

DÁIL ÉIREANN

AN COMHCHOISTE UM THITHÍOCHT, PLEANÁIL, POBAL AGUS RIALTAS ÁITIÚIL

JOINT COMMITTEE ON HOUSING, PLANNING, COMMUNITY AND LOCAL GOVERNMENT

Déardaoin, 30 Márta 2017

Thursday, 30 March 2017

The Joint Committee met at 2 p.m.

MEMBERS PRESENT:

Deputy Pat Casey,	Senator Victor Boyhan,
Deputy Ruth Coppinger,	Senator Jennifer Murnane O'Connor.
Deputy Mattie McGrath,	
Deputy Eoin Ó Broin,	

In attendance: Deputy Dessie Ellis.

DEPUTY MARIA BAILEY IN THE CHAIR.

Business of Joint Committee

Chairman: At the request of the broadcasting and recording services, members are requested to ensure that for the duration of the meeting their mobile phones are turned off completely or, depending on their device, switched to airplane-safe or flight mode as they interfere with the broadcasting of proceedings. It is not sufficient for members to leave them in silent mode as that would maintain a level of interference with the broadcasting system.

Apologies have been received from Deputies Fergus O'Dowd and Barry Cowen and Senator Grace O'Sullivan.

With the agreement of members, I propose that we will go into private session to deal first with housekeeping matters. Is that agreed? Agreed.

The joint committee went into private session at 2.10 p.m. and resumed in public session at 2.25 p.m.

Quarterly Progress Report Strategy for Rented Sector: Department of Housing, Planning, Community and Local Government (Resumed)

Chairman: I welcome officials from the Department of Housing, Planning, Community and Local Government back before the committee to continue on from our previous meeting and to discuss Pillars 1, 2 and 3 of the Action Plan for Housing and Homelessness. I welcome Pádraig Grant back to the committee. He and his wife, Maeve, had their first child, Corah, less than a month ago. I wish him all the best and a lot of sleep. If anybody spots him nodding off, he or she might just give us a shout. We send our warmest congratulations and best wishes to his family.

I welcome Mr. John McCarthy, Secretary General of the Department of Housing, Planning, Community and Local Government, to today's meeting. I also welcome Mr. Barry Quinlan, Mr. David Walsh, Ms Nina Murray, Ms Bairbre Nic Aongusa and Ms Mary Hurley. We will proceed straight to questions. I call Senator Boyhan.

Senator Victor Boyhan: We are dealing with Pillar 3 and I wish to comment on 3.1 which relates to the local infrastructure housing activation fund, LIHAF, and then I will ask three questions about 3.6, 3.8 and 3.9. I do not wish to miss the opportunity to say well done to all involved in LIHAF, which was very impressive. We had a discussion about these three pillars in the Seanad with the Minister responding. Now we are having a discussion with the officials and I am very interested to see whether there are nuances or differences between the responses. We were told the LIHAF might be available at the end of the month, but it made for very interesting reading. If one looks at the document, Rebuilding Ireland, it is about having a focus. We must not lose sight of the fact there is an ambition to build a substantial number of new homes, 47,000 new units, up to 2021. When one reads the document concerning LIHAF, one realises it is talking about the expectation for the longer term way beyond 2021. If one reads anything in the media about it, they have identified places beyond that period. It is good and positive news. One could get into a debate about where it will all end and who, ultimately, will be living in those homes. That is another day's work, but in terms of delivery, Rebuilding Ireland is on track and I acknowledge that.

In the description of action No. 3.6 it is stated: “We will legislate to enable larger housing development applications (100+ units) to be made directly to An Bord Pleanála.” The officials are aware of it and the fast-tracking process so I will not go on at length about it. That was one of the key reasons the Minister gave for wanting to get the legislation through, and not one application has been or can be made under the scheme. It is not likely to happen for some months. That must be a disappointment for the Minister and for everyone involved because having a fast-track approach was a key plank of Rebuilding Ireland. During the debate, we were also assured that we would have a fine-tuned An Bord Pleanála, that e-planning would be on stream and that we would have regard to An Bord Pleanála’s report. An Bord Pleanála had an internal report compiled. There were many recommendations made in that regard. These matters are not progressing as fast as everyone would like. I understand that there are processes and that things slow down but I really would like some sort of comment on this matter because it is really important.

Action No. 3.8 states, “We will develop and publish an Implementation Plan.” I have already covered that and the key recommendations of the plan in respect of An Bord Pleanála. Will Mr. McCarthy comment on that and on where matters stand in respect of it?

Just to wrap up, action No. 3.9 states, “We will support the development of on-line planning services” with An Bord Pleanála. Again, this hinges on fast-tracking, which was the most important thing on the Minister’s mind at that time, besides the homeless and the emergency responses required. We are glad to see that measures in that regard have begun to be rolled out and that people are getting housing. What is the timeframe involved in light of all the setbacks and given what Mr. McCarthy now knows? How is it all going to happen and when is it all going to happen? I am speaking specifically about the fast-track housing scheme.

Deputy Eoin Ó Broin: I am also keen to get an update on the implementation of fast-track planning. That would be useful. I would like to raise three other issues. Obviously, one of the actions under this pillar is the report into the overall cost of private housing construction - not just construction but the all-in costs. Can we get an update on the progress of that work? Could we also have an indication of whether it is the intention, when the report comes, for it to come with policy recommendations, which will then be considered by the Department and Government? Any information Mr. McCarthy has on that would be very useful.

On the local infrastructure housing activation fund - to avoid acronyms because I got into trouble the last time - there are two concerns which many of us have expressed from the start, although, again, I think the scheme is a good idea in principle. The first issue is, notwithstanding the general comments about affordability in the launch documentation from earlier this week, there is no clear obligation on the private developer who will benefit from this infrastructure investment to provide homes in a certain price range. If I am wrong, I would like to be corrected but certainly, looking at a number of the LIHAF projects in Dublin, including the two in my constituency, there is no way of knowing at this stage what the price range of the properties would be at the Grange or at the Clonburris SDZ, for example. The same point could be made in respect of the Hines site in Cherrywood. The first concern is, while the infrastructure fund is a good idea, it is only a good idea if it not only produces a return in terms of housing units, but if those housing units are affordable. I would like to hear Mr. McCarthy’s response to that.

My other big criticism of the scheme is that it is a very small amount of money over the three or four years. That has been proven by the scale of the applications. I think the amount involved is €800 million. Does Mr. McCarthy know if it is the intention of the Minister to review whether there will be a second round? How many of the projects that were not successful

would have been successful on the criteria if there had been a larger fund? How many of them would just not have been successful? I am not asking Mr. McCarthy to name the projects but to give us a sense of what is involved.

Finally, there is the thorny issue of house completion figures, to which we will continue to return. I am still really concerned that the methodology for calculating the figures, including the figure of 15,000 for last year, is wholly inadequate. I know that Mr. McCarthy has received freedom of information requests and all sorts of other things from a number of external experts, but I am specifically keen to discover if the Department knows how many estate homes were completed and registered with the building control management system database in 2016. That is what we are really trying to find out. If we had that figure, we would be able to compare it to the number of ESB connections to see what we are actually looking at in terms of completions. How many estate homes were completed and registered on the database in 2016?

Deputy Pat Casey: Basically, the main point, which has already been mentioned, is in respect of when the fast-track planning process will be implemented. I think we are all anxious to know that. From my knowledge, specifically in respect of Wicklow, there is evidence that some developers would still prefer to go through the normal planning process but that will not be available to them once this comes into play. Have the fees in respect of fast-track planning, and the percentage *vis-à-vis* the local authorities versus the board, been agreed or sorted out?

Deputy Dessie Ellis: I want to ask about compulsory purchase orders, CPOs, with the local authorities. I know some local authorities are starting to use CPOs, but there is no sign that is coming on board in Dublin City Council. There was a prediction that we might get a certain amount of units as a result of that. Has there been pressure or talks between the Department and the local authorities?

I also want to ask about public private partnerships, PPPs. I know there is some consultation in Dublin City Council in regard to PPPs. I see a lot of problems with these. We have had difficulties with them in the past. We have never enjoyed great success with them. Have things been progressing in terms of talking to Dublin City Council about the process? What does Mr. McCarthy expect the council to deliver, and when?

Senator Jennifer Murnane O'Connor: I would just like to ask for clarification on a particular issue. On 9 March, Mr. McCarthy spoke to this committee on Pillar 3, regarding active land management planning reforms. I am aware that every local authority has been written to about their landbanks. My biggest issue is that I have gone through this with local authorities and we have, through the Department, developed a spatial strategy, which is based on our population. We have de-zoned. We have constantly been de-zoning land in recent years. We are now in a time of need and crisis and there is so much de-zoned land. I asked the Minister about this and he was not aware of it. I have gone through it with the local authorities. We were told by the Department to pick a particular area, to start from inside that area and de-zone what was outside it, which we did. We started with the population inside and then we de-zoned anything outside the boundary. What is the Department actually going to do about these de-zoned lands? Some of the land in question belongs to local authorities, some to builders or farmers. What will the Department do about this? As previous speakers have said, it is crucial. I know that the Department has written to the different local authorities seeking information. What is the plan going forward in this regard?

Chairman: I have one question following on from that. I am probably being parochial now, but I know that in Dún Laoghaire we have enough land zoned for residential development for

33,000 units, including land that is partially serviced, fully serviced or not serviced at all. The land is predominantly serviced, enough for 18,000 units. We were told, in the context of the previous development plan, that was enough and that there was no requirement to rezone any further land. We were also informed that there was enough land zoned residential nationally and that there was not a requirement in that regard either. Will Mr. McCarthy clarify the position for the committee? That would be great.

Mr. John McCarthy: I thank the Chairman, Deputies and Senators. I will take some of these questions and I might ask Mr. Walsh to come in on some elements of LIHAF and on the fast-track planning process. In terms of the fast-track planning process, when I was last here, we had some discussion on this. There were a number of things that needed to be done and there are a few bits that still need to be done in terms of regulations and other issues. The final, critical piece in that was the completion of the work being done by An Bord Pleanála. There is an eight-week period that kicks on from that. That work has been done, so the intention at this stage is that process will kick off in the second week of May. Mr. Walsh might comment on some of the issues relating to fees in a moment.

