

# DÁIL ÉIREANN

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## AN COMHCHOISTE UM THITHÍOCHT, RIALTAS ÁITIÚIL AGUS OIDHREACTH

### JOINT COMMITTEE ON HOUSING, LOCAL GOVERNMENT AND HERITAGE

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*Dé Máirt, 11 Bealtaine 2021*

*Tuesday, 11 May 2021*

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Tháinig an Comhchoiste le chéile ag 12.30 p.m.

The Joint Committee met at 12.30 p.m.

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Comhaltaí a bhí i láthair/Members present:

Teachtaí Dála/Deputies	Seanadóirí/Senators
Francis Noel Duffy,	Victor Boyhan,
Joe Flaherty,	John Cummins,
Thomas Gould,	Mary Fitzpatrick,
Emer Higgins,	Rebecca Moynihan,
Paul McAuliffe,	Mary Seery Kearney.
Cian O'Callaghan,	
Eoin Ó Broin.	

Teachta/Deputy Steven Matthews sa Chathaoir/in the Chair.

## **Land Development Agency Bill: Discussion**

**Chairman:** We are in public session and on our agenda is engagement with the Association of Irish Local Government, AILG, and the Local Authority Management Association, LAMA. I welcome both organisations. They had requested to come before the committee to discuss the Land Development Agency Bill and we are pleased to do so. To give some information on where we are with it at present, we expect to have Committee Stage in approximately two weeks time, on 25 and 27 May. We are also happy to discuss any aspect of local government with the witnesses and we can keep the range of topics as broad as we like. All of us come from a local authority background so we are fully aware of the pressures on councillors and the good work done by them the length and breadth of every county in the country. It has been my pleasure to work with councillors for many years on various topics and subjects. Over the years, I have always found our local authority members, district councillors and town councillors to be highly committed to the job and I appreciate the support of organisations such as those of the witnesses.

From the AILG I welcome Councillor Mary Hoade, president, Councillor John Joe Fennelly, vice president, and Councillor Anne Colgan, delegate. From LAMA we are joined by Councillor Michael Anglim, chair, Councillor John Sheahan, general secretary and Councillor Joe Malone, Oireachtas liaison officer. Members have been circulated with the opening statements from both organisations.

I will invite Councillor Hoade to make an opening statement for the AILG followed by Councillor John Sheahan to make a statement on behalf of LAMA, after which I will invite members to address questions. We will try to keep to five-minute slots for questions and responses, which will allow us time for a second round of questions.

Members attending remotely within the Leinster House complex are protected by absolute privilege in respect of the presentation they make to the committee. This means they have an absolute defence against any defamation action for anything they say at the meeting. However, they are expected not to abuse this privilege and it is my duty as Chair to ensure this privilege is not abused. I remind members of the constitutional requirement that members must be physically present within the confines of the place where Parliament has chosen to sit, which is Leinster House or the Convention Centre. For witnesses attending remotely there are some limitations to parliamentary privilege and as such they may not benefit from the same level of immunity from legal proceedings as a person who is physically present. Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the House or an official either by name or in such a way as to make him or her identifiable. The opening statements submitted to the committee will be published on the committee website after the meeting.

**Ms Mary Hoade:** As the AILG president, I thank the Chair and committee members for affording us the opportunity to meet them today and to contribute to their work on Committee Stage of the Land Development Agency Bill.

The AILG has scrutinised the Land Development Agency Bill in great detail and our detailed submission, which we have forwarded to the committee, highlights issues in the Bill that need to be amended to protect the role of the local authority as a housing authority and, specifically, to defend the function of the elected members in relation to council owned property. The association is taking a strong position in defence of the role of councillors in disposing of land

owned by the local authority and we are also taking a strong position on the primacy of the local authority as the housing and planning authority.

The AILG has supported measures over the past number of years to assist in the delivery of much needed housing as we continue to tackle our housing and homelessness crisis. We recognise that the Land Development Agency, LDA, has an important role to play in assisting local authorities in the performance and delivery of their housing function. We note the primary objectives of the LDA are to drive strategic land assembly and fully utilise State and public lands to build social and affordable homes and sustainable and regenerated communities. These are key objectives of our elected members as they try to deliver appropriate housing for their communities and their constituents, and build sustainable communities for generations to come with place making at their heart.

We welcome the additionality the LDA will bring, particularly in affordable housing. We acknowledge the Bill provides for the LDA to provide services to local authorities to assist them in the development of sites for housing and urban development and in the performance of their housing functions. However, it must be acknowledged that for more than a century local authorities have successfully been the providers of social housing for the Irish population. Our local authorities have a strong record of achievement in the housing area and the AILG is adamant that we must continue to ensure the primacy of local authorities in continuing to be the lead provider of social and affordable housing, and that they are central to any public housing delivery programme. The programme for Government is categorical in its stated commitment to “ensure that local authorities are central to delivering housing” and there cannot be any deviation from this.

The AILG and our members are concerned that the Bill in its proposed form will lead to the curbing of some of the reserved functions of councillors, particularly under section 56 of the Bill, which proposes to remove the section 183 reserved function of our members on the disposal of local authority owned land. The association is concerned that this will result in the transfer of local authority land to a centralised agency, unaccountable to the local public representatives. As a national representative body, we can never support or accept any removal of reserved functions and powers from our elected members and we ask that this section of the Bill be removed. Our proposed amendments include amendments to section 49 and section 56 of the Bill to protect the reserved function of our members.

The AILG is also concerned that the Bill does not go far enough in protecting the primacy of our member authorities’ county and city development plans. County development plans have a high level of legitimacy through public engagement and the councillors’ role in their development and approval. They are critical and central to orderly development and their role must be protected. It is essential that LDA developments must co-ordinate with the local authorities’ own future plans, as political responsibility for any development will remain with the elected members of a local authority, even where their statutory roles have been bypassed by the powers conferred on the LDA. We propose an amendment to section 50(3) and an additional section to ensure the LDA will take account of the development plan policies of the local authorities. We also propose an amendment to section 75 of the Bill to ensure it is the local authority that is responsible for setting the appropriate percentage of land to be set aside for affordable housing, in line with the local development plans, housing strategies, core strategies and population projections.

The LDA will be given compulsory purchase powers, and provision needs to be made to exclude local authorities from the LDA’s CPO powers by way of an amendment to section 59 of

the Bill. Provision should also be made that if the LDA is disposing of lands originally acquired from a local authority, the local authority should have the option of acquiring back those public lands. We suggest an amendment to section 55 of the Bill for this.

We have detailed a number of other proposed amendments in our accompanying submission to the committee. In all, the AILG proposes 14 amendments to the LDA Bill. These proposed amendments focus on our key concerns, including protecting the reserved functions of the councillor in the disposal of council land, retaining the primacy of the county development plan, asserting the role of the local authority in deciding the amount of affordable housing needed on any LDA site in its jurisdiction, expanding the range of towns to benefit from LDA technical assistance, and amendments to strengthen transparency and ensure continued public ownership of the LDA. We believe these amendments will strengthen the Bill.

We thank the Chair and the committee members for listening to our submission and will be glad to take any question the members may have.

**Chairman:** I invite Councillor Sheahan to make an opening statement on behalf of the Local Authorities Members Association, LAMA.

**Mr. John Sheahan:** We thank the Chair and members for the invitation to address this committee on the proposed Land Development Agency Bill 2021. I am joined today by our chairperson, Councillor Micheál Anglim, and our Oireachtas liaison officer, Councillor Joe Malone.

The Local Authorities Members Association, LAMA, is an apolitical representative body with a membership of over 800 locally elected members of the 31 local authorities of local Government in Ireland. LAMA has deep concerns with certain aspects of the new Land Development Agency DAC proposed in this Bill. We see significant merit in having an agency set up to compile and manage an inventory of publicly owned lands within the State but we are not convinced the proposed powers to be vested in the agency are in the best interest of local government in Ireland.

The formation of a designated activity company to deal with the current housing crisis as a matter of urgency, as stated in the Bill, is the wrong footing to start with. Rushed legislation is bad legislation and is a quick fix solution to what is now a prolonged housing crisis. Whether we like it or not, there are no quick fixes or magic wand policies out there to solve this overnight.

The stated mission of Government for housing for all, is one every body agrees with, whatever one's ideology or principles. How we get there is where politicians, people and their ideologies differ. We, as an apolitical representative body, will not dwell on any preferred political ideology as how to achieve the stated mission statement, because no matter how one presents it, the housing crisis is supply versus demand.

We agree the most critical asset this State has is a publicly owned land bank made up of land in city centres, dockland areas and rail depots. Colbert Station in Limerick City which is being developed in conjunction with the LDA is a case in point. There is merit to the LDA DAC collating all the information and legal data on the State's land bank and, in doing so, producing a master plan for Ireland Inc. to work from and to extrapolate what best to do with these assets.

