

Eoghan Murphy

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I thank Deputies and committee members for scheduling time to discuss the homeless emergency and housing crisis we are currently facing. I have already had the opportunity to appear in front of the committee to discuss the latest quarterly report on Rebuilding Ireland. It was a good engagement and I want to thank individual members of the committee who were very generous with their ideas and time outside of the committee. This opportunity for statements on the latest report is very welcome. To those Deputies not on the committee, I would like to direct them to my opening statement at the committee.

I would like to use this opportunity to discuss the report, as well as some broader issues relating to Rebuilding Ireland. Rebuilding Ireland is an excellent plan, and I commend the Minister for Foreign Affairs and Trade, Deputy Simon Coveney, and the Minister of State, Deputy Damien English, for the time and effort they have put in to it, together with officials in the Department of Housing, Planning, Community and Local Government. A lot of work and detail has gone in to designing the framework for providing new homes and it is already showing progress, be it in rent pressure zones, where the latest data shows us a stabilisation in these zones on rents that were quickly escalating, or the new build activity that is underway.

There has been an increase of almost 40% in planning permission applications year-on-year to March 2017 and an increase of almost 40% in commencement notices year-on-year to March 2017. There has been an increase of roughly one-third in the connections to the ESB grid in Dublin year-on-year to March 2017. There has been an increase in the number of homeless families and individuals who have been given homes since the plan was launched. More than 3,000 homeless individuals found sustainable solutions in 2016 and roughly 1,200 families prevented from having to stay in hotels or were moved out of hotels to better and longer-term accommodation in the past 12 months.

Rebuilding Ireland is working. In respect of any new policies or any new direction that a Government might take, it is good practice to review those policies and plans from time to time. That is what I have been asked to do by the Taoiseach. He has asked me to review Rebuilding Ireland within three months, to identify additional measures, to assess the need for greater quantum of social housing build, to consider a vacant homes tax and to examine new measures to support and-or encourage landlords.

I do not claim to be an expert on housing, neither am I coming at this review cold. I have had a particular perspective from my time in the Department of Finance this past year as new initiatives on the housing and homelessness front have come through that Department. I have also dealt with the issue in regard to the wider mortgage and investment market that were part of my brief.

From my time on the banking inquiry with the Minister of State, Deputy John Paul Phelan, I also have a good store of knowledge of how we got things wrong in the past as we sought to meet the housing needs of our growing population, the different incentives that were brought in to the market, the

different arguments that were made at the time by the different lobbyists and interests, which had very easy access to Government, and the difficulty there was in removing these incentives when they were well past their usefulness. In terms of the current review, I have already said that I am considering all ideas and not taking any off the table until they have been thoroughly stress tested. I do not care whose ideas they are or what motivates them. If they work, they work.

I would like to outline some of the things I hope to address or have already addressed as part of my review. It is regrettable that there are still too many families who are homeless living in hotels. Living is probably not the best way to describe what they are going through and the difficult circumstances they face. While it is much better than these families having to sleep rough, in no way is it an answer. The target for this year was ambitious but necessary. It drove a major effort to help families. As I said, 1,200 families or more were assisted in the past 12 months. My first target is to prevent families from entering hotels and find them other accommodation, including hubs. While hubs are not a long-term answer, they are better than hotels and are only a first response.

An extra €10 million has been allocated to build new hubs for more than 200 families. My second target is to get those families currently in bed and breakfast accommodation and hotels out of them. Last week, I reported that of the 650 or so families in hotels and bed and breakfast accommodation at the end of May, one third had been offered sustainable long-term homes, one third had been offered accommodation in hubs and one third had been offered HAP solutions. This is progress for these families and I would like to thank everyone who has done such important work to help them. I have met a number of these workers and volunteers at this stage and their enthusiasm and determination is to be admired. I have also visited some of the facilities and emergency accommodation where they help so many people every day of the week. Unfortunately, presentations of families continued in June, though the numbers were down in May which is welcome. Exceptional cases means that some families will continue in hotels for some time because they will need tailored solutions.

Another issue we need to address in the review is the numbers involved. I have already agreed to examine whether there is a better way of counting and publishing our homeless numbers. As I have announced, we are going to stop referring to ESB connections as completions. ESB numbers are good because they do represent new or empty homes being available, including new house completions, but the data is not accurate enough. My Department is engaging with the ESB to see if we can get better information from it, and two groups, one in the CSO and another in my Department, are examining how we can improve our numbers and more adequately capture the completion of new homes.

This work may not be completed within three months. Getting a true picture of completions is not as simple as looking at BER certificates or BCMS. If we are going to develop a new way of counting the method has to stand up and be robust. We have to know our numbers, and we all have to trust those numbers, in order to know where we need to go. I am also examining how we report our numbers in the quarterly reports, because it can be confusing, as Deputies pointed out to me at a committee meeting, and our reporting mechanisms could be streamlined and simplified.

