

DÁIL ÉIREANN

AN COMHCHOISTE UM THITHÍOCHT, PLEANÁIL, POBAL AGUS RIALTAS ÁITIÚIL

JOINT COMMITTEE ON HOUSING, PLANNING, COMMUNITY AND LOCAL GOVERNMENT

Déardaoin, 13 Iúil 2017

Thursday, 13 July 2017

Tháinig an Comhchoiste le chéile ag 9.30 a.m.

The Joint Committee met at 9.30 a.m.

Comhaltaí a bhí i láthair /Members present:

Teachtaí Dála /Deputies	Seanadóirí /Senators
Ruth Coppinger,	Jennifer Murnane O'Connor,
Barry Cowen,	Grace O'Sullivan.
Mattie McGrath,	
Fergus O'Dowd,	
Eoin Ó Broin.	

I láthair /In attendance: Deputies Mick Barry, Dessie Ellis and Louise O'Reilly.

Teachta /Deputy Pat Casey sa Chathaoir /in the Chair

Business of Joint Committee

Vice Chairman: At the request of the broadcasting and recording services, members are asked to ensure their mobile phones are turned off or switched to airplane or flight mode, depending on the device used, for the duration of the meeting. It is not sufficient to leave them in silent mode, as it will maintain a level of interference with the broadcasting and recording systems.

Apologies have been received from Deputy Maria Bailey and Senator Victor Boyhan. Deputy Barry Cowen has indicated that he will be late. I propose that we go into private session to deal with a number of housekeeping matters. Is that agreed? Agreed.

The joint committee went into private session at 9.35 a.m. and resumed in public session at 9.50 a.m.

Pyrite Resolution Board: Chairperson Designate

Vice Chairman: We are now in public session. I welcome Mr. Jack Keyes, chairman designate of the Pyrite Resolution Board. The purpose of this morning's session is to engage with him on his strategic priorities for the role and his views of the challenges currently facing the board. The committee welcomes the opportunity to meet with the chairperson designate in public session to hear his views. We trust this serves to provide greater transparency to the process of appointments to our State boards and bodies.

I draw the attention of the witness to the fact that by virtue of section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to the committee. However, if they are directed by the committee to cease giving evidence on a particular matter and they continue to do so, they are entitled thereafter only to a qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable.

Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the House or an official either by name or in such a way as to make him or her identifiable.

I call on Mr. Keyes to make his opening statement.

Mr. Jack Keyes: I thank the Chairman and members of the joint committee. It is a great privilege for me to be invited to appear today. I am grateful for the opportunity to speak about myself, in the sense of my experience and qualifications, as well as the Pyrite Resolution Board, which I hope to serve as chair. I will try to answer the committee's questions as comprehensively as I can.

I have spent most of my career working at senior level in local government, including working as Cavan county manager for ten years from 2004 to 2014. Before that, I was with Offaly County Council and Dublin City Council as director of services and senior executive engineer level. I worked in all service areas, including housing in particular, where we constructed quite

a number of houses during a period when local government did construct a lot of houses.

The first decade of my career was in the private sector as a consulting engineer in large practices in Dublin. That is particularly relevant in that I understand the mentality of consultants and also managed a lot of contractors in that time. I hold an honours degree in civil engineering from University College Dublin and have postgraduate qualifications in accountancy, personnel management, public management and leadership. I am a chartered engineer and a fellow of Engineers Ireland.

For the past three years, since I finished in Cavan, I have worked in leadership development, strategic planning, organisational development and project management with a variety of bodies and boards in the public, private and voluntary sectors. I am currently chair of several boards and committees including the national rural water services committee, which oversees the whole rural water area, and the national rural water expert group, which allocates the finances. I was recently chair of the boundary review committees for Athlone and Drogheda. All of these appointments were made by the Government.

I currently chair a number of other bodies, including Cavan Sport and Leisure Company Limited, a private company running facilities in Cavan, and Cavan Institute, a post-second level institute with 1,400 students. That appointment comes to an end in September. I was chairman of Cavan County Enterprise Board from 2004 to 2014. I serve on the board of the National Library of Ireland and chair its readers' advisory committee, which liaises with the people who use the library. My academic work includes lecturing in leadership and strategic planning in the Institute of Public Administration at levels 9 and 10.

When I was county manager in Cavan, I focused on strengthening governance processes and oversaw the establishment of the council's first audit committee. I drew up its risk register and achieved high levels of compliance in all Government and EU audits. In addressing challenging societal issues, in which I am particularly interested, I achieved a balance, I hope, between facilitating the voice and catering for the needs of citizens - including those in challenging situations - on the one hand and achieving value for money for the State on the other. By focusing on results and processes, successful outcomes were achieved in many areas and Cavan became an award-winning county in many fields. My principal focus at undergraduate and postgraduate engineering level was on soil mechanics, a topic very relevant to this post, including dealing with challenging ground conditions. I understand the construction industry and all its facets and diverse players.

The Pyrite Resolution Act 2013 sets out the respective functions of the Pyrite Resolution Board, PRB, and the Housing Agency. The Act mandated the PRB to draw up a scheme for the remediation of significant pyritic damage to dwellings, to accept applications from affected homeowners and to direct and oversee the implementation of a pyrite remediation programme. The pyrite remediation scheme sets out the conditions that must be satisfied to qualify for remediation under the scheme.

The Pyrite Resolution Board was established by the then Minister for the Environment, Community and Local Government following the commencement of the Pyrite Resolution Act 2013 on 10 January 2014. The pyrite remediation scheme was made by the board on 12 February 2014 and amended on 5 February 2015. This scheme constitutes the framework for the application of the provisions contained in the Act and first came into operation on 13 February 2014. Its mission statement is "to procure the remediation of certain dwellings with damage caused by pyritic heave of hardcore under floor slabs in a fair, efficient, transparent and cost

effective manner.” The committee may be familiar with the terms. The hardcore is the stone underneath the slabs in a house; it expands and causes these horrific cracks to occur.

The PRB must be acutely conscious of the need to ensure that the expenditure of public funds is managed carefully, consistent with achieving the scheme’s objectives. To ensure value for money, framework panels have been set up for building professionals and building contractors following open tendering procedures and contracts for individual projects are subject to further tendering from these panels. Exchequer funding provided for pyrite remediation purposes is routed through the Housing Agency and the audited financial statements pertaining to such funds are contained in the Housing Agency’s annual report. There is a partnership approach with the Housing Agency.

The original geographical scope of the scheme was limited to the areas identified in the pyrite panel report of June 2012, namely, the counties of Meath, Kildare and Offaly and the administrative areas of Fingal County Council and Dublin City Council. The majority of the cases were in Fingal and the second highest concentration was in Meath. However, during 2014, reports were received of pyritic heave in a number of houses in two estates in the administrative areas area of South Dublin and Dún Laoghaire-Rathdown county councils. On investigation, the Pyrite Resolution Board was satisfied that damage attributable to pyritic heave was present in dwellings in those developments and recommended an amendment of the scheme to include those areas.

The process works as follows: the Pyrite Resolution Board accepts and validates applications under the scheme and oversees the implementation of the pyrite remediation programme for approved dwellings. The scale of the programme is determined by the availability of funding and other factors. The Housing Agency, subject to the direction of the PRB, remediates approved dwellings affected by pyrite and implements the pyrite remediation scheme. The Housing Agency also assesses and makes recommendations to the PRB on applications from homeowners for inclusion in the scheme. An audit and risk committee assists the board in fulfilling its oversight responsibilities and operates to the board’s approved terms of reference. The committee meets quarterly, comprising of a chairman, five board members and one external member with experience in financial accounting. The board’s tasks include overseeing the process I have just described, and ensuring that a robust risk management system is in place.

The funding of pyrite remediation works is from voted Exchequer expenditure, allocated by the Department of Housing, Planning, Community and Local Government. The PRB approves expenditure profiles by the Housing Agency in respect of costs, commitments and expenses to the householders. In 2016, expenditure on the pyrite remediation programme amounted to almost €27 million, a very significant sum.

The status of applications at the end of June 2017 are as follows: the total number of applications that have come in is 1,798. The number of dwellings under remediation at the moment is 127. There is a scheme set up whereby a stream of things is happening. There are about eight stages in the process. That would be a typical number. Included in the scheme so far we have 1,309 dwellings. The difference between the 1,798 total applications and the 1,309 is that a number are awaiting validation. The number of closed cases is 109, which were not approved for various, mainly administrative reasons. I can give the committee further details on those cases if members are interested.

Looking ahead at the next three years, the challenge will be to maintain the progress. We currently have something that is working quite well but it would need to be assessed and per-

haps improved as time goes on. We want to complete the requisite number of repairs. The need to deal with applicants fairly, with empathy, objectively and consistently and in accordance with legislation will underpin the work of the board, as it has to date.

Comprehensive oversight of the complex processes involved in inviting and initially assessing applications, overseeing the work of expert consultants and contractors, focusing on minimising disruption to the families involved and delivering value for money will demand that the board performs its functions efficiently and effectively. If it happens, a family will leave the house for a 12-week period and expenses will be paid for board. It is a huge disruption to the family to have mini-JCBs in their living room digging up the floor. An ever-increasing emphasis on corporate governance will result in ongoing significant focus on this area.

I hope I have demonstrated to the committee that I have the expertise and corporate governance experience to chair the Pyrite Resolution Board. I thank the members for their attention to this matter and I am very pleased to answer any questions they may have.

Senator Jennifer Murnane O'Connor: I thank Mr. Keyes for his statement. He is a very busy man and I am beginning to wonder how he fits everything in.

Reference was made to everything depending on funding. Total applications are shown in the statement as numbering 1,798 and the number of dwellings currently being worked on is 127. This is a huge gap between the figures. What is the procedure and how does the board decide who is going to get the work done first? Will everyone who applies and who is told they qualify get the funding? What role is played by the local authority in this regard and will Mr. Keyes inform the committee if the board works with local authorities? It is a very good report and maybe Mr. Keyes could fill me in with some answers to those queries.

Deputy Dessie Ellis: I thank Mr. Keyes for his presentation. By the looks of it Mr. Keyes' qualifications are very strong. I did not know if Mr. Keyes had another job apart from all the different roles he has. There is a lot there and chairing all of these committees and so on would be very challenging.

I am curious about a number of aspects. Are there any plans for the Pyrite Resolution Board to look at the mica issue? This has been a concern, especially in the Donegal area. We need to look at whether the board's remit can be expanded. Time without number we have been refused by the Department in trying to deal with this major issue. Perhaps Mr. Keyes could fill the committee in on that.

A lot of the pyrite problems were mainly confined to the more northern region of the State and we can clearly define those areas. Is there a plan to expand on those areas? Outside of those regions we are discovering that pyrite issues are also to be found in the west and a small number of other areas. I have visited many of the sites and it is a traumatic matter for anyone to have to deal with. Even though it is roughly a two to three month period while they are out of their homes, it is very challenging for many people.

We speak of the subject in terms of private houses, but there are also many local authority tenants dealing with the same problem, who could number more than those we are currently discussing. In my area Ballymun, Finglas, Swords and Ashbourne present major problems in this regard. Will the Pyrite Resolution Board have a role in dealing with public housing? How will it interact with those people?

I am not sure if Mr. Keyes' role as the chairman of the board, if he is appointed to it, will be

a paid role. I assume he can tell the committee if it is a paid role. I have found that one of the biggest factors for affected people when it came to the whole process was the procuring engineers and also the associated the costs. They found it very difficult and some people had to pay between €2,000 and €5,000. It was very messy. Maybe this process could be looked at to see if it could better help people. From speaking with people who have been affected this aspect was really getting to them.

When we look at the amount that has been remediated since the board was set up, I believe we have been a bit slow. The flagging process means that the lesser affected houses have been left behind to deteriorate as time goes on. This needs to be looked at also to see if the process can be speeded up.

Deputy Louise O'Reilly: Mr. Keyes appears to be eminently qualified. I echo Senator O'Connor's remark that that Mr. Keyes seems to be a very busy man indeed. As part of the new role - if I can be presumptuous - are there plans to assist people practically who have, for example, grade one pyrite in their homes? I have looked at this issue and I have been in contact with a lot of families in Lusk and Rush especially. They have grade one pyrite and we can see that in many instances it can lead to grade two and to remediation being necessary. Would Mr. Keyes see the board as having a role in communicating with those people? Currently they are feeling a bit lost. They know they have some pyrite but not quite enough to be as bad as their neighbours, for example, who may be getting remediated. Their houses have not enough pyrite for remediation but these people can see that it is going to go in that direction. I am interested to hear Mr. Keyes' views on that.