In terms of the e-planning action to which Senator Boyhan referred, this is tied in to the other planning Bill before the Dáil, rather than the legislation that was dealt with before Christmas. The one that was dealt with before Christmas sort of bumped the other one back. It is a matter of legislation and getting time to move that Bill through, but I think Committee Stage is to be taken before Easter, I believe on 12 April. The intention is to try to have that legislation through the Houses by the summer so that we will be in a position to still deliver e-planning in accordance with the timeline we had envisaged. We are trying to ensure the delay in the legislation does not give rise to a delay in the timeline for implementation of e-planning, which was going to be in quarter 3 or quarter 4 anyway. We are continuing to work on that and I know An Bord Pleanála is very active in the space and is aiming for quarter 3 for its online capacity.

On the costs issue raised by Deputy Ó Broin, two pieces of work are running in parallel and are designed to be completed by the end of quarter 2. One is being led by the Department and involves a range of stakeholders. It is looking at the range of the key component costs of housing construction, all the way from land through to different planning standards and design standards, the impact levies can have and, crucially, the whole issue of the cost of financing. We are trying to look at it in as rounded a way as possible because there can sometimes be an element in the debate on the cost of construction whereby different parties will say, "It is not us; it is that other element", and it tends to bounce around the place. This is an effort to try to look at all of the key elements so we can come to conclusions. We want to look at it in different contexts because the costs and the other elements can be different in city centre contexts, where there is more apartment-type development as opposed to more traditional duplex-type housing arrangements in suburban areas. It will look at those two different contexts as well. The second piece of work is being led by the Housing Agency, which is looking at the Irish cost position versus the position in some other countries, so we have some sort of international benchmark with which to compare.

The intention is that both pieces of work will be concluded by the end of quarter 2. Our intention after that is to take the lessons and issues coming out of that work and to move them into the policy consideration space very quickly so we can come to conclusions. It is important to say we are not starting from point zero. Some of the initiatives that have been taken, including the local infrastructure housing activation fund, LIHAF, scheme, are designed to take out some of the cost elements that would otherwise arise and have to be ultimately factored in to house

prices - for example, the apartment guidelines that have been introduced will certainly have a positive impact on cost without impacting on quality. There is a lot of work in train that will have an impact but, as I said, the purpose is to look at this in as rounded a way as we possibly can in quarter 2 and we will certainly be aiming to act very quickly on whatever emerges from those two related pieces of work.

With regard to the house completion figures, as we said in our monthly reports, which put out a range of housing-related statistics, house completion statistics for the past 40 years or more have been based on ESB connections. While that is a long-standing proxy we have used, it is not the only indicator of activity we rely on. The building control management system, BCMS, is now very helpful in terms of giving us commencement data. It is not so helpful at this stage in terms of giving us completion data by virtue of how notices can be filed and how they can relate to different developments, but we are examining whether we can develop it further in order to provide additional data. As I said, we have used ESB connections as a proxy for completions for 40 years and we have good commencement data coming from the BCMS system. We also have planning permission data compiled by the CSO and, moving one stage further back in the pipeline, there is the whole land issue, on which we have some data. We have not presented that data well at times, so over the next three months we will be going through three or four layers of mapped data that will help to put a better sense on the process, and this will be publicly available on a web browser. Therefore, we have a range of indicators.

There has been a lot of talk around completions, including some units that might have started perhaps five years ago but have been stalled because of the economic situation. We have been publishing data on that as well. We have done an annual survey every year for the last six years on unfinished housing developments to track how such unfinished housing developments have been progressively becoming more completed. Similarly, that sort of data will be reflected in the completions. When we started putting out the new monthly reports, one of the critical points we included was that we wanted to hear from people who have views in regard to our statistics, for example, if they have issues or if they think there is a way in which we could present the statistics better. We certainly want to hear from people and we have had engagement with a range of parties, including some of the commentators who have been critical in regard to the statistics. That is a process we are committed to continuing because, at the end of the day, data and information are crucial for getting us to where we want to be in terms of ensuring we have the right policies and are drawing the right conclusions.

I will ask Mr. David Walsh to come in shortly to address some of the questions on LIHAF and the fast-track planning process. Deputy Ellis raised issues in regard to CPOs. The use of CPOs varies between different local authorities. For example, Louth County Council has used CPOs quite effectively in compulsorily acquiring not quite, but maybe not far off, derelict properties that are the precursor to our buy-and-renew scheme. Very often, the CPO process can be effective from a legal point of view in regularising messy issues around title. In terms of housing acquisitions, to the extent we have had them and to the extent they are programmed into activity over the next while, I am not hearing from local authorities that they need to resort to CPOs to underpin that level of acquisition activity. In the same way we have given funding to Louth County Council for acquisitions it has made through CPOs, we are not hugely hung up on whether a local authority uses a CPO or just enters into a normal transaction. If it is an acquisition and it makes sense, we will provide the funding for it.

In terms of public-private partnerships, some 1,500 units will be delivered by 2021 under the public-private partnership programme. In order to be able to progress it in chunks, we have

split that 1,500 into three different bundles. The Deputy will be familiar with bundle 1, which Dublin City Council is leading on behalf of the relevant local authorities, and for which the National Development Finance Agency is the financial adviser and will be the procuring authority. That is the most advanced bundle and the intention is that the procurement process will kick off in quarter 2 this year - my colleague might correct me if I am wrong on that. Bundle 2 is a little further behind and we are working on identifying the sites for bundle 3, which will move on after that.

It is a different PPP approach to the type of PPP approach that would have been used and that perhaps fell apart back in 2008-09, when the economy went downhill. It is designed as an off-balance sheet approach which provides us with the capacity to move beyond the constraints of the Government's balance sheet, so we can actually deliver more social housing units than would otherwise be the case. That is the prime intention behind it.

Senator Murnane O'Connor and the Chairman raised the issue of land and, in particular, the de-zoning of land. One of the data sets that I mentioned, which we will be putting out on our map system over the next three months, is what we call the outcome of the land availability survey. That will show how much area is zoned residential and what is the housing capacity attaching to that across the country. When the economy went downhill, there was gross over-zoning and what was coming down the tracks potentially was a certain amount of leapfrogging, as the Senator described it. The urban form might get to a particular point, followed by a sudden gap and with housing development taking place further out with all of the infrastructural cost associated with it, not to mention the less than perfect planning.

There was an engagement with local authorities on the need to reduce the amount of zoned land and to strike the right balance between trying to ensure there is enough zoned land and that there can be a competitive land environment without being in an over-zoning space. I do not have the data in front of me but my recollection is that nationally, the residential land availability survey is telling us that there is enough zoned land for about 440,000 or 450,000 units which, if the housing supply that we want to get to is about 25,000 units per annum, is approximately 20 years' worth of supply. This will all be mapped and be highly visible. There is currently more than enough land zoned to meet short and medium-term housing needs. I might ask my colleague Mr. Walsh to come in on some of the more detailed questions on both fast-track planning and on the local infrastructure housing activation fund, LIHAF.

Mr. David Walsh: On future population and demand requirements for land, the big benefit of having a new national planning framework to replace the national spatial strategy, NSS, is that there is a clear, evidence-based and sequential approach to where we estimate the growth demand will be. We know that over the next 25 years, between 800,000 and 1 million people will need to be housed and located on the island. The question is where should they be and whether we have the land, associated infrastructure and services to back it up. As the Secretary General stated, too much land was being developed with no real connection back to urban centres. As part of the national planning framework, which will look very nationally and at quite a high level, there will be regional spatial economic strategies that will flow from that and on which work has already begun. The same data will be used to sweat it down across the three new regions. The next step is for each county to reflect and ask what the likely growth will be. There will be six-year development plans and the norm to safely have enough land to allow for flexibility where some development may not happen for different reasons is to have between 12 and 15 years of land supply. That would be a minimum requirement as part of any development plan, that a local authority can say that they can manage and deliver the next 15 years, assuming

some of it may not happen over that period. The NPF will set the national benchmark for that.

Senator Jennifer Murnane O'Connor: To clarify, what will happen if a local authority writes to the Department stating it has de-zoned land on which it now believes houses might be built? Rural areas are not getting the same attention as the cities, which is fair enough and which I appreciate. Will the Department then look at each local authority individually and decide it has a good case in a particular instance on which houses can be built? If the local authority is able to say it will get houses at that site, will the Department look at the de-zoned lands then?

Mr. David Walsh: First and foremost, it is a matter for each local authority to put in its development plan. As part of discussions at a local level, the Department will obviously comment in the context of any other public consultation process and we will assess on the basis of what is reasonable. As the Secretary General alluded to earlier, in the case of counties which might have had 30 or 40 years' supply, the question from a local authority perspective is how to prioritise and put in the correct supporting resources to those locations where they are spread over a wide area.

In the context of looking and using the next 20 or 25 years through the NPF, we will be very mindful of ensuring there are no blockages at local level. Equally, the challenge for local authorities and councils is to assess where the likelihood is and the feasibility of getting it.

Senator Jennifer Murnane O'Connor: Yes, and timescale.

Mr. David Walsh: On the housing division of An Bord Pleanála, it seems like it has taken forever to get this up and running. As the Secretary General said, 10 May 2017 is the start date. I will try to give a sense of what has happened since the Bill was enacted before Christmas. As soon as we came back after the Christmas break, intense negotiations took place between the Department, the board and local authorities on key issues of how the interaction would happen. The last thing we wanted to do was to push something in that was half-thought through, that did not have the actual structures and processes in order that the local government sector would know what its job or role was to feed in and likewise, that the board would have the structures in place to manage the first applications as soon as they came through, as well as the pre-application processes. Two elements flow from those discussions. One was engagement around the fees issue. As the legislation sets out, the board outlines and agrees what its fees structure should be. On foot of the Minister approving that, it was published on 15 March for an eight-week period - that eight-week notice is specified in the Bill to allow people to consider it - and that is how 10 May was arrived at as a start date. We had discussions with the local government sector and agreed that all fees would be on a 50-50 spread so that the share of fees coming in for the different scales and types of projects coming through would be shared equally between the local government sector and the board itself. I do not have a copy of the fees but I would be happy to send it on for circulation to members.

