

Rebuilding Ireland
Action Plan for Housing and Homelessness 2016 -
2021

An Economic Evaluation
By
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DEW Irish Economic Policy Conference

Wexford
17th September 2022

Enda Kenny An Taoiseach,
Simon Coveney,
Minister for Housing, Planning,
Community and Local
Government

Action Plan For Housing and Homelessness


Rebuilding
Ireland



This is an initiative of the Government of Ireland

6-Year Plan:
2016 – 2021

New Social Units
Target
147,186

Cost: €9.9 billion

Pillar 1 - Address Homelessness

By mid-2017, emergency hotel and B&B type accommodation for families will only be used in limited circumstances and will have been largely replaced by suitable permanent family accommodation.

Pillar 2 - Build More Homes

Doubling of output to deliver over 25,000 units per annum on average over the period of the Plan [2017-2021].

Pillar 3 - Utilise Existing Housing

Ensure that existing housing stock is used to the maximum degree possible - focusing on measures to use vacant stock to renew urban and rural areas

Pillar 4 - Accelerate Social Housing

47,000 social housing units delivered by 2021, supported by investment of €5.35 billion

Pillar 5 - Improve the Rental Sector

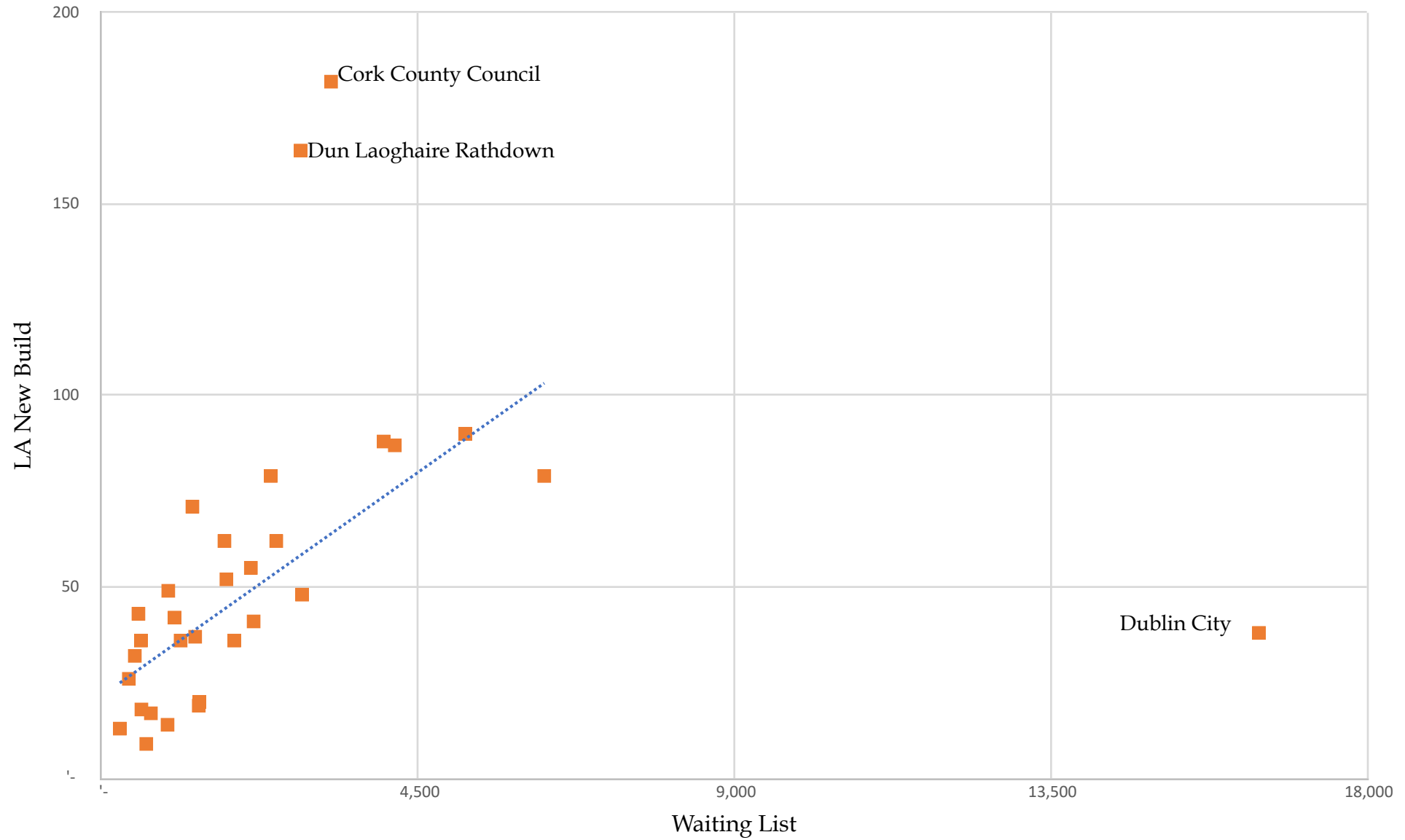
Address the obstacles to greater private rented sector delivery, to improve the supply of units at affordable rents.