Consider the case where there are three or four houses in a row in a terrace and the first, second and fourth houses are owner occupied but the third is rented. The first, second and fourth houses are being remediated but for some reason the third is not. Would the Pyrite Resolution Board have a role in communicating with the house in the middle? The people on either side would get their dwellings remediated and they fear that the person in the middle would not. In the context of Mr. Keyes' role as chairman of the board, does he believe that there could be more communication? People feel they have been left out of the loop and that the board has not been very proactive. People affected by pyrite feel that those involved in the process have not been very approachable and that there has been insufficient action in this regard.

I will now turn to the issue of the engineers, which deeply concerns me. It is, of course, necessary to get an engineer's report. Constituents have told me that where they have initially engaged an engineer the cost was €1,800 to €2,000. When it becomes apparent that there is more business the costs then go up. People were paying under €2,000 at the beginning of the process but at the end, when the entire housing estate is looking for engineers, they found the price was going up. Would Mr. Keyes have a view on whether he would seek powers or have powers to help those in that situation? They must get the engineer's report because they must find out the extent of any damage. At the back of all of this are people who bought their houses in good faith and who, like me or anyone else, would not be able to tell that there was a problem on the day they walked in to their houses. They could not have known and it is not their fault but unfortunately, they are left with the consequences. I appreciate that funding is important but there are many people who find themselves in a limbo in this respect and who would like to see the chairman and the board reaching out to them to try to bring them into the process a little more. They currently do not feel part of it.

Vice Chairman: I will come back to Mr. Keyes now and then return to members for another round of questions.

Mr. Jack Keyes: I thank the Vice Chairman and the members for their comprehensive questions. Although I have studied the workings of the board and the reports as best I can, members will appreciate I am on a learning curve because I am just going into the job. I would not claim to have comprehensive answers to many of the questions. I will answer with the knowledge I have and will be more than happy to come back at any time if the committee wants an update on the workings of the board. In respect of being busy, I do not have any big job. While I was in the job of county manager, that was very full time. For the past few years I have been working on the boundary committees, which became a very demanding task in that there were 28,000 submissions in Roscommon which for government in Ireland was an incredible figure. Each had to be processed and considered. That was a massive task that ended last autumn. My role in Cavan Institute is also demanding because the college is very important to the area. That will finish in the autumn. With those two big jobs ended I am confident I will have time for this work.

At the start of the scheme there were 1,798 units and by now 1,309 are either completed or included in the scheme. There is not a large number waiting. The ones that are waiting are going through the stream of eight stages, apart from the 101 that have been rejected to date. In June, for example, 37 applications came in. There has been a constant flow for the past two years. Although there is a bit of a gap it is not significant from what I have seen but I will not really know until I get in there. The flow in is almost equivalent to what is being remediated and processed.

Senator Jennifer Murnane O'Connor: Is there a constant flow of funding? Does the board have to apply to the Department?

Mr. Jack Keyes: It is like any allocation, the Department gives us a yearly allocation and we are free to go in and look for extra funding during the year.

Deputy Ruth Coppinger: It was not meant to be like that. There was meant to be much more money.

Mr. Jack Keyes: As for local authorities, there is very little contact. It is a separate process from theirs. It is for private houses only, not local authority housing. The Act drives the work of the board.

Mica in the north west is a separate process. It is not covered by the board.

Deputy Dessie Ellis: I was suggesting that Mr. Keyes try to have it examined because it has been dragging on.

Mr. Jack Keyes: At present, the brief of the board does not include mica.

I was interested in Deputy O'Reilly's feedback about the cost of the engineer. My understanding is that €500 is allowed for the initial survey if a house is accepted on the scheme. The engineers employed to do the detailed contract documents are from a panel and they are paid fully by the moneys provided by the board or the State. If one is not accepted on the scheme one is eligible for those fees. I will keep in mind what the Deputy says about the fee of €1,800 and try to tease it out.

Deputy Louise O'Reilly: It is a real concern for people, the cost and the trauma.

Mr. Jack Keyes: We are all focused on the trauma. It must be an incredible experience for

people, especially when they are in their first house. That brings me back to the point about the rented house in the middle of a terrace. I was not aware that might be the case. There is a policy to make an effort to do all the houses in a terrace at the same time. I will see about that.

The word, “communication” came up in several questions here. It is of the essence. I will at an early stage look into how the communication is going and whether it can be improved. People deserve to be communicated with comprehensively. If that has not been satisfactory to date and I am not saying it is not, we will certainly address it.

My understanding is that the present scheme is predicated on dealing with grade two defects. There is a category called “grade one with progression”. I cannot give any more answers on that now but I will focus on it at an early stage, to see what is the situation and whether something can be done or if it is necessary. At the moment the building has to be at grade two.

I think I have answered everything. Forgive me if I have forgotten anything.

Deputy Ruth Coppinger: I thank Mr. Keyes for coming along today. I come from the pyrite capital of the country and am very interested in whoever runs the board. Most pyrite has occurred in Fingal because of the quarries located there. There are three or four estates in Mulhuddart, where I live, within a proximity of 100 m, that are riddled with pyrite, including my estate.

I first became aware of this problem in 2008 or 2009. The first public meeting was held on the night of the big snowfall in November 2009. We advertised a public meeting in the estate to know whether pyrite was the problem people were experiencing. When snow falls in Ireland the country shuts down but 50 people came, even though they thought the meeting was going to be cancelled. Even within our estate of Castlecurragh, 38 houses were fixed. Houses all around me are being fixed. The problem raised of one house here or there is happening everywhere because there is no advertising campaign by the Pyrite Resolution Board, something I requested several years ago, to explain to people what pyrite is and the need to apply quickly. I went to see the builder last summer. He was working on a whole block because it happened that everyone there had applied. It was the only block where everyone had applied. Some people are still not aware of this problem. That builder said it is bad practice for him to come in to fix one house and fix the house next door a year later. That is ludicrous. He could lift up all the houses for much less if the State was serious about this and not just about saving money initially. The work could be done so much more cheaply.

It is fine that the individuals have to get their own reports but there is no attempt to advise people. People in my estate still do not know. That is something Mr. Keyes needs to consider. I do not know why there is no explanation of the process on television or social media rather than people being obliged to approach their Deputies. I think that is why the board is getting 30 applications a month. In the report we received in advance of the meeting we were told that since the board was set up there have been 1,494 applications in total. That is a drop in the ocean. There are 700 units in my estate. I am not saying they all have pyrite but 100 or 200 might. There was a single application from 31 developments. There is hardly only one house in those estates with pyrite. The board needs to address the advertising immediately. Some people are attempting to conceal the fact that there is pyrite in their estate. I understand that, but it is in no one’s interest. What is in everyone’s interest is that this gets fixed. It took seven years of campaigning by communities, in respect of which the Pyrite Action Group should get a great deal of credit.

The fund was initially to have been €50 million a year and a levy was to be placed on the construction sector to pay for it. The CIF and the insurance sector threatened constitutional challenges and, quietly, the then Minister, Mr. Phil Hogan, dropped the levy. Generally speaking, it has been €10 million annually as a result although I see there was more last year as, perhaps, more people have become aware. There is meant to be €50 million, however. We could get all of the pyrite fixed if the fund was put in place and advertised. That would get this done quickly rather than via the piecemeal approach being taken.

The issue of stage one and stage two pyrite is really important. For example, I live in an estate where there is pyrite. I have some pyrite but it is not enough to get it fixed. While it is not causing me a problem, people who want to sell their houses are stuck in this incredibly difficult situation. It is not the case, as might have been said earlier, that every case will develop. It is very unlikely because the estate is 15 years old and usually it develops within ten years, albeit it is not ruled out that it might take more time. Having been to so many houses, I am nearly an expert on it and that is what I have been told. People like me and other residents who have contacted me, like the woman who was on “Morning Ireland” a couple of weeks ago, are in a difficult situation in that they may have had amber certification. They do not have enough pyrite to get it fixed but they can also not sell their houses. While that is fine if they want to rent out the houses, people have to move on. Not everyone wants to be a landlord.

This is now the biggest issue facing the pyrite board. Where there is enough to get it fixed, that is fine. It will be fixed. However, I am now worried about all of the other people who do not have enough to get it fixed. We have to move on and start addressing that issue. Does Mr. Keyes have any solutions for those people? Mr. Keyes is from Cavan and I do not know if there have been any pyrite issues there at all. To the best of my knowledge, there have not. The problem has been in Dublin, Meath and some other parts of the country. Mr. Keyes may not have experience on it although he may be able to develop an understanding given his engineering background, which is clearly very helpful. I am concerned to ensure that he goes out very quickly to the estates where this is happening. He is very welcome to come to Castlecurragh where I passed JCBs and other equipment as I was leaving. This is a real problem for people living in estates with pyrite but who do not have enough to get it fixed. What are they to do? They are stuck in this limbo. If the construction levy had been imposed, there would be enough to fix all of the houses. At the very least, something needs to be developed whereby homeowners can get a certificate to say that pyrite will not develop as a problem.

Vice Chairman: As Mr. Keyes settles into his new role, what is his vision for that role? What is his first priority and what challenges will he face?

Mr. Jack Keyes: I will start with Deputy Coppinger’s questions and then answer the Vice Chairman’s. Deputy Coppinger has raised some fundamental issues and I do not have all the answers today. I have heard her clearly and I am aware of people with stage one or amber status and the difficulties they may be having. Moving onto the board, I will be looking at how that demarkation is made and drawing conclusions about whether the funding is adequate. It may be that the brief for the board to address those may have to be changed by way of legislation. I am not sure yet but that is my impression. Certainly, I hear the Deputy clearly. One of the early things I would like to do is visit the estates as she suggests. I have only seen one house being remediated as part of the preparation for the application but to go out and see some of the stage one houses, which I have not seen yet would be particularly interesting. I would be very happy and willing to do that.

I am not sure about the history of the fund and the levy. The funding comes directly from

the Exchequer now. Communication and advertising was mentioned earlier and it is key. People deserve to know what is available. There is a good news story here as well as a bad news one. We have done a great job as a State to address this as well as the fact that there is a big gap there. Sometimes, we do not tell people what we do when we are focused on the problems. I will be looking at that early in the course of my tenure.

My vision is to try to help the people who are in this awful situation, balanced with the funding that is made available to the board. It is an awful position for people to find themselves in. The board has done a good job so far but we will be reassessing its role and efficiency if I go in.

Deputy Ruth Coppinger: The building regulations have been updated since the pyrite scourge began. Is Mr. Keyes satisfied that they will prevent pyrite again? Are they sufficiently vigilant from the quarry to the site? I have spoken to some engineers who think they are inadequate. If he is successful in his role, that may be something we can discuss with Mr. Keyes in greater depth in six months' time. I have been told by some that they think this may happen again.

Deputy Dessie Ellis: I have a point about the overall picture on pyrite because we are dealing here with the private sector. When we look at local authorities and the amount of pyrite we are experiencing, I fear we have another problem having looked at an estate the other day. I first encountered this going back to 2006 and 2007 at Avila Park in Finglas. I knew there was something very serious albeit I did not know it was pyrite. I got engineers out and it took us two years to figure out what it was. The true figures are staggering when one takes the public and private estates into account. I do not think we have done a full audit to determine how serious this is and the potential for further issues. As Deputy Coppinger said, there are some houses which have a certain amount of pyrite but that could activate further down the road. The potential is still there. To ignore those and just walk away from people in a different category because it is currently less serious will be done at our peril. Those people may face serious problems down the road. We have to look at that more carefully and not just dismiss people where one category is more serious than the other. We must tackle both categories.

Vice Chairman: I thank Mr. Keyes for attending to make his presentation to the committee and wish him the best of luck in his new role. I thank him for offering to return to the committee in future if the committee so desires.

Mr. Jack Keyes: I thank the Chairman and the members.

Vice Chairman: We will take a few moments to allow the new witnesses to take their seats.

Review of Housing and Homelessness Policies and Initiatives: Local Authorities

Vice Chairman: I welcome Mr. Pat Ledwidge and Ms Valerie O'Sullivan from Cork City Council; Mr. Anthony Flynn and Ms Eileen Gleeson from Dublin City Council; Ms Margaret Geraghty and Ms Mary Egan from Fingal County Council; and Mr. Michael Walsh and Mr. Ivan Grimes from Waterford City and County Council.