Senator Jennifer Murnane O'Connor: That would be good.

Mr. David Walsh: The other key element is that in advance of 10 May we, along with the board and the local government sector, are drafting the regulations that will specify in far more detail the ins and outs of what happens when people come in, how they engage, the timeframe for responding and who sets up the meetings. Those regulations are well advanced and will be signed in advance of 10 May. On 10 May we can expect applications to come in and An Bord Pleanála's strategic team to be fully in place. We have sanctioned ten administrative posts and

we have also approved the addition of two new board members to bring the board membership of the strategic division up to four. They are currently being recruited and will be *in situ* on day one to manage the queries on the issues as they come through.

On the issue of the LIHAF, there has been a lot of activity over the last nine months and we are delighted to see the great news and the fact that we can now support and get projects moving across a range of local authorities. Fifteen of the 21 local authorities that applied have received funding to different scales, with the major projects in the Dublin and Cork areas, as one might expect in terms of scale and potential.

Deputy Ó Broin raised the question of affordability. It was a factor in assessing them and was one of the five criteria set out. Part of it is about affordability in the whole of the development of the site. In some cases there would have been local authority-owned land that was part of the site we freed up. Those would be regarded as a social mix. If 50% or 60% of the site was private but 40% was going to be owned by the local authority and therefore rolled out, that would meet the affordability criterion in some respects. On the two examples of Clonburr and Grange, or Kilcarbery as we will call it now, the issue is what are the pricings that will come through. In the case of Kilcarbery that will be an open tendering process so part of the assessment by the local authority will be on what is the price range. We have spoken extensively with South Dublin County Council and the key element is what will be the tenure mix, what will be the types of houses, will they all have three bedrooms, will they be a mix of one and two-bedroom units and townhouses? That is probably where we will see the affordability scale delivered in a lot of the sites that are there.

It is not the case that the Department will say certain levels must be met, but if people do not meet them they do not get the money. We recognise that each site will have its unique challenges but also opportunities to match the affordability at a local level in the context of assessing what is affordable. What is affordable in south Dublin might be different from what is affordable in Tipperary, Dún Laoghaire-Rathdown or Limerick.

A point was made by Senator Boyhan around the numbers. The figure of 23,000 units is what we have calculated and tested with the local authority for the 34 sites being funded now. The estimated delivery for those sites is by 2021. Over the longer term, if we fully build out these sites, we reckon there will be a further 44,000 or 45,000 units. This would bring the total over the longer term to approximately 68,000 or 69,000. These figures are only for those sites. A large number of sites do not have infrastructure bottlenecks and there are other developments as well. It is an important contribution and brings large-scale activity, but it is not the only deliverable under the Rebuilding Ireland programme.

Another question was asked about an extension to the local infrastructure housing activation fund and the number of potential projects that we might wish to fund if we had more money. Several did not make the cut-off because of the limited funds available. I have no wish to name them, but in the case of some projects substantially more work and analysis would have been required. We certainly could have spent more money than the money available. At the announcement on Tuesday, the Minister signalled that we were seeking further funds under the capital review. Obviously, that is a matter for the Minister for Public Expenditure and Reform and the Government in balancing wider demands to determine whether there are opportunities in that area.

There was a question on fast-track planning. Deputy Casey asked whether the boat had sailed in Wicklow in respect of whether a developer could apply outside. The answer is "Yes".

The legal advice we got was to the effect that this is the process for 100 plus or 200 plus student units. If developers exceed those numbers, they go straight to the board. That is the law as it stands.

Deputy Ellis asked about compulsory purchase orders and whether they were being used by local authorities. As the Secretary General has said, several local authorities, including Louth County Council, are availing of them. Equally, a certain local authority identified a number of properties that were lying vacant. Perhaps not all the sites were derelict, but certainly they were unused for several years. The authority tracked down the people who owned them or who had control over them. The authority wrote to all 21, seeking views and pointing out that if they did not do something with the properties, the authority would proceed with a CPO. All 21 responded. A total of 14 said they would bring them back in under their own to use them, while seven offered to sell them to the local authority. The use of CPOs is an important step. It is complex but usable. However, there are many other ways to do it.

Deputy Dessie Ellis: The local authority has to designate sites as derelict before they issue a CPO. That is something of a process. Even at that, the authority is struggling to get them. Dublin City Council has identified some of the units to which Mr. Walsh has referred. I have spoken to the council about them. Anyway, at the moment, nothing has been delivered. That is frustrating. Places are lying idle for ten or 15 years. We are not even at the stage where we have any of them back. It is frustrating.

Mr. David Walsh: We are working under Pillar 5, which covers the vacant homes reuse strategy. We hope to finalise this in the coming weeks. The work involves taking the census data, trying to break it down and really understand the 198,000 figure. This work will focus in particular on urban areas. Once we have information on the buildings that are really derelict and unused and who owns them, we can use the tools available. I hope we will see far more units coming back into the system.

Chairman: We have some more questions. Deputy Coppinger has come in. We are on Pillar 3. We discussed Pillars 4 and 5 at our last meeting. People may have questions on them. When we have concluded Pillars 1, 2 and 3, we will probably have time if people want to ask anything under those headings as additional questions. For now, we will stick to Pillar 3, which relates to building more homes.

Deputy Eoin Ó Broin: My question is for Mr. McCarthy and it relates to completions. The answer he gave was the same as the answer the last time I asked the question. My problem is twofold. On the one hand, the Government plan is setting up the figure of 25,000 units annually as one of its major delivery targets. At the same time, the Department website, which I have before me, tells us that the figures Mr. McCarthy has given us are not accurate. The problem is that we do not know how inaccurate they are. I imagine the Department officials do not know how inaccurate they are. They might be marginally inaccurate and, if so, there is no problem.

Let us consider the different sources of data. Mr. McCarthy went through the ESB connections and the building control management system data. However, we can also look at stamp duty transactions, for example. A range of other measures is relevant. The difficulty is that when we set the various sets of data alongside one another, the discrepancies can be substantial. It cannot be impossible for the Department to find a mechanism. However, it cannot currently give data on the number of completions and explain how it is going to operate in future with local authorities, whether it is through a revision of the BCMS or whatever, in respect of registered completions.

I welcome strongly the comment by Mr. McCarthy on how the Department is keen to hear suggestions from other parties about how the statistics can be improved. However, some commentators are publicly expressing real frustration because they do not believe they are being listened to. Some have said they have to submit freedom of information requests to try to get the data. Then, when the freedom of information requests come back, the data is in a form that is virtually unreadable or unmanageable. It has to be possible for us to have certain figures. For example, leaving aside one-off housing and ESB connections, it should be possible to find out the number of properties that are vacant for two years and, given a high level of vacancy rates, the number of such properties becoming reconnected after a given period. Even if the Department is 10%, 20% or 30% out, rather than out by 50% as suggested by Lorcan SIRR or Mel Reynolds, that is still a major gap. I believe this issue deserves more attention than it is getting on the basis of what Mr. McCarthy has said to me today, which is the same as what he said to me a month ago.

Reference was made to affordability and the housing activation fund. I was not aware that the Department could consider the social housing element of a joint venture land as part of the affordability segment. That means we get no additional benefit because we would get that part of it anyway. Again, I am not opposed to the idea of the housing activation fund if it assists in delivering more affordable homes for people. However, if the Department is simply rolling it in and sees it as an added benefit to an eventual joint venture, then we have a real problem.

Nothing that Mr. McCarthy has said has reassured me about cases involving private land where there is a private housing development with solely 10% social housing. Such projects get significant infrastructural investment from the taxpayer. From what Mr. McCarthy has said, I do not see how that approach will deliver properties, or a section of those properties, that would be even close to affordable. Perhaps I do not understand how the criteria work.

I know of two sites in particular. One is the private section of Clonburris. The other, if I understand the location correctly, is the Grange or Kilcarberry, which is on public land. My concern is that the infrastructure might go ahead and the houses might be built, but those houses will cost €350,000 or €400,000 each. That means the developer benefits and the person who has a high income benefits, but there is no affordability return. I am concerned about the answer Mr. McCarthy has given. If there is anything he can say to reassure me or convince me otherwise, I would welcome it.

Deputy Ruth Coppinger: My question is on Pillar 3 and the number of houses being built, especially for social housing. The final figure for new build housing last year was released. The number was 652. This was evenly split between the housing bodies and local authorities. However, when we exclude regeneration, which is simply replacing pre-existing stock that was social housing stock at one point, only 253 new local authority homes were built. By any standard, that is a continuation of a situation that was appalling. The policy of a handful of houses being built here and there is all we ever hear of. We never hear of 200 or 400 being built, although that used to be the case. Previously, most housing estates were made up of at least 200 houses. It is clearly not going to work. It is a political decision to have small-scale social housing. It will not be able to deal with the huge crisis we have. I see and hear nothing that will change that.

The other issue is the lack of Part V development because only 64 units were provided in 2015. The latest statistics from the Department show that there were only 37 in 2016. That is a major problem because Part V is meant to supply one in five of the 22,577 new build social housing units promised in Rebuilding Ireland by 2021. It is not happening. This means that

we need more direct build to make up the figures and that is not happening either. The plan is not working. I know we constantly hear that it takes time to build houses, but the plans, figures and projects are not sufficient to suggest that there will be houses even in two or three years.

