

HOW WE CAN SOLVE THE HOUSING CRISIS

Congress is working to build a national, civil society coalition to press for urgent policy change and ensure a resolution to a crisis that has come to define modern Ireland

1. DECLARE A HOUSING EMERGENCY

To facilitate a rapid, coherent response Government should declare a National Housing (and Homelessness) Emergency and move to put in place a properly-resourced Local Authority led Emergency Social Housing Programme.

Local Authorities - properly resourced and staffed - are best positioned to develop social and affordable housing. Utilising a shared service model, they should pool and coordinate expertise to maximise the impact of housing projects. This strategy should be rolled out initially in five key areas: Dublin, Cork, Limerick, Galway and Waterford.

2. INCREASE SOCIAL HOUSING STOCK

As a matter of urgency we must increase the Social Housing stock by an annual rate of 10,000 units per annum over the next five years. This can be achieved through a programme of new building, refurbishments and acquisitions. This target should be pursued through a strategy of well planned, mixed income housing - including social and affordable housing - on publicly owned land.

3. FINANCING A HOUSING PROGRAMME

The estimated cost of the programme is €1.8 billion per annum, at a national average cost of €180,000 per unit. While some of the funds would be provided through the fiscal space available for 2018, most would and should be borrowed - with this spending viewed as an investment in key infrastructure.

With the cost of borrowing at an all-time low and the downward trajectory of the debt/GDP ratio - forecast to fall to 67% in 2018 - it makes economic and social sense to borrow now to invest in the housing stock. The Housing Finance Agency could be used to raise this capital. In addition, the Government must step up its campaign to achieve greater flexibility for public investment - including in social housing - within the EU's Fiscal Rules.

4. LAND IS AVAILABLE

CSO figures show there is 13,900 hectares (1 ha to 2.47 acres) of serviced land available nationally, that could be utilised for house construction. The available land could hold an estimated 395,000 dwellings. Local Authorities own substantial amounts of land that is zoned for housing. This should be used primarily to provide social and affordable housing.

5. PENALISE LAND HOARDING

The Vacant Site Levy should be increased from 3% to 6% and introduced immediately with fewer exemptions, with the proceeds ring-fenced for social housing provision. Serious consideration should also be given to the introduction of a Vacant

Property Tax. Local authorities should be empowered to make Compulsory Purchase Orders of land for housing, at a 25% margin above agricultural land use values.

6. PLANNING PROCESSES

Given the acute shortage of social housing the planning processes should be accelerated to speed construction. Local Authorities should invoke the emergency powers contained in Section 179 of the Planning & Development Act, where unreasonable delays arise. An Bord Pleanála should be enabled to fast-track planning processes for houses that are required in the public interest, for a limited period.

7. COST OF LIVING

In some instances almost 27% of disposable income is going on rent, while the difficulty of purchasing a home is creating serious problems for young couples and families. This crisis is impacting on the living standards and incomes of an increasing number of workers and has become a labour market issue that could affect inward investment and future growth prospects.

8. A NEW RENTAL MODEL

Over €5.5 billion of public money has been paid out in rent supplement to private landlords in the last 15 years - a sum which could have built 30,000 homes. Official policy should progressively move to reduce payouts to the private sector from an estimated 1.5% of GDP now, to 0.5% of GDP, over the medium to long term. We should not rely on the private sector to meet the bulk of our social housing need. The Government should move to expedite work on the development of a European Cost Rental Model, in line with the initiative proposed by NERI (March 2017).

9. CREATE DECENT WORK

A public led social house building programme should insist on full implementation of the provisions of the Construction Sectoral Employment Order and the use of craft-based Apprenticeship Schemes, in order to combat bogus self-employment and ensure the sector maintains skilled employment and quality training.

10. SAVE MONEY

A local authority-led social housing programme makes economic sense, with significant savings available over the current private sector rental model. Some experts have estimated that the savings could be as high as €273,000 per home (build over rental). Scaled up to 32,000 built homes versus rentals, the projected savings rise to a staggering €8.74 billion.

For more, visit www.ictu.ie/housing