I draw the attention of witnesses to the fact that by virtue of section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to the committee. However, if they are directed by the committee to cease giving evidence on a particular matter and they continue to do so, they are entitled thereafter only to a qualified

privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable.

Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the House or an official either by name or in such a way as to make him or her identifiable.

I invite Mr. Flynn and Ms Gleeson to make their opening statement.

Ms Eileen Gleeson: I am the director of the Dublin Regional Homeless Executive. I thank the Chairman and committee members for the invitation to today's meeting to discuss Rebuilding Ireland - Action Plan for Housing and Homelessness. Mr. Anthony Flynn from Dublin City Council and I will outline the progress made to date on Rebuilding Ireland in the case of Dublin City Council. The Dublin Regional Homeless Executive is operated by Dublin City Council and oversees the delivery of a range of homelessness services on behalf of the four Dublin local authorities. We provide a co-ordinated response to the needs of both families with children and individuals experiencing homelessness. Our functions are to direct client services through placements, allocations and provision of facilities, including operation of the housing assistance payment for homeless households; corporate support including finance, research and communications; and sectoral development and co-ordination through training and learning and provision of integrated services and quality standards.

Our first role is tenancy protection. Prevention is better than cure. We have had a tenancy protection service in place since 2014 and it has been very successful. In the period from January to March 2017, 805 households contacted the service. Of the 405 that were at risk of homelessness, 356 tenancies have been protected to date and the remainder are being worked with. None has entered homelessness.

In addition, we have had a specific prevention team at Parkgate Hall to deal with new families presenting there since February. These prevention officers work with the families who present daily to prevent them from entering emergency accommodation by assisting them directly with their housing situations. To date, this has prevented another 150 families from entering homelessness. The success of the initiative is driven largely by the homeless HAP scheme.

Regarding family homelessness, I have outlined in the report the trends in respect of homeless adults accessing emergency accommodation and where they are housed. The table on page 2 shows the drop in the use of hotel accommodation and the upward trend in the use of emergency accommodation - that is, supported temporary accommodation units, STAs, which are the family hubs. Under Rebuilding Ireland, the use of commercial hotels by homeless families was to be phased out by the middle of this year except in emergency cases. At the end of October 2016, 813 family households were in emergency accommodation in commercial hotels and bed and breakfast accommodation. Between then and the end of June, 842 households were moved to more appropriate accommodation. It is expected that a further 533 families will be moved over the period from July to September. The breakdown of this is outlined in the report. It is important to note that on average, 80 families per month are entering homelessness despite the effort to prevent this.

The family hubs have been in the media over the past few days again as we opened the latest one in Drumcondra this week. The intention is that family hubs will be the first response for

families that become homeless and currently have no alternative other than commercial hotels and bed and breakfast accommodation. Family hubs are not a long-term housing solution. Families will move into houses and apartments when they become available. In the hubs they will be provided with support to work them through to more permanent-type accommodation that is suitable for families. The details of the family hub facilities currently planned, under development or in operation are outlined in the report. We will continue to source alternative and additional properties to add to the stock of family-appropriate emergency accommodation. In addition to what I have outlined, eight commercial properties throughout the region are being adopted as family accommodation and will cater for nearly another 300 families. All families in hubs retain their priority on the relevant social housing lists and will be allocated homes when they become available.

I have outlined in the report the rough sleeper count as of April 2017. The spring count showed 161 persons confirmed sleeping rough on the night in question. Of that figure, there were 23 sleeping on Henry Street who were non-Irish and who, as we discovered later, had arrived in the country in the previous days. A majority of those have repatriated. We have worked with them through our housing first and outreach teams and they have returned to their country of origin.

The number of nightly placements into emergency accommodation for each quarter in the Dublin region is set out in a table in the report. On average, we place 243 people into emergency accommodation every night of the week. This has decreased because of the way in which we are operating the system. There has been a reduction in the number of placements as a result of our “rolling bed” initiative, by which people who present for one-night-only beds regularly are booked in for longer periods and prioritised for access to supported temporary accommodation that becomes available. While they are in the temporary accommodation, a kind of case management system works with them. This reduces the need for individuals to ring the freefone number every day and links them into the services more efficiently. In line with the key actions in Rebuilding Ireland - Action Plan for Housing and Homelessness to ensure an adequate supply of accommodation, the DRHE will continue to source additional premises in the Dublin region for use as emergency accommodation for both families and single persons.

I will hand the committee over to Mr. Anthony Flynn to continue.

Mr. Anthony Flynn: I am executive manager with responsibility for housing and community services, including the housing programme. I will give an update on Dublin City Council’s social housing action plan in the context of the Rebuilding Ireland action plan.

Regarding pillar 1, as the committee will be aware, the Government’s initiative for rapid-build housing is for the early delivery of housing across the four local authorities. In Dublin city we have delivered 22 units, and 131 will be made available starting in the next ten days. Allocations have been made and we are in the process of awarding the tender for the next 70 units, which we anticipate will be on site in the month of August, with a view to having two schemes completed by the end of this year and one scheme early next year. We are also bringing a proposal to the city council with a view to commencing a volumetric - that is, multi-storey - rapid-build housing programme. Basically, they are apartments. We anticipate we will get a yield of approximately 500 units from that programme.

Our targets that were set in the 2020 programme are set out in the table in the report. We were asked to deliver 3,347 social housing units. We anticipate we will deliver 6,480 units and have already delivered 5,147 units, as broken down in the table on page 8 of the report. Our

allocation was €292 million; to date, we have spent €420 million. There is also provision for the completion of 453 social housing units in the remainder of 2017 and these are listed in the report. We have also received confirmation that there will be funding for a number of schemes, which are again outlined in the report.

Regeneration works are ongoing for the refurbishment of 143 homes in Dolphin Park and Dolphin House and we will issue tenders for regeneration projects in St. Teresa's Gardens, Ballybough Road and Croke Villas this year. We have spent €24 million on returning void properties to use, and 2,316 have been returned to stock, with a current vacancy rate of 1.56%. I have provided on pages 9 to 13, inclusive, an outline of the progress of our schemes in the context of the four-stage capital works management framework process.

Regarding pillar 3, concerning the building of more homes, the council has developed a housing land initiative scheme for its lands on Oscar Traynor Road, O'Devaney Gardens and St. Michael's Estate, Emmet Road, which will yield 1,646 homes, of which 385 will be social housing. The prior information notice is out for those three schemes and a pre-qualification questionnaire notice will be on eTenders in the next two weeks. The social housing public private partnership pilot scheme is also ongoing in the city and will yield 220 units in two schemes, both of which are at Part 8 stage. The multi-unit housing developments sites, which are large public and private landbanks in the city, are identified in the table provided in the documentation and we have successfully received funding from the local infrastructural housing activation fund to facilitate works at Belmayne and the Poolbeg strategic development zone, SDZ.

A number of important changes were made to Dublin city's development plan from 2016 to 2022. This was primarily to assist the development of residential lands within the city. In that context, the amount of zoned land in the city has increased by 47 ha and there is provision at this point for in excess of 52,000 homes to be built in the lifetime of the development plan. There are approximately 12 elements to this as outlined in the report.

New initiatives that we have implemented in the city include the buy and renew scheme and the repair and leasing scheme. The buy and renew scheme seems to be more appropriate to an urban environment, particularly Dublin city. We are looking at derelict sites and properties etc. and we have identified 144 of them. We are using our powers with the compulsory purchase order process to bring some of those back into stock.

To conclude, real progress is being made to provide accommodation, both new and refurbished, in properties in the city. However, there are real challenges to overcome to provide the number of homes needed. Dublin City Council and the Dublin Region Homeless Executive will continue to provide short-term emergency housing requirements. However, we will phase out the need for this temporary accommodation and replace it with permanent housing solutions over the term of the Rebuilding Ireland plan. We thank members for inviting delegates from Dublin City Council and the Dublin Region Homeless Executive to present a report at today's sitting of the committee.

Vice Chairman: I thank Ms Gleeson and Mr. Flynn. As I am conscious that members would like to get to the questions, if the next witness could condense her presentation as much as possible, we would appreciate it.

Ms Margaret Geraghty: I am the director of housing and community services at Fingal County Council and my colleague, Ms Mary Egan, is accompanying me. I thank the Chairman and members for inviting us here this morning. Fingal is the second largest of the four Dublin

authorities and Fingal County Council has the third biggest local authority catchment area in the country. The results from the 2016 census indicate that Fingal is Ireland's fastest-growing county, with the youngest population, and Balbriggan is the youngest town in the country. We have a population of just under 300,000 and that has increased by 22,000 since the last census. This 8% increase is the highest of any county or city in the past five years and it is more than twice the average national rate of increase.

The provision of social housing for those unable to provide housing for themselves is a strategic high priority for Fingal and is a big challenge, particularly in light of the significant increase in population. There are currently 7,865 eligible applicants for social housing support on our housing list and our aim is for every household that has a need to be able to access an affordable home of good quality, suited to their needs in a secure environment. It is important to note that despite the challenging operating environment over the past ten years, there has been a 60% increase in the social housing stock provided by Fingal in the area between 2006 and 2016.

The council is very proactive in the delivery of social housing units and has provided 1,408 families with social housing support through a range of delivery mechanisms under the social housing strategy for 2015 to 2017. The council has already exceeded the targets set in this strategy and delivery outputs on our target of 1,376 units stand at 102% at the end of June 2017. In addition, the council has a high-level land management and activation group chaired by our chief executive. The council was allocated €81 million under the housing strategy 2020 to fund our delivery up to the end of 2017. To date, we have spent €85 million and we expect to spend a further €66 million before year-end, bringing the total expenditure to €150 million, versus the initial allocation of €81 million. That additional funding is being provided to us by the Department. Based on current approvals in the pipeline, it is projected a further €120 million will be required during 2018. The total expenditure requirement from 2015 to 2018 is therefore expected to be approximately €270 million.

We have put much time, effort and focus into managing projects through to completion in our construction programme and it is supported by a strong project management process. That may seem basic but housing delivery is a complex process and putting a relentless focus on all stages of the process has proved successful for us. A major element of our strategy has been bringing forward plans to the elected members on a regular basis for building social housing units on land in our ownership. We have brought more proposals through in the past 18 months than we had been in a position to do over the previous six years or so. This process has ensured a continuous pipeline of planned units for construction across the county and it is heartening to see the council back building houses again. There is a significant construction pipeline already under way, with 23 active social housing sites across the county delivering 630 social houses over the next two years. Construction is under way on 160 houses, with a further 219 at tender stage and 222 at pre-planning. It is also important to note we have 36 approved housing bodies active across the county, working with us to support housing delivery.

The council owns significant landbanks at Donabate, Mulhuddart, Cappaghfinn, Castlelands and Hacketstown and is in the process of developing land management plans for these sites, which have the potential to deliver 3,200 housing units over the medium term. In line with policy, these developments will be of mixed tenure with social, affordable, cost-rental, co-operative housing etc. The council will consider various models of delivery for these sites based on individual characteristics. The council has received infrastructural funding through the local infrastructure housing activation fund, LIHAF, which will help us bring these sites forward for development. The council has undertaken an ambitious acquisitions programme to

acquire properties on the open market. A number of bulk purchases of turnkey units have been completed. To date, we have acquired 286 properties and the Housing Agency is in the process of acquiring a further 92 properties on behalf of Fingal.

Activity in the Part V area is increasing with the upturn in construction. The council proactively works to seek early on-site delivery of units during Part V negotiations with developers. With planning permissions in the pipeline, there is potential to yield more than 2,000 social units under Part V in the coming years. The council is also working with a number of developers across the county to bring forward property for leasing. We have been working with the Department on the development of a new form of social lease that would enable us to develop those proposals.

Homelessness has emerged as a major issue across the Dublin region and we are working with our partners in the Dublin Region Homeless Executive, approved housing bodies and the Housing Agency to deliver long-term sustainable housing solutions. Family hubs in Fingal will provide quality family accommodation as an alternative to commercial hotels as we work to provide long-term tenancy solutions. We are also using the housing assistance programme in that regard and it is working very well in Fingal. It is important to note a total of 175 households have had their homeless circumstances alleviated up to the end of June 2017 and in 2016 we addressed the housing support need of 274 households with regard to their homeless status. We have provided 243 homeless HAP tenancies since the initiative was introduced and 99 mainstream HAP tenancies since March this year.

