

Opening Statement Conor Skehan Chair Housing Agency

31st January 2018

Chair, Members, Thank you for the invitation to present to the Oireachtas Joint Committee on Housing, Planning and Local Government. As requested, I herewith provide an Opening Statement for the assistance of the Committee.

The Housing Agency

I was appointed to the position of Chair of the Housing Agency in July 2013. The Agency employs 64 staff and had an annual budget of €114m in 2017. It deals with the full spectrum of housing in Ireland [see Appendix 1 Housing in Ireland] and is involved in a very wide range of activities including:

- Housing Supply Services;
- Supporting Local Authorities in housing management functions;
- Commissioning and conducting research and data analysis on the housing sector;
- Supporting Approved Housing Bodies;
- Operating national Mortgage-to-Rent scheme;
- Co-coordinating the National Housing Strategy for People with Disability;
- Providing procurement advice and support to Local Authorities & AHBs;
- Operating the Pyrite Remediation Scheme;
- Regulation of Approved Housing Bodies; and
- Providing advice on a range of housing issues including policy development, technical advice and project management.

This has resulted in vigorous and effective intervention and assistance to many actors, as evidenced by the range of activities undertaken in 2017 alone [See Appendix 2 Twelve Month record of Agency Activity in 2017].

Role as Chairperson

In the matter of my role as Chair I lead a Board who set the strategy and oversee the implementation of the Agencies activities. These roles are guided by our published Vision, Mission and Values – which identify independent influence, quality expertise, innovation and solution focused, respected reputation and collaboration [See Appendix 3 Agency Vision, Mission and Values].

One of the roles, as Chair, is to periodically meet with the Minister and the Department in order to discuss our performance. It is my practice at such meetings to advise the Minister about housing issues and priorities – as they appear from an Agency perspective [See Appendix 4 Typical Agency Briefing on Housing Priorities]

In my role as Chair of the Agency since July 2013 the Agency has expanded the scope and scale of its operations considerably [See Appendix 5 Five Year Record of Agency Development]. As a result of this

considerable expansion, in 2016 I notified the Minister that I would not be available for re-appointment because of my belief that the continued expansion of the Agency would demand a Chair with deeper skills in Financial and HR Management than I possess.

To this end I instigated and implemented a succession programme that resulted in the Public Appointment Service identifying and recommending replacements – which proved to be unavailable when offered the position. As a result, I agreed in December 2017 to continue in the role until a replacement chair could be appointed.

Homelessness

I now wish to speak about the issue of homelessness, my recent comments in the media on this matter

Recently Articulated Views

Prior to stepping down as chair, I agreed to give one press ‘exit interview’. The interview took place on Dec 2nd, it lasted for about 2 hrs, and covered the topic of ‘what I had learned about housing in the last 5 years’. I informed the journalist, once I learned that I was not stepping down. The Irish Times subsequently published 6 articles over a period of two weeks using the material from this interview, which is the matter that I understand that this meeting wishes to discuss. The matters, as I understand them, are my reported views on the following aspects of homelessness; -

- That there are too many homelessness charities
- That Homelessness is normal
- That people may be gaming the system
- That there is a need for vigilance about housing numbers
- That homelessness is a result of affordability
- That attention to vacancies and arrears should be given higher priority
- That housing behaviour by millennials is affecting supply

I am happy to discuss this and related matters with you and to take your questions.