The other problem we have had, which I have raised consistently and which is also doing down the number of social housing units, is part-privatising or selling off public lands to private developers, because that is eating into the potential to get local authority stock. I know the Senator mentioned that rural areas are not being focused on, but the areas with the largest amount of homelessness are not being focused on. There is no targeted action. It is a bit like a doctor being approached with a cancerous tumour but treating all of the other things instead of the tumour. If there was a serious plan on the part of Government to resolve the worst of the housing crisis, it would be focused on Deputy Ellis's area and my area - the places where massive homelessness exists. That is what the figures show. At the previous meeting, I said that houses were not being built in Fingal, and Heathfield was cited. It is not Blanchardstown. It is not housing for people who live in greater Blanchardstown. It is fine, I am delighted for those who get it, but I am just saying that it is not targeted at huge areas, whereas the last remaining site we do have in greater Blanchardstown could accommodate 1,500 units if fully built. This is land north of Wellview. Apparently, the plan is that only 13% of it will be social housing because of this new fabulous policy of sustainable communities which the Government keeps telling us is great. A total of 20% will be rented out - to people on the social housing list, I am sure - while 50% will be given to a developer. It is outrageous and I will certainly campaign politically to ensure this does not happen. Councillors might have supported it in theory, but in practice one can see the impact if that is the last remaining piece of zoned council land for housing in the area.

I know homelessness figures are covered in the other pillars but it relates to completed houses. They have gone up dramatically. A total of 1,250 more people are homeless since the Minister took charge. The rapid builds are not happening. Coming to these meetings is very depressing. I would love to be able to say that I am glad to see that something is working but it is a continuation of the same type of inertia.

Mr. John McCarthy: In respect of Deputy Ó Broin's point, I do not want to be difficult about this but the fact I gave the same answer as I did on the previous occasion is not an indication of any sort of lackadaisical approach or lack of engagement with this issue. It is a reflection of the fact that when I was here the previous time, I was trying to signal that we were engaged with the issue and we continue to be engaged with the issue. It is not impossible and we are certainly working on a number of fronts to make sure we take whatever opportunities we have to refine our data and satisfy ourselves that we have the best possible range of data available to us. For example, we are engaging with the ESB in respect of its connection system because, as the Deputy said, there is a sense that reconnections are probably a very small element but nonetheless, if we can identify it exactly, it will help us.

Developments on the building control management system could also help us, and we are working to see if we can accelerate that. Again, I do not want the Deputy to say that I am saying the same thing again, but it is important to emphasise that we do use other data sets such as commencements. Possibly some of the completions have been in respect of developments that may have been started some time ago and one would have expected them to be built out as the housing sector recovers. We are getting to a point where the commencement figures are rising and are not too far away from exceeding the completions figures, so that is further evidence of a pickup in activity. We have engaged with a range of people, including some of the people

referred to by the Deputy. We continue to be committed to engaging with anybody who is interested in this space. We are also working with the CSO, which has a lot of expertise around quality-assuring statistics and has protocols around that. We want to learn from it to ensure we have quality assurance that we can apply to our statistics. There was some commentary in the media during the past week or ten days that referred to some of the debate around activity figures, but the conclusion it came to was that regardless of that debate, there is one undeniable reality, which is that activity is picking up significantly.

In response to Deputy Coppinger's points and the social housing figures for last year, units we classify as regeneration units are new units in regeneration areas, so they are actually new stock. They are different from the voids programme which is still bringing stock back into use and is critically important in terms of meeting need. Generally, these regeneration units are new units being built in areas like the Limerick regeneration area where sites would have been cleared and demolitions would have taken place going back some time. If we look back at social housing new build two or three years ago, which has been spoken about in this committee on many occasions, we can see that activity had reached an incredibly low level. Everybody is aware of that. If we look at the period since Rebuilding Ireland was published, and we published data on this with the quarterly progress report and will update that data on a quarterly basis, we can see that we are now at a point where more than 500 projects are in the social housing construction pipeline. They range from small projects to larger projects.

Deputy Ruth Coppinger: What is the largest?

Mr. John McCarthy: There are projects of 60 or 70 units. I do not have it all in front of me. The size of a project will be very much determined by its location and development more generally in the area. A very large number of projects are either on site or have been fully cleared in the tender process and will deliver units this year or next year. We are adding to that pipeline every week. When we come to produce the quarter 1 progress report, we will produce an updated version of the construction status report and the extent to which the pipeline has been added to, and the broader progress within the pipeline over the course of that quarter will be evident. We will do that every quarter from here on.

Part V is 10% of housing yield on sites of nine or more housing units. Obviously, it is critically dependent on private housing supply coming on stream, but as the Deputy knows, there were amendments made to the Part V regime so that the use of cash payments is no longer allowed. We expect to see Part V delivery continue to accelerate over the next few years as private housing supply in larger schemes of more than nine units accelerates.

I do not want to get into a policy debate on the use of public lands for mixed tenure housing. The policy rationale is set out in Rebuilding Ireland. Much of the commentary regarding the need to try to accelerate housing supply overall concerns the fact that relying on private housing supply to the extent it was relied on before is taking too long. Many people argue for the use of public lands in the short to medium term as a vehicle for delivering mixed-tenure housing for social housing, rental and purchase.

Regarding targeted activity, every local authority in 2015, I think, was given a programme of targets for the 2015 to 2017 period, and those targets were influenced by the social housing needs assessment as it stood then. We have a new social housing needs assessment now, the results of which were published at the end of last year, and we have committed to setting new targets for local authorities in the second quarter of this year, which again will be influenced by the new outcome of the social housing needs assessment. This will see the available resources

targeted on the areas of greatest need, as the social housing needs assessment tells us, but this will be on a local authority basis. I think we have spoken previously in the committee about what happens within local authority areas. We are very reliant on the local authority to identify and prioritise the projects within its area and identify where it feels they should be located, as opposed to there being a central instruction to local authorities to start picking out individual sites. We rely on the local authority to come forward to us in this regard.

In general with Rebuilding Ireland, we are trying to set out on a multi-strand housing journey to deliver on the targets that have been set. This involves a range of elements, including building, purchasing, leasing and the buy-and-renew and repair-and-leasing schemes. All these schemes contribute to what we want to achieve, and the mix of these ingredients will change over time as different programmes grow in importance. Overall, a pool of funding in excess of €900 million was available to us last year to deliver on housing programmes. We utilised the full resource to ensure delivery of the maximum amount of output through all the different strands of activity, including building, buying and all the others I mentioned. This year, we have a significantly increased pool of resources available to us. It is €1.3 billion in total. To give the committee a sense of the increased momentum, already in 2017 we have spent the same capital amount of money as we had spent at 2 September last year. That gives a sense of the extent to which the programme and the level of activity is building up, and we are now at a much increased and much more uniform pace of delivery over the course of the year. Again, housing will see a further significant capital increase in 2018. Part of our activity this year, as I said, is building the pipeline of projects that will be able to avail of that funding next year. We used all our housing capital money last year, we will use all of it this year, and we are preparing to make sure we will be in a position to use all our housing funding again in 2018 so that we deliver as much as we possibly can from the resources available to us.

Chairman: We now move on to Pillar 2, which concerns the acceleration of social housing. I call Deputy Casey.

Deputy Pat Casey: I will be very parochial in respect of Pillar 2. I come here frustrated and annoyed - and those are light words to use for how I feel - by what has happened in Wicklow specifically. A total of 194 houses were going through the four stages in Wicklow, 34 of which reached stage 4 approval in mid-December last year. The planning permission runs out on Saturday. I have heard about the eight-stage process and the four-stage process and I hear of oversight, approval processes, criteria, checks and balances, and governance. This was 20% of the total stock of social housing for Wicklow. In all the checks and balances, did no one pick up on the fact the planning permission would run out on this project? Who, if anyone, is responsible for this? Is it the developer, the proprietor, the affordable housing body, the local authority or the Department? Something has gone radically wrong with the process if something like this is allowed to happen. None of the other projects in Wicklow is at stage 4 in the process, so we have no hope of delivering these 34 houses for Arklow.

I ask the Chairman for a little leniency as I must go into the Dáil at 4 o'clock. I wish to refer to homelessness before I leave. Deputy Coppinger is right. We all want to solve the problem. There is nobody here who does not want to solve it. It is disappointing that the homelessness figures, month on month and since Rebuilding Ireland, have gradually gone up and up. We have seen a 10% increase in families and an 8% increase in children becoming homeless. We have seen a 21% increase in the use of private accommodation, hotels, and bed and breakfast accommodation, and a 13% increase in supported temporary accommodation to accommodate homeless people. I know the Minister means well and wants to get people out of hotels by July,

but they should not be moved out of hotels if we are going to move them into worse accommodation. Let us not make that mistake.

The use of residential developments in Dublin and other cities outside the planning laws has also been identified by the Minister, and I have also spoken on the matter. I know the Minister wrote to all local authorities asking them to take action on the use of properties for short-term letting on a long-term basis. Has anything been done to follow up on any action taken by local authorities? We all know now that thousands of properties are being used for short-term letting on a long-term basis in cities.

Regarding rapid-build housing and the shortfall in its delivery, is it now time to move some of the money from the rapid-build programme to the voids programme? The latter can deliver more quickly for us in the long term.

I thank the Chairman for her leniency in accommodating my contribution.

Deputy Eoin Ó Broin: I have six areas of questions. The first concerns public private partnerships. We had a long exchange on this at the end of our previous meeting. Since then, I have met the National Treasury Management Agency, NTMA, the Department and Dublin City Council, DCC, and have spoken to the county manager of South Dublin County Council and to the Sinn Féin councillors in the councils affected. I have even more concerns with the model than I had the previous time. In all the conversations I have had with officials since the previous meeting, the first thing they have said is that we should not have an ideological conversation about this. My conversation about this is not ideological. One of the reports I have read since our previous meeting is the very detailed report of the House of Commons Treasury Select Committee on the use of public private partnerships in Britain, including in social housing. The core conclusion of its report, and this is after 15 years of experience of these matters, is that the benefits of off-balance sheet borrowing do not offset the long-term additional costs, let alone the additional risks when the projects go wrong. The Treasury Select Committee is a body that is probably more conservative than anyone in this room in its general thinking about these matters.

I am still concerned about the benchmarking process and the lack of transparency surrounding it. I am even more concerned about the potential risks that could fall back on the Exchequer, whether in respect of central or local government, as a result of the contracts, particularly if there are defaults or disputes in respect of the contracts, especially over the 25-year maintenance period. I am absolutely opposed to the inclusion of approved housing bodies in the public private partnership, PPP, companies. Nobody has given me any rationale for why the local authorities should not only own these units at the end of the period if they go ahead but also manage them throughout.

