraced was made by landlords / tenants when registering with the PRTB and the veracity of each classification could not be verified by the authors. The mean market rent is a preliminary estimate and readers should note two important caveats. Firstly, although the three types of 3-bed dwellings selected do represent the majority of 3-bed dwellings, this is not an exhaustive list. This is because certain property types were deemed to play a relatively insignificant role or because there were reservations regarding the accuracy of the classification of some properties. Secondly, although the authors did identify a relatively small number of outliers – either very high or low rents – no entries on the database were removed for the purposes of this analysis, as this would have been a purely subjective decision by the authors although further statistical research using this database would be very useful going forward.

A regional analysis of market rents masks more fundamental variations and tensions. This is because the HSE regions used for the purposes of the Rent Supplement are, in geographical terms, overly broad, and consequently, less than optimal. A full profile by local authority for one-bed and three-bed accommodation is provided in the Appendices. These data illustrate the extent to which the use of these regions until recently – as opposed to a more streamlined local authority basis – has been inappropriate to the effective and efficient administration of the scheme due to the wide range of rents pertaining to any given property type within a region. For example, the mean market rent for a one-bed apartment in Dublin City and Cork City, respectively, is 1 per cent and 4 per cent higher than the average for their HSE regions. Similarly, the average rent for a one-bed flat or bedsit in Kildare and Wicklow is 10 per cent lower than in their region as a whole. Such divergences are also witnessed in large towns such as Drogheda and Bray where rents are much higher than in the remainder of their county and thus more likely to exceed the limits in place.

Given the growth in volume of Rent Supplement claimants and the shrinkage in the overall size of the number of older properties, such as bedsits, it is likely that the DSFA could, in theory, exercise some degree of market power. For this study the relevant Rent Supplement rent limits were compared to the mean market rents in two HSE regions, Dublin-Kildare-Wicklow and Cork-Kerry. Tables 22 and 23 estimate the number of tenancies at or below the relevant limit and identify concentrations.

The results of this exercise indicate that certain property types tend to be priced in line with these limits and therefore Rent Supplement recipients are likely to represent the vast majority of tenants in these property's tenancies. For instance, a cumulative (single and couple) 99 per cent and 97 per cent of all bedsits in Cork City and Dublin City, respectively, were available at rents less than or equal to the limits operating for single persons or couples. This reflects the ability of landlords to exercise market power in practice. This is achievable where landlords segment the market and discriminate amongst prospective tenants by setting prices accordingly. In markets with a housing allowance programme, a landlord will be aware of both the level of allowance that a given tenant can claim and the type of tenant that will be attracted to a certain type of dwelling (Laferrère and Le Blanc, 2004). On this basis, the landlord can and will use the level of allowance payable to inform his/her pricing behaviour.

These figures fall off for one-bed apartments in Dublin City (12 per cent) but again, are quite high for one-bed flats (72 per cent). Interestingly, the figures for one-bed apartments are very high in more rural areas such as Kildare and Kerry – at 98 per cent and 97 per cent, respectively – where the supply of bedsits is very limited. Moreover, whilst just one in three semi-detached houses were priced at less than or equal to the relevant Rent Supplement limit in Dublin City, this rose to 57 per cent in Fingal and 81 per cent in Kildare (Table 23).

This reflects the fact that Rent Supplement funds the provision of many rented properties in each localised residential property market. It is particularly concentrated at the lower end of the market (e.g. bedsits) but, as has been mentioned, this market power does not seem to translate into direct influence in terms of the quality of the properties funded. This may be due to the disjointed nature of Rent Supplement and if so, it is likely that the roll-out of the RAS will facilitate better quality accommodation for participants.

Table 22

Profile of estimated concentrations of multiple occupancy dwellings by rent limits (Q4, 2006)

	1 Bed Flat			
	Limit for a Single Person		Limit for a Couple	
	(N)	%	(N)	%
City Councils				
Dublin City	1,075	28	1,696	44
Cork City	150	37	209	51
County Councils				
South Dublin	37	21	65	37
Fingal	11	23	16	34
Dún Laoghaire-Rathdown	29	14	80	38
Kildare	42	52	37	46
Wicklow	55	45	46	38
Cork	81	57	60	42
Kerry	121	79	26	17

1 Bed Apartment

Bedsit

Limit for
a Single Person

Limit for a Couple

Limit for
a Single Person

Limit for a Couple

(N)

%

(N)

%

(N)

%

(N)

%

142

2

636

10

2536

71

920

26

69

10

265

39

236

90

24

9

1

0

43

9

3

75

0

0

5

1

88

19

18

72

6

24

8

1

40

6

64

53

50

41

64

20

206

65

26

76

7

21

14

9

37

25

34

87

5

13

63

25

137

55

60

94

3

5

22

25

65

73

26

93

2

7

Source: Private Residential Tenancies Board • Analysis: Centre for Housing Research

Note: The distinction as to whether a dwelling was an apartment, flat or bedsit was made by landlords / tenants when registering with the PRTB and the veracity of each classification could not be verified by the authors.