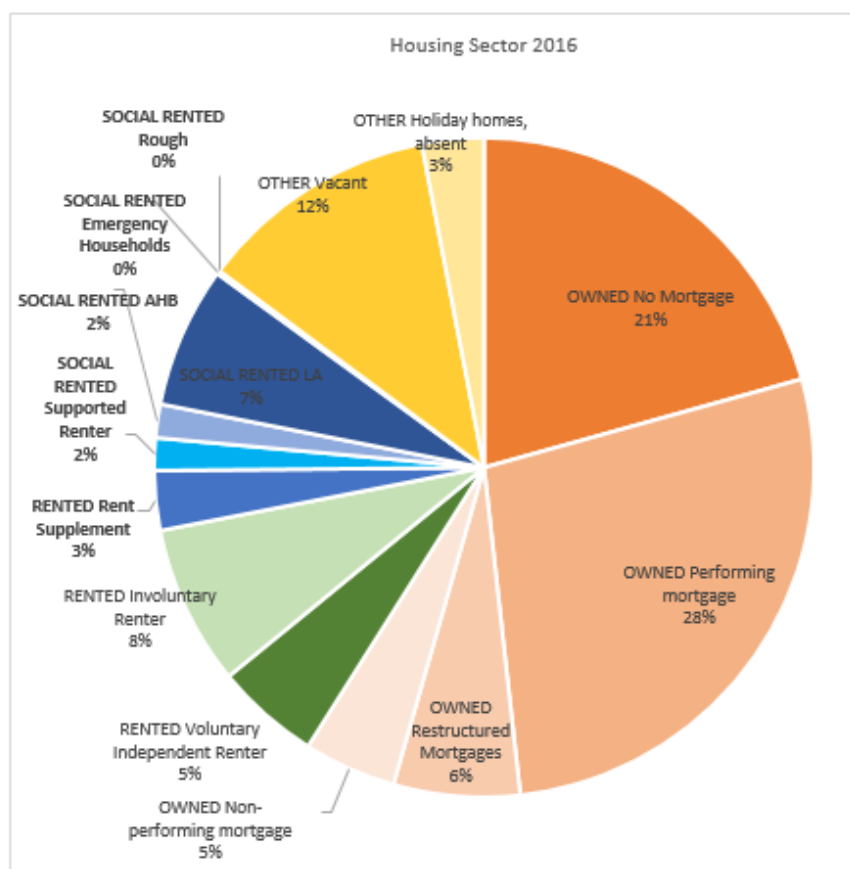
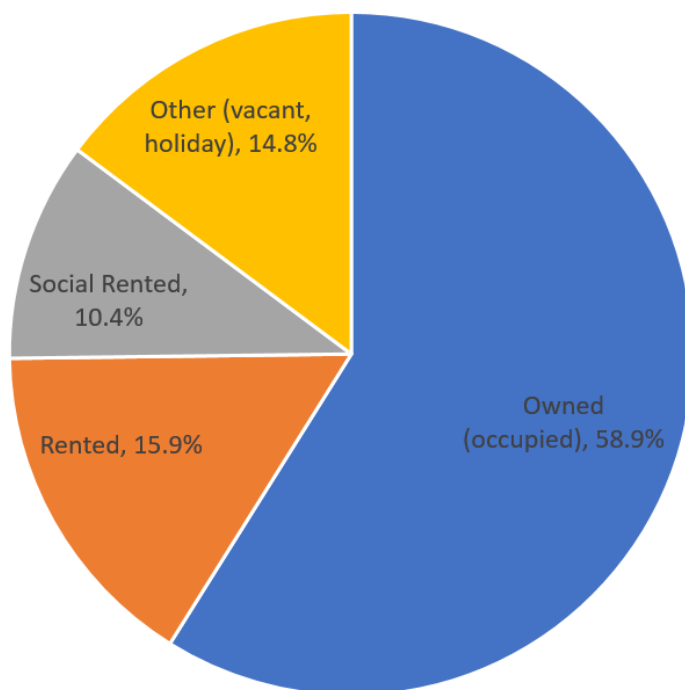
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Appendices for Reference

- *Appendix 1 Housing in Ireland*
- *Appendix 2 Twelve Month record of Agency Activity in 2017*
- *Appendix 3 Agency Vision, Mission and Values*
- *Appendix 4 Typical Agency Briefing on Housing Priorities*
- *Appendix 5 Five Year Record of Agency Development*

Appendix 1: Housing in Ireland

Provisional Composite Housing Data from Various Sources		Number	%
OWNED 1.14m [58.9%]	No Mortgage	403,306	20.7%
	Performing mortgage	537,587	27.6%
	Restructured Mortgages	120,739	6.2%
	Non-performing mortgage	88,292	4.5%
RENTED 0.3m [15.9%]	Voluntary Independent Rented	100,000	5.1%
	Involuntary Rented	153,000	7.8%
	Rent Supplement	57,000	2.9%
SOCIAL HOUSING RENTED [10.5%]	Supported Rented - RAS + HAP	31,000	1.6%
	AHB	32,000	1.6%
	LA	135,000	6.9%
	Emergency (Households)	3,300	0.2%
	Rough Sleepers	100	0.0%
OTHER 14.8	Vacant	230,000	11.8%
	Others [Holiday homes, absent]	59,000	3.0%
Totals		1,950,324	100%