LAMA has concerns some of the powers to be given to the LDA DAC go too far in creating an entity that could remove the decision making from the people, that is, the elected councillor. This would fly in the face of the principle of subsidiarity whereby decision making should be

made nearest to the citizens, that is, the local authority and councillors.

Councillors have been aggrieved with the introduction of other vehicle mechanisms to provide housing, such as approved housing bodies and short-term and long-term leasing. Each of these has, in some way, removed the direct involvement of councils and councillors.

The diminution of decision making by locally elected members needs to halt. For one, we as a representative body cannot understand how more responsibility is not devolved to the executives of our councils to produce a medium-term to long-term plan on housing provision, cost that need and receive the requisite funding. The executive needs to be accountable for the delivery. Instead, the system is centralised at national level .

At present, we need Department approval to refurbish a social unit, never mind build a scheme. The provision of housing needs to be devolved again, with a DAC such as the LDA there to assist local authorities, provide expertise and step in, if needed, when that process is failing in a local authority.

Local authority members vehemently opposed any diminution of our powers under section 56 of the proposed Bill. We will not accept any changes to section 211(2) of the Planning and Development Act 2000 or section 183 of the Local Government Act 2001.

We contend any master plan by the LDA DAC would have to get oversight and approval by the local authority members before being aligned or inserted in any city and county development plan. Power of decision making should remain in the council chambers.

Only in exceptional circumstances, under ministerial direction, should land be acquired from a local authority without the consent of the chamber. LAMA proposes that lands acquired by the LDA DAC, for which they have no further use, be vested by ministerial order in the local authority relevant to where the lands are situated. LAMA would like to see the LDA DAC assist the local authorities in the regeneration of derelict sites. While some of our authorities are progressive in this, others may need assistance.

We urge our national legislators, especially our Senators who may be attending this meeting, to protect the mandate of the local authorities members in setting up this DAC. To do otherwise would be an affront to local democracy in Ireland.

**Senator Mary Fitzpatrick:** I thank Councillors Hoade, Sheahan, Fennelly and Anglim, not just for attending our joint Oireachtas committee but for the work they do every day and week throughout the year representing our local authority members. As a former local authority member, I do not want to boast about it, I believe that fighting a local election is often much harder than any other election because one is contesting before people on one's street and in one's village.

Before we get on to the business of the LDA, the role of local authorities during the pandemic has to be acknowledged, not just the executive functions but all the elected representatives over the course of what has been an incredibly difficult year for our country. I commend LAMA and its members and acknowledge their work. I am also delighted the joint Oireachtas committee has the opportunity to have both the Association of Irish Local Government, AILG, and the Local Authorities Members Association, LAMA, attend, participate in, and contribute to, our pre-legislative scrutiny. We have also invited the County and City Management Association, CCMA, to attend and it will meet us at another meeting.

Coming from a local authority background myself, I understand the frustrations the councillors eloquently expressed on behalf of their members in terms of the way elected representatives' powers have been diminished but also, how their role as a frontrunner in terms of the provision of social and affordable housing falls far short of what it needs to be.

We see a huge opportunity with both the Land Development Agency Bill and, most important, the affordable housing Bill to empower local authorities and AILG and LAMA members to meet the housing need in their communities.

The biggest social housing programme in a decade is under way across the local authorities throughout the country. When we had the CCMA attend the joint Oireachtas committee to discuss the affordable housing Bill, I asked it about what targets it had set for the delivery of affordable housing, because local authorities will have the power to deliver affordable housing to purchase and to rent. The CCMA advised the committee it had not yet set a target for the delivery of affordable housing. That rings alarm bells for us.

As part of our work on the pre-legislative scrutiny of the affordable housing Bill, I proposed that every local authority, within six months of the legislation being passed, would be required to publish three, five and ten year targets for the delivery of affordable housing in their local authority area. The thinking behind that is each local authority would be identifying the affordable housing need is over three, five or ten years, but also, would be clearly signalling its target to the Department and that it will require funding for that. I also suggested the Department would have to approve applications from local authorities within six months.

I would appreciate feedback from both AILG and LAMA on whether they think those two interventions would help local authorities to scale up and start to deliver affordable homes to purchase and rent on their lands.

**Chairman:** I will ask the AILG to comment first and then go to LAMA. Who will respond on behalf of AILG?

**Ms Mary Hoade:** Councillor Colgan will come in.

**Chairman:** Go ahead, Councillor Colgan. I think Councillor Colgan has frozen, so we might move to Councillor Sheahan. Who on behalf of LAMA would like to respond to the question about targets and the six-month response time?

**Mr. John Sheahan:** Perhaps Micheál Anglim, our chairman, might like to respond.

**Chairman:** Go ahead. We seem to be having a few technical difficulties. Councillor Sheahan, could I ask you to unmute, please, and respond to the question from Senator Fitzpatrick? Then I will go to Councillor Colgan.

**Senator Mary Fitzpatrick:** If I may, Ms Colgan's microphone is unmuted now.

**Chairman:** I will go to Councillor Sheahan-----

**Ms Anne Colgan:** Can you hear me now, Chairman?

**Senator Mary Fitzpatrick:** Yes, we can.

**Ms Anne Colgan:** Perfect. I acknowledge the importance to our local authorities of targets for both social and affordable housing. They would be very valuable. It is really good that the

Government has now given an indication that funding will be made available to local authorities for affordable housing as that has not been the case until now. What will make the difference is when we get clarity on the conditions of the scheme and the funding that will be available for it. In my view - and I am sure my colleagues would agree with this - putting together the targets will be very much possible within the kind of timeframe being spoken about because we have undertaken our housing need demand assessment as part of our county development plans and we have the granular detail on housing need. It will all come down to the level of funding available and the provisions we get to support delivery.

**Senator Mary Fitzpatrick:** It is great to hear that. I am not at all surprised that the AILG has all the legwork done and I look forward to our being able to provide local authorities with the funding.

**Chairman:** Councillor Sheahan, do you wish to come back on that as well?

**Mr. John Sheahan:** Yes, if I may. I am coming at this from the point of view that one can set targets, aspirations and objectives, or whatever word one wants to use, all one likes; it is the delivery of action that is the key indicator on which success or otherwise on affordable housing will be judged. The term “affordable housing” alone is somewhat strange when one sees some of the prices at which affordable houses are coming in, so I would not get too hung up on the terms. There is a cohort of people earning salaries from perhaps €35,000 up to even as far as about €70,000 who are totally disenfranchised in our market. As we have said in our presentation, we will not dwell on Members’ ideology as to whether they want all publicly owned lands to have public housing or whether they want the market to produce them through a developer or similar. There is, however, something broken within our market at the moment and it is a matter of supply versus demand. If the supply gets ramped up, the affordability, which is not there at the moment, will come back into the system. I agree with Senator Fitzpatrick about the six-month timeline. You need responses and you need to put in those indicators such that if a proposal is made, a time is set on it and it will be delivered within that time. As we have said in our statement, if delivery does not happen, somebody somewhere is accountable for that. At present, however, with the centralised system, we find as local authority members that we go to our housing strategic policy committees, SPCs, and our main plenary meetings and hear “we will come back to you on that” or “we need to clarify this, that or the other with the Department”, which leaves us in total no man’s land. The impetus should be given back to the local authorities and we should not get hung up too much on what term is used for this. Delivery of numbers is the key.

**Chairman:** I thank Councillor Sheahan. Perhaps I should mention the cost-rental aspect introduced in the Affordable Housing Bill. The LDA, when its representatives were here in session with us, indicated that the delivery of cost-rental would be very high on its agenda. This is another form of housing delivery that provides long-term, affordable, secure rental, especially for that income cohort Mr. Sheahan mentioned.

**Deputy Eoin Ó Broin:** I thank Councillors Sheahan and Hoade for their presentations and written submissions. It is very significant that both LAMA and the AILG have come out with some very strong and reasonable concerns about the legislation. I share many of those concerns and I will happily table all 14 of the amendments. I urge other Senators and Deputies to do likewise. If we had a cross-party approach to this, it would make it all the stronger. Sinn Féin’s strong view is that the LDA should be involved in land assembly and that local authorities should be involved in residential development. If those two things were done in parallel, I think we could start delivering the kinds of numbers of units Mr. Sheahan rightly outlines.