Pillar 1: Waiting List and Homelessness, 2016 - 2021

		2016 HH	% of Total	2021 HH	% of Total
Number of households qualified for social housing support by LA's		91,600		59,247	
Homeless, institution, emergency accommodation or hostel		5,401	5.9	6,333	10.7
Nationality	Irish Citizen	65,835	71.9	46,306	78.2
Household Composition: Single Adult	Single Adult	40,342	44.0	32,551	54.9
Age Profile	60 years old or more	6,594	7.2	6,787	11.5
Current Tenure	Living with Parents or Friends	19,315	21.1	21,552	36.4
Time on Waiting List	Over 7 years	19,383	21.1	16,188	27.3
Disability	Intellectual	1,561	1.7	1,656.0	2.8
Disability	Mental health	1,687	1.8	1,477.0	2.5
Disability	There are no common rules in assigning accommodation or how authorities treat emergency cases. They cannot even agree on a definition of homelessness.				2.4

Source: Summary of Social Housing Assessments 2021

Waiting List and LA New Builds



Pillar 3 – Build More Homes

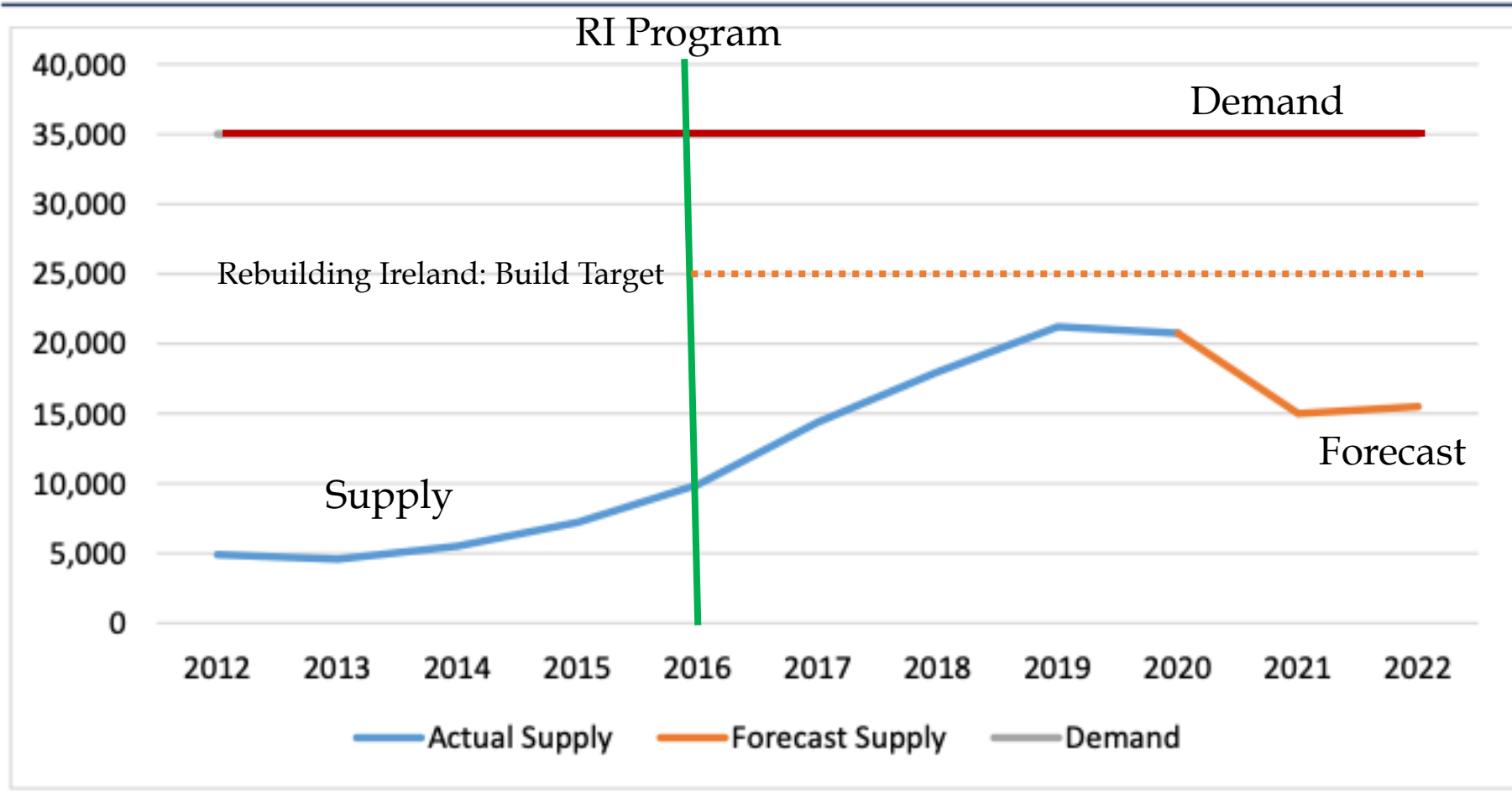
Deliver over **25,000 units per annum** on average over the period of the Plan