Appendix 2: Twelve Month Record of Agency Activity in 2017

Financial Appraisals	243 applications appraised (with total potential of homes 4,102)
Overall Acquisitions Programme	444 homes purchased
NAMA Delivery	426 homes delivered (bringing a total of 2,335 homes)
Housing Procurement & Projects	<ul style="list-style-type: none"> ▪ 20 AHBs projects: Managed tender and appointment of consultant design teams in Clare, Cork, Dublin, Galway, Limerick and Waterford. ▪ 29 homes completed and handover, Cork ▪ Ongoing technical support to Local Authorities in Cork, Kerry, Monaghan, (Contract administrations, preparation of tender documents, budget estimates and cost planning etc)
Land Management	Strategic Development and Management Plan Developed
Loan Underwriting	1,289 Loans underwritten (295 recommended for approval)
Pyrite Remediation Scheme	392 homes remediated (bringing the overall total to 945 homes)
AHB Regulatory Assessment	<ul style="list-style-type: none"> ▪ 232 AHBs assessed ▪ Advance roll of out of Financial Standard to Tier 3 ▪ Introduction of Governance Standard
Research	8 completed research projects with a further 5 projects commenced
Support on Housing Policy and Practice	<ul style="list-style-type: none"> ▪ HAP Website Developed, and further development of HAP Toolkit; Work commenced on Enhanced Leasing Scheme ▪ National Housing Strategy for People with Disabilities – Plain English & Easy Read guides developed ▪ Support in the areas of Allocations and Choice Based Lettings, Differential Rents, Part V of the Planning & Development Acts ▪ Housing Practitioners Training Services
Mortgage to Rent	<ul style="list-style-type: none"> ▪ 308 households availed of MtR by end of 2017 ▪ Initiated expansion of MtR through expressions of interests call for using a long-term leasing arrangement.



Appendix 4: Typical Agency Briefing on Housing Priorities

1 Priorities are the Priority – Ireland has 2 million homes

Emotional Issues taking priority over substance			Issue
Owned 1.14m	[Arrears 0.21m]	Rented 0.3m	
Vacant 0.2m	Social 0.2m	Homeless .005m	
Rough 0.0001m			

2 Affordability

Emerging Supply is Unaffordable	Issue
It is critical that housing is available to both rent and buy at rates that are affordable. Affordability is central to all housing solutions. This is key to maintaining our economic competitiveness	Briefing
HA have published an Affordability Calculator	Action

3 Keep People in Their Homes

There are approx. 100,000 mortgages in arrears, half of these are in arrears of over two years. There are a further 145,352 restructured mortgages	Issue
We need to assist significantly more households with long-term solutions and avoid additional housing need.	Briefing
HA working on Mortgage-to-let. Arrears need to be monitored, We must keep people in their homes	Action

4 Utilise Empty Homes

Ireland has as many vacant homes as the entire UK	Issue
Vacancy levels are very high by international standards. Available vacancies may represent 5 – 10 years worth of supply	Briefing
The Housing Agency has been working on a vacant homes strategy. There are short and medium-term measures that can bring this housing into active use. Vacancies need to be actively managed	Action

5 Increasing Housing Supply

Supply is required – but must be right price, right type, right place	Issue
Increases need to concentrate on needs – not market. Building is only a part of the solution. Ireland needs supply from HAP, Vacancies, Rental and Acquisitions. This includes social housing, market housing and other forms of intermediary housing; including rented, owned and part-owned. Th	Briefing
Acquire properties from banks and investment companies, Reduce emphasis on Construction – need more management of supply	Action

6 Support the Rental Sector

Renting is increasing – in line with international norms. In general, rental housing is used more efficiently than owned housing, i.e. more people live in a rental property than an owned property of equivalent size.	Briefing
This sector continues to experience significant pressure, particularly in urban areas. Build-to-rent should be actively supported and incentivised. Measures to retain rental housing in the rental market should be pursued.	Action

Appendix 5: Five Year Agency Development

