

# Stakeholder Consultation on “Housing for All” Policy Statement and Action Plan

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### Introduction

The State recognises that an output of approximately 33,000 new homes per annum will be needed each year from 2021 to 2030. In order to achieve that, we need delivery across all tenures, including social, affordable, rental and private housing. The Government will seek to address challenges in the sector, including viability, access to finance, land availability, the delivery of infrastructure, building quality, building standards and regulation, and an adequate supply of skilled labour.

A key mission outlined in the [Programme for Government](#) is the delivery of a new plan for housing which will be called ‘Housing for All’. It is Government policy that everybody should have access to good-quality housing to purchase or rent at an affordable price, built to a high standard, and located close to essential services, offering a high quality of life. The provision of more housing across all tenure types has a profound benefit socially and economically and the State has a fundamental role in enabling the delivery of new homes and ensuring that best use is made of existing stock.

There have been large increases in the building of new homes over the past four years. However, far more homes are needed. While the COVID-19 crisis has presented challenges in maintaining the level of growth, the Government will work with the construction sector to ensure that the number of new build homes continues to grow in the years ahead.

Over the next four years the Programme for Government commits to:

- Put affordability at the heart of the housing system.
- Prioritise the increased supply of public, social, and affordable homes.
- Progress a state-backed affordable home purchase scheme to promote home ownership.
- Increase the social housing stock by more than 50,000, with an emphasis on new builds.
- Tackle homelessness.
- Ensure that local authorities are central to delivering housing.
- Work with the private sector to ensure that an appropriate mix and type of housing is provided nationally.
- Improve the supply and affordability of rental accommodation and the security of tenure for renters.

The new policy statement and action plan, “Housing for All”, is now being developed on a Whole of Government basis. As part of this work to develop Housing for All, we would like to hear from a wide range of expert stakeholders to gather thoughts and ideas on improving the delivery of housing in Ireland.

## Guide to Completing the Survey

The consultation period will run **until 4 May 2021**. Any submissions received after this date may not be considered.

In responding to this consultation you are invited to:

- Give your organisations views on the specific questions set out below. You do not have to answer every question – you may choose to answer all of the questions or only those which are relevant to you. You can provide additional information by way of electronic link or attachment.
- Provide details of any issues or concerns you feel should be considered in dealing with the particular topic being addressed in your response.

## Survey Questions

### 1. Name of Organisation:

Land Development Agency

### 2. Briefly describe your organisation?

*300 character(s) maximum*

The Land Development Agency was set up to coordinate state-land for more appropriate uses – predominantly through the increase supply of affordable and social housing

### 3. Having regard to the housing objectives set out in the [Programme for Government](#), what other key objectives should be considered? How should these objectives be prioritised?

*3000 character(s) maximum*

- With regard to the increased requirement of Part V on private housing developments we recommend at least 10% (or more) to be allocated and ringfenced for affordable housing. For this to be implemented, it is critical that there are clear funding allocations (be it through LIHAF, SSF, LDA, AHBs, LAs or other) and off-take mechanisms available (i.e. who will acquire the homes from land-owner / developers, how will they fund it and what will the cost determination mechanism be).
- Due to high housing delivery costs, the SSF is key to the provision of affordable housing, and the LDA would like to see this expanded to further increase the provision of affordable homes. It is highly challenging to deliver affordable housing due to costs and the applicability of subvention should be made available to any parties who wish to provide qualifying affordable housing.
- Private sector funding such as pension funds and ethical / sustainability focussed investors should be actively pursued and encouraged to invest in affordable housing by the State and its agencies. This is critical to achieving off-balance sheet status and hence the long-term fundability / viability of the sector through economic cycles.
- Allocation of affordable and social housing should be considered in the context of evolving payment

capacity of households, which are not fixed.

- Examine the feasibility of introducing MMC and offsite construction factory in employment blackspots in Ireland – particularly in those areas with changes in labour force due to divestment in fossil fuels.
- Ensure improved efficiency in the planning process. SHDs will end shortly and are now considered high-risk due to judicial review threat in any case. A mechanism to ensure efficient planning approvals while allowing fair appeal procedures is necessary, while ensuring planning authority decisions are fully aligned with the National Planning Framework rather than outdated Development Plans.
- Mechanisms to encourage development of homes that have already been through the planning process should be sought.
- We recommend that direct build and delivery for social and affordable housing is increased to suitable levels through LAs, approved housing bodies and the LDA, with requisite funding lines made available. With the exception of strategic partnerships with the private sector that genuinely provoke supply, smaller scale activity risks increasing competition with first time buyers and owner occupiers that have affordability issues when buying a homes.
- Ireland's old age dependency ratio is set to more than double from 22% in 2020 to 47% in 2050. Our share of 65+ cohort will almost double We need to begin investing in age friendly accommodation. Accommodation where people with mobility issues can live, a place where older households can downsize. With the current affordability crisis, we must ensure that there is long-term affordability for all ages in society.