As for the wider numbers and targets, I am looking at these as part of the review. If a Deputy tells

me he or she does trust the pipeline or do not think it is accurate, then I have to look at this. It would be irresponsible not to. It is also important to recognise that the 90,000 people on the housing list will not all have social housing homes by 2021. We will need to take a longer-term approach in addressing some of the aspects of the housing problems we face. We also have to be mindful of building in a sustainable way. We have to take care that, in moving quickly to address a crisis, we do not build in crises of the future, be they economic or social.

As we build we have to think of more than just the numbers. We have to think of the material, environment, location and social mix, as well as the wider and community needs and the needs of the elderly and the less able. We also have to think of the responsibility of the State, and we have to ask ourselves whether we should be building more. That does not mean we are dropping our 2021 targets - they are targets, not deadlines - nor are we dropping our ambitions within Rebuilding Ireland. It is important to have targets to drive policy and action, and in Rebuilding Ireland we have a significant and ring-fenced capital commitment of €5.35 billion to providing social housing homes up until 2021. I am certainly not dropping that; in fact, I want to increase it.

I have reviewed the first draft of the vacant homes strategy. It is very good, but it is not ambitious enough. I will be using the current review of Rebuilding Ireland to see what new ideas we can bring to bear. This will require engagement with the Minister for Finance. As I have already stated to the committee, if budgetary measures are needed to reinforce the ambition, this may delay the publication of the strategy but this will not delay the commencement of work. There is a lot of information to be gathered in order to have a targeted, effective approach but existing property interests should note that changes are coming.

I am also waiting for the completion of a number of other sub-reviews, dealing with the input costs for construction, the Help to buy scheme and the tax treatment of landlords. These are all expected to be completed prior to the budget, but may also delay publication of the outcome of the review of Rebuilding Ireland. Again, if that is the case, the delay will only be in publication and not the commencement of the work.

Deputies will note that I will fast-track a provision of the Planning and Development (Amendment) Bill next week. Having consulted the Ministers of State, Deputies Damien English and John Paul Phelan, it was apparent that the Bill, which is before the Dáil, would not pass all Stages before the end of July. The Fianna Fáil Party made a number of good proposals which we want to introduce as amendments. As a result, I decided that it would be prudent to take the specific provision in the Bill that pertained to the extension of planning permission and have it implemented by the recess. What this means, if the House agrees, is that on building sites on which homes are being built but for which planning permission is at risk of expiry, it will not be necessary to down tools and work will be able to continue. This is a welcome step which I hope will be supported.

Deputies will also note that since my appearance at the committee, I have signed the order that will enable planning applications to be made directly to An Bord Pleanála for large-scale housing developments of 100 units or more and large-scale student accommodation projects. This is another welcome measure which will help to quickly increase the supply of new homes to particular demographics. The order came into effect on Monday of this week and yesterday An Bord Pleanála held an information seminar for interested stakeholders which was well attended and, I gather, well received. It is now over to developers to start their pre-planning discussions with both local

authorities and An Bord Pleanála to get these large-scale proposals into the system and approved as efficiently as possible.

New homes are being built and opened to new tenants every week. Since taking office, I have had the privilege of visiting Annamore in Ballyfermot where 70 new homes have been provided for older persons and an additional 16 family homes have been freed up in the community. I have also visited O'Devaney Gardens, a regeneration project which will yield more than 600 much needed social, affordable and private homes in the centre of Dublin; a project in Harold's Cross where 28 new homes have been provided; a rapid build project at St. Helena's Drive in Finglas with 40 new homes; and the Mater Dei family hub in Drumcondra which will accommodate 50 families who are currently being accommodated in hotels as a first response. Next week I will visit a project in Ballymun with Deputy Noel Rock. I intend to visit and monitor progress on the hundreds of social housing schemes that are advancing across the country.

New homes are being built on more than 150 sites in Dublin and there are many more active sites across the country. While this is encouraging, we need to see more activity and more homes on these sites more quickly. More than 2,400 new social housing homes are being built. Our constant focus has to be on supply and getting new homes built for people and families who are homeless, people on the housing lists, those who need homes and more affordable rents, first-time buyers, empty nesters who are seeking to trade down while remaining in their communities and less abled people who want supported independent living. We must also get these homes built in different ways from the way we built them before such as using the rapid precast method which is already being employed or the so-called plug and play approach used abroad to provide homes for first-time buyers. We need new financing arrangements to bring homes on line that will meet people's needs and also be affordable. It was for this reason that I recently met the European Investment Bank and I will meet other finance houses in the coming weeks.

In addition to our focus on supply to catch up for the lost years of construction, we must also focus on how we manage existing stock and make more efficient use of land and the homes and buildings we already own. It was for this reason that I recently met the Office of Public Works and I am examining above-the-shop living. This is also the reason I am not ruling out former models of shared accommodation, provided we can get the standards right. We also have to be ambitious and determined in making sure vacant homes that are truly vacant will be lived in as homes. This may require a carrot and stick approach.

I thank Deputies again for their engagement at the committee and look forward to hearing their ideas.