Table 23

Table 24: Profile of estimated concentrations of single occupancy dwellings by rent limits (Q4 2006)

Limit for Couple with 2 children	3 Bed Detached House		3 Bed Semi Detached House		3 Bed Terraced House	
	(N)	%	(N)	%	(N)	%
City Councils						
Dublin City	44	17	620	35	642	32
Cork City	84	37	279	35	207	31
County Councils						
South Dublin	41	43	607	51	281	51
Fingal	47	42	667	57	329	57
Dún Laoghaire-Rathdown	20	13	180	22	75	18
Kildare	80	70	702	81	102	81
Wicklow	123	63	251	64	108	60
Cork	160	42	585	59	249	51
Kerry	40	23	207	47	81	45

Source: Private Residential Tenancies Board • Analysis: Centre for Housing Research

It should also be noted that the linkage between rents and rent limits for certain properties poses difficulties for attempting to improve the quality of accommodation sourced by Rent Supplement recipients. Raising the rent limits payable under Rent Supplement may lead to landlords responding by raising rents in tandem with the limits. As such, the rent limits set by the DSFA are neither the sole cause nor the solution to the problem of sub-standard accommodation at the lower (or budget) end of the market. Demand in this sector has grown substantially in recent years and the new supply has not necessarily met the needs of all private renters. Therefore, whilst some targeted uprating of the rent limits may prove useful, it is possible to suggest a number of additional changes that would be complementary in combating sub-standard accommodation:

- 1** Full implementation of the DoEHLG's Action Plan to ensure a new era of properly targeted and well-resourced inspection activity in the private rented sector
- 2** Consideration of the merit of replacing the system of setting Rent Supplement limits by HSE region with a more disaggregated model that can better reflect local variations and needs
- 3** Measures to ensure that the continuing growth in the supply of multiple occupancy dwellings, including one-bed accommodation, occurs in those urban centres where it is needed and not merely in inappropriate rural areas for the purposes of availing of fiscal incentives

Table 24

Estimated average weekly rent for one-bed units in multiple occupancy dwellings by local authority (Q3 2006) and changes to Rent Supplement rent limits, 2006-2007

County-by-county (within former regions)	1-Bed apartment		Rent Supplement rent limits (single person living alone)	
	Mean Market Rent	2006	2006	2007
Dublin	214	120	120	130
Kildare	151	120	120	120
Wicklow	181	120	120	130
Galway	137	115	115	115
Mayo	112	115	115	115
Roscommon	107	115	115	115
Cork	140	100	100	115
Kerry	120	100	100	100
Limerick	146	100	100	110
Clare	117	100	100	100
Tipperary North	102	100	100	100

Laois	127	100	100
Offaly	134	100	100
Longford	97	90	100
Westmeath	123	90	100
Cavan	94	85	90
Monaghan	116	85	90
Louth	127	100	115
Meath	140	100	115
Donegal	102	85	90
Leitrim	100	85	90
Sligo	129	85	100
Carlow	130	115	115
Kilkenny	129	115	115
Tipperary South	114	115	115
Waterford	146	115	115
Wexford	126	115	115

Analysis: Centre for Housing Research • Note: Dublin refers to Dublin City

At the time of writing, the DSFA had begun to initiate some change to the practice of Rent Supplement rent levels by HSE region. The DSFA Circular SWA 01/07 sets out revised rent limits for the 18-month period ending June 2008. These were set on a county-by-county basis. However, this section has shown that there is merit in pursuing this process of change further by disaggregating rent limits more (e.g. separate limits for each city, etc) and by using the available data on market rents to make the process of setting these limits more effective.

While these changes are a positive development, they are, arguably, to some extent superficial. They represent a failure to use the available data in an effective and efficient manner which benefits both the recipients of this payment and the taxpayer. Prior to the revision of rent limits in 2007, groups of counties were categorised into regions, with a single limit generally applying to all counties within that region. Thereafter, these regions were disaggregated into individual counties, with a limit set for each county. However, in some cases the limit that has been set is the same for a number of counties thereby, in effect, mirroring the pre-2007 practice of setting a limit for a region (see Table 24). For example, Galway, Mayo and Roscommon (€115) is an instance where the practice of applying the same limit to a group of counties has continued, although in some other cases the change has facilitated the setting of divergent limits for groups of counties (e.g. €130 in Dublin compared to €120 in Kildare). Where the former is the case, this creates a dual difficulty, as follows:

- A limit which is low by comparison to the market average (e.g. Galway) will create difficulties for tenants seeking a letting.
- A limit which is too high by comparison to the market average (e.g. Roscommon) represents a potential saving to the Exchequer foregone.

From the evidence presented above, it is useful to make two further observations.

Firstly, Indecon Economic Consultants (2006), as part of the overall examination of property-based incentive schemes on behalf of the Department of Finance, reviewed the Relief for the Refurbishment of Certain Residential Properties Scheme. Their report stated that there was no economic justification for the incentive because, in an era of rising property prices, landlords would invest in refurbishment in order to capture greater capital appreciation. However, this is not necessarily the case, for the following reasons:

- Given that landlords providing accommodation to single persons in receipt of Rent Supplement appear to price their rents in line with the limits set by the State, they are less likely to make any such investment without targeting a higher rent clientele thereafter. Moreover, given that Rent Supplement tenancies tend to form concentrations alongside pockets of social renters (Coates and Norris, 2006), it is unlikely that the full scale of market capital appreciation would be available to an investor in any event and the likelihood of being unable to capture the full benefit of the investment will influence landlord behaviour.
- Any suggestion that landlords are concerned only with capital appreciation is incorrect. As White (2006) has previously noted, the current mantra of buying not for rental yield but for longer-term capital appreciation is ‘unsound investment advice’ because the fundamental value of any investment asset is dependent upon the income it generates (e.g. ‘in the property market, capital appreciation is theoretically a function of rental return’ (White, 2006)).