New dwelling completions by type of dwelling

Period	Single	Scheme	Apartment	Total
2011	4,814	1,358	822	6,994
2012	3,501	964	446	4,911
2013	2,947	1,155	473	4,575
2014	2,975	1,795	748	5,518
2015	3,252	3,294	673	7,219
2016	3,637	5,052	1,153	9,842
2017	4,243	7,878	2,200	14,321
2018	4,675	10,968	2,256	17,899
2019	5,059	12,510	3,478	21,047
2020	4,938	11,664	3,912	20,514
2021	4,708	10,657	5,108	20,473
		Average	17,349	

Shortfall of 30,746

ACTUAL AND FORECAST HOUSING COMPLETIONS AND ESTIMATE OF STRUCTURAL DEMAND



Sources: CSO, QEC calculations and Bergin and Garcia-Rodriguez (2020).

Source: With 'g' greater than 'r', should we be borrowing to increase Irish housing supply? K. McQuinn (2022)

Pillar 5 – Utilise Existing Housing

Ensure that existing housing stock is used to the maximum degree possible - focusing on measures to use vacant stock to renew urban and rural areas.

Vacancies

	Census 2016	Census 2022
Population	4,761,865	5,123,536
Housing	2,003,645	2,124,590
Occupied Homes	1,697,665	1,858,526
Vacant homes	183,312	166,752
Vacancy rate %	9.1	7.8
% Change	-20.3	-9.0

Source: CSO 2022

1. Output

Pillar 2 - Social Housing ← **Interaction Between:** → **Pillar 4 - Improve the Rental Sector**