My concern is the arguments the Government is using for the provisions of the Bill that they are concerned about. I would therefore like to give the witnesses the opportunity to respond in a little more detail to some of the Government's rationale. My questions are very straightforward. The Government is claiming that it has to set up the LDA this way because local authorities do not have the capacity or the ability to deliver the number of social and affordable homes needed. I would be interested to hear both organisations' responses to that. The Government is also claiming that the removal of the section 183 land disposal powers is required to speed up residential delivery, something I do not agree with. Again, I would like to hear the witnesses' responses to that. The Bill's definition of affordability is any discount on median price, rent or purchase, which means that in some constituencies in Dublin one could be looking at prices of around €400,000. Do the witnesses have a view on that aspect of the Bill? Then, crucially, there is the power to give the LDA development authority status so it could do strategic development zones. I am thinking in particular about Limerick and the Colbert site. The local authority could be fully excluded from an SDZ process, whereby the LDA would do the draft and the board would approve it and elected members would be relegated simply to third party observers. Do the witnesses have concerns about any of that?

**Chairman:** I invite Councillor Hoade to speak first.

**Ms Mary Hoade:** Councillor Colgan will take that question on behalf of the AILG.

**Chairman:** Go ahead, Councillor Colgan, please.

**Ms Anne Colgan:** Can you hear me?

**Chairman:** Yes, we can hear you, Councillor Colgan. Go ahead, please. I will move on to Councillor Sheahan. Will he indicate who will take those questions on behalf of LAMA?

**Mr. John Sheahan:** The number of houses is the key to getting everything sorted. The question is how to produce the number of houses required. We have a broken system at the moment, we think. That is evidenced when you see developers opting for the ready cash of private investment portfolios rather than being able to go to the market, to the local bank, and to finance their own developments. We are concerned that the LDA might become the other side of that coin in that it would be attracted to the developers just to produce public housing and maybe sit on a parcel of land just waiting until the Government comes rolling in with the cash to provide the housing.

As for section 183, perhaps some of the other Members of the Oireachtas might be able to assist on this, but LAMA has raised that issue directly with the Minister. I think he is considering that the diminution of that would be a last resort, whereby a local authority would not be able to make a case for the lands it has or have a project that would suit the lands lying idle. If that was the situation, we would probably be open to some sort of litigation.

We would like the LDA DAC to be modelled on land publicly owned by the State outside of the local authorities. This is because we are on a crash course straight away with the elected members at local authority level, whereas if we tried it from bureaucrat to bureaucrat we might see what way we are modelling it and how it works. That would be a good pilot to start with.

Deputy Ó Broin mentioned the Colbert Station development in Limerick. We have engaged with the LDA through our own DAC, Limerick 2030. I sit on the board of the latter. It has been an eye-opener to me especially with regulation and procurement and so on. The amount of expertise that we need to get projects rolling is phenomenal. The LDA could be the answer



for Ireland Inc. in that regard.

We have been working well with the LDA to date. I am not in favour of a situation where we can say a strategic development zone could freeze us out of the loop. That would be a detrimental step. There is some tweaking to be done, but we can ratchet it up outside the local authorities. I am not saying the local authority should abdicate responsibility. We will still keep our targets going and so on. However, we should model the new DAC with publicly owned lands other than local authority lands.

**Chairman:** Councillor Colgan is next. There is a minute left on this segment so please be as brief as possible.

**Ms Anne Colgan:** The capacity of local authorities to deliver social housing is beyond question. At the moment, a total of 30,000 units are in the pipeline in over 2,000 schemes. These are waiting to be delivered or at various stages of delivery.

I wish to focus specifically on the question of affordability and the provisions in the Bill relating to it that the Deputy asked about. Affordability is at the core of the Bill. Since affordability is defined in terms of a drop in market price, there is no policy clarity about what it actually means. There is no reason to suppose that a drop in market price would deliver any level of affordability, especially in urban areas. Our view is that this needs to be replaced with something far more robust in terms of the affordability criteria.

Cost rental should be related to the cost of development and delivery. In fact, that is mentioned in the Affordable Housing Bill. We would like to see some alignment between those two tranches of legislation so that cost rental would be related to cost of production in all its elements.

The affordability of housing for sale needs to be worked out in terms of anything other than market price. The LDA does not have to deal in market price. Land is provided for it. Its *raison d'être* is about capacity to borrow at reasonable prices. It has the possibility of efficient and effective large-scale developments. All of those things mean it will be able to deliver housing at significantly less than market prices. If it cannot do that, then it cannot justify its existence. There is no reason that affordable housing for sale should be linked to market prices. We believe that provision in the Bill needs to be reconsidered.

**Senator Mary Seery Kearney:** My thanks to the local government representatives for coming in today. I appreciate that it was reasonably short notice. I very much appreciate that they have come in and I read the submission with great interest. There are some things I wish to give the witnesses the opportunity to elaborate on. I heard Councillor Sheahan say that local authorities have worked well with the LDA. Certainly, the LDA would speak highly of its interactions with the local authorities thus far. I would like some examples or elaboration on that.

Reference was made to the requirement that the LDA have full regard of development plans. That is an essential requirement in the same way that there is an imperative upon An Bord Pleanála to do likewise. However, we see instances with An Bord Pleanála where that does not work out in the way the legislation provided for it. I would like the local authority representatives to elaborate on that and on how they will ensure that is written in.

We have introduced and read in detail the circular on the housing needs demand assessment and how it will feed in to the development plan, housing strategies, core strategies and population projections. One good consequence of this is that the development plan is highly

informed. It is important that the LDA takes cognisance of that. I would like the local authority representatives to elaborate on that. Councillor Hoade suggested in her submission that the local authority should be responsible for setting the appropriate percentage of land for affordable housing. How does she see that working?

**Ms Mary Hoade:** We will take this in two parts. I will take the part of the question about the LDA engaging with local authorities. This is our primary concern. The LDA is not engaging with elected members. The only engagement is with executives. We have a major concern with the whole area around section 183 and the removal of the power of councillors. The LDA is not engaging at any level with the locally elected members. All the engagement is with our executives. We are asking that this will be a partnership and that the agency would work in collaboration with the elected members of local authorities. Ms Colgan will take the second part of the question.

**Ms Anne Colgan:** The matter I would like to take up relates to the percentage of homes and prices. The proposed amendment dealing with section 75 of the Bill provides that the Minister may set a percentage of housing higher or lower than the percentage set out in section 73. The difficulty with this is that it assumes a Minister can make a determination in any part of the country as to what the requirements are in that particular county in terms of social and affordable housing. To us, that seems extraordinary when the local authority, through its housing needs demand assessment, has the detailed and granular knowledge of the requirements and needs of housing in that area. It does not make sense to us that it would be possible at central level to make a determination for the county. As the legislation is framed at the moment, the Minister would make that determination on a site-by-site basis. That is rather strange and difficult to comprehend.

There is another reference in that section of the Bill. It states that the Minister, in making a determination about that percentage, will have regard to what the State requires in terms of percentages of social and affordable housing. The message this sends us is that this provision is being included in order to manage budgets. Since the State will have to take account of its overall expenditure on social and affordable housing, the Minister will be influenced by that consideration in making a decision about what is required on any site. That will bring uncertainty to the process and undermine it. We want this section of the Bill to be amended so that setting the percentage on LDA sites of social and affordable housing or, if there is such provision on any one site, market price housing will be left to local authorities.

**Mr. John Sheahan:** Senator Seery Kearney asked how we would stitch this into county development plans and so on. If we do not, the LDA will run roughshod over all planning frameworks, be it the national planning framework, the national development plan, regional spatial and economic strategy, RSES, plans, master plans and even retail strategies. At local level, we have to take regard - actually, we need to take statutory notice now - of all these documents. If we do not stitch what we are discussing into city and county development plans, we will create a body that can run roughshod over all those policies and have *carte blanche* to do what it wishes.

Ministerial direction was the way to go in the past. The Planning Regulator was set up to take some of that burden off the Minister. However, Ministers should be responsible for policy. If the LDA is set up in the way proposed, it will be given *carte blanche* to do what it wishes in some local authority areas. That is why we want to stitch in this point.

**Chairman:** It is my understanding that, like anyone else, the LDA will be governed by and

have to comply with local area plans, county development plans, regional spatial strategies and national planning frameworks.

I have a question on engagement with members. The AILG and LAMA provide good training days and briefings for councillors. Has the LDA attended any of those? Is it proposed to have more? The LDA would be willing to engage. Engagement between the LDA and elected members would be an important part of this process. Have there been more of those days?

**Ms Mary Hoade:** Not to date. We are anxious to engage but, to date, there has been none.

**Chairman:** Has an invitation been sent to the LDA? This is just an observation. It might be a helpful part of the process.

**Deputy Francis Noel Duffy:** I thank the organisations for attending. I was a member of South Dublin County Council and I know first hand the local knowledge that councillors bring to the table during the decision-making process. I agree with Ms Hoade and Mr. Sheahan on the importance of ensuring that local authorities are central in delivering housing. The programme for Government commits to doing that.