An important part of our work relates to private developments in the county and we have 49 active housing sites delivering housing across the county by private developers, and these will also attract Part V elements in time. A strategic part of the new Fingal development plan is to build on previous successes and strengthen our strategic advantage as a county. The recently adopted development plan has made provision for housing supply over the lifetime of the plan, with 1,700 ha of land zoned for housing in the county. Fingal County Council has ambitious plans for growth in the development areas identified by the metro north economic zoning designations. The recent zoning of this land reflects the importance of this infrastructural investment for both Swords and the entire county and will support the development of new towns and urban districts, while providing for a significant level of employment and residential development.

Fingal secured €26 million under the local infrastructure housing activation fund and there is the potential to deliver 10,300 units in the long term, with 2,500 to be delivered by 2021.

We participated in the national working group on the development of a vacant homes plan, which is due to be published. A lot of work on behalf of Fingal County Council has gone into this strategy. We worked for a number of months prior to the vacant homes initiative being launched and we identified from census figures that 3,000 homes were listed as vacant in the county. Having done an exercise on those, we established that 361 residential properties were possibly vacant out of 3,000, with the remaining 3,000 being commercial accommodation or stock that was under way in the 49 active private developments or the 23 active sites that Fingal has. They were actually not vacant properties. We carried out a number of investigations into the level of vacant property and a pilot visit we did identified 74 properties that were potentially vacant. Those properties were inspected on an individual basis and only 13 were actually vacant. At this point in time, the existing data have proven to be unreliable in that regard. We have now appointed a company that is surveying all our streets in Dublin 15 and Swords to ensure we have tracked all potential vacant property. We also have a publicity campaign in place.

From a derelict sites perspective, the CPO process is long and complicated. We have instigated what is working out to be a successful approach in which we have examined all the properties on our CPO list that are potentially suitable for housing and we are engaging directly with the owners of the properties. Rather than using the CPO process, we have negotiated to work with ten owners who are prepared to make the property available. The numbers are small but the approach is working for us.

In terms of void property, we manage and maintain 4,800 homes. Our unoccupied stock at any point in time is less than 1% of our total stock, which is a normal churn in terms of vacancy. The approach we take to the management of our void properties is very significant.

Over the next 14 years the population of Dublin is forecast to grow by 22% to 1.63 million. This will place further pressure on services but it also presents an opportunity and economic asset. It is essential that Fingal continues to grow in order to support the sustainability of the Dublin region. Fingal County Council has embarked on an ambitious programme of social housing delivery that will see the delivery of more than 10,000 housing units of mixed tenure in the medium term. As for private sector housing, there is significant provision in our development plan to meet these needs. There has been a lot of criticism from many sources that the local authorities have been too slow to react to the current housing crisis. In the case of Fingal, we have mobilised comprehensively, have good support from the elected members and departmental officials and our staff have stepped up to the mark in an exceptional manner.

Vice Chairman: I thank Ms Geraghty. I now call on Mr. Ledwidge to make his opening statement. I ask people to make sure their mobile phones are switched off or on silent or aeroplane mode.

Mr. Pat Ledwidge: I thank the committee for the opportunity to present to it. We are looking forward to dealing with its questions. My name is Pat Ledwidge. I am the deputy chief executive of Cork City Council and the director of planning and economic development. I am accompanied by my colleague, Valerie O'Sullivan, who is the director of housing and community. Ms O'Sullivan will read our opening statement but I preface it by saying we view housing as an economic, social and environmental asset to the city. Housing is about shelter and building communities. The context of our housing policy is set by Pure Cork, which is our local, economic and community plan and that is how we interact with our stakeholders to build those sustainable communities. I have brought some copies of the plan that I will leave with the secretariat. I will hand over to Ms O'Sullivan now.

Ms Valerie O'Sullivan: I thank the committee for this opportunity for Cork City Council to report on progress on addressing our housing challenges. We have structured it, like other authorities, in accordance with the pillars set out in Rebuilding Ireland.

Similar to other cities, Cork has experienced strong demand for housing in recent years. Progress is good, given that we began delivery from a standing start, but significant barriers remain that must be overcome to deliver the appropriate accommodation types to meet the diverse demands in a timely manner. The population of Cork city increased by more than 5% between 2011 and 2016, with a net inward migration of 4,390 people, directly correlating to increased employment levels and opportunities in the city. Our five-yearly employment survey shows that employment in the city grew by 9% in the same period. In terms of economic development, it is very encouraging but it underlines the urgency of addressing the housing supply shortage. Not only is the supply issue a social challenge; equally it is an economic challenge and unless tackled is a potential obstacle to future employment and economic growth in Cork city. In

2016, a Cork Chamber of Commerce survey found that 72% of big employers perceived employee accommodation to be a challenge and the same number stated it was an upward driver of wage demands.

Cork City Council has programmes in place to meet the housing needs of its 4,629 eligible housing applicants, which was the figure at the end of May. We have adopted a number of particularly innovative approaches to deliver additional housing units, resulting in a notable turnaround of previously vacant units and commencement of construction on six sites across the city, with a further nine imminent. Most noteworthy is our use of the EU competitive dialogue procurement procedure, which has proven very successful in unlocking viable development opportunities more rapidly than traditional procurement models. It is our considered view that the use of this procurement option could be a model for other housing authorities facing similar challenges, particularly the big urban areas, and that its wider use across the State could speed up social housing provision.

We will have provided a total of 1,349 new homes for eligible applicants between 2015 and 2017. In addition, we will have facilitated almost 2,000 applicants to access suitable housing under the housing assistance payment scheme in the same period. Therefore, by the end of the current year, Cork City Council will have housed, either directly or indirectly, 3,345 housing applicants. It is essential to provide sustainable housing in a manner and in such a quantity as to meet the needs of applicants, both in numbers and profile. To this end, empirical data had to drive our programme. Our choice-based letting scheme was introduced in 2015. It was a key provider of empirical data that shaped our programme for us. At the end of May, 55% of those eligible for housing had engaged with CBL. We have allocated about 424 units since it came into operation.

Pillar 1 is to address homelessness. As is expected by the Minister and our elected members, we are addressing the level of family homelessness to divert families from emergency and hotel accommodation. We have long had a programme in place to address the needs of the most vulnerable in the city. We have processes in place to identify people at risk of homelessness and to support them through our tenancy sustainment service, as well as assisting those in mortgage arrears. We established, for example, the Cork homeless forum in the mid-1990s, which is still operating today at regional level, and we work closely with other forum members to address the multi-layered needs of our homeless population. Recently, we reconfigured the housing directorate, which has allowed us to deliver better with the HSE South, Cork County Council, Kerry County Council and the Cork Education and Training Board.

Specific actions we undertake include-----

Vice Chairman: I do not mean to intervene but we are a bit tight on time. Perhaps Ms O'Sullivan will not call out all the specific actions. As we have them in the submission, perhaps she will just stick to the text. I am sorry for that; I am conscious of time.

Ms Valerie O'Sullivan: The committee can see the specific actions undertaken by Cork city in terms of homelessness. The one to which I will draw members' attention is the new facility at Bishopsgrove, which is the first of its kind in the State. It is an innovative type of homeless accommodation for students who wish to pursue third level accommodation.

Pillar 2 is to accelerate social housing and the key points are listed in our submission. There will be an additional 1,293 social housing units provided up to 2021. They are all in the pipeline. This pertains to new housing stock rather than voids recovery or other housing options.

Pillar 3 is concerned with building more homes. One can see how prices in the purchase and rental sectors have increased since the trough of the recession. They are listed in the submission I have provided to the committee. We must focus on developing brownfield sites within the city boundary. It is prudent to do so because they are adjacent to or on existing infrastructure or where infrastructure is available. Some new infrastructure, particularly transport, is essential to enable larger brownfield development.

Under the local infrastructure housing activation fund we are focusing on two locations, one of which is land owned by Cork City Council at Old Whitechurch Road, which is capable of providing between 550 and 600 units. There are two sites located on the south docks, which are capable of providing 800 units. It is sensible and prudent to develop in that area. The council is procuring the infrastructure works for our own lands at Old Whitechurch Road and our master plan is nearing completion. We plan for this to be a mixed tenure scheme. Design of infrastructure to facilitate housing development on the two sites in the south docks is also progressing.

Members can see further actions detailed in my written submission. They include the potential for innovative ways of producing additional housing supply at a city council-owned site in the county council's area and which is under consideration in the planning process for 153 units. Our north-west quarter regeneration plan in Knocknaheeny is to undergo a review this year. It has been in place since 2011 and the physical side of it - with 23 units completed, 29 units under construction and 149 starts imminent in the next few months - is progressing very well. We are now looking at the non-physical side of the regeneration such as socio-economic aspects in that area.

Pillar 4 applies to improving in the rental sector. Rather than going into my written submission in detail, it is clear that the city council is engaging with landowners and developers.

Pillar 5 covers utilising existing houses. One of the council's highlights to date in the delivery of housing was around the time when funding became available. Matched by some of our own funds it created a combined fund of more than €8 million combined and we returned 840 social housing units to stock in less than two years.

As for the buy and renew scheme, in terms of acquisitions it has worked well for us in that we bought without having to renew very much. We are now looking at properties that can fall into this category. The city council is partnering with other agencies locally under the repair and lease scheme. There is a target of 26 units for delivery in the current year under this scheme.

Cork City Council is making progress. We in Cork city believe that demand for social housing is capable of being met, especially if resources and progress continue at this pace. Put into context, our social housing demand equates to less than one fifth of the city's population. Some of this demand emanates from outside of Cork city. The development and management of social housing is a very strong feature of the council's track record. Of our total of approximately 57,000 homes within Cork city, almost one third were developed originally by Cork City Council. We have a track record in building, managing and providing social houses.

There are, however, current and future challenges for us. One challenge, which is quite obvious, is the scarcity of development land within the city. This is what prompted our use of the competitive dialogue procedure to unlock sites about which we may not previously have been aware. Another challenge is the growing population as evidenced by the 2016 census. This is driving demand levels beyond normal growth levels. That is a challenge. As we learnt from a recent publication from the Central Statistics Office, CSO, that our population is age-

ing, we must make sure we are providing the appropriate types of housing in future housing programmes to accommodate this need. There is a tendency towards urbanism and urban living and the demand profile is changing. Consequently, we need to respond. There is a move away from what we may have traditionally provided in Cork city, in respect of social housing in particular but also in private housing. We must build sustainable communities and not just houses, hence the review of our regeneration plan and other measures.

Like other local authorities we are experiencing a severe lack of investment into existing older housing stock. If we do not invest in it then we will pay much more dearly into the future. Local autonomy to make decisions is absolutely essential. There are viability issues that still exist and which are quoted to us regularly by developers. There are also some legacy land debt issues, which remain a challenge for the council.

Vice Chairman: I thank Ms O’Sullivan. I now invite Mr. Walsh to make his opening statement.

Mr. Michael Walsh: For the sake of brevity, if it is acceptable to the Vice Chairman, I will hand over to Mr. Grimes and we will address only the lease and repair and the vacant houses issues.

Vice Chairman: That is fine and I appreciate that.

Mr. Ivan Grimes: Waterford City and County Council, along with Carlow County Council, was chosen to pilot the repair and lease scheme on foot of a proposal by ourselves. In Waterford we have been looking at vacant houses as a potential source of social housing for well over a year. In the first quarter of 2016 we carried out an extensive survey of areas in Waterford city. Each property in nine local areas was surveyed to ascertain whether each housing unit was occupied or not. Our survey ascertained that the vacancy rate for those areas in the first quarter of 2016 was 8.8%. The census 2016 data for the nine local areas recorded a combined vacancy rate of 13.6%. What can we conclude from these figures? It is our view that the official vacancy rates, as recorded in the census, are overstated, possibly by 30% to 40% in larger urban areas. The only reason we can deduce for this is that there are significant numbers of people who simply will not engage with State agencies, including the Central Statistics Office, despite the guarantee of confidentiality in respect of the census.

I will now briefly outline our experience in Waterford with the repair and lease scheme. The scheme is targeted at the owners of long-term vacant properties that require some investment to bring them up to standard for occupation. A loan of up to €40,000 per property is available on condition that the owner leases the property to the local authority for social housing for a minimum of ten years. The loan is repaid over the lifetime of the lease from the rental payment to the owner.

Waterford City and County Council has engaged with the owners of more than 60 properties so far. We have entered agreements with or are about to enter agreements with the owners of nearly 20 properties. We are also in ongoing discussions with owners of more than 30 other properties. Two approved housing bodies are working on a further 18 properties in Waterford.