Rebuilding Ireland Target and Actual Output
Cumulative 2016 - 2021

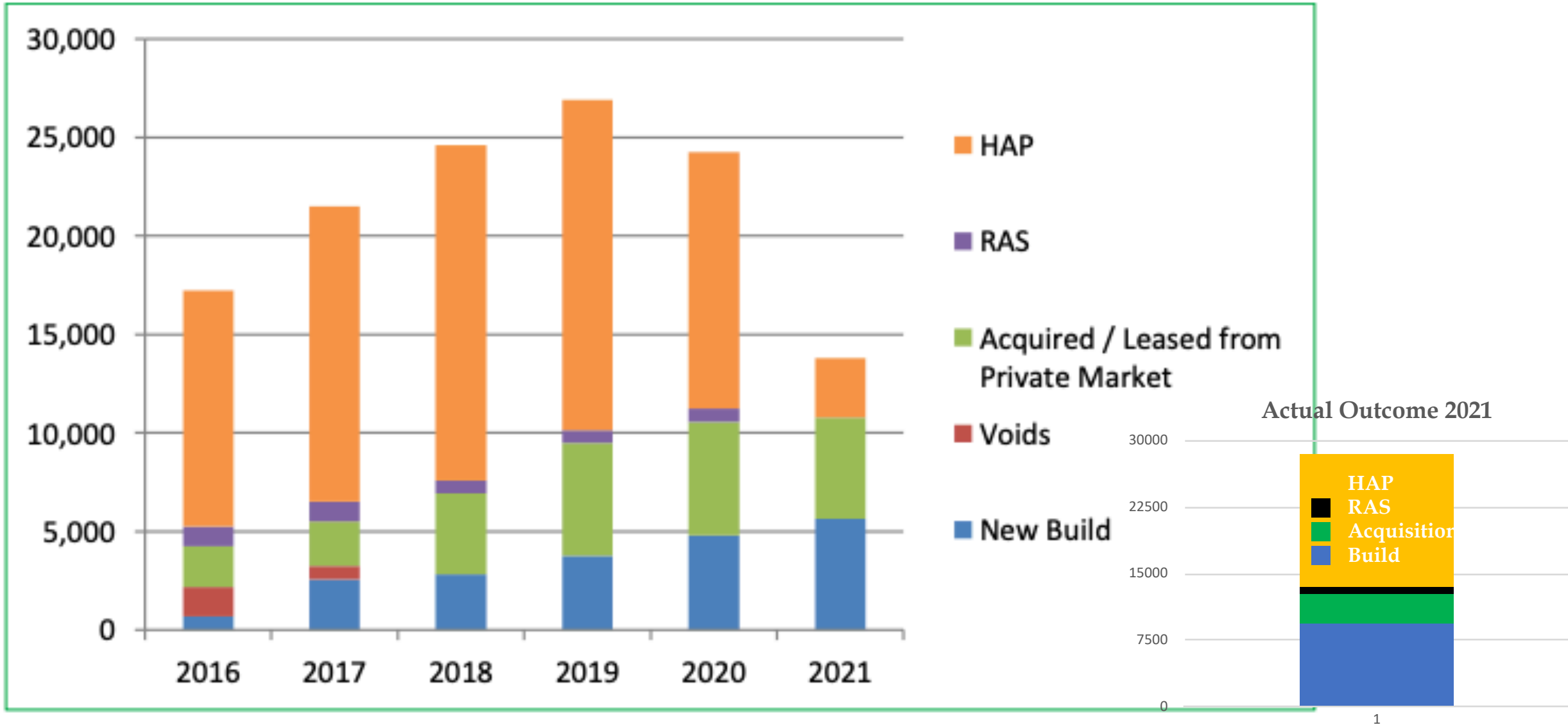
Social
Housing →

	Target	Actual Output	% of Total	Difference Actual - Target
Build	34,210	28,171	19	-6,039
Acquisition	6,830	12,121	8	5,291
Lease	10,036	7,932	5	-2,104
Subtotal	51,076	48,224	33	-2,852
RAS	4,600	5,891	4	1,291
HAP	91,510	93,922	63	2,412
Subtotal	96,110	99,813	67	3,703
Overall Total	147,186	148,037	100	851