Regarding the percentage of affordable housing, the Green Party supports local authorities in setting out a minimum percentage of owner occupiers in any development. I told the Dáil that the party believes that section 183 is problematic in terms of councillors' reserved functions, that the State should not be complicit in profit model housing, in which respect there has been some talk concerning the LDA, and that the LDA should be building public housing on public land.

My question is on the new housing schemes - cost-rental and affordable purchase - that will be procured by the LDA in conjunction with local authorities and approved housing bodies, AHBs. Both schemes are welcome. They have not been in the public housing mix during the past decade, which was problematic for my council. When we tried to consider different affordable models, all we could work with was social housing or private sales. The cost-rental and affordable purchase schemes will come on stream through a Bill that is linked to the LDA Bill. In addition to social units, they will assist in mitigating the housing crisis and offer alternative housing models for our communities. Do the witnesses feel that these schemes can make a difference if rolled out appropriately and in quantity?

**Chairman:** Did Councillor Hoade indicate she wished to answer?

**Ms Mary Hoade:** Councillor Colgan will answer on behalf of our group.

**Ms Anne Colgan:** Without a doubt, expanding the range of schemes and opportunities that are available for housing will be most welcome. It has been a difficulty, particularly as house prices became unaffordable, that the only option has been social housing or market price housing. To bridge that gap with cost-rental and affordable housing models is an extremely important development, particularly for urban areas, and we welcome it.

The devil will be in the detail. "Affordable" will have to mean genuinely affordable, as will "cost-rental". Provided that the schemes are designed, developed and rolled out in a manner that allows them to be genuinely taken up by those who need them, they will add invaluable to the range of possibilities open to councils and the LDA.

The criteria will be important. As elected council members, we would welcome the oppor-

tunity for engagement with the Department on these schemes. There has not been a track record of elected members getting to engage on housing policy issues directly with the Department. It would be good, as we have something constructive to offer as a stakeholder at the table when policies are being prepared.

**Mr. John Sheahan:** I agree with what Ms Colgan says. Trying to get on the property ladder is the issue. Currently, we have the double whammy of high rents and people being asked to produce records of strong savings even though one negates the other. We welcome any scheme that does what it says on the tin and looks after the cohort of people who are caught between qualifying for social housing and being able to buy on the open market.

**Chairman:** The cost-rental model will cover much of what was just mentioned. If we roll it out well and correctly, it will be a turning point in housing policy.

**Senator Victor Boyhan:** I thank Ms Hoade of the AILG and Mr. Sheahan of LAMA for their comprehensive opening statements. To remind everyone, two items are on our agenda. One is the LDA, but the second is other local government matters, and I want to address those separately.

I have heard from the LDA, LAMA and the AILG of concerns about the management of our land assets. We need a property management structure if we are to produce housing. The key issue, which was touched on by Ms Colgan on a number of occasions, is the aspect of affordability. What is affordability? We must define and fully understand it. My interpretation of affordability is that it pertains to no more than 30% of one's disposable income so we must build that in. The reality is that many people are locked out of housing. That is a real issue. On a personal point, and I have said this many times before, I do not have any ideology or hang-ups on who is building houses. I want houses built - private, public, social or AHB houses - anywhere we can for people who need homes. There is so much lost in the endless debate about the ideology around who is building homes. Clearly they must be affordable homes. We see that Ó Cualann Cohousing Alliance and various AHBs are building now. It is a difference scenario now so it is not comparing like with like but the reality of it is that people perform.

In relation to the AILG, I thank the witnesses for what was a very impressive submission and the setting out of the 14 amendments, which I have no difficulty supporting. Today, I commit that I will pursue every single one of them if this matter comes before Seanad Éireann. There have been suggestions about section 183 and I acknowledge what the witnesses had to say about it. What I hear from people in Fine Gael, Fianna Fáil, others parties and those not in a party is that they believe there is a redline around section 183 and that they are not prepared to go there. They do not want to see a compromise and I agree with them on that. Based on the engagement I have had from councillors from all groups, I am running on that basis until I hear something better. I thank the witnesses for their engagement. I would like to think there will be more engagement with both organisations and our committee.

I want to single out Councillor Gerry Warnock. He recently had press coverage and a statement published in the *Longford Leader*. He also spoke about how the LDA was seen to be usurping the powers and reserve functions of elected members. I share and agree with that sentiment. I want to hear more about the definition of affordability, which has been touched on by both groups. I want to hear from LAMA in relation to a line from its statement that "Only in exceptional circumstances under Ministerial direction should land be acquired from a local authority without the consent of the chamber." Can Mr. Sheahan tease out what is meant by this?

In wrapping up, I cannot let the opportunity to acknowledge the enormous work of the elected members go, in particular those in the community call and the response around Covid. However, more importantly, it is very disappointing that we cannot share with councillors any absolute certainties in relation to recommendations on remuneration and allowances, which support them in doing their work. I continuously receive correspondence, letters and calls from councillors, with or without a party affiliation, who find themselves dipping into their domestic household income to subsidise their important community work. Quite rightly, that is unacceptable. Witnesses from both organisations might share with the committee what their latest understanding is of the Moorhead recommendations. Are there elements which have been shared with them? Have they received any indication from Government on where we stand in relation to what are really important issues about the work they do? I would particularly like to hear from witnesses on those issues.

**Ms Mary Hoade:** I thank Senator Boyhan for his sentiments and support for the amendments to the Bill. The members have been very clear. In engagement with our 949 members around the country, the one issue they have is in relation to section 183. It is very clear to us. I am sure all of the members as elected representatives have received representations from individual councillors regarding their concerns around section 183 and councillors' powers. We want to work with the LDA. Local authorities want to step up to the mark and we can look at what has happened in the past. We as elected members want to stand up to the mark and bring ourselves up to that stall. We want to be involved here. All we ask is that there would be a partnership with the elected members in local authorities and that would lead to a greater collaboration with the LDA. That is all we are asking for.

I acknowledge what Senator Boyhan said in relation to Moorhead. I do not know if we are going to discuss that. I have a number of things I want to say on that issue. I do not know if we are discussing that as a separate item or does the Chairman want me to come in on this now?

**Chairman:** I invite Ms. Hoade to comment on that now because we can address issues outside of the LDA Bill and general local government. It is something which the committee has discussed. Much of the pressure is on local government in terms of funding and staff resources and councillors' pay and conditions. We have discussed many areas so I am happy for Ms Hoade to address any of those issues.

**Ms Mary Hoade:** I acknowledge the comments made by Senator Boyhan and many others. As the president of the AILG, I know we are acutely aware of the situation regarding Moorhead. Our up-to-date version on it at this stage is that we are awaiting Cabinet approval. My understanding is that there is a commitment that it will be delivered within the first anniversary of the programme for Government, which is at the end of June. We are awaiting Cabinet approval in relation to it.

I want to make reference to comments made by Senator Fitzpatrick at the outset, and I thank her for them, about local authority members. Throughout this pandemic, for the last 18 months councillors were very much to the forefront in their local communities. They responded to the community call. We were front-line workers, to a certain extent, in our local communities. That is what we are meant to do. We have a democratically elected mandate by the people and that is what we are expected to do. At this point in time, we hope approval will be given by Cabinet.

Our organisation, I am sure councillor Sheahan will speak for himself and LAMA, has been involved in a non-pay working focus group set up by the Department. We have put much work

into preparing an action plan, which we are about to finalise at this stage, in relation to non-pay support elements. That is vital for councillors when carrying out their duties going forward. As part of the non-pay supports, we discussed the issues of maternity, paternity and adoption leave. That is very much to the forefront at the moment. We are currently working on finalising proposals which will be put forward in relation to the provision of maternity leave for our members. We hope to submit that to the Minister in the coming weeks. It is important that we recognise and look at the role of local government, the issue of getting more female members involved in local government and the retention of our members because there is a drain on that. We find, in many cases, members who contested an election do one term and do not go forward again. We must look at that as well.

We are working very closely with the Minister and the Department. To answer Senator Boyhan's question, I hope we will see a conclusion to this by the first anniversary of the programme for Government.

**Chairman:** We are out of time on that slot. We are running behind schedule because there are so many important issues that need to be covered. If Mr. Sheahan wants to respond to the question on the exceptional circumstances of section 183 in another slot, I ask that he hold off if that is okay. I call on Deputy O'Callaghan.

**Deputy Cian O'Callaghan:** It probably should be Senator Moynihan.

**Chairman:** According to the rotation from the last meeting Senator Moynihan went first and you went second. I try to rotate but I am happy for you to take whichever order you wish.