Secondly, it would be useful for the DSFA to consider what the objective of the rent limits mechanism is. This mechanism ensures that Rent Supplement is paid by reference to a limit appropriate to the location of the property and the composition of the household, but to what end? It is unclear to the authors whether this mechanism is simply a case of cost minimisation and control or whether it is intended to ensure that value for money is achieved. If it is the latter, this appears to be a wholly unsatisfactory approach, given the implicit trade-off between cost and quality in any market setting. According to the Office of the Comptroller and Auditor General (Government of Ireland, 2006), 'the setting of rent limits was designed to control the level of expenditure...while allowing recipients to avail of accommodation that is suitable for their household needs'. However, the manner in which these competing objectives are balanced is an important consideration.

The discussion on the health effects of poor quality housing presented previously highlights the cost to a tenant associated with sub-standard accommodation, and in this context any current saving achieved by means of the rent limit mechanism will be a false economy. Rather, the Exchequer will be exposed to higher public health costs in the future and, given the inter-generational nature of these costs, they are more than likely to offset any saving.

4.4 The Reform Agenda: International Experience

Under the terms of the latest social partnership agreement, *Towards 2016*, it is stated that ‘Minimum standards regulations for the private rented sector will be updated by the Department of Environment, Heritage and Local Government and effectively enforced by local authorities’ (Government of Ireland, 2006). In order to underpin this commitment, an *Action Plan on Private Rented Standards* (DoEHLG, 2006b) was circulated thereafter. This sought to provide a framework for the fulfilment of these objectives based on:

- A review of the current regulations
- More effective enforcement based on promotion, information and strategic management

Given the current momentum behind this process of reform and review, it is instructive to examine the steps being taken in other jurisdictions. An overview of some recent international developments and experiences in two other countries – the United Kingdom and Canada – is detailed in Table 25. The main issues identified in the Table relate to a sample of the different approaches used to ensure the suitability of private rented accommodation. These include the move away from a basic model of prescriptive regulations to a focus upon health and safety considerations, the usefulness of voluntary accreditation and the importance of partnership working and information sharing. It also highlights the extent to which these regulations are far more specific in other jurisdictions than in Ireland.

Table 25

Overview of some recent international developments in selected jurisdictions

United Kingdom

Housing Health and Safety Rating System

A review commissioned by central government found that the UK's Housing Fitness Standard did not differentiate between serious health and safety hazards and those where the risk was less immediate. It also recommended modernisation of the standard to take account of factors such as fire safety and thermal and sound insulation.

In 2006, the Department of Communities and Local Government replaced the fitness standard with an evidence-based risk assessment procedure, the Housing Health and Safety Rating System (HHSRS). HHSRS is a new approach to the assessment of risks to health and safety in residential premises.

Local authorities will base enforcement decisions in respect of all residential premises on assessments under HHSRS. The new system assesses the risk associated with 24 home hazards by determining the probability of an occurrence causing harm and the severity of any likely harm caused.

Voluntary Accreditation

This increasingly popular approach includes voluntary working with private landlords through forums and accreditation schemes. Under these schemes, landlords submit their properties to a local authority assessment. In some cases, the standard required for participation was set at a high level in order to ensure that all accredited properties were in good condition and were well-managed; an alternative approach has been to set the initial standards lower in order to maximise recruitment and thereafter to leverage these upwards over time.

The use of accreditation, in turn, allows the local authority to focus enforcement activity on non-accredited landlords. In some areas, a further incentive to accredited landlords was the maintenance of a listing for potential tenants.

Use of Partnerships and Multi-Disciplinary Teams

In a number of pilot areas, the formation of partnerships and linkages with other local authority departments and external agencies was found to positively influence the delivery of interventions in the private rented sector. These partnerships brought together a wide range of personnel – from Environmental Health Officers and Neighbourhood Wardens to the Police and Homelessness Teams – and in doing so, have allowed these personnel to improve the resources available to them and share valuable information.

The traditional Environmental Health Officer-led approach was also replaced with multi-disciplinary teams including officials with expertise in housing management, working with asylum seekers and urban renewal.

Canada (Alberta)

The objective of the Minimum Health and Housing Standard in Alberta is to protect and promote the health and well-being of private renters and those residing in the vicinity of their dwellings. The primary focus is to establish conditions that will make houses safe, sanitary and fit for human habitation.

In general terms, these standards are broadly comparable to the Irish equivalent and address many similar issues such as lighting, ventilation and food preparation. However, there are a number of notable exceptions:

- Fire safety considerations, including the provision of alarms, detectors and escape routes, are incorporated into these standards
- These stipulate that the supply of water, heat and electricity must be continuous
- The requirement upon a landlord to provide for food preparation includes the provision of a stove and refrigerator
- These standards are highly specific in all regards – for instance, these state that all heating facilities must be capable of maintaining a temperature of at least 22°C and that hot running water must be maintained at a temperature of not less than 46°C

Source: Office of the Deputy Prime Minister (2003) and Alberta Health and Wellness (1999)

SECTION FIVE



Issues Arising

This discussion paper has outlined the role of property standards in the private rented sector and the activity undertaken by local authorities to enforce these standards. This closing section sets out the key issues arising from the study, identifies problems relating to policy and practice, and makes suggestions on the measures required to address these weaknesses.

Section two outlined the development in the ‘minimum’ standards for private rented properties and set out the terms of the most recent regulations – Housing (Standards for Rented Houses) Regulations 1993. Any critical appraisal of these regulations must commence with the elapsed time since these were last updated. At the time of writing, the regulations were in place for almost 13 years. In the intervening period there have been a number of changes that are not sufficiently reflected in contemporary policy:

- The sector has undergone a substantial expansion – as the number of households accommodated in this tenure has increased, expectations regarding the type and quality of housing available have changed.
- The sector has become a significant source of *de facto* social housing – the number of low-income households accommodated via Rent Supplement has more than doubled. This implies a large increase in the number of private-renting tenants drawn from the most vulnerable groups in society (e.g. lone parents, immigrants, etc.).