Not every property will be suitable for the scheme. The issues that we have encountered include properties requiring too much work and expenditure, properties located in areas with no demand for social housing or properties not being suitable for social housing. Several farmhouses were offered, for example, but these would require a significant maintenance commit-

ment from tenants.

The biggest issue we have experienced with the scheme relates to the owners of the properties. It is important to understand that every vacant property is owned by somebody. Identifying the vacant property is fairly straightforward but identifying the owner is much more difficult. Having identified the owner, convincing him or her to sign up to a new scheme is definitely not straightforward. Some owners were reluctant to engage because the scheme is new while others are deterred by the length of the lease or the discount that is applied to the rents under leasing arrangements. There is also an ingrained resistance by some owners towards a social housing solution in their properties.

Finally, it is important to note that the scheme may not be suitable in all locations, depending on the position of the rental market or the value of house prices. Waterford City and County Council has not attracted any interest for the scheme in the seaside town of Tramore, which has a strong rental market particularly in the summer. Looking at how the scheme might operate in areas where house prices have been increasing significantly like Dublin or Cork, an owner of a property that is in need of investment would probably generate a better economic return by simply selling the property.

In a national context, our view is that the scheme can be an effective instrument where property market values are around or below average. Where property values and rents are very high there is less incentive for an owner to use the scheme and where values and rents are very low the economic conditions for use of the scheme do not exist from the owner's perspective.

Vice Chairman: I thank Mr. Walsh and Mr. Grimes.

Deputy Eoin Ó Broin: I thank the witnesses for the detail in their presentations. I have a starting comment before I put my questions. There are some Members of the Oireachtas who have a tendency to beat up on local authorities in our debates about the housing crisis. I am certainly not one of them. While I have my criticisms and complaints about local authorities, it is important to put on the record the view of many on this committee as to what has happened to local authorities in the housing context since 2008-10. There has been an 80% reduction in capital investment in social housing and a 23% reduction in staff, which is the single biggest loss of staff in any part of the public sector. There have been nine Ministers, senior and junior, since 2010 and there have been four plans and statements. While it is important that we should go into the detail, criticise and ask questions when local authority representatives are before us, I am firmly of the view that local authorities, in the context of their front-line operations, have been struggling to cope with a difficult set of circumstances over the past decade. I also wish to acknowledge that the witnesses have taken the time to come here today.

I do not accept that the social housing targets are ambitious, particularly if one considers the need that exists versus the level of delivery outlined in the current action plan and that which preceded it. The two do not match. There will probably only be 4,500 real social houses delivered this year in terms of units owned by local authorities and approved housing bodies. The figure for last year was roughly the same. Next year there will be far fewer voids and some new builds will come on stream but there will still only be between 4,500 to 5,000 units delivered. All of this is at a time when there are 90,000 people on the waiting list and a minimum of 4,000 households living in emergency accommodation, etc. I shall not ask the witnesses to comment on whether the targets are ambitious. If the Government was prepared to approach local authorities and state that it wanted to be more ambitious, what would be the capacity of the local authorities to deliver additional units if, as two Ministers have now told us, money is no object?

What is the capacity to deliver if the Government was serious about wanting to increase the output of real social housing beyond the current rate?

The four-stage approval process is absolutely appalling. I am flabbergasted that the Department and the Minister have not tackled the matter. I do not understand how it can take so long to grant approval. The Department has repeatedly told this committee that it has worked on the matter and that its housing delivery teams have improved the process. I have heard, off the record, that it is still a slow and cumbersome process. I ask the witnesses to tell us, in as frank a way as possible, whether the process has improved. I am firmly of the view that there must be a way to reduce the process to a single stage lasting six to nine months once Part 8 has been passed and before construction happens. I would like to hear the views of the witnesses on the matter.

The next issue is land initiatives and public private partnerships. Many of us are concerned that the costs, in terms of the public sector's benchmarking for PPPs, will be very expensive over the lifetime of the projects. Can the witnesses who are involved in the projects share information about them and about the land initiative and joint ventures? Again, South Dublin County Council has not included affordable rentals in its model because central government has not provided an affordable rental model. Some newspapers have reported similar difficulties with Dublin City Council. If the projects go ahead, is there hope that there will be affordability either in terms of rentals or sales?

I have the same question on the local infrastructure housing activation fund, LIHAF. We have had lots of exchanges with the Minister on where the affordability dividend from the LIHAF exists. I have a question for the witnesses who work with the LIHAF. Can any of them say with certainty that developments which benefit from taxpayers' money will deliver units in Dublin, for example, that will sell for below €300,000? Any progress update on the matter would be useful.

I have two big issues with homelessness. First, there is an absolute need to introduce an independent inspection regime for emergency accommodation, particularly where children are involved. My suggestion applies as much to the hubs as to the other forms of accommodation. I would like to hear the views of the witnesses on the matter. Would Tusla, for example, be the appropriate agency to deal with this?

Second, two pieces of research on homelessness were published by Maynooth University and the Irish Human Rights and Equality Commission yesterday. There is a big concern about the hubs. Most members understand that a hub is clearly much better than a hotel for all sorts of reasons. Given that 70% of families with children who are in emergency accommodation have been there for six months and that 40% of families have been there for more than a year, some of us are concerned that, by default, the hubs, which are supposed to be a short-term solution, could end up serving as long-term emergency accommodation. What can be done to institute a regime where no family stays more than six months in any form of emergency accommodation before being moved on?

Can the witnesses indicate how their HAP transfer lists are working? There is a considerable variation in terms of how they operate. I want to hear about the impact of being moved from a standard housing list to a HAP transfer list has on the potential length of time a person may have to wait before getting a full council allocation. Have people on the HAP waiting list been allocated permanent social housing?

It has been claimed that there are 183,000 vacant properties throughout the State. Even if that were true, we all accept that not all of the vacant properties can be used for social housing. I shall outline one of the matters with which we are all trying to grapple. Some local authorities have conducted scoping exercises. Can the witnesses tell me what the ballpark figure is in percentage terms? The Government is targeting approximately 3% of the vacant units over six years from the existing three schemes. Do our guests think that is a reasonable percentage? What percentage should it be? In light of the difficulties in getting some of the owners of vacant units to join the schemes, what do the witnesses think about a vacant home tax? The tax could act as a way to encourage people who, for no justifiable reason, sit on vacant properties.

Rental inspections are another matter. There is a huge variation in the level of inspections. What would it take to increase the number of inspections conducted by local authorities? Is it a staffing matter?

I have a final query about staff levels in general. The Minister keeps telling us that there is no end of money and staff and that local authorities can have everything that they want. That has not been my experience. I know that housing departments are struggling under a huge amount of strain. Can the witnesses give us a read of the situation? Is staffing a problem for front-line homelessness services? Should we, as politicians, advocate for staffing levels to be increased in the housing departments?

Deputy Ruth Coppinger: Previous speakers have said that the local authorities have been verbally bashed in the Dáil. One hears it quite a bit and it is an effort to put the blame on local councils. I am not one of those Deputies either but I shall be quite critical about some of the issues that have been raised. I shall focus on Fingal because I am based in the area. I am not just being parochial because, as the manager said, Fingal is the fastest-growing county in the country and has the youngest population. As a result, it has the most families with children who will likely need housing and its population is increasing rapidly. Fingal also has the highest migrant population, which is the largest single group in the private rental sector that has fallen into homelessness. There are added problems, complications and issues relating to the migrant population.

I studied the previous presentation. Fingal's social housing stock is half that of South Dublin County Council. I always wondered why councillors and Deputies in Fingal had to face such a difficult problem, particularly those from the Solidarity Party, which was previously known as the Anti-Austerity Alliance. Fingal has 380 homeless families out of a total of 1,312 such families throughout the State. In other words, 29% of all of the homeless families in the country live in Fingal. Earlier, however, the director of housing and community services at Fingal County Council stated, "The council has already exceeded the targets set in this strategy and delivery outputs on our target of 1,376 units stand at 102%". That sounds like everything in the garden is rosy. Everything in the garden is an absolute nightmare in Fingal in terms of housing. Homelessness now spans two generations. I know of a homeless mother who resides in bed and breakfast accommodation on the Navan Road and her daughter who is in her 20s is homeless somewhere else because she has a child of her own. I will not go into how bad the situation is because I am sure the council's staff have got it in the neck and need counselling themselves. Council managers should shout and demand more. They should not say, "We have reached our targets, we are doing really well and we are mobilising the staff." Council managers must be a lot more critical and demand that central government deliver what is needed for their areas.

I shall go through some of the issues that were raised in the presentation made by Fingal County Council. It claims to have delivered 1,408 social housing units over the past three years.

As much as 41% of those housing units are HAP or rental accommodation scheme, RAS, units which means they are not permanent housing. As Dr. Rory Hearne said at a conference yesterday, one quarter of HAP housing has fallen out of permanent accommodation and after a couple of years people become homeless. We are only shoring up a problem. Of the 1,400 units, 270 are voids. The real figure for the number provided in the two and a half year period is 553. At that rate, it would take 35 years to house everyone on Fingal County Council's social housing list permanently. The council should be screaming for more resources because it deserves much more. The €81 million is no different from what has been allocated to other councils, yet Fingal County Council has a more acute problem. The housing figure has decreased in recent years, which probably has more to do with a cleaning up of people on the list. Many more who would love to be given a house are not being accommodated.

Less than 20% of the units provided by local authorities are new builds, with the majority being acquisitions. Councils are buying housing. I am not opposed to this because we need to do something quickly, but it pushes up prices for others who are competing for the same housing. Of the 286 units in the process, how many have been acquired and how many will be acquired soon?

Only 601 homes are under construction, at tender stage or in the preplanning process, with 842 approved in total versus a total of 7,865 people on the list. At that construction rate, how long would it take to house everyone? This number does not include land management planned sites which have the potential to provide 3,200 homes. It has been stated that these will be mixed tenure developments - social and affordable, cost rental, co-operative housing, etc. How many social homes will be built on these sites? I have a particular concern about the greater Blanchardstown area, given that the majority of the homeless persons in question are located within a couple of miles of it. This problem could be easily solved if we had the political will to do so. It is targeted in areas.

The last remaining council-owned, zoned site is in Wellview which is listed as being 33 ha. I am making this comment to all of the parties represented at this meeting, not just Fingal County Council. It is the only remaining piece of council land left in Blanchardstown to cater for most of the homeless in Dublin 15. If properly planned, it could solve our housing problem in one fell swoop. Even if the council opted for a low to medium density of 50 houses per hectare, 1,650 families could be catered for. I am not arguing that the council aim for that many, but I would be open to considering it if the council were to break up the development properly with parks, facilities, etc. It would be outrageous if the last remaining piece of land in the area of the country hit most by the homelessness problem was halved and given over to the private sector. Any party on the council that supports it has serious questions to answer. The council must make an exception in its support for mixed tenure developments.

In terms of Part V developments, a figure of 41 units in the past two and a half years was cited. That is low. Estates are being built all over the place, although mainly as higher end housing in Castleknock and elsewhere that probably would not be affordable. Surely we are getting Part V contributions from them.

A great deal of NAMA building has occurred in Fingal, including Dublin 15. At the launch of its annual report, NAMA stated it had sold off enough land for 50,000 homes in the past six years. Has the council noticed this land hoarding? Who owns the land in Fingal not council owned? Is it owned by vulture funds or developers?

Regarding the reliance on the HAP scheme, the level is at 41%, yet the council has called it

a great success. How many HAP tenancies in Fingal have ended? How many landlords have shown their willingness to make properties available under the HAP scheme? It is not my experience or that of any of our councillors that people can find HAP housing. When someone can get €2,000 per month in renting a house in Dublin 15, why would he or she provide housing under the HAP scheme?

I was amazed that Fingal County Council did not list homelessness as one of its challenges, given that it has one third of the country's homeless population. Orwellian language was used, in that "175 households have had their homeless circumstances alleviated through the allocation of social housing support". What does that mean and why is the figure less than the 243 homeless HAP tenancies available? Is it because people have become homeless again? How many homeless families have been given council houses? It was mentioned that 3,000 vacant houses in Fingal were listed by the CSO, but only 361 had been identified as being possibly vacant. Will the delegates explain the situation of the remainder? Has someone started to live in them since? It seems to be a low level of acquirable vacant houses.