**Deputy Cian O'Callaghan:** Sorry Chair, I should not be questioning that. I want to be associated with the very positive comments that other members of the committee have made about the role of councillors. There is great appreciation from all of us who have worked as councillors in local authorities for the work all of the organisations' members are doing, in particular in recent times.

I have two questions. There was a reference made to the 30,000 - I think that figure is correct - social homes which are in the pipeline. They are in various approval processes by local authorities. In terms of speeding up delivery, what do the witnesses think needs to be done regarding the approval process or the engagement with the Department to speed up the delivery of social homes by local authorities? What sort of challenges do local authorities face in that regard?

Local authorities play an important role in building up public land banks for social and affordable housing. They do that on a long-term basis. Do the witnesses have any concerns with this Bill and the role of the LDA in acquiring land by local authorities? In the long run, that could act as a disincentive to local authorities in building up their public banks. What are the witnesses' views on that?

**Chairman:** I invite Mr. Sheahan to respond first because he did not get a chance to answer in the last round. Is that okay?

**Mr. John Sheahan:** On the delivery of housing, there seems to be a certain amount of frustration in relation to interactions between our executives and the Department. I have no quick fixes as regards how we can improve that.

On developing a land bank, we have an existing public land bank with local authorities and

as I have already stated, other public bodies have land banks as well. I would like to see modelling done on the other land banks and if that is successful, it should not be a deterrent for local authorities to purchase land banks. If it is not successful, the Deputy's fear might come to pass.

We have discussed the Moorhead report *ad nauseam*. I am not going to say any more about the pay and conditions. The Government will either deliver on that or it will not. It will be one or the other. Ms Hoade touched on paternity leave. My mobile phone is my office. I do not know how I can go on paternity leave and dump that in the bin for six months. I cannot do that. How we are going to achieve that for councillors requires a lot of discussion.

**Chairman:** Would Councillor Hoade like to answer Deputy Cian O'Callaghan's question on the speeding up of the delivery, as well as the land bank question?

**Ms Mary Hoade:** Councillor Colgan is taking that question on behalf of our group.

**Ms Anne Colgan:** There are a number of very evident things that can be done quite quickly. What has slowed this down for a very long time is the very elaborate process. It was an eight-stage process and is now four stages but even that is taking far too long. The procurement process is particularly challenging. Then there is the cap on the amount of funding available to local authorities. A study was done not that long ago on how that process could be sped up but I do not think that was ever put on the table for implementation. There are other straightforward issues, like design, for example. It should be possible to come up with a number of *pro forma* designs for particular types of units, which could easily be applied across the board, a bit like the Department of Education does with schools. It might tailor the design to a particular population of children but it does not move too much beyond that set of designs. Our housing authorities would have to acknowledge that there is a high level of frustration involved in the process at the moment and it is not beyond the bounds of the powers that be to streamline that process and make it much more effective. Local authorities are hamstrung at the moment and sometimes, unfortunately, we have to carry the blame for the slowness of the process because we are at the pointy end of delivery.

**Chairman:** Does Councillor Colgan know whether that €2 million cap has been raised? There was some discussion about that.

**Ms Anne Colgan:** It is now €6 million.

**Chairman:** It has been raised to €6 million. That is what I thought. That change has been enacted.

**Deputy Cian O'Callaghan:** I thank the witnesses for those answers. There are issues around that cap as local authorities do not want to take it on. The Department says they have to take on the full risk and there is no contingency for any spending overruns so a lot of the local authorities are reluctant to utilise it. That aspect needs to be sorted out.

**Senator Rebecca Moynihan:** I thank the contributors for coming in to speak with us. I wish to associate myself with those paying tribute to the huge amount of work councillors do for their local communities on a continuous basis. They do not get half the pay or recognition they deserve.

I am interested in Councillor Colgan's experiences of dealing with the LDA's delivery through both her own local electoral area, LEA, in Dundrum and the Shanganagh cost rental scheme. Was the LDA open to dealing with her as a local authority member? What issues arose

in the course of the planning for those sites? Was the LDA consultative? How did it deal with residents? I am concerned about how the LDA is currently constituted. It is there for the delivery of houses. Some of our largest regeneration projects are within my own area and half of that involves building communities or trying to knit them back together again. We have found ourselves in a number of situations where, in order to build community facilities, community centres and anything that is long term, the local authority felt it had to sell off land to fund them because the funding was not available from the Department. Did anything like that happen when it came to either the Shanganagh or Dundrum sites? I understand that they are different situations but my concern is that if we remove section 183 of the Local Government Act, public land would be disposed of on those terms. At least with section 183 in place, local authority members are able to intervene and negotiate other terms and conditions.

In Councillor Colgan's experience, and based on chatting to other members, how many local authorities are in legacy debt? The Land Development Agency Bill provides that land will be paid for at market rate but an awful lot of local authorities took on developing and pulling together land banks at the time of the boom and consequently have legacy debt. Have there been indications that the Department will address that when it comes to the Land Development Agency Bill?

The issue of affordability is interesting, as this committee will be discussing both the affordable housing Bill and the Land Development Agency Bill. We need to make sure we are not just giving a discount at market rate. In other countries where that has been done, a discount at market rate ended up being completely unaffordable for people and they were priced out. We need to link affordability, whether for cost rental or affordable purchase, to people's income and wages.

**Ms Anne Colgan:** The two examples that have been raised are the Shanganagh development in Dún Laoghaire-Rathdown and the current work on the site of the Central Mental Hospital in Dundrum. Having personally had some involvement in Shanganagh, I can say categorically that it was a very positive engagement with the LDA. That experience offers quite a useful and interesting model as to how the LDA and the council can work together on council land. That land was left fallow for many years until a cross-party group of councillors put forward a proposal for social and cost rental housing on that site, together with some affordable housing for purchase. Our proposal stayed with the Department for a considerable time but did not make any progress and eventually, the Land Development Agency came on the pitch and we engaged with it. There was active engagement directly with the elected members both at party and individual level and there were regular briefings. In effect, it was possible for councillors to set down and influence the proportions of the different types of tenure on that site, in agreement with the LDA. It was only when both parties were satisfied that it was possible to deliver on that project that the question of a disposal of our land to the LDA arose. That was done as part of section 183, with conditions attached to copper-fasten the tenure and so on. We as elected members had several meetings with the LDA. It was most forthcoming and open to the proposals from members and it was ultimately a highly constructive engagement. It is a very worthwhile model for future engagements with the Land Development Agency going forward. I have heard some criticism about the number of engagements there were but those were mostly with the architects developing the master plan with the LDA. They were very positive engagement between our professionals and those of the LDA.

The situation at the Central Mental Hospital site is very different because it is not our land and belongs to another State agency. The LDA is proceeding to prepare its master plan at the



moment. The LDA is engaging in a very significant level of public engagement around that and meeting elected members at their request but there is nothing in the Local Development Agency Bill that makes that a requirement. It is down to goodwill and the building of relationships between the parties; getting to know each other and working together makes that possible. There is nothing in the Bill that requires the LDA to produce a master plan in partnership or have any level of public engagement so there is scope for reviewing and revisiting the Bill in that regard.

The tricky thing for all of us is that the likely development will be handled under the strategic housing development legislation, very possibly, which, as we know, allows for the overriding of the county development plan in deference to building height and density regulations, and so on. The point I would like to make at this point is that the future of the relationship between the LDA and the local authority needs to be one of complementarity and mutual support. That may not be the ethos of the Bill but that may not be the fault of the LDA if the ethos of the Bill is one that says the LDA can take one's land whether one likes it or not or whatever. The Land Development Agency is in a unique position compared with any other developer in that it is the State, effectively, because it is building large developments and neighbourhoods, and sustainable neighbourhoods are the meat and drink of a county development plan. That is what we spend our time doing - to prepare neighbourhoods - so the LDA must work within that context.

**Deputy Emer Higgins:** I thank the representatives of AILG and LAMA for being here today. I thank them for all of the work that went into their submissions and making sure that councillors are kept informed of everything that happens at a national level. I was a member of the South Dublin County Council for a decade so I am well aware of the amount of commitment and hard work that councillors need to do their job to the full extent. The pandemic has made the job of councillors even more difficult this past year and people have been under huge stresses and strains. I just wanted to acknowledge all of that.

I thank everybody for their contributions today and we have had a fruitful discussion. It is great to air the concerns and worries about the Bill as well as what is welcome. The section 183 powers are an issue repeatedly mentioned. I differ slightly from Senator Boyhan who said that no compromise can be accepted. I would love to think that we can find a compromise and common ground that protects the democratic powers of local councillors while making sure that we give the LDA enough teeth to deliver homes, including affordable homes, and I think we are all united in that purpose.