In response, the Social Partners agreed that the standards regulations for the sector would be updated (Government of Ireland, 2006). In doing so, the DoEHLG should endeavour to address a number of shortcomings in the existing standards, including but not limited to, the following:

- The standards do not stipulate that a piped supply of hot water should be available for the full day. This is likely to be the case in most areas but a number of inspection practitioners have informed this study of incidences where hot water was only available for a set number of hours per day.

- The standards only refer to the provision of appliances capable of providing adequate space heating. This can be taken to include open fireplaces or portable gas heaters and as such does not guarantee that effective central heating will be provided.
- The standards only stipulate that installations for the supply of electricity or gas be in good working order, but this does not guarantee that the necessary appliances will be provided (e.g. fridge, cooker, etc.). There is some merit in the DoEHLG examining the scope for requiring certain appliances to be provided or that where they are provided, they meet a certain standard with reference to safety and fitness for purpose. However, any such requirement must be balanced against the freedom of landlords and tenants to enter into a lease for an unfurnished letting.
- The standards take no account of recent moves to guarantee greater energy conservation and efficiency (e.g. insulation, etc.). In updating the standards this area should be given further consideration.
- The sanctions can only be updated by the use of primary legislation and therefore can lose their value overtime.
- The sanctions do not differentiate on the basis of the seriousness of a contravention. There is some merit in the DoEHLG examining the introduction of a hierarchy of sanctions which rise in accordance with both the incidence of repeat infringement and the seriousness of a given contravention (i.e. an untidy yard poses a less serious public health risk than the lack of running hot water).

Section three reviewed the level of inspection activity undertaken by local authorities. It identified the low level of ‘market penetration’ as a key shortcoming and one that will have undermined the confidence of both landlords and tenants in the effectiveness of the system. Issues concerning the differing type of inspections undertaken, by whom and whether these are actually recorded were discussed.

This section also emphasised the relatively fragmented nature of inter-agency co-operation and communication in relation to standards in the private rented sector. It highlighted the diverse range of approaches to inspection adopted across the local authorities and the difficulties posed to an effective enforcement regime by the low level of prosecutions pursued and attained. Finally, it identified the propensity for the vague nature of the regulations themselves to cause confusion and, in a worst-case scenario, to limit the scope for successful enforcement through the courts.

Section four reviewed the available evidence and concluded that those at the lower end of the private rented market were disproportionately likely to be residing in sub-standard accommodation. Moreover, the likelihood that half of these households would be in dwellings with more than one contravention of the current standards was identified.

Finally, this section also set out some examples from the international experience and found that these examples are of interest to the Irish context.

The Action Plan on the Private Rented Sector provides a timely opportunity to up-date the current minimum standards, which as this Policy Review has indicated are no longer appropriate. As outlined in the Action Plan, the development of revised standards, promotion of a more strategic and proactive approach towards inspection activity and the pursuit of greater co-ordination and co-operation across local authorities are priorities in this regard.

RECOMMENDATION NO. 1

Review reporting requirements for the Annual Statistical Bulletin

Given the importance of the inspection activity undertaken by the local authorities, it is essential that all such activity be reported to central government in order to facilitate effective oversight and to inform the process of policy formulation. It would be useful for future returns on local authority inspections to differentiate between the types of dwellings inspected (i.e. social housing, RAS, etc) and for the published information to be clear on the number of dwellings that were found to be non-compliant. To this end, the DoEHLG should consider establishing a group to examine the feasibility of re-designing the statistical return based upon an assessment of the information requirements of both central and local government.

There may also be a role for the introduction of some mechanism whereby the statistical returns submitted can be subjected to occasional spot-checks in order to guarantee accuracy.

RECOMMENDATION NO. 2

Consider introducing a technical manual for inspection staff

One possible solution to vagueness of the standards could be to develop an operational manual. This would address specific technical considerations and would complement the process of reviewing the standards. This should be developed by an advisory group to the Department of the Environment, Heritage and Local Government, specially formed to undertake this work.

RECOMMENDATION NO. 3

Ensure Action Plan is implemented fully and consistently at the regional and local level

The DoEHLG's recently announced Action Plan should provide a useful framework for more strategic and targeted inspection activity. In order to maximise the potential benefit of these changes, each local authority will need to fully meet the requirements set out therein and ensure that adequate financial and human resources are utilised to this end. It is hoped that the Centre's Good Practice Guidelines (Coates and Feely, 2007) will help to focus attention and achieve increased inspection activity by Local Authorities.

RECOMMENDATION NO. 4

Develop capacity for innovative approaches (e.g. multi-disciplinary working, voluntary accreditation, etc)

International experience suggests that innovative measures can play an important role. In order to transpose these to Ireland, consideration should be given to allowing for the voluntary accreditation of landlords, establishing local discussion arrangements and introducing multi-disciplinary working whereby EHLs would work in partnership with CWOs, etc.

RECOMMENDATION NO.5

Piloting of self-certification for landlords

The DoEHLG should establish a pilot project, on the self-certification of landlords. The scheme should be voluntary and focus on the management of the property as well as its compliance with the standards for private rented sector. The scheme should be overseen by the local authority but elements may be procured to private contractors with expertise in specific areas, for example architects. This would enable the system to be independent and non-partisan.