Pillar 2: Social Housing

Original document

Spectrum of social housing provision forecast, 2016-2021



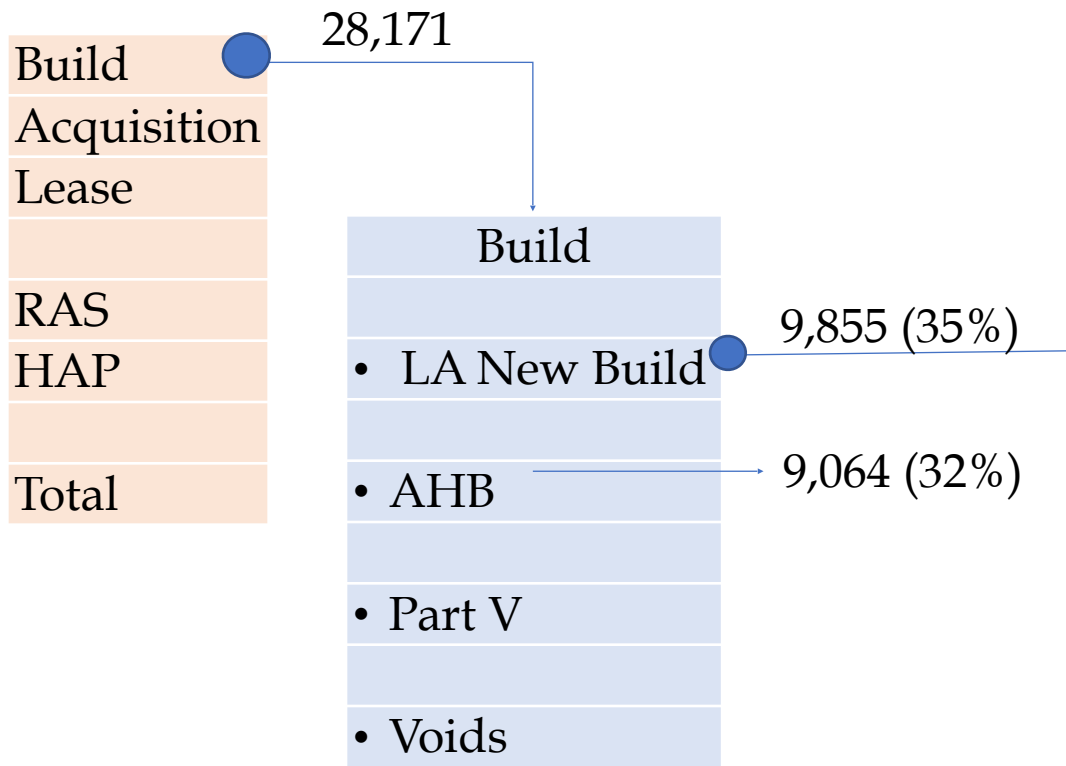
Targets

Targets and Outcome

Year/Category	2016 Target	% of Total	2021 Target	% of Total	2021 Output	% of Total
Build	2,260	13	9,500	33	5,202	22
Acquisition	1,755	10	800	3	1,270	5
Lease	225	1	2,450	9	2,711	12
RAS	1,000	6	800	3	1,034	4
HAP	12,000	70	15,000	53	13,095	56
Total	17,240	100	28,550	100	23,312	100

Source:

<https://www.housing.gov.ie/housing/social-housing/social-and-affordable/overall-social-housing-provision>



Local Authority	
1	Carlow County Council
2	Cavan County Council
3	Clare County Council
4	Cork City Council
5	Cork County Council
	Dun Laoghaire-Rathdown Co. Co.
6	
7	Donegal County Council
8	Dublin City Council
9	Fingal County Council
10	Galway City Council
11	Galway County Council
12	Kerry County Council
13	Kildare County Council
14	Kilkenny County Council
15	Laois County Council
16	Leitrim County Council
17	Limerick City and CO. Council
18	Longford County Council
19	Louth County Council
20	Mayo County Council
21	Meath County Council
22	Monaghan County Council
23	Offaly County Council
24	Roscommon County Council
25	Sligo County Council
26	South Dublin County Council
27	Tipperary County Council
28	Waterford City and Co. Council



Approximately 520 AHBs with a stock size of over 30,000 homes.

- Approved Housing Body (AHB) = Capital Assistance Scheme (CAS) + Capital Advance Leasing Facility (CALF)
- Social Housing Capital Investment Programme (SCHIP or SHIP)

2. Expenditure

Expenditure €m

	2016	2017	2018	2019	2020	2021	Total 2016 - 2021
Build	173	337	745	836	1,032	1,075	4,198
of which							
LA New Build	106	256	604	650	643	661	2,919
AHB	32	56	115	159.7	191	250	804

€3,723

Price/Unit €

	2016	2017	2018	2019	2020	2021	Average
LA New Build	330,313	252,860	298,516	286,041	288,136	330,933	297,800
AHB	92,837	73,947	82,853	73,425	90,909	109,123	87,182

LA provides AHB with a loan facility that supports up to 30% of the eligible capital cost of the project (CALF).