Fingal appears to have the highest figure for the handing over of estates to approved housing bodies, AHBs. I saw this while I was a member of the council for 11 years. I have studied the figures for other councils. For some reason, Fingal County Council does not seem to run any housing estate anymore. It is passed over immediately to Clúid, Respond! and Túath Housing. Why is the rate so much higher in Fingal than in other areas? This causes problems for those who enter the estates. They do not have the same recourse to representation by councillors, etc.

Deputy Dessie Ellis: I thank the delegates for their presentations. I spend much of my time dealing with Fingal County Council and Dublin City Council, as Mr. Flynn and Ms Geraghty will know. The staff have been fantastic, given the pressure they have been under, particularly those working in the homeless area. By and large, they have gone well beyond the call of duty when dealing with people, even at the last minute. I have made contact with the homeless section and its staff have done their utmost.

The entire situation is frustrating. Everyone in every local authority shares the opinion that our greatest problem, especially in dealing with this crisis, is the lack of social and affordable housing, on which we must focus. We are delivering approximately 4,000 units per year, but we need to deliver at least 10,000 per year to try to get on top of the problem, although we seem to be fighting. The local authorities are laying out their plans, but these plans are matched with the funding they receive. We are bringing properties and various mechanisms on stream, but we are working on the basis of the funding available. That is a major problem because we do not have enough.

We are being let down in many respects. One of the matters that is not being focused on enough is compulsory purchase orders, CPOs, and derelict sites. The record varies and some local authorities are good at it, but when I say "good", I mean that they have implemented the system using a targeted approach, in that they have acquired sites through CPOs. As many of them had been left idle for ten or 15 years, they have been put in the derelict site category and considered for CPOs. We need to up our game. Dublin City Council has used virtually no CPOs, which is disappointing. It is a matter about which I have spoken.

All local authorities need to consider vacant shops on the ground floor rather than just upper floors. Whenever I submit a parliamentary question, I am told that this applies to shops above ground floor. In estate after estate, ground floor shops have been left idle for ten or 15 years. I cannot figure out why that is the case. We need to deal with them and to find a mechanism to

do that. We need to do an audit of them and find out exactly where the problem lies. There is no question but that the number is in five figures.

The Government has also failed to deliver in the area of affordable housing. We recently saw the delivery of five houses in Ballymun by the Ó Cualann co-operative at a price well below the €200,000 mark. We need to examine if that model can be replicated. I would have liked to have seen a State-run housing body established, but if the Government is ideologically opposed to that mechanism, we could consider selecting from a list of private companies to build co-operative housing such as the Ó Cualann co-operative has built. A list could be drawn up from which we could work. The procurement procedure would become much easier and we could speed up the process. That is one action we should take.

We are well behind all our targets with respect of modular housing. When the former Minister said that no homeless families would be living in hotels and bed and breakfast accommodation by July, did no one in the local authorities tell him that was not possible? It was a target set but people should have been upfront with him and said that it would be possible to deliver on it. The former Minister should have been stopped in his tracks instead of engaging in a public relations exercise by putting out the message that all homeless people, families in particular, would no longer be living in hotels and bed and breakfast accommodation by July. Obviously, it is better for people to live in hubs than in hotels and bed and breakfast accommodation but the danger with the concept, like anything else, is that it will end up being a long-term measure. We must ensure that does not happen.

The local authorities have rowed back on the idea of financial contributions, but we need to increase that. A few hundred people in my area alone are on the housing waiting list. When that number is replicated, be it in Cork, Dublin or Waterford, it concerns many thousands of people. Consideration has been given to building more senior citizen housing complexes. It is not what I believe should be done, but that is what many people want. They want to live in senior citizen complexes. We should consider building more of those in order that we can bring more housing on stream. That is an important aspect.

It was stated that the next phase of rapid builds is coming up but we are well behind on the first phase. A total of 500 units were to have been built by this year. Twenty-two units have been delivered in Ballymun and some units have been delivered in Finglas and Cherry Orchard. I have seen those units and they are well built and of a very good quality. We were originally told they would be temporary but now it is fairly obvious that they will become more permanent. If we are going to go down that road, we should consider mainstreaming that model instead of saying that these are units for the homeless. We should examine that model and see if we can make such housing affordable for people. That is an important aspect.

We have not started to use public private partnerships, PPPs. I have had my doubts about them. A number of sites have been identified in Dublin. This will be a difficult one. We would have been better off going down another road rather than going with the PPPs. I would like to hear from the representatives whether the management or otherwise believe that the PPPs will deliver. I am curious to know-----

Vice Chairman: Deputy, there are other members offering.

Deputy Dessie Ellis: I am conscious of that. This is my last question. I want to ask about the EU competitive dialogue procurement procedures, to which a representative of Cork County Council referred and who stated it should be rolled out more fully. She might expand on that

and explain how it would work.

Vice Chairman: I call Deputy Mick Barry. I note that other members have joined us. As there will be further questions, I would appreciate if the Deputy could restrict his remarks to questions.

Deputy Mick Barry: I will keep it quite short. I thank the Chairman for calling me to speak. My question is solely directed at the representatives from Cork City Council. I will say hello to Ms Valerie O’Sullivan and to Mr. Pat Ledwidge, both of whom I know from back in the day. A report entitled “Investing in the Right to a Home: Housing, HAPs and Hubs” - a good alliteration - by the authors Dr. Rory Hearne and Dr. Mary Murphy from the sociology department in Maynooth University was published during the week. The authors warned that the so-called family hubs could become the next direct provision centres. I will not go into all the reasons they said that. It is self-evident in many respects. It backs up the approach that our party would take that it should be a case of homes, not hubs, and the provision of homes is the key central issue.

I was not here for the Cork City Council presentation and I apologise for that, but I made a point of reading the material that was submitted in advance last night. I noted a sentence which states: “We have identified premises suitable for the provision of a family hub near the city centre.” I do not like these hubs in Dublin and I was hoping we would not see them in Cork. Can the witnesses give me some information on that? Are they in a position to give information about that premises the council has indicated is suitable for the provision of a family hub? I put my opposition to the hubs on the record of the committee.

My second question relates to people who have been made homeless by fire. Both Ms Valerie O’Sullivan and Mr. Pat Ledwidge will be aware of the fire that took place on the Wellington Road a few weeks ago. Twelve persons were affected by it, comprising seven households with some families among them. It was a serious fire with thick smoke billowing out. People had to be evacuated from their homes in the early hours of the morning of the fire and they presented as homeless. I will meet these residents in my constituency clinic tomorrow morning. According to reports, they went to the council and were referred by the council to the homeless persons unit. They were asked to source emergency accommodation for themselves. Some did that and some did not. I understand some of those residents ended up sleeping in a car. One of the families affected was a mother with five-week old twins. A dispute played its way out in the pages of the newspapers, where the new Minister, Deputy Eoghan Murphy, said the local authority had a duty to provide temporary shelter but the representatives of Cork City Council stated they did not have a statutory duty because the fire department had not declared a major emergency. I seek clarification as to what the legal position is but I will state for the record that I believe these seven households should have been treated better either way. They should have received emergency accommodation provided by the local authority. It was a traumatic experience for these people. We must examine what happens in this State in the event of such an emergency. We should consider the provision of counselling services after a traumatic experience, with people having been burned out of their homes and made homeless. The representatives of Cork City Council should comment on that point, including whether they think we might do better for them in the weeks ahead, given that those people are still homeless in nearly all cases and accommodation will not be available to them for up to six months according to reports.

Deputy Barry Cowen: I also apologise for not being here earlier.

Deputy Ruth Coppinger: I wish to raise a point of order. We have had four people asking

questions. Rather than taking another two-----

Deputy Barry Cowen: I have four straight questions.

Deputy Ruth Coppinger: Okay.

Deputy Barry Cowen: I will be brief.

Deputy Ruth Coppinger: If just one more person is being called, that is grand.

Vice Chairman: Just one more person has indicated.

Deputy Barry Cowen: I will put my four questions straight to the witnesses for their opinions. As other speakers have alluded to, it was expected that modular or rapid build homes would come on stream much more quickly than they have and would be a viable option for people in homeless situations. As Deputy Ellis said, there is potential for more long-term solutions with the delivery of these units. They have not been completed at the pace we were led to expect. What are the problems? Deputy Barry referred to a report that was published earlier this week. It was proposed yesterday to introduce new legislation or emergency legislation to assist in ensuring these units are provided more quickly. What do the witnesses recommend should be done to improve the delivery and the speed at which they are delivered? If procurement is the solution, will the witnesses make specific recommendations we can analyse so that we can make suggestions to the Department and the Minister?

Do the witnesses agree that it is unfortunate that there is no national, Government-sponsored affordable housing scheme at present? It has been mentioned that the Ó Cualann Cohousing Alliance has achieved significant success in Dublin in recent times. Is that the template for the roll-out of affordable housing nationally? If that can be confirmed, a recommendation to that effect should be made so that we can insist on it being implemented.

In Rebuilding Ireland, the Government has proposed to expand on the NAMA asset residential property service by putting in place a vehicle to provide finance for units that can be leased back by local authorities over a longer period. We have been told the Government is still awaiting an EU decision on this proposal. What are the witnesses' thoughts on that? Can they confirm that the local authorities are prepared to have a role as part of such a scheme? From our perspective, we can make advances in this regard by putting pressure on those who have the power to take action in this area.

I would like to pick up on what Deputy Barry said about recent fires. Obviously, we are conscious of this issue following the terrible disaster in London. I am familiar with the position in my constituency and in Offaly County Council. I am sure it is the same throughout the country. Can the officials confirm that local authorities do not have the staff to carry out inspections on their own HAP properties? Can they confirm that up to 50% of HAP properties have yet to be inspected? If that is the case, this issue should be an urgent priority within the efforts, led by the Minister, to ascertain and audit the entire system of inspection, fire safety and control, policing and implementation of recommendations. Regardless of whether the officials are prepared to say so, I would say there is no doubt that many properties across the country that are subsidised by HAP have not been inspected by local authorities. It needs to be identified immediately whether this can be attributed to a shortage of staff or resources. If that transpires to be the case, funding needs to be made available so that it can be rectified. It cannot be allowed to be the case, especially in light of recent disasters.

Vice Chairman: I ask the witnesses to restrict their answers to approximately two minutes each. If we do not have any interruptions, we will come back for a round of clarifications. I will start in reverse order.

Deputy Ruth Coppinger: This has been a long meeting. People have to go into the Dáil for business that is coming up. The questions I asked were directed to the officials from Fingal County Council. I mean no offence when I suggest that rather than taking all the people to whom we have already listened, we should ensure questions are responded to by those to whom they pertain, if possible.

Mr. Michael Walsh: As chairman of the County and City Management Association housing subcommittee, I might answer three or four of the general questions that are relevant.

Vice Chairman: In fairness, this session was meant to be about the general policies under Rebuilding Ireland, rather than about specific local authorities like Fingal County Council.

Deputy Ruth Coppinger: If the officials are answering questions, they-----

Vice Chairman: Perhaps the Deputy requires a one-to-one meeting with the council.

Deputy Ruth Coppinger: I might have to leave before my questions are answered.

Vice Chairman: I have to be fair to everybody here. We will start with Mr. Walsh and work our way down the table.

Mr. Michael Walsh: I will answer a few of the general policy questions. A question was asked about the capacity of local authorities. The simple reality is that we are at the coalface. We know the demands and the needs. We believe we have the capacity to respond to the demands made of us, as long as we know what we are being asked to do. Eight or ten years ago, we delivered between 6,000 and 7,000 units by means of direct construction. We can return to that level within a couple of years if it is clear to us that the Legislature or the Government is requiring us to do so. We have faced a challenge over the past two or three years. We had moved almost completely away from the direct delivery model. From 2015 onwards, we were asked to accelerate direct delivery again. That takes time when one is starting from the complete inception of sites. We have a pipeline of projects now. Reference has been made to the four-stage approval process, which is less relevant now that we have a pipeline and the stream of housing has started to flow. I would be absolutely confident that in a limited period of time, we can return to the direct delivery of significant numbers of houses.

Rebuilding Ireland is not insignificant in that context. Regardless of whether one agrees with it as a policy platform, at least it sets out that 47,000 houses are to be delivered in particular formats over a period of four or five years. We have been asked whether, as managers, we are critical of the level of resources that is available. From our point of view, the key issue is knowing what will be available and when. If we have that knowledge, we can plan and resource accordingly and put the necessary steps in place. I would be the first to accept that under the current arrangements, we have been under pressure to deliver and it has taken time. We were going from a position of zero. We had lost all of our inherent capacity in this space. Now we are going again very significantly. There are 1,500 units on site in the current year. That will be 2,500 next year. That figure could be increased if we were satisfied about the availability of resources. The local authority sector can certainly deliver in this context.