RECOMMENDATION NO. 6

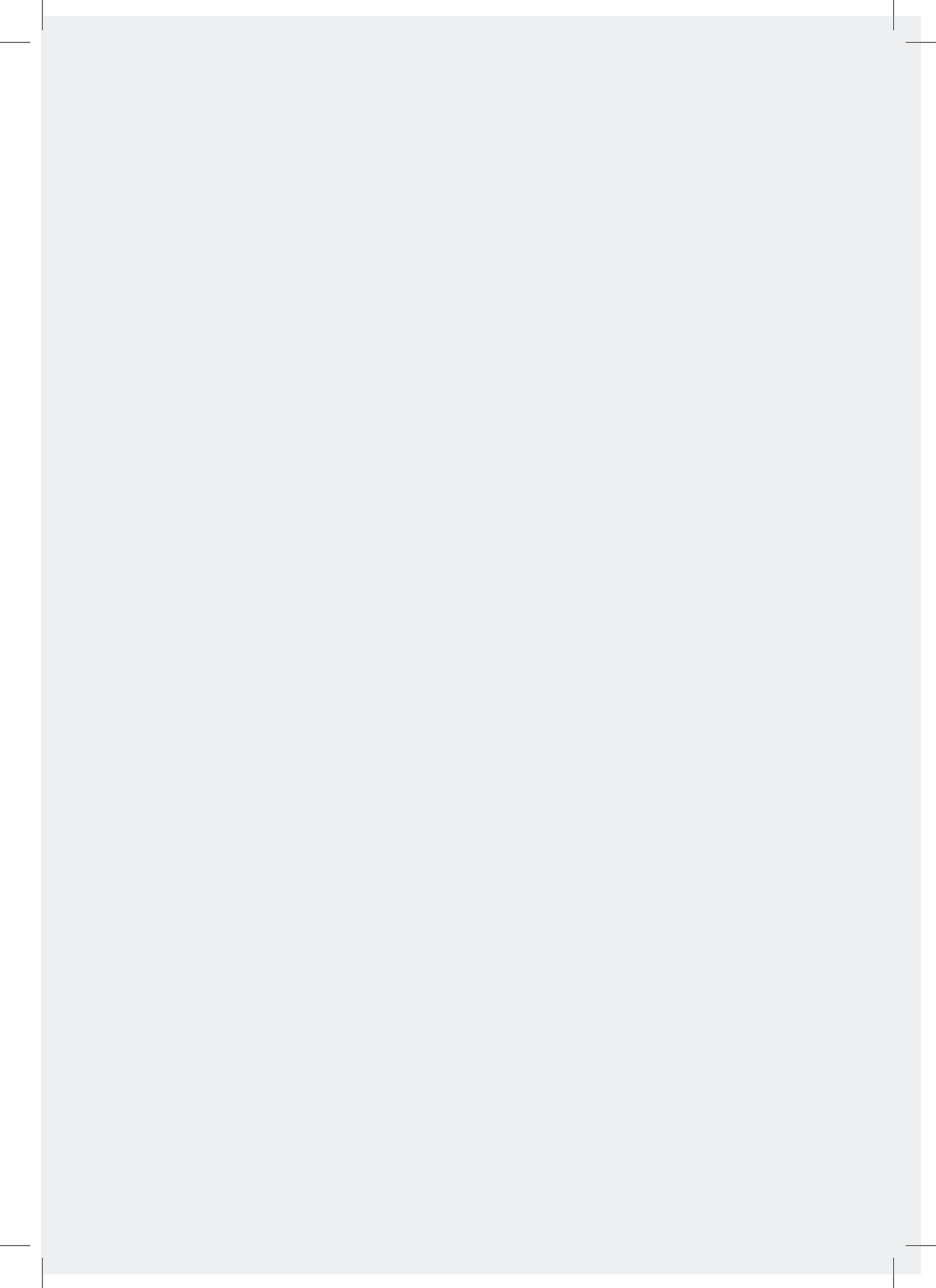
Review and fulfil training requirements

As part of any change designed to meet the requirement of the Action Plan, it is important that each local authority review the training requirements (e.g. customer service, health and safety and legal and technical) of all staff involved in the inspection process, and thereafter ensure that these needs are met in a timely manner.

RECOMMENDATION NO. 7

Review and revise sanctions regularly

In order to maintain the deterrent effect of fines, these should be reviewed regularly. These could be updated whenever housing legislation arises.





Appendix A

Registration, Fees and Associated Recoupment by Housing Authority

Name of Housing Authority	Number of Registrations	Calculated value of fees received less PRTB admin.	Recoupment to be paid to Housing Authorities in 2005
		€	€
Arklow Town Council	249	9,832	4,916
Athlone Town Council	667	26,337	13,169
Athy Town Council	82	3,238	1,619
Ballina Town Council	187	7,384	3,692
Ballinasloe Town Council	241	9,516	4,758
Birr Town Council	32	1,264	632
Bray Town Council	666	26,298	13,149
Buncrana Town Council	46	1,816	908
Bundoran Town Council	18	711	355
Carlow County Council	658	25,982	12,991
Carlow Town Council	208	8,213	4,107
Carrick-on-Suir Town Council	52	2,053	1,027
Carrickmacross Town Council	34	1,343	671
Cashel Town Council	41	1,619	809
Castlebar Town Council	217	8,569	4,284
Castleblaney Town Council	30	1,185	592
Cavan County Council	359	14,176	7,088
Cavan Town Council	55	2,172	1,086
Clare County Council	567	22,389	11,194