I do not understand the absolute exclusion of elected members in the councils from pretty much any of this, other than approving section 85 developments and planning permissions, given the risks which we know of in Britain. We are in a real dilemma. On the basis of the first bundles, there are 108 units in my constituency. I do not want Sinn Féin councillors in South Dublin County Council to vote against delivery of these 108 units that will house 108 families within two years. There are, however, so many risks involved in this model that this evening I will make a written submission which has just been completed. I will not ask the delegates to respond on all of these matters because I have other questions to ask, but I want the Department to give me a formal written response to the submission which goes through all of my concerns in the areas to which I have just referred. I will ask it to consider a series of reasonable amend-

ments to what it is proposing. I would much prefer it to use 100% upfront Exchequer funding or Housing Finance Agency loans, but I am not optimistic that the Minister would agree to that. In its absence there is a set of other matters that it needs to consider. We do not want to sit here in a couple of years when many of the things the House of Commons Treasury Committee has confirmed will have come to pass. When I asked the last time we met about HFA loans for local authorities, I said there was no plan for them to increase HFA borrowings, yet on page 45 of Rebuilding Ireland there is an explicit commitment to increase capital and HFA loan facilities for local authorities and approved housing bodies. Will local authorities be able at some stage to borrow from the HFA to build, in addition to capital funding from central government?

I would like to receive an update on the Irish League of Credit Unions, ILCU. I know that the Department is not the block but the Registry of Credit Unions, the Central Bank and the Department of Finance. Have there been subsequent conversations? Is pressure being exerted, or is there engagement with these two bodies to try to free some of the money the ILCU and others have put on the table?

I am very concerned that cost rental is one of the ideas many people say is a good one; everyone has a vague idea about it, but as no model is emerging, it will not be delivered. I take a slightly different view from Deputy Ruth Coppinger on the land initiatives or joint ventures. I am open to discussing them as long as they deliver good-quality social and affordable housing and nobody is getting anything for free and that there is a clear return to the taxpayer.

Deputy Ruth Coppinger: They are getting land for free.

Deputy Eoin Ó Broin: If they were, I would not support it. In the two models being discussed in Dublin city and south Dublin they are not getting land for free. My concern is that if cost rental does not happen, there will be a 70:30 split, 70% private and 30% affordable, which I would not support on public land. I am open to consideration of 30% social housing and 20% cost rental. My preference is cost rental delivered by local authorities, with the private developer purchasing the remainder of the land, with the money ring-fenced to produce more land or social units. I am worried about cost rental, which could undermine some of the political support for joint ventures.

I am with Deputy Pat Casey on the approval process. The delegates know my feelings on the subject. They produced a very good report recently and I welcome its publication. Many of us would like to know, however, whether the timescale of 18 to 24 months that everybody has said is unacceptable is being shortened. Is there some way in subsequent versions of the report or others to show evidence of the consequences of the work being done in terms of design teams, etc? We do not know if it is working. If it is, we would like to see that it is. Although this may seem parochial, we have a right to raise matters in our constituencies; there are 186 new builds in Dublin Mid-West, half of the number in the South Dublin County Council plan. Eighty-nine of them will not be delivered. They are on two sites where the Department will not receive Part A planning permission. We have told the manager this and given him alternative sites for the units and more. It will not happen on St. Mark's Avenue and in Balgaddy and there is no point in lying to anybody. It is not that we are opposing the provision of social housing. We want the units and have identified alternative sites, owned by the council, in areas which are close by and which would be more suitable. Of the 186 units the Department plans to deliver in the next three years in my constituency, only 87 are deliverable. A Simon Community planning application is going through the mainstream planning process, but there is no guarantee it will get through. I hope it will. I have made a submission in support of it.

The document does not include the rapid builds which should be included because they are Part 8 long-term social housing. It also does not include a significant development by Clúid Housing on Station Road of 65 units at Milford Manor, which is really good news for the constituency. There is more housing being delivered in the constituency which I would like to see included. Given that there are only 97 units in the Department's programme that are deliverable, can I take it that if the local authority decides to come forward with new projects, the Department will actively consider them? If I ask Danny or Billy in South Dublin County Council to develop a site owned by the council and they say to me the Department will not consider it, can I say the Department told the Oireachtas Joint Committee on Housing, Planning, Community and Local Government that it will give due consideration to any concrete proposal made?

Approved housing body reclassifications have happened across the water and are the subject of consultation in the North. Are we concerned that it could happen here? Will it have implications for anything included in the plan? Is there any information the Department can give us about it?

Senator Victor Boyhan: I am conscious that we are here to read a report on actions due to be taken by the last quarter of 2016. There were 13 items under Pillar 2. According to the report, eight were on schedule and five had been completed. One of the great features of Rebuilding Ireland, as I said to the Minister, is that it is a brave Minister who sets out his plan, vision, timeframes, actions and deliveries. They can then be challenged and questioned. This is a very focused response. The first target to be met is the provision of 47,000 houses. I hope we will see a hell of a lot more provided and have a good feeling in that regard. Many more houses will come on stream, as everyone here hopes.

I want to focus first on the reporting process, paragraph 2.3 and the housing assistance payment, HAP, scheme, under which the objective was to have counties Cavan, Kerry, Laois, Leitrim, Longford, Roscommon, Westmeath, Wexford and Wicklow included by the end of 2016. They were brought on board when the scheme was rolled out on 1 December. I am not sure that would have happened if there had not been this focus. I was a councillor for many years and this is an issue. Two local authorities sent me some documents which mirrored Pillars 1 and 2. I will send them to the delegates because I was highly impressed by them. They show how they perceive the objectives for their local authorities and how they were delivering on them, including in part. I would like to think that was happening in 31 local authorities. There has to be a sense of ownership at local level.

Deputy Eoin Ó Broin made some points about councillors feeling left out of many aspects of the process. This should be taken on board. They are advocates too for the delivery of social housing, regardless of their political dogma or agenda. Everyone wants to see the delivery of social and affordable housing. The Department should consider how each local authority is playing its part in the bigger plan of Rebuilding Ireland and meeting the great objective of providing 47,000 new homes. Of the 13 included in the list, I only question the last for refugees, but in their status report the delegates say it is complete. Will they, please, tease that out? I am referring to paragraph 2.24. It is not enough to get to where they want to be and drop it, stating they have concluded their business. I am not suggesting they are doing that, but they might tease out the matter. I am referring to rapid build housing, which comes under Pillar 1 but is referenced in Pillar 2 also. We have not seen any rapid build taking place in the constituency in which I live, and there was great excitement about it. I have looked at the number of rapid build projects in the 31 local authorities and there are not that many of them. I am not sure if it is the best use of sites. I do not consider two-storey, rapid build houses on a site zoned for a major

town centre to be good use of land. It is an appalling use of land which is served by great public transport. The suggestion that there will be two-storey rapid builds is a scandal when across the road there are five-storey private residential houses that one could not buy as they are all sold. There is a demand. It is possible to build that level of higher-density housing in a major town centre. I would be appalled to think that the Department, and the Minister, would not be alerted about this situation or that if he was alerted, he would not take immediate action because that is a terrible waste of a resource within a local authority. However, I acknowledge, based on the delivery of the actions for quarter 4 in 2016, that this is progress and that it is very positive.

Senator Jennifer Murnane O'Connor: To continue on from what Senator Boyhan said, I have major concerns about this area, particularly when we consider that there is a rolling fund of €70 million to purchase vacant properties from banks and investment companies. That is welcome but where is it happening and what is being done?

I ask the Minister to defend the housing assistance payment, HAP, scheme, which all of us mentioned. This year, €153 million is being put aside for the HAP scheme. As we know, people on local authority housing lists qualified for rent allowance. The HAP is better than rent allowance because it gives people more scope and they receive a higher payment but the problem in my area is that people cannot find accommodation due to the lack of supply. We have people now who have qualified for the HAP and who are trying to find accommodation. I have started to look for accommodation for people who are coming to me because they cannot find any. Furthermore, many landlords are not taking people on the HAP. As I have said previously, there is a great deal of confusion and a lack of understanding of this new HAP scheme and the Department should put something in place, with the local authorities, in that regard. I could give examples of ten cases where the persons qualify for the HAP scheme but we cannot find accommodation for them because of the lack of housing. We have gone to different places to see if landlords will take on people who are in the HAP scheme. In fairness, some will but others will not.

This year, we will put €153 million into the HAP scheme but we should be looking at the bigger picture in that regard. There are no big local authority building projects. We see €70 million allocated for vacant properties through investment in bank companies, and that is fine, but we need to build local authority housing to provide the supply that is needed because there is no supply available. I know of people who are qualifying now as being homeless. We are making people homeless in certain cases, although not in all, through this HAP scheme because they are on the housing list but they cannot find rented accommodation. We will see much more of that in the coming months.

I ask about the 47,000 social housing units to be provided through local authorities. Could we have a breakdown of that? I, too, have seen the report. Is that money available or do local authorities have to ring up the Department and ask for it? When the Department sets its plan it knows that every local authority will seek a certain amount of money towards a particular scheme. Is that money available or is there a shortfall when it comes to local authorities in that things are being put on hold, whether it is through the HAP scheme, which I know is done through a different body, repairs, release or whatever? Is that money available and how long are local authorities waiting for money? That is the biggest delay in terms of supply. I welcome the fact that money is available but is it coming through the local authorities? That is a massive issue for me.

On the plan for 47,000 social housing units, could we have a breakdown of that figure? What is the Department's target for every local authority? I know that is the overall picture. I

read in the Department's submission that it brought together all the local authorities recently to participate in a workshop. Was that done through the rapid build or other such programmes? I am sure the Department takes them up on a regular basis in that regard.

