

4. Housing provision in Ireland

1. Private Housing Sector

- Refers to homes that are privately owned by people

TREND:

- Ireland has a high level of home ownership (71%)
- Private home ownership decreased slightly during economic recession



WHY?

- Increased house prices
- Houses being repossessed as individuals could not pay mortgage
- Difficulty accessing a mortgage
- Increased unemployment – people cannot afford to buy a house
- Purchase of private homes has increased in the last 2 years due to recovery of the housing sector.

ADEQUACY:

- Wide availability of private homes available in rural areas
- Shortage of 3 bedroom semi-detached houses in urban areas due to increased demand and short supply
- Quality of private homes can vary
- Homes build in recent years must comply with strict building regulations

2. Private Rental Sector

TREND:

- Includes houses, apartments and flats
- Found mainly in urban areas
- Not as common as private housing sector (19%)
- The number of people living in rented accommodation has increased in recent years



WHY?

- Many students rent accommodation when they go to college – affordable, urban areas.
- During the economic recession many young people could not access/ afford a mortgage so they had to opt to rent
- People renting accommodation now have more rights so people feel more secure renting, reducing the need to buy their own home.
- Rented accommodation gives flexibility to people in temporary employment.

ADEQUACY:

- Huge shortage of rented accommodation available in urban areas (e.g. Dublin and Cork) due to increased demand.
- This had led to high rental costs.
- In many cases accommodation offered is of poor quality and not good quality for money.

Buying vs. Renting

Buying	Renting
<p>Initial Costs</p> <ul style="list-style-type: none"> You have to pay a deposit of 10% on properties up to €220,000 20% on properties >€220,000 	<p>Initial Costs</p> <ul style="list-style-type: none"> Only a small deposit required (Value of 1 month/ 6 weeks rent)
<p>Running Costs</p> <ul style="list-style-type: none"> Monthly mortgage repayments Household bills e.g. Electricity Service Charges: Bins, Water Contents insurance e.g. For laptops Maintenance and repair costs House insurance Mortgage protection Assurance 	<p>Running Costs</p> <ul style="list-style-type: none"> Monthly rent payments Household bills e.g. Electricity Service Charges: Bins, Water Contents insurance e.g. For laptops
<p>Advantages</p> <ul style="list-style-type: none"> You own the house in full The value of the property may go up. Individuals can design the interior to suit their own tastes 	<p>Advantages</p> <ul style="list-style-type: none"> Only a small deposit required More affordable Suitable for people who cannot afford/ access a mortgage. Renters are not tied down to a location e.g. if working part time The landlord is responsible for maintenance
<p>Disadvantages</p> <ul style="list-style-type: none"> You have to pay a deposit of 10% (220,000) or 20% (>220,000) A mortgage is a commitment that lasts for many years (e.g. 35) The value of the property can fall Property may be repossessed if individual cannot meet repayments. The owner is responsible for maintenance. Difficult to relocate. 	<p>Disadvantages</p> <ul style="list-style-type: none"> The quality of some accommodation can be poor. Facilities (e.g. kitchen, sitting room) may have to be shared if renting a room in a house. Dead Money – you pay monthly but never gain any share of the property. During the first 6months of tenancy the landlord can ask the tenant to leave without giving a reason (28days notice in required)

Exam Questions:

1. State the advantages and the disadvantages of renting a house/ apartment (12) (OL)
2. Discuss why renting a home is currently a popular housing option (12) (OL)
3. State three advantages of buying a home of your own (12) (OL)
4. Discuss the comparative costs of buying versus renting a house for a family (15) (HL)

3. Social Housing Sector

- Social housing is provided to people on low incomes or who are unable to afford a private house/ pay rent.
- Provided by the local authorities e.g. Galway Co Council (Council Houses)
- The number of Irish people in receipt of social housing is 9% (low because there are not enough social housing units to meet current demands)

TREND:

- Increased number of people applying for local authority housing

WHY?

- Due to recession and unemployment – families cannot afford to rent/ buy
- Increased number of asylum seekers and refugees also increased demand

ADEQUACY:

- Not enough social housing units to meet current demands
- Currently about 130,000 individuals/ families on the waiting list for local authority houses
- Families, disabled, elderly get priority so single people are at a disadvantage
- People may be waiting for social housing for years

Exam Questions:

1. Evaluate the adequacy of social housing provision in Ireland? (12)
2. Write an informative note on the private rented accommodation sector? (15)
3. Discuss the adequacy of housing provision in Ireland today? (18)



Social Housing Provision

1. Local Authority Housing

- Social housing is provided to people on low incomes or who are unable to afford a private house/ pay rent.
 - Provided by the local authorities e.g. Louth Co Council (Council Houses/ local authority houses)
 - The number of Irish people in receipt of social housing is 9% (low because there are not enough social housing units to meet current demands)
 - The number of people on the local authority housing waiting list has increased due to the recession and increase in refugees.
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- Not enough social housing units to meet current demands
 - Currently about 130,000 individuals/ families on the waiting list for local authority houses
 - Families, disabled, elderly get priority so single people are at a disadvantage
 - People may be waiting for social housing for years

2. Voluntary Housing Associations

- Voluntary (non-profit) organisations that provide houses for people on low incomes and vulnerable people in society (disabilities, elderly).
- Provide accommodation in the form of flats, apartments, sheltered housing, hostels, group homes.
- All tenants pay rent based on an affordable proportion of their income.
- **EXAMPLES:** Respond!, Clúid

3. Co-Operative Housing

- A co-operative is an organisation that is owned and run jointly by its members. Members share all the costs, profits and benefits.
- A number of people who would like to buy a house at an affordable price group together. They share the cost of the site, builder and solicitors.
- By purchasing goods and services together they lower the total cost, thus making buying a house more affordable.
- If at least 75% of the members in a co-op are on the Local Authority Housing waiting list, the Local Authorities will provide the site for a minimum fee.
- The members of the co-op share responsibility for the management and upkeep of their homes.
- Members can choose to buy, rent or share ownership of a house within the cooperative.
- NABCO is the national association that represents, promotes and develops housing co-operatives in Ireland



a) Ownership Co-Operatives:	b) Shared Ownership Housing Cooperatives:	c) Social Rental Co-Operatives:
<ul style="list-style-type: none"> • Members have the finances to build • They combine their finances to build 10-30 houses and share all related costs and fees e.g. cost of site, building materials, legal fees, engineers, architects, surveyors, solicitors etc. • If at least 75% of the members in a co-op are on the Local Authority Housing waiting list, the Local Authorities will provide the site for a minimum fee. 	<ul style="list-style-type: none"> • Members part-purchase their own homes while the remainder of the property continues to be owned by the co-operative. <div data-bbox="582 1523 1013 1915" style="text-align: center;"> <pre> graph TD A[SELF-HELP] --> C[WORKING TOGETHER TO PROVIDE AND MANAGE HOUSING] B[JOINT EFFORT] --> C C --> D[BUILDING BETTER COMMUNITIES] </pre> </div>	<ul style="list-style-type: none"> • Members of the co-operative can rent houses if they cannot afford to buy. • Must be on the Local Authorities waiting list. • Rent paid is on the basis of the individuals/ family's income and household circumstances (number in the family).

Exam Questions:

1. Differentiate between local authority housing and co-operative housing (10) (HL)
2. Name and give details of one type of social housing (12) (HL)