Appendix A *continued*

Name of Housing Authority	Number of Registrations	Calculated value of fees received less PRTB admin.	Recoupment to be paid to Housing Authorities in 2005
		€	€
Clonakilty Town Council	81	3,198	1,599
Clones Town Council	21	829	415
Clonmel Borough Council	546	21,559	10,780
Cobh Town Council	108	4,265	2,132
Cork City Council	4,759	187,915	93,957
Cork County Council	2,461	97,176	48,588
Donegal County Council	563	22,231	11,115
Drogheda Borough Council	626	24,718	12,359
Dublin City Council	28,119	1,110,312	555,156
Dún Laoghaire-Rathdown County Council	4,708	185,901	92,951
Dundalk Town Council	241	9,516	4,758
Dungarvan Town Council	175	6,910	3,455
Ennis Town Council	591	23,336	11,668
Enniscorthy Town Council	179	7,068	3,534
Fermoy Town Council	124	4,896	2,448
Fingal County Council	3,910	154,391	77,196
Galway City Council	4,949	195,417	97,709
Galway County Council	975	38,499	19,250
Kells Town Council	48	1,895	948
Kerry County Council	461	18,203	9,102
Kildare County Council	2,183	86,198	43,099
Kilkenny Borough Council	511	20,177	10,089
Kilkenny County Council	268	10,582	5,291
Killarney Town Council	308	12,162	6,081
Kilrush Town Council	17	671	336
Kinsale Town Council	112	4,422	2,211
Laois County Council	420	16,584	8,292
Leitrim County Council	254	10,029	5,015
Letterkenny Town Council	238	9,398	4,699
Limerick City Council	1,839	72,615	36,308
Limerick County Council	798	31,510	15,755
Listowel Town Council	50	1,974	987
Longford County Council	322	12,715	6,357
Longford Town Council	137	5,410	2,705
Louth County Council	286	11,293	5,647

Name of Housing Authority	Number of Registrations	Calculated value of fees received less PRTB admin.	Recoupment to be paid to Housing Authorities in 2005
		€	€
Macroom Town Council	50	1,974	987
Mallow Town Council	178	7,029	3,514
Mayo County Council	399	15,755	7,877
Meath County Council	830	32,774	16,387
Midleton Town Council	138	5,449	2,725
Monaghan County Council	191	7,542	3,771
Monaghan Town Council	73	2,882	1,441
Naas Town Council	253	9,990	4,995
Navan Town Council	173	6,831	3,416
Nenagh Town Council	110	4,343	2,172
New Ross Town Council	73	2,882	1,441
Offaly County Council	269	10,622	5,311
Roscommon County Council	410	16,189	8,095
Skibereen Town Council	58	2,290	1,145
Sligo Borough Council	616	24,323	12,162
Sligo County Council	312	12,320	6,160
South Dublin County Council	3,493	137,925	68,963
Templemore Town Council	16	632	316
Thurles Town Council	100	3,949	1,974
Tipperary (NR) County Council	381	15,044	7,522
Tipperary (SR) County Council	278	10,977	5,489
Tipperary Town Council	45	1,777	888
Tralee Town Council	849	33,524	16,762
Trim Town Council	36	1,422	711
Tullamore Town Council	253	9,990	4,995
Waterford City Council	1,206	47,620	23,810
Waterford County Council	384	15,163	7,581
Westmeath County Council	633	24,995	12,497
Westport Town Council	139	5,489	2,744
Wexford Borough Council	699	27,601	13,800
Wexford County Council	586	23,139	11,569
Wicklow County Council	848	33,484	16,742
Wicklow Town Council	166	6,555	3,277
Youghal Town Council	105	4,146	2,073
Total	80,147	€3,164,700	€1,582,350

Note: The payment for 2005 was based on the number of tenancies registered with the PRTB on the 08/11/2005 i.e. the day on which payment to local authorities was processed.

Appendix B

Rent Averages of One-Bedroom Accommodation by Local Authority Area

	1 Bed Flat			
	Mean Market Rent	Variation from Regional Mean	25th Percentile	50th Percentile
	%			
City Councils				
Dublin	157	-0.6	118	151
Cork	118	6.3	95	115
Limerick	97	-17.8	65	95
Galway	118	16	91	115
Waterford	107	1.9	91	108
County Councils				
South Dublin	172	8.9	140	172
Fingal	162	2.5	121	174
Dún Laoghaire-Rathdown	175	10.8	146	175
Kildare	119	-24.7	90	120
Wicklow	145	-8.2	100	128
Galway	73	-28.4	56	65
Mayo	79	-22.5	61	80
Roscommon	86	-15.7	80	90
Cork	111	0.0	82	100
Kerry	102	-8.1	75	90
Limerick	339	187.3	65	70
Clare	82	-30.5	61	92
Tipperary North	83	-29.7	65	85
Laois	80	-4.8	60	80
Offaly	88	4.8	67	81
Longford	88	-1.1	81	92
Westmeath	90	1.1	85	90
Cavan	78	2.6	60	75
Monaghan	74	-2.6	64	76
Louth	109	3.8	93	100
Meath	103	-1.9	89	98
Donegal	72	-4.0	59	70
Leitrim	55	-26.7	35	50
Sligo	81	8.0	70	80
Carlow	101	-3.8	80	100
Kilkenny	107	1.9	100	115
Tipperary South	107	1.9	100	115
Waterford	76	-27.6	58	80
Wexford	106	1.0	89	115

