

DÁIL ÉIREANN

Fógraí Tairisceana : Notices of Motions

GNÓ COMHALTAÍ PRÍOBHÁIDEACHA PRIVATE MEMBERS' BUSINESS

“That Dáil Éireann:

notes that:

- we are in the midst of a housing crisis which is undermining our society and threatens our economy;
- since 2010 rents in Dublin have increased by an average of 81 per cent;
- there are 700 sites in public ownership around the country which have recently been identified by the Department of Housing, Planning and Local Government as having potential for housing development;
- the Government is overly dependent on the private sector for the provision of new housing supply, relying solely on increasing such supply will not address the affordability issue as developers will bid up the prices for available land, leading to further increases in house prices and rents;
- the provision of new social housing, using differential rents, will not on its own address the housing crisis, as it will not affect rent and property price rises in the private sector;
- providing a direct subsidy to existing private market rents similarly fails the test of helping reduce overall rents and would prove very expensive to the Exchequer without the State ever acquiring any additional asset;
- Eurostat has recently indicated that approved housing bodies will not be able to avail of ‘off-balance sheet’ financing for the provision of new homes;
- 1,000 new apartments are currently under construction in the docklands area of Dublin but most of those units are already sold to international corporations for the use of their staff;
- we must avoid the mistakes made in other international high-tech cities, where local people are frozen out of the housing market and public servants are unable to afford housing close to hospitals, schools and other social and public services;
- European countries with more stable, affordable and socially inclusive housing systems support large-scale provision of secure cost rental accommodation where rents reflect costs, not the maximum that the market will sustain;
- the case for a new more ‘unitary’ public housing model was set out in a report carried out by the National and Economic and Social Council entitled ‘Social Housing at the Crossroads: Possibilities for Investment, Provision and Cost Rental’ in June 2014, which proposed the widespread adoption of a cost rental housing model;
- a cost rental model of housing can reduce development cost by availing of low interest rate public finance, publicly owned land, economies of scale from large scale development and the absence of profit margins to private developers;
- this model will enable national public housing sectors to remain off-balance sheet, which allows investment to continue through downturns in economic activity;
- cost rental housing schemes could be funded through a combination of the European Investment Bank and other European Union funding institutions, credit unions,

pension funds, Home Building Finance Ireland which funds from the Ireland Strategic Investment Fund, Housing Finance Agency, and Exchequer funding as appropriate;

- this model will provide multi-annual funding commitments to facilitate forward planning;
- the Rebuilding Ireland Action Plan for Housing and Homelessness contains no targets and no clear funding stream for the delivery of cost rental housing; and
- only one small test site for new cost rental housing has been initiated and no other affordable rental scheme is being development by the Government; and

calls on the Government to:

- define cost rental housing as publicly owned housing which is publicly provided on State-owned land where the rents are set on the basis of recovering the cost of the property over the lifetime of a long-term loan;
- introduce regulations to ensure that any long-term profits after the repayment of such loans are retained within the system and reinvested in housing supply;
- direct the new National Regeneration and Development Agency to work with the relevant State agencies to designate Cathal Brugha Barracks in Rathmines, Dublin 6 and Broadstone Garage in Dublin 7 as the first locations and plan for them to be the first of the major cost rental housing developments;
- plan for the construction of 3,000 new homes at these two locations;
- design each cost rental scheme to target those individuals who are currently spending more than one third of their total income on their current rental accommodation;
- also allocate a percentage of the new housing for people on the local authority housing lists and in those cases facilitate the use of a suitable State support (e.g. Housing Assistance Payment) to allow them pay the same rent as other tenants;
- involve disability communities such as Nimble Spaces in each development so that it promotes an arts-led participatory design process, meets the needs of many different citizens, enables active citizenship and participation, encourages social inclusion and positive relationships, and incorporates smart design that is good for people and the environment; and
- immediately identify other publicly-owned sites that would suit the provision of cost rental schemes led by local authorities, approved housing bodies and housing cooperatives.” — *Eamon Ryan, Catherine Martin.*

[1 March, 2018]