We have a massive homelessness problem, half of which is not even being documented now. As so much is happening that is not being allowed for we need to ensure that local authorities, with the Department, understand that. There are 31 local authorities but every local authority is different. There are local authorities in cities and in rural areas, in Carlow, Laois, Naas and so on. I hope that the allocation to every local authority is based on what they come back to the Department with. What is happening in the long term? I have major concerns about this area but I do not see what is happening in terms of the bigger picture, although I am willing to await the response from the witnesses.

Deputy Dessie Ellis: I have some concerns about the public private partnerships, PPPs. My party has done a fair amount of research on this and Deputy Ó Broin alluded to some of the problems. On the long-term value for money, it is debatable whether that is a good road to take.

I have to be a little parochial in this case. I support social housing but 71 units are planned for Scribblestown, which is an area that does not have a single bus service. There are no community facilities, not even a shop. It is a very isolated area. We cannot pick a site on the basis that, say, Dublin City Council indicates that it has a site when proper research has not been done and there is no interaction with the communities regarding the site. The argument being put forward by people in this case, whether the Department likes it or not, is that we all support a mix of social, affordable and private housing and now the intention is to build only social housing on a site. That may work in some areas but it is having a very bad effect in others. The people in that area are up in arms and it will be very difficult to deal with the issue locally, and local politicians will struggle to deal with it.

Much remains to be done on the refurbishment policy and in terms of how quickly units are being dealt with. I know there has been a bigger turnaround but it needs to improve, and there should be more investment.

In terms of the rapid build housing, I have experience of the 22 units that were built to a very high standard in Ballymun. It is very good housing, and I have not had reports of any problems with them. Forty rapid build houses are being built in St. Helena's in Finglas. We were told they would be turned over rapidly. The build started in 2016 and regardless of what the witnesses say, I have spoken to the people on the ground and at the current rate at which they are being built, realistically, people will not be living in those homes until September or October. The project has taken a year and three months. We could have done them another way. However, they are of the highest standard and I have no problem in that regard. We need to be delivering more quickly. We call them rapid-build units but they are not rapid-build. The way in which the Government introduced Part V and cut back on the amount of social housing we were able to get was a disaster. That policy should be reviewed and we should be going back to the drawing board. We also introduced a rule that one social housing unit had to be built for every nine units, whereas previously it was one in five. The Government cut back on social housing in every way under Part V.

There is more scope to be looking at NAMA in terms of how it is delivering. There are an awful lot of properties under the control of NAMA and it is getting funding from many of them through leasing arrangements or otherwise. That money is slowly trickling back as NAMA is supporting some projects. We need to accelerate this. NAMA has a big fund that could be

utilised in a major way. I would have preferred if the State had taken control in the first instance or if the local authorities were given control of the portfolio that NAMA got its hands on. Be that as it may, we cannot allow NAMA to sell those properties off in blocks. That is an area in which we could accelerate the whole issue of social housing.

Mr. John McCarthy: I thank the Deputies and Senators. I will try to deal with the questions in sequence and will start with those posed by Deputy Casey, who is under time pressure. I do not know the details of the particular project to which he referred. If a project gets to a point of approval and the planning permission runs out for it a couple of months afterwards, there is no win for anybody. I will certainly look at that. If Wicklow County Council were to come to us with an alternative, be it to go out and get a turnkey development or something else that could substitute, if the planning cannot be renewed for some reason, we would certainly look very positively on that.

In terms of homelessness and move-on solutions, there is no intention that people would move into worse accommodation. A range of solutions will need to be put in place to ensure that we achieve our objectives there, namely, quality and better housing outcomes for people, be they of a short, medium or long-term nature. We will certainly be working to ensure that improved, quality housing solutions are actually put in place.

In terms of the Airbnb issue and the short-term letting of property, we have committed to looking at that in the context of the rental strategy. A group on which Ms Nic Aongusa participates is looking at it and is due to report in quarter 2. It is very much on our radar. Previously, we had a discussion about the number of units that are used. Different figures are spoken about, which is something we need to work out. A lot of the units are bed and breakfast properties, as it were. They are very often people who are letting out a property for a week or two while they are away themselves. They are not actually units that would be available as alternative rental units. Equally, we do need to bottom out on the ones that should be used for long-term accommodation and that are going into the short-term space.

On the voids and rapid-build, one general comment is that we have tried to be as flexible as we possibly can with local authorities. We do not start out at the beginning of the year by saying "This is the way the year has to pan out and if it does not pan out that way, good luck to you." Going back to what I was saying to Deputy Coppinger earlier, one of the main reasons we managed to ensure that we spent our full budget last year was that we took a very flexible approach with local authorities. Accordingly, if some projects are delayed for whatever reason, we engage with the local authority involved so that it has the capacity to put alternative solutions in place, be that through a purchase programme or by moving funds into programmes such as that relating to voids. We have made significant progress on the voids in the past three years. Offhand, I think we have supported getting over 7,000 void units back into use in recent years, in addition to the ones the local authorities themselves have supported. We are probably getting to a point at which, while there is more work to be done in some places, other local authority areas have really broken the back of the issue. We do have provision for a voids programme this year. Certainly, if any local authority were to come to us to say they had a bigger voids programme than what we might initially fund, we would look to see if there was a way to move money around.

On PPPs, the Deputy is going to make a submission to us and we will certainly look at it. As part of the process of developing the housing PPP programme, consideration was given to experience of PPPs both here, not for housing but for other types of development, and abroad, including the UK. I think there were even visits to the UK to try to learn from the experience

over there. We will not be looking to repeat any mistakes that were identified elsewhere. The Deputy stated that he would prefer it if direct public funding was being used. All I can say on that point is that, for better or worse, there are public funding parameters within which we have to work. The PPP programme is an attempt, from a policy point of view, to try to see if there is additionality that we can get outside of those parameters. We do not want to be making mistakes. We do not want to be solving today's problems while creating problems for five, ten or 20 years down the road.

Deputy Ellis was referring to the Scribblestown site, for which 71 units are envisaged. There would have been considerable work done with the local authorities in examining the individual sites. I hear what the Deputy is saying about having 70 social housing units on one site. It had to be looked at in the wider context. I am conscious that Deputy Coppinger might be of the view that we should have gone up into triple digits. All I am saying is that there are different approaches for different locations.

Deputy Dessie Ellis: Mr. McCarthy is getting me wrong. I am not against social housing. I very much defend it. What I am struggling with is the fact that senior citizens who were on the Scribblestown site next door have left because there are no facilities in the area. I am questioning the selection of the site and that process, in respect of which there was no input from local politicians or otherwise. It was just handed to them and that was it. I think that is wrong.

Mr. John McCarthy: If we get a submission, we will come back to the Deputy on the matter. There would certainly have been engagement and involvement with the local authority. I do not know to what extent there would have been involvement between the different wings of the local authority. The local authority would have been heavily involved in the process.

Deputy Ó Broin referred to something I may have said on the previous occasion about HFA borrowing. I cannot remember offhand what I said. This ties in with another point the Deputy raised about reclassifications. HFA borrowings by local authorities are on-balance sheet. It is in that same sort of space. Borrowings by approved housing bodies, as matters stand and provided the project is appropriately structured, would not be on-balance sheet. As the Deputy rightly points out, there has been an exercise through EUROSTAT and the National Audit Office in the UK, which looked at what we call approved housing there. They were brought on balance sheet and a similar exercise was undertaken in Northern Ireland. There is an exercise under way here between EUROSTAT, the Central Statistics Office, ourselves and the approved housing body, AHB, sector. A number of the larger approved housing bodies are working very closely to engage with the Central Statistics Office, CSO, which is the national body for statistics and will be the ultimate conduit back to EUROSTAT. It will probably come to finality in the second half of the year. There are a number of factors taken into account as part of that. The funding arrangements are an element but there are also matters concerning where risk is shared between different parties and who controls the asset, etc. There are a number of elements and we are looking at all of them in order to ensure the best case is made. We will have to deal with the outcome.

Deputy Eoin Ó Broin: We do not know the outcome of that exercise and I presume the Department would like the designation to remain as it is. If that were not the case, it would create a difficulty in the Rebuilding Ireland targets from the approved housing body sector. For example, Housing Finance Agency funding would go on balance sheet. Is there a worry about that or a plan B in case that happens to ensure units are not lost because they can no longer be classified off balance sheet?

Mr. John McCarthy: At one level one can say that if we plan too much for a plan B, there might be an indication that we expect plan A to fail so I will be balanced in what I say. We are putting much time and energy into trying to ensure that plan A succeeds.

Deputy Eoin Ó Broin: Sure.

Mr. John McCarthy: Equally, we are not blinkered and we are certainly alive to the risks and implications of that. We will certainly be working to ensure that whatever the outcome, our Rebuilding Ireland plan can proceed and achieve what it needs to. The Deputy mentioned the two sites in his own area and if I heard him right, he indicated that councillors have told the executive that Part 8 approval for those sites will not be forthcoming. We have no vested interest in continuing to push local authorities with projects; if they are not going to get Part 8 approval, we must respect the democratic process locally. One of the points I made to Deputy Coppinger was that we would rely very significantly on local authorities to make the judgments locally as to whether a project in a particular area will fly. We must ensure whatever project comes forward makes sense from a value-for-money perspective. With regard to individual locations within a local authority area, if the council in south Dublin came forward with alternative sites that it wanted to put into the mix in place of those, we would certainly look at it.

Deputy Eoin Ó Broin: I know it is only a small point and not relevant to the current Department configuration but I was on the council when we heard of all these sites with an announcement by the previous Minister. There had been no consultation with elected members. My understanding is there was not an exhaustive process with the housing managers. I should be clear for the record. We desperately want those 89 units meant for those sites; we would take three or four times that number and give sites for them too that are just as good. We would get the Part 8 through. There will be a second phase of this beyond these sites and some of the difficulties of the Part 8 process could be designed out with a little more engagement with elected members who will play a constructive role. This would mean sites would not be chosen that are wholly unsuitable for social housing. That is not because of objections from the surrounding community but because they are bad for the people who would eventually be tenancing those properties.

Chairman: I know Senator Boyhan would agree that we have seen a completely different experience with much engagement with local representatives on Dún Laoghaire-Rathdown's council from a very early stage. That is in the interest of balance.

