



Comhshaol, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government



4th November 2014

Mr Seán O'Callaghan
Senior Executive Officer
Cork County Council
County Hall
Cork



Dear Mr O'Callaghan,

I have been asked by Mr John McCarthy, Secretary General, to reply to your recent correspondence on behalf of Cork County Council requesting the Government to increase rent supplement levels.

While rent supplement comes under the remit of the Department of Social Protection, the Minister is acutely aware of the difficulties people, including those in receipt of rent supplement, are experiencing in maintaining affordable rented accommodation in the current market where supply is constrained. However, raising rent supplement may not be the solution to the problem as it is likely to add to further rental inflation and impact, not alone on rent supplement recipients but also on many lower-income workers, their families and students.

The Department of Social Protection is reviewing the maximum rent limits and the analysis shows that the impact of increasing limits will yield only a very marginal increase in available supply for rent supplement recipients, with the only certainty being that raising limits will increase costs disproportionately for the Exchequer.

Officers administering rent supplement throughout the country have considerable experience in dealing with customers and make every effort to ensure that their

accommodation needs are met including through the use of their discretionary statutory powers as necessary.

Increasing housing supply and the reactivation of construction activity is a key issue for Government and is critical to restoring stability to the rental market. On 14 May 2014, the Government published Construction 2020 – A Strategy for a Renewed Construction Sector. This publication is a blueprint for a properly functioning and sustainable construction sector. It provides for a strategic approach to the provision of housing based on real and measured demand and addresses the full range of relevant issues including the planning process, financing, access to mortgage finance and the construction workforce. As part of the Construction Strategy, the Government is committed to publishing a social housing strategy which is being finalised and will be considered by Government in the coming weeks. This strategy will set out a vision for social housing and identify ways to increase social housing supply over the next 5 years.



Damian Allen
Principal Officer
Department of the Environment,
Community and Local Government