There was a reference to the policy issues that are affecting the leaseback scheme. We are as

conscious as anybody of the need to deliver housing units. We have no difficulty working with any schemes. If we have one slight issue, it is that there may be too many schemes at present. We are trying to manage and service various schemes in a host of areas, including the lease and repair and buy and renew schemes. We are working with the housing bodies on leasing, direct delivery and other forms of housing provision. In some respects, simplicity is better than a host of schemes. As a sector, we are very happy to work with whatever schemes are available to us to deliver new units. We are at the coalface of the need for such units.

In the past two or three years, we have used all the resources from Exchequer funding that have been available to us. Some of those resources were used for acquisitions, but only where local authorities deemed that acquisition was a better and more timely response than construction. In many areas, acquisition is still delivering significantly better value for money and is not interfering with the market.

There was a query about whether the 3% target with respect to vacant properties is sufficiently ambitious. We would reserve our judgment in that regard. We have concerns about the CSO statistics. A serious body of work needs to be done to re-establish the position. If we had one wish in the morning, it would be for the CSO statistics for vacant houses to be available to us at an individual level. That would bring this whole process forward by four, five or six months. We would be quite happy to use any of the measures that are available. We find that the CPO process with regard to derelict sites and dangerous structures is frustrating in many respects and comes at a significant cost. The elephant in the room in this overall space is the constitutional right to property, which complicates the process, adds expense and can lead to contests.

Deputy Ruth Coppinger: It is a little bit unfair. I put preparation in to asking those questions, as did Deputy Ó Broin. He has had to leave. Could we not take the questions in the form and order in which they were asked?

Vice Chairman: I was going to go to Ms Geraghty from Fingal County Council next, to try to answer Deputy Coppinger's questions, as soon as Mr. Walsh is finished, because he is the chairman of Waterford County and City Council-----

Deputy Ruth Coppinger: No offence, but people who came in later are getting their questions answered while people who-----

Deputy Mick Barry: I have to leave at 12. I mean no disrespect to Ms O'Sullivan and Mr. Ledwidge.

Vice Chairman: We will try to facilitate a written answer to the Deputy's questions if that is acceptable.

Deputy Mick Barry: If it was possible, I would prefer if the questions could be answered. I will look back at the transcript and the video.

Vice Chairman: In fairness, I have to prioritise the committee members and I will do that in respect of Deputy Coppinger. Depending on how much time I have, I will try to come back to Deputy Barry. If he has to go at 12 o'clock, it is now one minute past and he is not going to be here for the answer. I am facilitating him by getting a written answer to him in respect of the questions he has asked.

Deputy Mick Barry: Thank you, I appreciate that.

Mr. Michael Walsh: I am finished as it is. The only other query was on inspections on rental. We have a target of inspecting every HAP property within eight months of coming into the scheme. I can only speak for myself, although I think generally the local authority system is achieving that. We would welcome more resources to increase the number of rental inspections. It goes without saying that it is labour intensive.

Vice Chairman: Thank you, Mr. Walsh. We will go to Ms Geraghty, to answer Deputy Coppinger's questions.

Ms Margaret Geraghty: Fingal's funding allocation for the three years was €81 million. We have spent that and have received approval from the Department to spend double the amount by the end of 2018. Schemes we have approved to date - not ones we are dreaming about - will see us spending three times that allocation at a minimum. In terms of Fingal's response to the delivery of social housing, by any standard this is a very positive and comprehensive response.

In terms of units delivered, I am really not sure about the percentages Deputy Coppinger was calling out. I will give a broad overview to the committee in terms of the 1,400 units we have delivered to date. Between delivery by approved housing bodies, AHBs, which are mandated to deliver social housing just like the local authorities, and direct delivery by Fingal in terms of its own stock including voids, acquisitions, construction and Part V, it comes to about 60% of overall delivery, with the balance broken down pretty much evenly between the HAP scheme and the various leasing initiatives. In terms of the delivery of direct stock by not-for-profit organisations such as the AHBs and what Fingal is doing itself, that is coming in at 60% of delivery.

On the analysis of stock breakdown, I would like to make a point that was raised a couple of times in respect of voids. Every void that is turned around is a new tenancy. On an annual basis, Fingal would generally have between 100 and 120 void properties. It is not correct to say that void properties will drop off as a means of delivery. That is the annual churn that we experience. On an annual basis, we keep our void property that is under repair at less than 1%. People come off the housing list into those properties on an ongoing annual basis and that will continue.

In terms of our construction programme and the rate of construction, we have brought 18 Part XIs through our council in the past 18 months or so. I commend our councillors as it is sometimes very challenging to deliver social housing across the county. It can be difficult for elected representatives to manage the variety of schemes that are in operation. They have stood by us and supported us, including in respect of our rapid delivery programme. Our rapid delivery projects have also been given approval by our council.

I am not sure about the Deputy's point about reliance on the housing assistance payment, HAP. The percentages I presented a few minutes ago do not show an over-reliance on HAP in Fingal. Our experience in terms of HAP ending is that this is not the case. HAP is working very well for us in Fingal. We have had 342 HAP tenancies since it was introduced. It is proving to be a very good source of stock and one that people who are on the housing list are happy to avail of. They are availing of it and will continue to do so. It is a valuable source of additional stock.

Perhaps I was not clear on the methodology around vacancy levels, as other Deputies have picked up on the same issue. There is a requirement to be able to identify vacant properties. As the new census process kicks off, there may be an opportunity to look at how we do this. It is very important to note that the list for Fingal was 3,000. That was what came out of the census.

We do not have exact addresses for those properties. We had among the lowest vacancy rate across the country at 5.3% so we already knew the numbers of vacant stock were not likely to deliver a significant amount.

We did a very comprehensive exercise in respect of the figure of 3,000. We took properties off the list that we knew were not vacant, as well as properties that were under construction, for sale or for social housing. We also took from it commercial estates such as our business parks, where property was included that was clearly not residential property. That left us with 376 potential vacant properties across the entirety of Fingal. Given the size of the county, it is a very low level. Our approach to the issue has been boots on the ground, to be blunt. We have not sat in offices looking at the numbers. We have gone out and put staff out on the ground. We are doing a street by street survey to ensure we are not missing anything. In one survey, for example, of 74 properties that were identified as vacant, it turned out that 13 were vacant while the remainder were lived in.

To take up Mr. Walsh's point, accuracy of data on vacant properties is necessary. In the context of high demand and high rental rates, however, even in cases where we do identify vacancy, the attractiveness of the scheme is limited. We are not getting significant traction on it, although we are continuing to get traction on our ordinary leasing schemes under the rental accommodation scheme, RAS, or the long-term lease. People continue to be interested in that as an option.

There was a point which I do not quite understand. The Deputy spoke about her time on the council and lands being passed over to AHBs. I am not really sure what she is referring to there. Is she referring to the unsold affordable scheme?

Deputy Ruth Coppinger: To clarify, I am referring to any housing that was built by the council and then passed over to-----

Ms Margaret Geraghty: I do not think the Deputy's facts are right in that regard.

Deputy Ruth Coppinger: I know they are.

Ms Margaret Geraghty: I do not think they are correct. We work in partnership and collaboration with our AHBs to deliver mixed options. They are working with us on our Part V sites. The AHBs come to us themselves in respect of opportunities for construction projects and we are working with them on a number of projects in that regard.

Deputy Ruth Coppinger: Maybe it is only in the Blanchardstown area. There is no estate that the council runs anymore that was built in the last number of years. Parnell was Respond!. Avondale was given over to an agency.

Ms Margaret Geraghty: If we are talking about a particular estate, Parnell is an unsold affordable. I thought maybe that was what the Deputy was referring to when she was talking about the role of the council.

Deputy Ruth Coppinger: Avondale is run by Respond!.

Ms Margaret Geraghty: Approved housing bodies have an important role to play in the delivery of social housing. The Deputy's response was in respect of the development of the lands at Mulhuddart. Support has been given to approved housing bodies to enable them to access funding that is not directly State-funded to ensure they have the capacity to deliver affordable rental models, incremental purchase schemes and co-operative schemes. These are the

types of mixed tenure proposed for the land banks in Fingal, particularly in Mulhuddart. We are extremely conscious of the level of demand for social housing in that particular area and we will continue to work in partnership with the approved housing bodies to bring forward mixed tenure models.

On the question regarding Dublin 15, an area in which the Deputy obviously has a keen interest, from the beginning of 2015 to date, under the housing strategy, we have provided 570 families with tenancies in the Dublin 15 area. A further 400 tenancies are approved and in terms of immediate future delivery an additional 1,100 units will be provided in the Dublin 15 area through the social housing mechanisms. This data is not inclusive of the land bank in Mulhuddart. I am happy to provide more detail later.

Chairman: I now invite the representative of Dublin City Council to respond to the questions relevant to his area.

Mr. Anthony Flynn: I will respond first to the questions raised by Deputy Ó Broin, following which I will group and respond to the points made by other members. As clarified by the Chairman of the CCMA, we can increase our delivery targets in regard to the provision of social housing in local authorities but we need to speed up the programmes. The use of new building technologies is vital, so we need to buy in in that regard.

In regard to the capital works management framework and single stage process, I would have no sleepless nights if what was suggested could be considered, although I am not sure it will be. I believe there is some capacity in the context of a three-stage or a two-stage process - by this I mean, an approval stage and a go-to-tender stage, which would be a two-stage process. Some work in the context of the capital works management framework is important.

Our housing land initiatives are currently out to tender, and they will provide an affordable element. We have been working on an affordable rental model, a cost rental model and a starter homes model. In the context of economic appraisals, we have to put some meat on the bones of that process but I am confident there will be an affordable model in Dublin City Council's housing land initiatives. On whether the local infrastructure housing activation fund, LIHAF, will provide some form of sale or cost rental dividend, I believe it will. In terms of Poolbeg, it will certainly provide a dividend of in excess of the 10% requirement from the developer in regard to Part V. We believe there will be capacity in that scheme in terms of LIHAF.

On staff resources, at this point in time Dublin City Council is appropriately staffed to deliver the housing programme in terms of administrative and professional supports. On the point made by Deputy Ellis in regard to compulsory purchase orders, CPOs, they are a last resort in the context of taking back properties. We would use all other mechanisms first to try to get vacant properties back into residential use. Dublin City Council recently completed 11 CPOs and we have identified 144 other derelict homes in respect of which we are going through a process or a CPO with landlords to bring them into stock. On vacant shops and other vacant properties, I agree that there is some scope to examine change-of-use of those properties in the context of the development plan.

On the financial contribution scheme, I am in favour of a down-sizing scheme or under-occupancy scheme. We recently had a scheme of this nature in Ballyfermot whereby an approved housing body delivered 70 homes. The scheme was open to tenants who had large accommodation which they no longer required and 17 tenants surrendered their homes and moved to accommodation for older persons. We are putting in place similar plans for the Crumlin-

Drimnagh area and the north-west area.

Deputy Dessie Ellis: Consultation will be important.

Mr. Anthony Flynn: Yes, it is very important. We believe city rapid build will become mainstream, in respect of which we are operating a stackable volumetric system. I will respond later to Deputy Cowen's question on how we can move things on in that regard.

With regard to the PPP bundle, there have been difficulties and issues arising in this regard but they relate not to the process, but to the consultation with adjoining communities. There is need for greater consultation with the local communities to try to provide them with assurances that the homes will be well managed. This is where the difficulty lies from my point of view in relation to the two schemes proposed for the city. I will leave the issue of competitive dialogue for a response by the representative of Cork City Council. The aforementioned is the manner in which Dublin City Council is rolling out its housing land initiatives and competitive dialogue process.

On the issues raised by Deputy Cowen in relation to rapid build homes, primarily what is required is scale. We must send out the message to the industry in this country that we are behind the rapid build process and that scale is required. Irish manufacturers and Irish designers are leading manufacturers in the UK for the provision of rapid build for both volumetric and standard build homes. The largest development is in Birmingham. Most of the designers involved in this area are Irish. We have had conversations with manufacturers and providers who are capable of providing 1,000 units. We have also had conversations on this issue with our colleagues in Fingal County Council. These manufacturers can erect the factories needed to build and provide these homes quickly and thus create employment, but they need a commitment on scale.