From a reserved function perspective in terms of the disposal of lands, for sites in towns with a population of 30,000 or fewer where councillors know best the terrain, the population area, the needs of the population and the area, it is critical that councillors retain their powers, autonomy and ability to dispose of the land. In towns like Ennis, Naas, Athlone, Wexford, Celbridge and Tralee we need to ensure that councillors have the deciding impact as to what should happen to land in their areas. In bigger urban areas it is probably already acknowledged that housing is quite often going to be the best use of land but that is where I think the Land Development Agency has a role to play. I would like to see that role being played in collaboration with elected members as well as with the chief executive and management. It is up to councillors to determine how best to use land. The way forward is to reach a compromise whereby smaller towns with a population of 30,000 or fewer have the ability to decide autonomously what happens to the land in their area. Also, in collaboration with the LDA, there is the ability to work out how best to serve the higher population areas. I would love to hear the views of the witnesses on these matters.

The witnesses have mentioned that a decision must be made regarding the percentages of

the affordable housing scheme. It is interesting to note that the Minister can only set percentages if it is lower than 50% rather than higher. That makes sense to me and I would welcome hearing the perspectives of the witnesses on the matter.

Councillor Hoade spoke about transparency. I welcome the fact that commercial activities will be subject to freedom of information, FOI, for anything to do with the LDA. It is intended to get to that state eventually but I would like the LDA to be designated a public official, like we all are when it comes to the likes of the lobbying register. I would welcome the views of the witnesses on the matter.

Finally, I thank the witnesses for the huge amount of work that has gone into this matter. I hope that, as the LDA progresses, it can collaborate with the AILG and LAMA. I hope that we will work together efficiently, well and supportively with councillors across the country. That is what we all need to achieve.

**Chairman:** I invite Councillor Sheahan to address the section 183 question because the witnesses were asked earlier for examples of exceptional circumstances or circumstances where they see it working.

**Mr. John Sheahan:** On the 50% issue, we have no issue with it being inserted.

On section 183, one must accept there are exceptional circumstances in life whether they go for you or against. We are an island nation that knows that the “no, no, no” policy does not work. It has not recently worked in local authorities in Dublin where it was probably a catalyst for where we are today. As a very last ditch effort, we should have something in the legislation. If we do not set a budget at the local authority level tomorrow morning life will still go on and someone else will set it for us. We must have something there stating what will happen if people do not get their act together. I have no fear of that because pound for pound councillors up and down the country are the best people one will see to make local decisions, and I have total faith in our members to do that.

**Ms Mary Hoade:** I thank Deputy Higgins for her comments. As I said in my opening statement, the one thing that angered most AILG members was the issue around section 183 and the removal of councillors’ powers. We would be very happy to sit down with this committee to discuss this matter. I very much welcome the words in the statements made by committee members on partnership and collaboration because this is what we are looking for. I do think that there is a role. We would be happy to sit down with the committee to discuss this matter further but we definitely want to see that.

On the comments made about the LDA, I would be happy to see the agency in the same role as everybody else under the lobbying register. The initiative would be good governance and it is important that we recognise that as well.

**Chairman:** The committee would welcome further engagement on the section 183 matter.

**Deputy Thomas Gould:** I thank AILG and LAMA for their submissions and comments. I was a councillor for 12 years so I completely understand where the councillors are coming from. For years, different Ministers have slandered local authorities for not providing housing. They have blamed local authorities for the problems that we have now and the housing crisis. I want to completely state here that that is not true. From my own experience as a councillor on Cork County Council and having spoken to other councillors, the reason we have had a lack of housing is because local authorities were never supported with the funds they needed. I come

from Gurrabraher, where I live now. It was a big social housing development 80 years ago. Knocknaheeny is another one. There are many areas in Cork where we know local authorities can deliver excellent social and affordable housing. I believe the statements made today by the councillors in respect of giving the power and funding to councillors and local authorities so that they can deliver the social, affordable, private and affordable rental housing that is required. I am 100% on board with what the councillors are saying. I was frustrated when I was a councillor and we wanted to drive on projects and build houses but could not get the funding. The councillors might comment on that. Do they believe that if local authorities are given the funding they will be in a position to deliver social and affordable housing? I believe the Land Development Agency has a part to play in getting land and putting it together, but the local authorities are the bodies to deliver social and affordable housing.

I have two other points not related to the Land Development Agency. One relates to the sizable loans that several local authorities have and the amount of money they are paying back every year on interest. These loans should be taken off all local authorities because they are a weight around their necks.

The other issue I have relates to local authorities paying local property tax on social houses. That funding would be better spent in housing maintenance and the provision of other services for local authorities. That is something we need to reverse.

**Chairman:** To whom do you wish to direct the questions, Deputy Gould? Will I bring in the representatives of the Association of Irish Local Government first?

**Deputy Thomas Gould:** Yes, please.

**Ms Mary Hoade:** Councillor Colgan will take that.

**Ms Anne Colgan:** I suppose one of the things that has not been mentioned so far and that will be a positive thing coming from the Land Development Agency is the technical assistance it can offer to councils in the professional and technical areas. That bodes well for the collaborative partnership that could be available down the road and it would probably enable local authorities to be even more proactive in the provision of housing.

We would have to agree with all the sentiments in terms of the barriers that have been in the way of local authorities previously in delivering housing. It is also important to state that as part of the complementary nature of who does what, local authorities have an extensive track record in terms of providing housing for people with disabilities, older people and supported housing. The market is not responding to that need and that need would never be responded to were it not for the local authorities. Those population groups depend for housing in many cases on the local authority to deliver and that needs to be recognised.

**Mr. John Sheahan:** The legacy debt that might be with some publicly owned sites was mentioned earlier. If memory serves me right we had a model when the National Asset Management Agency was set up many years ago. I remember our authority availed of derogation on debt for land that we gave back to NAMA at the time. Something like that might need to be done again.

Deputy Gould referred to the local authority in Cork city. Some local authorities got caught up in those heady days of the Celtic tiger. When they went to Departments money was awash and they were asked about the depth of their ambition and aspiration when it came to buying houses. They all fell into negative equity afterwards. There is an issue but there is no way

out of it really except for the State to pick up the tab. I trust that addresses the points made by Deputy Gould.

**Chairman:** You have 30 seconds, Deputy Gould, if you wish to get in another question.

**Deputy Thomas Gould:** I wish to ask about the local property tax on social housing. Do the witnesses believe that money should be kept within local authorities for services and waived?

**Chairman:** Could we get a brief and direct answer to that?

**Mr. John Sheahan:** The local authority in Limerick was one of the first to raise the local property tax by 10%. We now have it at 15% above the baseline. We did so by ring-fencing the local property tax element for local services, including the likes of housing maintenance and co-funding of other local projects to extrapolate as much money as we could from other funds. We are doing that in the sense of ring-fencing that money from the local property tax.

**Deputy Paul McAuliffe:** My thanks to Councillors Sheahan, Fennelly, Colgan, Hoade and Anglim for being with us today. As my party spokesperson on local government, I value the engagement. I am not speaking on behalf of my colleagues but I believe there is an open invitation to the witnesses to participate in any of the tranches of legislation this committee is dealing with. We are dealing with the electoral reform Bill, which deals with the register. While we have concluded the public sessions on that the witnesses might examine it and decide whether they wish to make a written submission on that. That would be most welcome.

Many of the points made around the Moorhead report are important. My view is that the Moorhead recommendations are a minimum. I have said this for many years. If a councillor is lucky enough to serve for 20 or 30 years, he or she will have been paid less and have worse pension arrangements than the most junior person in the local authority. That is unsustainable. Councillors who commit all their time to the council should be rewarded in a way that is commensurate with other professional and administrative staff in the councils. The Minister knows my views on that.

The Land Development Agency and the Affordable Housing Bill are two sides of the same coin. I respect the rights of the councillors to protect reserve powers. That is important throughout the country. I do not believe it will be a major issue but that does not mean we should forgo the principle and I support the councillors on that point. I will continue to engage with the Minister on the matter. Many of my Fianna Fáil parliamentary colleagues have done so as well.

The real question is that we will not be fighting over a small number of projects. There will be enough work for councils and the Land Development Agency to deliver housing. Between the funding and the new housing Bill there will be a great deal of work ahead. They are the questions I wanted to put to the councillors present.

The new Bill essentially defines a price of €450,000 in Dublin as unaffordable. It provides the new long-term rental scheme for those not eligible for social housing and provides below-cost housing for those who wish to purchase. The term “public housing” is somewhat misunderstood and it includes owner-occupier housing. Certainly, that is my assessment of it.