1 Bed Apartment				Bedsit			
Mean Market Rent	Variation from Regional Mean	25th Percentile	50th Percentile	Mean Market Rent	Variation from Regional Mean	25th Percentile	50th Percentile
	%				%		
219	1.4	195	209	110	-0.9	88	110
152	4.1	128	154	85	0.0	75	83
132	3.9	110	121	76	-3.8	60	70
157	5	140	151	82	6	67	74
122	-0.8	115	125	103	5.1	92	115
214	-0.9	198	209	112	0.9	90	110
205	-5.1	186	198	115	3.6	100	110
231	6.9	209	221	125	12.6	95	116
151	-30.1	137	151	104	-6.3	69	90
181	-16.2	157	198	99	-10.8	85	106
137	-8.1	93	116	65	-15.6	49	63
112	-24.8	100	111	74	-3.9	35	50
107	-28.2	90	100	72	-6.5	35	60
140	-4.1	100	130	89	4.7	70	85
120	-17.8	101	125	72	-15.3	59	70
146	15.0	90	110	81	2.5	65	83
117	-7.9	95	105	82	3.8	70	81
102	-19.7	90	105	81	2.5	65	85
127	-2.3	100	115	90	5.9	50	93
134	3.1	114	128	81	-4.7	68	75
97	-16.4	89	100	-	-	-	-
123	6.0	108	116	75	0.0	70	80
94	-7.8	80	92	68	6.3	56	65
116	13.7	105	123	62	-3.1	46	65
127	-4.5	116	127	77	-2.5	70	80
140	5.3	123	137	85	7.6	75	82
102	-12.1	85	100	74	2.8	70	74
100	-13.8	90	98	-	-	-	-
129	11.2	110	130	71	-1.4	64	65
130	5.7	115	130	80	-18.4	60	83
129	4.9	115	116	100	2.0	72	112
114	-7.3	100	115	108	10.2	115	115
146	18.7	110	121	115	17.3	115	115
126	2.4	112	120	85	-13.3	66	85

Appendix C

Rent Averages of Three-Bedroom Accommodation by Local Authority Area

	3 Bed Detached House			
	Mean Market Rent	Variation from Regional Mean	25th Percentile	50th Percentile
		%		
City Councils				
Dublin	341	17.6	279	302
Cork	186	13.41	158	183
Limerick	167	12.84	127	151
Galway	176	12.8	146	176
Waterford	157	4.67	140	163
County Councils				
South Dublin	275	-5.2	244	279
Fingal	275	-5.2	244	279
Dún Laoghaire-Rathdown	361	24.5	291	326
Kildare	221	-23.8	185	209
Wicklow	219	-24.5	186	209
Galway	143	-8.3	119	147
Mayo	139	-10.9	110	130
Roscommon	147	-5.8	110	130
Cork	163	-0.61	145	163
Kerry	137	-16.46	116	141
Limerick	143	-3.38	120	140
Clare	139	-6.08	111	140
Tipperary North	155	4.73	118	150
Laois	144	0.70	129	151
Offaly	143	0.00	128	150
Longford	129	-5.84	101	128
Westmeath	142	3.65	121	149
Cavan	128	1.59	100	120
Monaghan	122	-3.17	100	140
Louth	183	-1.08	161	183
Meath	186	0.54	150	186
Donegal	117	-5.65	70	110
Leitrim	113	-8.87	100	116
Sligo	142	14.52	116	144
Carlow	148	-1.33	124	161
Kilkenny	141	-6.00	125	150
Tipperary South	151	0.67	126	151
Waterford	144	-4.00	115	140
Wexford	156	4.00	140	156

3 Bed Semi-Detached House				3 Bed Terraced House			
Mean Market Rent	Variation from Regional Mean	25th Percentile	50th Percentile	Mean Market Rent	Variation from Regional Mean	25th Percentile	50th Percentile
	%				%		
290	7.0	256	279	301	4.5	256	279
194	-23.0	174	197	190	3.83	169	192
160	2.6	151	162	157	3.29	149	163
186	9.4	170	186	197	12.6	174	196
173	4.2	150	162	161	2.55	150	163
270	-0.4	256	267	276	-4.2	244	267
265	-2.2	233	267	265	-8.0	233	267
306	12.9	278	291	317	10.1	279	302
221	-18.5	198	221	219	-24.0	198	221
251	-7.4	209	256	235	-18.4	186	221
159	-6.5	140	154	143	-18.3	121	140
148	-12.9	129	140	138	-21.1	127	140
146	-14.1	120	140	125	-28.6	116	130
183	-27.4	163	174	180	-1.64	155	174
510	102.4	150	160	165	-9.84	140	156
154	-1.3	140	151	156	2.63	140	162
157	0.6	141	151	149	-1.97	139	151
146	-6.4	140	150	142	-6.58	133	150
155	-3.1	145	160	159	3.25	140	151
163	1.9	146	163	150	-2.60	140	151
137	-7.4	128	140	136	-8.11	128	140
154	4.1	140	151	154	4.05	140	152
133	-5.0	116	130	133	-1.48	116	140
153	9.3	136	150	138	2.22	126	140
169	-6.1	151	167	159	-8.62	146	163
194	7.8	162	183	202	16.09	174	192
129	-6.5	117	137	129	-9.15	120	130
127	-8.0	116	128	121	-14.79	116	127
154	11.6	128	163	154	8.45	116	163
162	-2.4	150	165	158	0.64	150	162
178	7.2	151	162	169	7.64	140	163
154	-7.2	147	155	149	-5.10	140	151
153	-7.8	144	163	156	-0.64	129	151
168	1.2	151	162	153	-2.55	149	151



References

Alberta Health and Wellness (1999), *Minimum Housing and Health Standards*, Canada: Ministry of Health and Wellness

Avramov, D. (2006), '*The Housing Dimensions of Population Change and Welfare Reforms*', paper presented at the ENHR International Conference, Ljubljana, Slovenia, 2-5 July 2006

Avramov, D. (2002), *People Demography and Social Exclusion*, Strasbourg: Council of Europe Publishing

Bacon (1988) *Action on House Prices*, Dublin: Department of the Environment and Local Government

Blackburn, C. (1990), *Poverty and Health: Working with Families*, Milton Keynes: Open University Press

Central Statistics Office (2007), *Census 2006: Principal Demographic Results*, Dublin: The Stationery Office

Central Statistics Office (2006a), *Rent Price Index*, unpublished data from the CSO.