#### **4. What are the main obstacles to delivery of housing across tenures (e.g. social, affordable, private rental and private homeownership) and household types (e.g. single person households & families)? What short or long-term actions should be taken to increase the scale and speed of delivery and improve approaches to delivery of housing?**

*3000 character(s) maximum*

- Lack of infrastructure is an obstacle to affordable housing across all tenures. Prioritising investment in infrastructure / housing along with supporting facilities, will help to encourage sustainable growth, and support with addressing the key challenges of housing delivery and combating climate change. A key priority should be supporting the delivery more sustainable and low carbon homes, considering demographic growth, an ageing population and inward migration, as well as achieving more balanced regional development. Increasing housing supply is key to engendering affordable housing.
- Housing for All needs to look at housing issues at a granular level, the housing market in Waterford is different from that in Dublin, so too are household incomes. A uniform national strategy, while welcome, could miss some of the differences present at regional level. In terms of mid-market affordability, in some regional cities the issues with appropriate forms of supply (e.g. a very low number apartments of any tenure are being supplied in the regional cities) are far greater than the magnitude of the affordability issues – while in Dublin it clearly is an affordability and supply issue.
- Ireland's last census in 2016 outlined higher ownership rates in rural communities (82.4%) when compared to urban communities (59.2%). It is therefore important to invest and support more compact urban development and regeneration to ensure that urban living is an attractive and affordable.
- The cost of building apartments, and thus densification, can make them prohibitive to affordable purchase and rental we ask that Housing for All addresses this challenge. We also call for a database that tracks the delivery costs of public and private homes. There is a discrepancy on the data currently reported in the media. There needs to be a learning exercise across both sectors on how we can be cost efficient, and this will only be achieved by comparing comparable costing regimes which includes all costs of development.
- We ask that an exercise be undertaken to examine the consolidation of efforts of all state funded parties for the potential for economies of scale in relation to the provision of affordable housing. There are multiple small actors in the space, in a relatively small jurisdiction (Ireland) where scale is critical.
- A long-term view must be adopted by policy makers and funding allocators in relation to the provision

of affordable high-density housing in regional cities. While such development may not be “financially viable” today, over the long-term it should be and is necessary to catalyse the regional balance objectives of PI 2040.

- Data collection needs to be improved to adequately address housing need. The sector needs to know how many 1-beds, 2-beds etc are being delivered as well as age and disabled friendly housing. And also up to date incomes at decile level on a yearly basis while being able to examine these incomes on a LA and city basis

## **5. What actions should be taken, in order of priority, to ensure that housing is available for all sectors of society, including our ageing population and people with disabilities?**

*3000 character(s) maximum*

- Increased funding must be made available for affordable and social housing.
- Engendering an environment which can be designated as “off balance sheet” is key, as in a time where there are Exchequer budgetary pressures it allows finance for affordable housing to continue to be available thereby smoothing cycles of delivery.
- SSF is a key tool as a subvention, which is required to increase affordable housing and should be expanded. This could be deployed in competition form where recipients, private and public, have to prove they can delivery affordable homes with its assistance within certain time periods. SSF approvals should be withdrawn if not utilised within a certain time period.
- Consider tax reforms such as elimination of VAT for social and affordable housing which would have a material impact on delivery costs and affordability, even for a time bound period.
- In terms of attracting funding to the sector, other tax incentives along the lines of the USA’s Low-Income Housing Tax Credit could be considered, where the Government could issue tax credits to local authorities, which are then awarded to developers through a competitive bid process. The credits are then sold to investors to finance the build cost. This results in the delivery of c. 100,000 affordable homes in the USA annually.
- A coordinated, coherent approach towards partnering with and acquiring from the private sector for public housing needs should be adopted where State funding is applied.
- Treat regions and cities based on their own individual needs, which will require a nuanced approach
- LAs should be encouraged to increase direct delivery of both tenures of housing and urged directly by central Government to utilise delivery supports such as the LDA.
- Increasing supply across all tenure types and typology types is key while utilising evidence-based analysis with regards to demographics and income data.
- There are a significant number of homes stalled within the SHD system. This needs to be rectified in order to use all tools at our disposal to combat the housing crisis.
- Infrastructure is key in making areas and housing developments attractive and viable. Housing for All should prioritise needed infrastructure in tandem with housing
- Housing for All should aim to encourage and facilitate innovation in the construction sector through BIM, analytics, MMC, automation and other new technologies.
- Housing for All should have clear back up mechanisms that can be used as a back-up plan to offset missing yearly delivery targets
- A large part of housing delivery is de-risking developments. A long-term multi annual budget will allow the sector to adequately prepare for increasing delivery of public housing over the coming years. This will allow a “crisis proof” model of housing delivery which will smoothen the investment curve of investment in housing making it less susceptible to the boom bust cycles of the past.

## **6. Do you have any further comments on the development of the Housing for All policy and action plan that you would like to add?**

1500 character(s) maximum

Affordability must be put at the heart of Housing for All with an emphasis on targeting those in the mid-market i.e. not earning enough to qualify for social housing but also not earning enough to support their housing needs without a financial burden. It should encourage development to happen where and when it should be happening. Good planning should be encouraged and should facilitate building in existing built-up areas where people can be close to work, school and the services that they require. Engendering an increased supply of affordable homes will be key in combating the existing affordability pressures experienced by many. Housing for All should encourage sustainable and green homes, which will not just help Ireland to meet climate and sustainability targets but will also decrease the cost of running homes for tenants. Housing for All should encourage current homes tied up in the system to be delivered. As of December 2020, 75.8% of homes granted planning permission through the SHD process in the five major cities were yet to be delivered. Tapping into and enabling this section of the market will be key to increasing delivery. We need to be mindful of our changing demographics. We need to begin building homes now that will facilitate smaller household sizes. We also need to ensure that we provide age and disability friendly homes and that these core elements of society are not left behind on Ireland's affordability journey.

## 7. Do you have any supporting data or other material that you would like to upload?

No, however the LDA would be happy to be interviewed for further consultation if required

Please upload your file

## What we will do with your responses

Thank you for taking the time to consider and respond to this consultation.

Please note any submission made may be published.

Download

[Final Privacy Statement on Stakeholder Consultation on Housing for All Policy Statement and Action Plan.pdf](#)

## Contact

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