Do the councillors believe that the officials have the ambition to match the councillors? My experience is that the blockage is not at the level of councillors but at the level of officials. Part 8 housing applications come before councillors. Does the number of Part 8 applications that

come before each of the councils fall below five? In my experience the number coming before us each year was below five. That will not be good enough if we want to deliver affordable and social housing. I hope we will have all the tools in the coming weeks. The Minister says we will have the funding in June. The question is whether the officials will have the ambition to deliver and put Part 8 applications before each of the councils.

**Ms Mary Hoade:** I will answer the first part of the question and Councillor Colgan will answer the question on housing. I thank Deputy McAuliffe for his comments. Certainly, we would be happy to engage with him in future. It is a great opportunity to engage with the committee and we would be delighted to do so on any issue. On electoral reform, our association has had an initial meeting with Minister of State, Deputy Malcolm Noonan. We are also discussing this whole area and would love an opportunity to discuss directly elected mayors with the Deputy.

Regarding the Bill, I totally hear what the Deputy is saying. To go back to the lines a number of others used, it is about partnership, working collaboratively and working together on it. Our track record has not been great in the past. We all acknowledge that and the fact that there is an issue, but it is about all of us stepping up to the mark. The Deputy is right in his questions on whether we are above or below five on Part 8. I can tell him that, unfortunately, we are below five. I will hand over to Councillor Colgan who will answer the other part of the question.

**Ms Anne Colgan:** I refer to the data we talked about a little earlier, which showed there are just under 30,000 units of social housing across 2,000 schemes in the pipeline at the moment. All are Part A projects so the ambition is there. The barriers have been elsewhere, but local authority officials, housing departments and planners are very much up for the challenge of providing social housing of quality. In our case, very high-quality units in Dún Laoghaire-Rathdown have won international prizes for the quality of the homes that have been built and offered. The willingness is definitely there. We have to remove any unnecessary administrative impediments from the system that get in the way of delivery.

**Mr. John Sheahan:** As councillors we have an obligation to drive our executives to produce the part sizes as well, so I would not lay it all at the executive door. We will certainly engage with the electoral reform Bill as well. It is down to each and every one of us. As Senator Boyhan said, wherever they come from, let us get these houses done.

**Chairman:** I will give Senator Boyhan an opportunity to respond because he is taking the second Independent slot.

**Senator Victor Boyhan:** I hear what Councillor Sheahan is saying and I agree with it. I will direct a question to Councillor Colgan. I particularly welcome her because I worked closely with her in Dún Laoghaire-Rathdown. She is a very impressive individual on the issues around housing and planning, as can be seen today. Can Councillor Colgan share her experience with the committee? She touched earlier on the fact that Dún Laoghaire-Rathdown is unique in having had two major interactions with the LDA in recent times. One was Shanganagh Castle, a very substantial block of land that was primarily suitable for housing and was zoned as such. Councillor Colgan talked about constant engagement with the LDA, which I am delighted to hear about. I know many of the 40 councillors there and they tell me that is their shared experience. Councillor Colgan made a very important statement. We can learn from that and I am very pleased to know that Dún Laoghaire-Rathdown ultimately reached an agreement with the Land Development Agency there.

The key word here is conditionality. One of the great things about the section 183 disposal for local authorities, a power vested exclusively and solely in elected members of the council, is that it gives power to bring in and attach conditions. That determines outcomes. Councillor Mary Howe, the president of the AILG, has been very strong on this particular issue. Can Councillor Colgan share with us the type of engagement and tensions that arose in bringing conditions to disposal? Ultimately, those conditions were accepted by both parties. This is possibly the way out of all this, that there can be an agreement. That is one issue.

I would also like to hear more about the engagement elected members had with the LDA where State land rather than local authority property was involved, particularly in the Dundrum local electoral area, LEA, which is also in Dún Laoghaire-Rathdown. How did the LDA engage with elected councillors in that area? That ongoing engagement and participation is important. I am aware, to a certain extent, of the LDA's engagement with the community. When I looked at its website and saw its engagement with the community, I was very impressed. I do not live in Dundrum, but having looked at the LDA website I see very proactive engagement by it in that area.

These are two different sets of circumstances, but the experience of elected members and whether they felt involved is key. More important is the great emphasis on conditionality that can be attached by an elected member to a section 183 disposal, which was very powerful and an instrument that should be retained as an exclusive reserve function of elected members.

**Ms Anne Colgan:** To go back to the Shanganagh experience the Senator asked about, what was in the background in all those discussions and negotiations was the fact that we had the power of disposal. It meant that if the Land Development Agency was to proceed on that site it could only do so with the agreement and authorisation of councillors. What was unique about that site was that tenure mix was key. We wanted at least a third of the 600 units on that site to be for social housing. Some 200 social units and approximately 350 cost-rental properties are going on that site together with a smaller number of 50 affordable homes to buy.

Our focus was on tenure, but also on the site's community gain in terms of community facilities and so on. It was very much around agreeing the mix. That was the purpose of the engagement as was agreeing the design, layout and so on of the site. It is almost as if councillors were part of the master-planning process in a very proactive way. Ultimately, the conditions made possible by section 183 allowed us to copperfasten the findings of the master plan on tenure so they could not be reversed. Nothing could happen, post the disposal, that would undermine the tenure mix we had already agreed. We also built in a conditionality that should the development not go ahead in a timely fashion the land would revert to the council, which is one issue we are interested in as one of our proposed amendments to this Bill.

As I said, the Central Mental Hospital is a very different situation because of the fact that it is not on council land. We do not have section 183 available to us so our engagement is on the basis of the willingness of the Land Development Agency to engage. We, as councillors, particularly as ward councillors, have fairly routinely sought the opportunity to put our points of view on what we think should be on that site to the Land Development Agency. However, we do not have the influence on that site that we had on Shanganagh because we do not have the section 183 power available to us. As the Senator said, there is significant public engagement. If one looks at the LDA website there is a lot pushback from the community. It is very important to ensure there is public engagement and not have resistance to any aspect of the proposals. I made the point that there is no mechanism that guarantees members' engagement in the context of this Bill.

**Chairman:** I will move on. There are 21 minutes left and three members who wish to come in so they will have seven minutes each. We can get everybody in at that stage. When the LDA Bill was going through pre-legislative scrutiny, are the witnesses aware whether AILG or LAMA attended any of those meetings?

**Ms Mary Hoade:** No, we did not anyway.

**Mr. John Sheahan:** We did not either.

**Chairman:** Just following on from what Senator Boyhan-----

**Ms Mary Hoade:** My understanding was that there was no pre-legislative scrutiny on this bit. Was there?

**Chairman:** Did any of the associations present today attend discussions on the original LDA Bill? As Senator Boyhan and Deputy McAuliffe have said, we would be delighted to engage further with the AILG, LAMA and the CCMA on any of the legislation going through here. I think it was probably an omission on behalf of the previous committee not to have those associations attend for the pre-legislative scrutiny of the LDA Bill.

**Ms Mary Hoade:** Is the Chairman talking about 2018?

**Chairman:** Yes.

**Ms Mary Hoade:** My understanding is that we did not. Any future engagement would certainly be very welcome and we would love the opportunity to participate and work with the committee.

**Chairman:** The committee has had the opportunity to meet the LDA and tease out some of its plans. My understanding from those meetings is that its main purpose is not to purchase local authority land. Its main purpose is to assist local authorities in developing these lands, helping with the design, all that planning aspect as well as the financial aspect.

I understand the concern about section 183. I have concerns about it myself. I have met the Green Party councillors group to discuss the matter. It is not the LDA's purpose to set out and purchase local authority land. The local authority land will remain local authority land and it would assist in the development of it. We have had the opportunity to engage with the representatives of the LDA and tease that out with them. I understand the witnesses present have not had that opportunity.

**Senator John Cummins:** I welcome Councillors Sheahan, Hoade, Fennelly, Anglim and Colgan to the meeting. I have been listening to their contributions intently over the past hour or so. The key words in this are partnership and collaboration. They will certainly receive that from this committee. We are more than happy to engage. Several pieces of legislation have been referenced, including the electoral reform Bill, legislation to provide for the directly elected mayor for Limerick, this LDA Bill and the Affordable Housing Bill, which intertwine with one another. There will be many other issues. We are more than happy to engage with the witnesses on them.

I come from a local authority background. I served for 11 years on Waterford City and County Council. I know the issues there. I also know how seriously local authority members take their role. While the media and others may try to denigrate the role of local authority members, members of this committee understand the value local government brings. Events of

the past 12 months in particular have shown the importance of being able to respond to matters on the ground locally.