Mr. John McCarthy: I appreciate Senator Boyhan's positive comments on aspects of the delivery. He made a very important point regarding the importance of Rebuilding Ireland being owned at local level by the 31 local authorities and AHB partners they work with in many cases. We get much engagement from local authorities at times around us being seen to put more reporting burdens on them. We always try to strike a balance. There is a critical part of the ownership of Rebuilding Ireland, as I stated to Deputy Coppinger; in the second quarter we have committed to taking the outcome of the recently completed social housing needs assessment and developing targets, probably for the next three years, for each of the local authorities. That will give a very clear headline ambition for each of the authorities. It will be influenced by social housing needs assessment and, equally, the extent to which some local authorities have been quick out of the traps, with significant work in hand.

On the refugee issue, the particular action we committed to was establishing an operational subgroup between ourselves and the Department of Justice and Equality, in particular, as well as other agencies under the refugee protection task force. That has been established and there

has been very good engagement from the local authority sector. I hope there is a smooth pathway ahead, once the refugees have been through the process with the Department of Justice and Equality to get them initially assessed and considered, as to where they will ultimately find their long-term home. The local authorities are certainly very much engaged with that. It is a very good example of different parts of the public system working in a very co-operative way.

Senator Murnane O'Connor spoke about the Housing Agency acquisitions, the housing assistance payment, HAP, and various other mechanisms, including the local authority build programme. Rebuilding Ireland is really designed to have multiple tracks of activity, partly in the early stages because building takes time to ramp up. We cannot have a plan with the idea that building takes time to ramp up while we wait for the solution; that is why we have other strands of activity around acquisitions, particularly strands of activity heavily reliant on vacant property. Mr. Walsh spoke earlier about the census figure of approximately 190,000 in this regard and we will hear more about it in the more detailed census stuff in the next few weeks. With regard to "early wins", that is why we are in the space of repair and leasing and buy and renew. It is so we can tap into an existing stock of accommodation that can be brought on-stream quickly while other strands of activity are building up.

Going back to what I said to Deputy Coppinger, the build programme has ramped up quite significantly over the past 12 months from an incredibly low level. There are 8,500 units in the pipeline, as we published in the quarterly update at the end of 2016. We are adding to that on a weekly basis. In Carlow, within the pipeline of build projects there are 13 schemes with over 120 units. We will publish this in the update at the end of the first quarter and in many local authorities there have been further projects added as we go on.

We have spoken about HAP before at the committee. We are very conscious of the importance of ensuring that there is a proper understanding of HAP, both by landlords and tenants. As the Senator rightly points out, some people say that some HAP tenants are people who were formerly in receipt of rent supplement and that it is just a different scheme. However, there is a very important difference for those households in that they are now social housing tenants and are governed by differential rent. Unlike the rent supplement scheme, where they would come to a certain number of hours' work a week, suddenly fall off a cliff and lose all of their support, in HAP their differential rent changes but they do not lose their social housing tenancy. That is a very important benefit of HAP compared with rent supplement.

Since 1 March, HAP has been rolled out in the final three Dublin authorities. There is now full national coverage for HAP. As part of that, we have put a new *hap.ie* website in place with a lot of information for both tenants and landlords in order to promote the scheme as best we possibly can. Our experience of the local authorities is that they have really played a hugely important part in making sure that the HAP scheme has rolled out very effectively in most areas, coupled with good local engagement between the rent supplement people in the Department of Social Protection and the local authority officials looking after HAP.

The Senator mentioned issues around scarcity of accommodation. That is a general issue. It is what Rebuilding Ireland is in overall terms designed to achieve in terms of getting housing supply back up to where it needs to be. Whatever about some supply issues that may arise in some locations, we had a target last year to get to 12,000 tenancies and we achieved that. We have a target this year for 15,000 tenancies and we are already more than 25% down that road with less than 25% of the year gone. There are problems and pressure points in terms of supply in some locations, but in overall terms, it is not constraining our level of activity under HAP at a national-----

Senator Jennifer Murnane O'Connor: If the witness does not mind, I just want clarification on HAP. I have a major issue with this. There are now rent pressure zones, as we are calling them, in the local authorities in Dublin and Cork. I think it has also been rolled out to 12 other areas. It is very confusing and I believe it is very unfair. I think the criteria brought in for the statistics are way off the mark. It is doing damage. When one county is getting it and its neighbour is not, it is very unfair. There are 12 local authorities plus Dublin and Cork getting it. If it is being given, it should be given to the 31 local authorities. I believe that would be fair. I know there is pressure in certain areas, but what is pressure for one area might be different in another area. In Carlow, the lack of housing supply is a major pressure for us. It might be double the rate of somewhere else. The criteria are the same for all 31 local authorities and I have massive issues with that. In the long term, would the Department look at extending the scheme further? There are about five areas that I have been making representations for and I have been told that they will not qualify for it.

Mr. John McCarthy: A critically important element of making sure that the rent pressure zone arrangement is fair and effective is that it needs to operate on a very objective basis. The Senator can have a policy debate with the Minister around the 7% and all of that, but the important thing is to ensure that it is objective and that it can be measured. It has extended to a number of additional areas. As recently as yesterday, it was extended to a number of further areas.

Senator Jennifer Murnane O'Connor: I heard.

Mr. John McCarthy: It will continue to be reviewed on a quarterly basis according as the RTB index comes out on a quarterly basis. The Housing Agency will be keeping the issue under review. Ultimately, a debate can be had on whether it should be 7% or 5%, but in terms of the state of the market locally, one would expect it to be reflected in rents and the rate at which rents are increasing. Supply and demand will ultimately dictate the level of rent and the pace at which rent is going to increase. That is the rationale for it. As I say, there is a policy discussion that could probably be had for a long time with regard to that.

On the acquisitions of the Housing Agency, which the Senator also mentioned, there are more than 330 units at this stage for which the purchase has been closed, contracts signed or bids put in. We are obviously trying to get the Housing Agency to target and focus initially on areas in which the pressures are greatest. It has signed contracts for 238 dwellings and 80 of those have closed. Bids are pending on a further 89. It is looking at further possibilities on an ongoing basis. The critically important thing for that fund, as it is a revolving fund, is that as it engages with the banks and gets them in, it passes the ownership onto the approved housing bodies, which can finance a significant proportion of that through private financing. That then helps to replenish the fund. Of those 330 units or thereabouts, the Housing Agency has already identified a number of approved housing bodies for about half, 150 or 160, to be sold on to. I would expect those sales to start to finally close in the next five to six weeks. The funding will then come back into the fund, which will allow the Housing Agency to continue with the purchases.

I may have confused my notes at this stage. Just give me a second until I-----

Senator Victor Boyhan: The witness is doing well.

Senator Jennifer Murnane O'Connor: Is there funding there for local authorities? That is a key issue for me.

Mr. John McCarthy: One of the most significant benefits from a delivery point of view arising from Rebuilding Ireland is that we have a very strongly-founded capital visibility all the way out to 2021. During the bad years, the five or six years that we had over the last while, we were pretty much operating on a year-to-year basis. For the early part of that, each year it was going down rather than going up. What we now have is a good sense of what our capital is going to be all the way out to 2021. That allows us to plan really proactively with local authorities and approved housing bodies and give them the certainty that the funding is actually there. When I responded to Deputy Coppinger earlier on, I referred to the fact that we had a budget last year of about €933 million for housing across the whole range of programmes. We fully utilised that. We even found a few million euro of savings in other areas that we brought into the housing space as well. There is a very significant increase this year. It is up to €1.3 billion. As I mentioned to Deputy Coppinger, we are already much farther ahead in terms of spending this year than we were even by August or September last year. That is the value of full forward visibility of the capital programme. That way, we can build up a significant programme that allows us to make progress much faster. That is how it is reflected in the pipeline of projects.

Senator Jennifer Murnane O'Connor: I have one quick question on the capital funding. If that money is available, why are local authorities receiving letters from the Department stating that at the moment there is a hold put on money for windows, doors and repairs? I am not saying that it will come in the next quarter, but that is happening. When we are so positive here about funding, why are local authorities receiving those letters? That is why I asked about the funding.

Chairman: That is a maintenance issue. I might ask the Senator to talk to Ms Mary Hurley after the meeting, if that is okay.

Senator Jennifer Murnane O'Connor: Yes. It is an issue when there is so much funding available.

Chairman: Sorry, Senator. I do not mean to cut you off. We just need to finish discussion on Pillar 1.

Senator Jennifer Murnane O'Connor: That is fine. I just wanted to highlight it. That is all.

Chairman: I call Senator Boyhan.

Senator Victor Boyhan: I do not have a question; it is more of a comment. We are nearly into the second quarter of the year. I presume the Department is working on the next quarter at this stage. It is the end of March this week. There will be busy people in the Department. I thank the Chairman for facilitating a varied discussion. I also take the opportunity to thank the secretariat and the Secretary General and his team in the Department because the information we have received has been very helpful. I acknowledge that it is very helpful for us because not only do we attend meeting such as this but we also interact with local councillors and county managers around the country, including my own. I am aware that the Chairman will meet him tomorrow. I spoke to my county manager today about housing issues. Our relationships are close and everyone is keen to get on with it. I am conscious that we will have another quarterly report. There are 15 items under Pillar 1. That is all that is up for review, but we must go on what has been set out. At the end of the day, this is Government policy. We can forget about having debates about what we might like to see because this is the policy. The Minister is going around with the plan in his pocket and wants it to be delivered. That is the legacy the Govern-

ment wants to have. I am not here to speak for it, but I am a realist and aware that this is, so to speak, the blue book and what the Department must deliver and on which it will be judged. There were five of the 15 items on schedule; eight had been completed and only two issues were outstanding.

Action 1.1 relates to rapid build housing. Deputy Dessie Ellis is correct. I am not happy with the words “rapid” or even “fast track” which implies a lot of things that are not necessarily true. It does not mean that it is a lesser system or that rapid builds are inferior houses. Some of the rapid builds I have seen on the Continent and in Scandinavia are very impressive.

