OPENING STATEMENT
Chairman, Committee Members,
Thank you for the opportunity to attend this session today.

Existing buildings are the most readily available, cheapest, quickest and most sustainable source of housing supply in the short term. In addition to 183,000 vacant dwellings recorded in Census 2016\(^1\), there were more than 28,000 vacant commercial addresses in mid 2017, a national vacancy rate of 13.5%; parts of Dublin city have very high vacancy rates with over 18% in Dublin 2 and 13% in Dublin 1\(^2\).

Upper floors of buildings in cities and towns were traditionally used for housing. These buildings exist, they do not require infrastructure, they have connections to utilities and drainage, are close to shops, services and public transport. They are ideally suited to 1-3 person households, the demographic of highest demand. Providing housing in existing communities, particularly for people who live alone, gives immediate access to services, generates commercial activity, reduces urban sprawl, supports sustainable transport, consolidates urban regeneration and reduces social isolation.

A study by UCC\(^3\) in Cork City Centre indicated that one street (North Main Street) with 388 residents had the potential to treble the population within the existing building stock. Other studies by Dublin City Council\(^4\) and Space Engagers\(^5\) confirm a vast untapped potential in city areas and regional towns where there is high demand.

This UCC study found that “Contrary to what is sometimes suggested, planning is not the problem here”. It goes on to say that: “discussion with property owners and the local authority indicates clearly that the problem is actually a mix of bureaucracy (the complex/expensive building control regulation regime) and viability (the difficulty for building owners in securing credit)”.

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\(^3\) UCC Centre for Planning Education and Research [http://www.engineersjournal.ie/2017/06/06/renewing-city-town-centres/](http://www.engineersjournal.ie/2017/06/06/renewing-city-town-centres/)


\(^5\) SpaceEngagers.ie [https://dublin.ie/working/articles/space-engagers/](https://dublin.ie/working/articles/space-engagers/)
This is confirmed by the limited impact of the previous ‘Living Over the Shop’ schemes. Currently the ‘Living City Initiative’ provides tax relief for owners of residential and commercial buildings. These schemes are largely concerned with financial incentives and do not deal with the most significant barriers—regulatory cost and complexity.

As an example, to demonstrate the problems: An owner of a shop with vacant upper floors, that may have been used as a solicitor’s office or a hairdresser, decides to convert the space to two small apartments. To do this compliantly, there are three separate regulatory approval processes: Planning Application, Fire Safety Certificate Application and Disability Access Certificate Application. The three go to different parts of the local authority; all have different submissions, technical reports and drawings, separate fees and different timescales.

The owner makes a substantial outlay to prepare these drawings and reports, but carries the risk that if any one of the three is refused the project cannot go ahead; the conditions set by the Fire Officer or the Conservation Officer could be in direct conflict. There is no formal mechanism to get all of the people together to agree a workable and safe solution, and no technical guidance documents for interpreting the regulations.

If the owner is successful in all three applications a Planning Development Levy is due. In Dublin, for two small apartments this would be more than €9,000. The owner engages, and pays fees to, four separate statutory appointments: Design Certifier and Assigned Certifier, for Building Control; Project Supervisor (Design Process) and Project Supervisor (Construction Stage) for Health & Safety. Statutory Notices are made to the Health & Safety Authority and the Building Control Authority; a substantial amount of technical and regulatory information is uploaded for record-keeping, not for verification.

At completion another submission of site records, certificates and technical documents are uploaded with a Certificate of Compliance (Completion). Separately, a statutory Safety File is assembled for the owner by the Project Supervisor.

All of these procedures can be triggered by something as simple as changing the use from office to residential, sub-dividing a room, extending a bathroom, or reconfiguring a staircase.

Importantly, the checking of design and inspection of construction is done by certifiers appointed by the owner, who act for the owner—there is no independent inspection.

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6Home truths: Why the rot has set in for LOTS III’ Mark Keenan, Irish Independent 2015
8Planning Application: €65 per unit; Fire Safety Certificate Application: €2.90/m² (min. €125., max. €1,250) Disability Access Certificate €500 or €800, depending on timing.
9Development Contributions vary in each local authority, Dublin City Council: currently €86.40/m². Cork City Council: currently €52.70/m².
The regulatory system has become a barrier to compliance. In the absence of active enforcement, there are widespread problems of illegal and unsafe conversions. ‘Slum landlords’ have little fear of sanction and openly advertise on reputable letting websites. In one case, highlighted by RTE\(^{11}\), 40 tenants were accommodated in 10 bedrooms, generating rent of more than €26,000 per month. Overcrowding, illegal conversions and shoddy construction are putting lives at risk. There are limited resources for enforcement.

The Vacant Housing Refurbishment Bill addresses the shortcomings in previous schemes with certainty and reduced cost for owners; safer buildings for occupants; and workable systems of approval, control and enforcement for the local authorities.

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<tr>
<th>Problem</th>
<th>Solution</th>
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<tr>
<td><strong>Owner</strong></td>
<td>Complexity &amp; delay&lt;br&gt;Duplication of inspections (BCAR(^{12}), HAP(^{13}), Local Authority- fire safety, building control, environmental)&lt;br&gt;High cost, uncertain process</td>
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<td><strong>Local Authority</strong></td>
<td>Administrative burden, inefficiency &amp; duplication&lt;br&gt;Inadequate income stream/ inflexible resources/ lack of expertise &amp; training&lt;br&gt;Uncertainty about BCAR reliability &amp; expertise, lack of oversight&lt;br&gt;Reactive controls for non-compliance, post-occupancy</td>
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<tr>
<td><strong>Architect / professional advisor</strong></td>
<td>Duplication &amp; bureaucracy&lt;br&gt;Uncertainty of responsibilities/ technical requirements</td>
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<tr>
<td><strong>Resident/ tenant</strong></td>
<td>Personal safety, uncertainty about standards &amp; compliance&lt;br&gt;Tenant-led enforcement, post-occupancy&lt;br&gt;Duplication of inspections (RTB, HAP, Local Authority)</td>
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12 Building Control (Amendment) Regulations 2014 – inspections by owner appointed Assigned Certifiers
13 Housing Assistance Payment- inspections by local authority staff or out-sourced services.