I have three questions, some of which cross over with the Affordable Housing Bill and the LDA Bill, because as Deputy McAuliffe said, they are two sides of the same coin. Will the witnesses agree there should be a rolling open call for the serviced sites fund for the delivery of affordable purchased homes on local authority-owned land? That is one of the recommendations from the committee. Should local authorities be able to submit proposals as they become available at a local level rather than it just going out call by call?

How would the witnesses feel if section 66 relating to section 183 were just limited to high-population centres? How would they feel if it were only used as a last resort where local authorities were not using a parcel of land for an agreed purpose? Regarding the building of affordable homes on local authority land, what is their opinion on the 30% latitude to be given to local authorities under the general scheme for priority cases under the scheme, allowing local authorities to decide to prioritise those sections as a result of marital breakdown or families losing their home? Do they agree with that 30% latitude, with 70% being done under the general parameters, or do they feel it should be amended?

**Chairman:** I invite Councillor Sheahan to respond first because I skipped him on the last round.

**Mr. John Sheahan:** We should set aside the rolling open calls because people's circumstances change and land availability changes. That would make sense. Irrespective of whether it is in an area of high population, I would still call it last chance saloon to do it anything other than adhering to section 183 for disposal of the land. Putting a population limit on it becomes the thin end of the wedge. That figure could increase or decrease by ministerial direction at some stage, which the local authorities would not have the ability to stop.

I would need to come back to the Senator on the 30% issue. We have not gone into that in detail yet.

**Ms Mary Hoade:** I agree with Senator Cummins on the role of the elected members and I thank him for his comments. As I said at the outset, we are happy to engage with the committee. I agree with what he said on the affordable housing roll-out. It would give much more flexibility if we were to agree to that. Section 183 was the one issue that angered most of our members. We were mandated to come here and seek the removal of section 183. As I said at the outset, we would be happy to engage further with the committee and to have further discussions on this. Ms Colgan will answer the question on the 30%.

**Ms Anne Colgan:** It would be most welcome to have a rolling fund because at the moment that fund is competitive. Local authorities are competing against each other and other sites that may have equal validity. Having a rolling fund that responds to the deficits in infrastructure would be really valuable.

Regarding high-population centres and section 183, the devil is in the detail. I am not sure if the population of the centre makes a difference for the application of section 183. The issue here is the councillors have a measure of control over the disposal of the land and what happens on that land. That is as important on big pieces of land as it is on small pieces. It is also connected with the other provision in the Bill which provides that if a local authority wishes to sell a site, it must offer it first to the Land Development Agency. Those two provide a pincer move-



ment around the council relating to its own land. It would rarely want to sell unless for a particular purpose in its development plan. That is why there is a problem with undermining that.

Like my colleague Councillor Sheahan, I do not have sufficient familiarity with the latitude regarding affordable houses.

**Senator John Cummins:** The point that was made about section 75 and local authorities being best placed and having the granular details of the housing needs and plans for a given area is a very valid one and we will take that up with the Minister. I thank the Association of Irish Local Government and its members. We all look forward to all of the matters raised, including pay and non-pay elements, being addressed.

**Deputy Joe Flaherty:** I thank both the AILG and the LAMA for coming before us today and for their fantastic submissions. Both were very insightful and provide a great perspective on the challenges we face. I agree with everybody that we need a collaborative approach. Many ideas have been mentioned and many suggestions made. The witnesses have highlighted many fears and concerns and we need to take those on board. I am from County Longford, where the only houses built over the last ten years have been social housing. We have seen no commercial housebuilding and that is all down to good county councillors and a very strong local authority management team. They have collectively driven that activity. Year after year, they have excelled and have exceeded the targets they have been given by the Department of Housing, Local Government and Heritage. Particularly when one hears of the 30,000 social housing units across 2,000 projects, one cannot overstate the scale of the work under way across our local authority network.

I have just one query. I am not sure which representative could answer it. I would hope it will be one from a more rural area. The query relates to the caps included in the affordable housing Bill, particularly the cap of €225,000 which applies in smaller more rural counties. There has not been a three-bedroom semi-detached house built in Longford in the last 11 years. Such houses are the cornerstone of the affordable housing market. We see this as an opportunity to finally kick-start a viable housebuilding market in Longford again. What feedback have the associations had from their members and from local authority management with regard to the specific cap that applies in those rural counties?

**Mr. John Sheahan:** I, too, come from a rural area. The question of whether the cap of €225,000 will work is up for debate. As the Deputy has said, Longford has not seen much private development. Nor has rural Limerick, where I come from. In my area it is not an issue of affordability, as such. We are lucky enough in that there is a lot of employment down my way. I am told that the biggest problem at the moment is that the market in rural areas does not give developers an edge when evaluating sites on which to build. The other big issue, on which we have not touched today, is the shortage of skills and labour needed to build all these houses, even if we could get going tomorrow morning. I am not sure if that answers the Deputy's question. We do not seem to have a problem with that cap in my rural area.

**Chairman:** I call on Senator Fitzpatrick. We only have two or three minutes left.

**Senator Mary Fitzpatrick:** Does the Chairman not want to let the AILG respond to that question as well?

**Chairman:** We have two or three minutes left. If the AILG wishes to respond, it may.

**Ms Mary Hoade:** I am happy to concur with what Councillor Sheahan has said so the Sena-

tor should go ahead.

**Senator Mary Fitzpatrick:** Great. I just did not want to cut the AILG out. I thank Councillors Hoade, Colgan, Sheahan, Fennelly and Anglim. It has been invaluable to have the AILG and LAMA before the committee. It was long overdue. The two Bills are very important. Local authorities were initially established essentially to be housing authorities. The biggest social housing project in a decade is under way and it is being driven by the associations and their members. It will deliver more than 30,000 social homes across the 2,000 developments that Councillor Colgan has mentioned. It is of great importance and, as the councillor so succinctly put it, local authorities have been the housing authorities to respond to those who have the greatest housing need, who have been most vulnerable and who have been locked out of our housing market to the greatest extent. The local authorities have played an invaluable role in this regard and that role will continue.

With regard to these two Bills specifically, the committee will need to engage with the two organisations on matters relating to section 183 of the Local Government Act 2001 and on other issues relating to the Bills. We will take these issues up with the CCMA, the Minister and the Department. The witnesses have our firm commitment on that.

With regard to the Moorhead report, we are all working to ensure that the Government fulfils its promise to deliver on the report within its first year in office. We absolutely concur with the associations; it is not just about the financial side of things. None of the witnesses is in this for financial gain. We know that. We all know this business. It is not what motivates local authority members. All of the other supports, the non-financial supports, must also be delivered. I know I speak on behalf of the committee when I say that we are all working to ensure that these supports will be delivered.

**Chairman:** I will give Councillors Hoade and Sheahan a minute or so to wrap up. We are just out of time. Do they wish to make a final comment?

**Ms Mary Hoade:** I again thank the cathaoirleach and the committee for the opportunity to engage. We very much welcome the invitation to engage further. We are very happy to work with the committee to prepare a submission on any issues relating to local government or other areas under the committee's remit. We look forward to engaging with it. We are happy to make submissions and to talk to the committee. I thank the committee again for the opportunity to engage today.

**Mr. John Sheahan:** I again thank the Chair for inviting us to speak today. It was a very worthwhile meeting. I hope the committee has benefited from listening to the members' associations. I have attended meetings like this before. I do not know whether it is because today's meeting was online but when I have attended meetings in Leinster House people pop in and out every five minutes while everybody seems to have stayed online to listen to what we had to say today. We thank members for that.

A few questions were asked on which Councillors Hoade, Colgan, Anglim and I could, perhaps, have done a little more preparatory work. Perhaps in future the questions and issues the committee wishes to raise with us could be sent to us in advance. We made our submission but perhaps it could be a two-way street and a guideline as to the questions the committee might ask could be provided. That would enable us to engage more fully in our responses. I thank the Chair again.

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**Chairman:** I thank Councillors Malone, Anglim, Sheahan, Colgan, Fennelly and Hoade for their attendance today. This committee deals with housing, local government, planning and heritage, which are all key areas in which local government delivers. We previously had the CCMA and the approved housing bodies before the committee with regard to the affordable housing Bill. We would welcome further engagement with both associations the witnesses represent. They are very welcome to stay in contact with us. From my time in local government, I know that it is when councillors are working well together and working well with the executive that the best projects are produced. That is when the best outcomes are achieved. I understand the concerns councillors have with regard to section 183 because it reads like they are to be excluded from the process. I understand and have listened to those concerns. Engagement between the organisations and the Land Development Agency would be beneficial and would allow those areas to be teased out and councillors' concerns to be discussed. I thank the witnesses for their time this morning. It has been very helpful for us.

The joint committee adjourned at 2.29 p.m. until 12.30 p.m. on Tuesday, 18 May 2021.