Deputy Dessie Ellis: Yes, they are of a very high standard.

Senator Victor Boyhan: The standard is very high. There was great excitement about rapid build housing, but there has been no delivery. It is an easy knock to say they have not been delivered, but it is never too late to pull back on something. My view is that the rapid build programme in Dún Laoghaire should not go ahead as part of a major town centre zoning. I would like someone to examine this and to find an alternative mix. I do not have any ideological hang-up; this is about delivering homes for people who need them. Let us keep it simple. That is what the message is. The goal is to provide 47,000 homes. The officials must deliver on the little yellow and red book.

Action 1.15 reads: “We will improve mental health and primary care services for homeless persons”. We know that is an integral factor for many homeless people who have a range of complexities and issues with which to deal. We all have a range of complexities, but homeless people do not necessarily have the supports they need. We must address the underlying issues affecting homelessness. We must deal with addiction and mental health issues and other complexities in an holistic way. That is an area on which we should keep a focus. We do not need to discuss it today, but it is a very important issue and we want to have a transitional arrangement. I would like to think we would have no or very few homeless hostels in Dublin. We want to follow up on this action. I am aware of two such places. One individual is in a homeless hostel for 16 years, which is a failure of the system. I am happy to share information with the committee on a project for 26 people. When they came into the services, they were asked when they had been put on the housing list and why they were still in the accommodation in which they were living. I was appalled by the figures. People on the books of local authorities were in homeless accommodation for ten years. The intention was that it would be a transitional arrangement and that people would be moved to supported accommodation which would be appropriate to their needs. It is about providing accommodation appropriate to people’s needs, but that is not happening. As part of the objective set out in action 1.15, it is important that we conduct an audit of all the homeless accommodation operated by local authorities or the agencies or sub-agencies funded by the Department. I do not think anyone should be living in emergency or homeless accommodation for a long period. Such accommodation is transitional and fills a need. It has a role, but it is not good enough to say it satisfies people’s housing needs.

I apologise as I have to attend another meeting, but real progress has been made. There is no point in introducing measures not included in the plan. The objectives have been set out in the plan and the Department is clearly delivering. That must be acknowledged and I hope it will continue. I was suspicious about many aspects of the plan, but I am beginning to see the light. Everyone needs time. While I might have issues about the process, especially in the area of fast-track planning, the plan is what is on the table and we must work with it. I say, “Well done,” to all concerned.

Deputy Dessie Ellis: It was disappointing to see the recent increase in the homeless figures, although I accept that the numbers vary from month to month. I am not convinced that everyone will be out of hostels and bed and breakfast accommodation by July. The Minister must be told that that is a very ambitious target.

I attended the launch by Respond on Grace Park Road and was very impressed. If the project could be rolled out on a temporary basis, it would give security to many people. One of the things one hears about hostels is that some people do not wish to go there for security reasons. The Respond initiative would solve many of the problems and one could then tackle the problems with drugs and mental health issues. The HAIL housing association looks after people with mental health issues. We must push such initiatives more and encourage having dedicated housing bodies to deal with issues such as addiction and mental health problems.

Is there any indication that the mortgage to rent scheme is having an impact? I hear that many people are still in trouble and that their needs are not being addressed.

Senator Jennifer Murnane O'Connor: I am in the very same position in terms of the mortgage to rent scheme. I have been talking to many people recently and do not see much of a difference. Is there an update? I do not think much of a benefit has accrued from the scheme. Perhaps I am wrong, but that is the impression I get from people with whom I deal on a daily basis.

A total of €153 million has been allocated for the HAP scheme in 2017 and there will be a roll-out of €70 million for vacant properties. In my home town of Carlow there is no emergency accommodation available. While we should not have to use them, I accept that hotels and bed and breakfast accommodation are fine for a short period as an emergency measure and that we must put people somewhere. Buildings are coming onto the market that are quite cheap, yet there does not seem to be funding available for local authorities to buy them. For example, a premises could be purchased as a women's refuge. In every county in the country there should be a long-term women's refuge facility. It is sad that we need to have them, but we do. No investment is provided for them. There is no help for people who find themselves in such situations. There is a home for men in Carlow but no women's refuge. We try to get women into accommodation in Kilkenny and Waterford where the facilities are full and then they become homeless. There are factors which add to homelessness that could be addressed in the long term instead of putting money into hotels and bed and breakfast accommodation on a short-term basis. There does not seem to be any intention of buying such premises. I could name two or three which are for sale that I know would be ideal and the prices of which are reasonable. Is funding available for such a purpose? I refer to people who are among the most vulnerable in society. The figures for homelessness have gone up again and will increase even more. People on local authority housing lists qualify for the HAP scheme, but they cannot find accommodation. They are caught in that they are included in the scheme but cannot find a place. In effect, they are homeless. What is the long-term picture for them?

Mr. John McCarthy: I will take the questions in turn.

Senator Victor Boyhan has left the meeting, but I will deal with what he said in general terms. It goes back to some of the earlier discussion with Deputy Eoin Ó Broin about information and statistics. I acknowledge the Senator's positive comments on the scale and range of information we have provided. Some of us are here. The rest of the team dealing with housing are back in the Department. There is no one on the team who does not understand the scale of what we have to achieve and the critical priority attached to it. It is of no benefit to us to do

anything other than what we have said we would support the Government in delivering. We have outlined what we have achieved. I accept, however, that there has been slippage in some areas. It was inevitable that this would happen but we have been upfront about what the issues are and how we are trying to deal with them.

Returning to what Deputy Ó Broin said about housing completion statistics, I reinforce the point to the effect that we have no interest in having anything other than the best possible information and statistics as it is only then that we can be sure we have the best informed policy to deal with the reality of the situation.

Senator Boyhan raised the wider issue of dealing with homelessness beyond people needing homes. He was spot on in terms of the extent to which a home is one part of a solution for many people who find themselves homeless but social supports, particularly in the context of evictions and mental health issues, are vital. There is an appendix to Rebuilding Ireland setting out all the actions that will be taken. We are the owners and the lead people to drive the majority of those actions but this must be an across-government strategy if it is to work. The action to which Senator Boyhan referred is led by the Department of Health and the HSE because it relates to the important issue of mental health. That action is marked as incomplete because the commitment is to get to a point where funding for mental health supports and addiction services for homeless people would be increased to €6 million per annum. This year, as services are ramped up, the funding allocation for the services will be €4 million, not €6 million, because some of the provision will come on stream at the end of the year. As a result, there will not be a full-year cost attaching to it. However, the commitment is for the allocation to increase to €6 million next year. That is the reason that action is marked as incomplete, but considerable work is being done in respect of it.

Senator Boyhan also referred to cases of people living in emergency accommodation for far too long. That is recognised, as is the need to deal with the issue under the Housing First approach. People need to be equipped to live as independent a life as they possibly can but for some, that will require having range of supports in place. We have the Housing First programme and there is a separate action in Rebuilding Ireland to triple the number of Housing First tenancies by the end of this year. There are two elements to that, an accommodation element and the wrap-around services that people will need in their own homes to be able to sustain independent living. A significant number of the Housing Agency acquisitions that we spoke about earlier are of the one-bedroom unit variety that will provide ideal accommodation solutions for some Housing First tenants but we also need to get the wrap-around services in place to ensure that they can sustain independent living.

Deputy Ellis mentioned that we had talked at the launch of the High Park model units. That model represents a much improved, better-quality solution for a short-term period and it is significantly better than hotel accommodation in terms of the range of facilities - including cooking and laundry facilities, homework clubs and practical supports for identifying the long-term housing solution that families will need - available to families. We want to replicate that model as part of our solution to dealing with the hotel accommodation issue. The Deputy is right in saying that it is an ambitious target to achieve by the middle of the year but we are engaging - Ms Mary Hurley and Ms Bairbre Nic Aongusa in particular are doing so - with the Dublin local authorities on a weekly, and sometimes more frequent, basis as part of the process to ensure that every possible effort that needs to be made to achieve that target is made. It will be a case of us all putting our shoulders to the wheel on that one in the next few months.

Deputy Ellis and Senator Murnane O'Connor raised the issue of the mortgage to rent

scheme. We carried out a review of it and published the outcome in February. Up to the end of last year, 217 mortgage-to-rent cases were completed and there were more than 600 other cases in progress. We heard some of the same commentaries the members have heard about the scheme, namely, that the process involved takes a long time and that it is cumbersome. We have itemised a number of actions in the review we published in February to try to improve the level of take-up in respect of the scheme. Some of those actions relate to the process involved - to try to make it faster - and some are around access to it. For example, we have increased the value of property that can be accepted into the scheme. We have also increased the thresholds for different houses and apartments in various parts of the country. We increased what can be accepted as spare capacity within a house. Under the new arrangements we have put in place, a house can be over-accommodated, so to speak, by two bedrooms. The owners of houses can have two spare bedrooms and they will still be able to qualify for the scheme. There is a programme of actions listed at the back of the review that are to be completed over the course of this year and that are set out to be done quarter by quarter. We are pretty much on track with most of those.

Some of the changes I have outlined came into force in recent days. Since the publication of the review, there has been a good, active programme with the AHBs. The latter take ownership of the properties to try to smooth out the conveyancing process and there a number of workshops have been held with other parties to try to ensure that we can massively reduce the time the process involved takes and to open up the scheme to a wider cohort of people. We will keep the scheme under review over the next few quarters and we hope there will be an increased level of activity under it, a return for the effort that is being put into it and, ultimately, that it will deliver housing solutions for the people who need them.

Chairman: I thank Mr. McCarthy. I thank the members for attending. I also thank the witnesses for their attendance and for the volume of data with which we were flooded prior to this meeting, which we appreciate and which is very helpful.

The next meeting of the joint committee will take place from 5 p.m. to 7 p.m. on Wednesday, 5 April 2017 and will focus on the issue of building regulations. It is due to be held in Committee Room 1. The joint committee is adjourned.

The joint committee adjourned at 4.40 p.m. until 5 p.m. on Wednesday, 5 April 2017.