Central Statistics Office (2006b), *Statistical Yearbook of Ireland*, Dublin: The Stationery Office

Central Statistics Office (2003), *Census 2002 – various volumes*, Dublin: The Stationery Office

Coates, D. and Norris, M. (2006), *Supplementary Welfare Allowance: Implications for the Implementation of the Rental Accommodation Scheme*, Dublin: Centre for Housing Research

Coates, D. and Feely, N. (2007), *Good Practice in Housing Management Guidelines for Local Authorities: Standards in the Private Rented Sector: Strategic Planning, Effective Enforcement*, Dublin: Centre for Housing Research

Combat Poverty Agency (1999), *'Housing Income Support in the Private Rented Sector'*, Dublin: Combat Poverty Agency

Comhairle and National Social Services Board (2000), *Submission to the Planning group on Local Authority Rent Assistance*, Dublin: Comhairle

Commission on the Private Rented Sector (2000), *Report of the Commission on the Private Rented Sector*, Dublin: Department of the Environment, Heritage and Local Government

Daft (2007), *The Daft.ie House Price Report* (various months)
Dublin: Daft.ie

Department of the Environment, Heritage and Local Government (various years), *Annual Housing Statistics Bulletin*, Dublin: Department of the Environment, Heritage and Local Government.

Department of the Environment, Heritage and Local Government (2006a), *Private Rented Accommodation Functions*, Dublin: unpublished circular letter to local authorities

Department of the Environment, Heritage and Local Government (2006b), *Action on Private Rented Standards*, Dublin: Department of the Environment, Heritage and Local Government

Department of the Environment, Heritage and Local Government (2007), *Delivering Homes Sustaining Communities*, Dublin: Department of the Environment, Heritage and Local Government

Department of Environment, Transport and Regions (2001) 'Voluntary Accreditation for Private Landlords' *Housing Research Summary Number 144*, London: Department of Environment, Transport and Regions

Department of Finance (various years), *Revised Estimates for the Public Service*, Dublin: Department of Finance

- Department of Social and Family Affairs (2006), *SWA Circular No. 09/06*, Dublin: unpublished circular letter to community welfare officers
- Downey, D. (1998), *New Realities in Irish Housing: A study on Housing Affordability and the Economy*, Dublin: DIT and Threshold
- Economic and Social Research Institute (2006), *TSB/ESRI House Price Index*, Dublin: ESRI
- Economic and Social Research Institute (2007), *TSB/ESRI House Price Index*, Dublin: ESRI
- Goodbody Economic Consultants (2005), *Review of Area Based Tax Incentive Renewal Schemes*, Dublin: Goodbody Economic Consultants
- Government of Ireland (2006), *Towards 2016*, Dublin: The Stationery Office
- Government of Ireland (2006), *Rent Supplements*, Dublin: The Stationery Office
- Indecon (2006), *Budget 2006: Review of Tax Schemes (Volume 1) – Indecon Review of Property-based Tax Incentive Schemes*, Dublin: Department of Finance
- Kenna, P. (2006), *Housing Law and Policy in Ireland*, Dublin: Clarus Press Ltd.
- Laferrière, A. and Le Blanc, D. (2004) 'How do Housing Allowances Affect Rents? An Empirical Analysis of the French Case' in *Journal of Housing Economics*, Vol. 13, pp 36-67
- Marsh, A. Gordon, D. Heslop, P. and Pantazis, C. (2000), 'Housing Deprivation and Health: A Longitudinal Analysis', *Housing Studies*, Vol.15, No. 3, pp 411-428
- Needleman, L. (1965), *The Economics of Housing*, London: Staples Press
- Norris, M. and Winston, N. (2004) *Housing Policy Review 1990-2002*, Dublin: Stationery Office

O'Brien, L. and Dillon, B. (1982), *Private Rented Accomodation: The Forgotten Sector of Irish Housing*, Dublin: Threshold.

Office of the Revenue Commissioners (various years), *Annual Statistical Reports*, Dublin: Office of the Revenue Commissioners.

Office of the Deputy Prime Minister (2003) 'Evaluation of the Housing Health and Safety Rating System' *Housing Research Summary Number 185*, London: Office of the Deputy Prime Minister

PRTB (2007) *Annual Report (01/09/2004–31/12/2005)*, Dublin: PRTB

Volkert, J. (2006), 'European Union Poverty Assessment: A Capability Perspective', *Journal of Human Development*, Vol.7, No. 3, pp 359-383

Watson, D. and Williams, J. (2003), *Irish National Survey of Housing Quality 2001-2002* Dublin: ESRI

White, R. (2006), 'Dublin House prices heading for 100 times rent earned' in *Davy on the Irish Economy*, Dublin: Davy Research

Wylie JCW, (1998), *Landlord and Tenant Law (2nd ed)* Dublin: Butterworths