In this regard, we need "buy-in". There is a need for an understanding of what the local authorities require from the industry. While previously these houses were termed "modular homes" and "prefabricated homes", that is no longer the case. As rightly said by Deputy Ellis, they are houses which comply with all building regulations and current building standards. What is needed is a little bit of tweaking in the context of procurement and some tidying up in terms of fast-tracking connections by utility companies. This is very important. I would suggest that these are important steps in the context of moving ahead with a full scale programme of rapid build homes.

An affordable home scheme, or a "starter home scheme", as it is known in the city, is vital. A number of reports have identified that there are a number of people between the ages of 28 and 38 who want to move from private rented accommodation to a permanent home. Dublin City Council, in conjunction with our colleagues in the Dublin region, are working on a model in respect of which we hope to bring a proposal to the Department by the end of this month. We are keen to ensure an affordable-starter home scheme is put in place.

Deputy Barry Cowen: Can Mr. Flynn send a copy of that proposal to the committee?

Mr. Anthony Flynn: Yes. On the NARPs lease-back model, Dublin City Council has never had an issue with it. What is required is a change to the current arrangements in regard to leasing, including the length of term and the percentage which the local authorities are permitted to pay in the context of leasing.

Deputy Barry Cowen: We would welcome recommendations on how it could be tweaked

to ensure that it can happen.

Mr. Anthony Flynn: Okay.

On housing assistance payment, HAP, properties, traditionally the environmental health officers inspected private and HAP dwellings. However, owing to staff and resourcing issues on the part of the provider, the HSE, Dublin City Council now directly employs environmental health officers. We have our own stock of environmental health officers through which we roll out inspections. In the city region, we are in control of our own destiny in that regard. We know the numbers that are required to carry out these inspections, both in private and housing assistance payment, HAP, properties.

Vice Chairman: I thank Mr. Flynn. I am conscious of the time. We were meant to be finished at 12 noon. I will go back to the Cork City Council witnesses now who may wish to respond on the more general items. As Deputy Barry has left, there is no point in responding to the specific question he asked. The witnesses might communicate directly with him in that regard.

Ms Valerie O'Sullivan: I will respond to Deputy Ellis first while he is still here. He posed a specific question to the Cork County Council witnesses, but we are Cork City Council.

Deputy Dessie Ellis: Okay.

Ms Valerie O'Sullivan: I will try to describe in more detail the use of the EU competitive dialogue. There are key differences in the way a local authority can procure a housing programme now, as we did, for the construction and addition of new units to stock, and how we would have done that previously. We had to find a different way of doing it. The reason this particular European framework lent itself to doing it that way was because the city is running out of developable land; it is quite small. We no longer have stocks of landbanks. Those that are remaining we have plans for, and the demand did not meet what we had on the books. In simple terms, that allowed us to put out a call to landowners - the size of the land did not matter - and developers, regardless of whether they had land. The landowners did not have to be developers. It included approved housing bodies, AHBs, as well. It was a mechanism by which we could assess the capacity of the proposals that came forward either from individuals in those sectors or partnerships that were proposed among those sectors with Cork City Council.

The last step in the process is Part 8 planning permission, not the first step. The entire testing of capacity and the rigorous rules of procurement, as applied by a panel that was set up, will have been applied by the time we go in to try to secure Part 8 planning permission. We secured four of those on Monday night and another four are imminent. They will require a special meeting of the elected members to be held. They have started their summer recess but are willing to return and examine those in the interest of speeding up the starts on those sites. We are very happy to expand on that if the Deputy is interested. We are not saying this should be a model for other local authorities. We are saying it could be, particularly for urban local authorities challenged by the same availability of land issue as we might have been. We also believe it uncovered 31 sites in the first instance. Not all of those were viable developments, but we believe there is space, even within the so-called diminishing land within Cork city, for a second run at an EU competitive dialogue. It has been quite successful for us.

It was units produced mainly under that model which attracted the €97 million funding for Cork City Council that we secured in February this year. That is what allowed us to proceed.

In more general terms, I would agree with much of what has been said already, particularly about our capacity. If we are resourced, we will do it. Our track record speaks for itself.

Deputy Ó Broin commented on the level of need versus ambition. In my experience, the local authority has never been short of ambition, but we need to assess the level of need correctly because just as the number of vacant properties in Cork city is overstated, our empirical experience is that our level of need was overstated by 100%. We dropped people from the housing list who were not in need of housing by means of introducing choice-based letting, CBL, and going through the housing needs assessment. We can share the details of that with any member. Other local authorities are going through that same process as CBL is rolled out. The level of real or net need must be established and there has never been a shortage of ambition in local government.

With regard to the HAP inspections, there will be an issue in terms of resourcing those. Cork City Council will have to examine the option of outsourcing. We are fortunate in that the eight months inspection deadline per HAP property is only now coming upon us because we were quite late to HAP. At the same time, it has been very successful because we have just under 1,200 units in the HAP system now. Similar to what our colleagues in Fingal City Council said, HAP has proven an attractive option for many Cork applicants. They want to live in those addresses. They perceive private rented accommodation to be a viable housing option.

As for how the transfer list is working, transfers are not as much of a priority for us as the first provision of housing, but there are no HAP tenants banging on the door saying they want to get out of HAP properties. That has not been our experience in Cork.

With regard to acquisitions, we acquired well over 130 units in our acquisitions programme. We had to focus on that because it takes a long time for construction to get up and running. We acquired all those units off-market and our vacancy rate is 0.5%.

Deputy Ó Broin asked another question about the four-stage delivery process. I agree with the comments made by Dublin City Council. We would add to that by saying we have built excellent relationships in the Department and much depends on those excellent relationships because there remains a certain level of control and repetition. We, too, have planners, architects, quantity surveyors, engineers, property experts and so on but one wonders how many of those are needed to go over proposals. Undoubtedly, a level of oversight, centralisation and duplication is adding to the timelines between submission and approval.

In terms of the rapid build units, at the end of quarter 2 we submitted a proposal for 20 units. We believe “rapid build” is somewhat of a misnomer because they all still need to go through the procurement and planning process and so on. Once that process is complete they may well be capable of being built more rapidly but that misleads people.

In regard to Deputy Barry’s question, there is no problem in providing a written response.

Vice Chairman: Rather than dealing with it here.

Ms Valerie O’Sullivan: Yes.

Vice Chairman: Do members want further clarification?

Deputy Barry Cowen: Mr. Flynn said he would forward details of the procurement issues regarding the delay, if that is the main reason for the delay in delivery. I am aware scale is also

an issue. Mr. Flynn said scale is an issue. We hear Ministers saying that resources and funding are not an issue and that if money were the problem, this problem would be resolved many moons ago. I do not necessarily subscribe to that. The manner in which we respond to the issue is too simplistic. Can Mr. Flynn be a little more forthcoming? Is he saying he does not have the authority to make the call regarding the scale he believes necessary to address this issue in a way that could be successful and achieved much earlier than conventional housing?

Deputy Dessie Ellis: Correct me if I am wrong, but having listened to the witnesses they seem to be saying that there is not enough money to reach the targets or that they could deliver so much if they had the funding. That tells me there is a major issue with money. The Minister is saying he is providing the money but we need to be more ambitious in saying we can deliver something if the funding is provided. We need to be straight about that. The procurement issue seems to have always been a bit of a problem in terms of how quickly we can deliver. How can that process be speeded up? How can these obstacles be dealt with to ensure quicker delivery? I talked about co-operative housing and mentioned Ó Cualann and the model it is using. Is there scope for more of that? Ó Cualann has said it could deliver more, but are there other places we can look to in order to deliver similar initiatives? As I said, we could set up a list of companies that could sign up, which would help to deal with procurement. One could choose from the list to build social and affordable housing schemes. Can the local authority deliver this? Must we go to Ó Cualann? Is there a mechanism to deliver this and more? This is also key to setting prices. I believe the private sector is just holding on to a lot of land in many cases to up the prices before they start building. If we build more affordable housing, it will level out prices and rents in the long term. I am curious whether the witnesses could tell me what is the big hold-up. Where are the real obstacles?

Vice Chairman: I will go back to Mr. Flynn to answer Deputy Cowen's question specifically and then I will ask Mr. Walsh to give a general summary of all the other issues because we must get out of here.

Mr. Anthony Flynn: I wish to be very clear to Deputy Cowen. What I mean by scale is that these guys set up jigs to manufacture off-site. What they are doing is manufacturing boxes. It is as easy for them to manufacture 100 boxes or 500 boxes as 20 boxes, as my Cork colleague said. What I am suggesting is that if there are appropriate locations for this rapid build housing in the context of scale - traditional build may be just as quick - from a national policy perspective, we have said we will build 700 units in the next 18 months and, if we do so, I think that will generate interest from big players. In the context of the big players-----

Deputy Barry Cowen: In the past 12 months, we have built-----

Mr. Anthony Flynn: I am saying it is as easy for them to build 50 units as it is to build 100. We are bundling our schemes now. Our next scheme will consist of 70 units. We were going to proceed with three schemes of 20 units each. We did not do that. We bundled them into 70 units to generate interest from the market, and we got that interest. This is what I mean by scale. Deputy Ellis would know the Valley site in Finglas, which is an ideal site for rapid build homes, of which two thirds could be starter homes and one third could be social housing. This is what I mean by scale. Procurement is-----

Deputy Barry Cowen: What is stopping Dublin City Council?

Mr. Anthony Flynn: We will bring a programme to our members in the next two weeks. Nothing is stopping us.

Vice Chairman: Ms Geraghty wishes to make a brief contribution, and then I will call Mr. Walsh to sum up.

Ms Margaret Geraghty: I will make a brief comment about rapid delivery. We have been working from the OGP framework in this regard. Talking to developers delivering such a construction model in Fingal, I understand that to make rapid delivery work, we need to get to a point of early contract or involvement. There is little point in going through our whole Part XIII process, getting a product at the end and then talking to those contractors about how they deliver it. If we are to look at rapid delivery on scale, we need to look at that early contractor involvement.

Regarding land specifically, in terms of PPPs, joint ventures or otherwise, traditionally, we have looked at the land value and what the developer would look to put on the table in that regard. We need to start looking at some kinds of models whereby one takes the land value out of the equation and tries to set the price of the property in terms of what one knows about the cost at which it can be constructed. That information is there, and then one marks against it. These are two models we need to examine. Equally, private developers are very interested in working with us on leasing models. This goes back to the question about NARPS. We really need to start looking at that. There is an opportunity for delivery there and we are missing it at present.

Deputy Barry Cowen: Regarding procurement, Ms Geraghty is saying that it would be helpful if the council were afforded the opportunity to front-load and had a list of contractors available to it, rather than having to procure individually each and every site.

Ms Margaret Geraghty: We certainly need to look at those kinds of-----

Deputy Barry Cowen: If there are rules and regulations in a normal market that need to be adhered to and were put in place with the best of intentions, we all acknowledge that, but we are not in a normal market. There is an emergency and a crisis. If rules must be changed for a sunset period to allow things to be done, we need to know about them in order that we can put pressure on those who are in a position to put proposals to the floor of the Dáil, and we will support them. We can play politics another day. This must be sorted.

Ms Margaret Geraghty: The competitive dialogue Cork City Council is talking about is in the same vein.

Vice Chairman: I call Mr. Walsh, on behalf of the CCMA, to wrap up the debate.

Mr. Michael Walsh: I thank the committee for listening to us. On that last point, I reiterate that in some respects local authorities know more than anyone the extent of the issues out there because we are genuinely at the coalface. Equally, as a consequence, it is a significant problem for us and we are seriously interested in looking at any of the elements that can help solve it, if only to take pressure off ourselves a little. I reassure the committee that we are building significant capacity again. We are coming from a point of zero building only two or three years ago. Is everything perfect? We would never say that about our own operation but there is a real, significant improvement in our capacity and our delivery and we are confident we can continue to improve that. We would be glad at any stage to come back to the committee. This is a matter of significant social and economic importance and we welcome the opportunity to discuss it.

Vice Chairman: If the CCMA has any clear recommendations that it believes could change matters, perhaps they could forward them to the committee in order that we might consider them and bring them into the equation. I wish to take this opportunity to thank all the witnesses

JHPCLG

for attending and engaging with the committee. I am sure we will have an opportunity another day to do the same again.

The joint committee adjourned at 12.40 p.m. until 9.30 a.m. on Wednesday, 20 September 2017.