LA does not own the property.

Family Silver

Total Expenditure = €9,906 m

Newly Built State-owned properties = 9,855

Acquisitions = 12,121

Tender price for the construction cost element of new build schemes approved under the SHIP

Construction Costs

2020	Average Cost Per Unit €	Range
1 bed house	185,246	€139k - €237k
2 bed house	195,392	€129k - €263k
3 bed house	214,076	€152k - €342k
4 bed house	263,204	€205k - €321k
1 bed apartment	197,087	€169k - €269k
2 bed apartment	230,300	€198k - €306k
3 bed apartment *	323,407	€232k - €398k

* 2019

Costs do not include:

- Land
- Design/technical fees
- Utilities
- Other costs

Source:

<https://www.kildarestreet.com/wrans/?id=2021-07-15a.565&s=38827#g566.q>

Limerick Regeneration Framework Implementation Plan (LRFIP)

10 year programme to transform severely impoverished LA housing estates.

Demolish and rebuild large swathes of substandard housing in Moyross, Southill, St Mary's Park and Ballinacurra Weston in Limerick.

8 years on:

- 1,287 homes have been demolished
- 269 houses have been rebuilt.
- 40 are under construction
- 121 are at "tender stage";
- 27 are at "pre-tender" stage
- 56 units are "future builds".

Cost to-date: €400m

3. Rental Sector

	2020	% of Total Households	% of Total Renters
Number of private households	1,860,980		
Households in rented accommodation	545,006	29.3	
Households renting unsupported	251,333		46.1
Households renting supported accommodation	293,673		53.9

Source: Doolan, Roantree, Slaymaker (2022)

Breakdown of Supported Rents (Stock) 2020

	Number	% of Total
Local Authority (LA)	160,527	54.7
Approved Housing Body (AHB)	37,611	12.8
Rent Accommodation Scheme (RAS)	17,682	6.0
Rent Supplement (RS)	17,893	6.1
Rent Allowance (RA)	49	0.0
Housing Assistance Payment (HAP)	59,821	20.4
Total	293,583	100.0

Income 2020

	Rental Sector Supported €	Unsupported €
Disposable income (Median)	32,306	53,889

Affordability 2019

	Monthly Rent Unsupported €	Supported €	Difference €
Mean	1,006	520	486
Adjusted for location, type, quality			300

Source: Doolan, Roantree, Slaymaker (2022)

HAP and RAS

Housing Assistance Payment (HAP), introduced as a pilot in 2014 before being rolled out nationally in 2017.

Rental Accommodation Scheme (RAS) was introduced in 2004.

RAS: LA sources accommodation and pays 92% to landlord.

HAP: Tenant sources accommodation and LA pays full rent to landlord.

Department of Housing, Local Government and Heritage (DHLGH) has stopped publishing data on the *stock* of LA- or AHB-provided accommodation. Now publish *flow* data only. *Flow* data does not account for LA sales or demolitions.

HAP and RAS: Output and Expenditure

		Average cost per unit			Cumulative			
		2016	2017	2018	2019	2020	2021	2016 - 2021
HAP	Flow of Dwellings	12,075	17,916	17,926	17,025	15,885	13,095	93,922
	Stock of Dwellings	16,493	31,228	43,443	52,525	59,821	61,907	
	Expenditure €m	58	153	277	382	465	542	1,877
	Exp/Flow Dwellings (€)	4,803	8,540	15,452	22,438	29,273	41,390	
	Exp/Stock Dwellings (€)	3,517	4,899	6,376	7,272	7,773	8,755	
RAS	Flow of Dwellings	1,256	890	755	1,043	913	1,034	5,891
	Stock of Dwellings	20,306	19,756	18,916	18,154	17,682	17,183	
	Expenditure €m	131	143	143	134	133	122	806
	Exp/Flow Dwellings (€)	104,299	160,674	189,404	128,476	145,674	117,988	
	Exp/Stock Dwellings (€)	6,451	7,238	7,560	7,381	7,522	7,100	

Source Stock data:

Doolan, Roantree, Slaymaker (2022) and

<https://www.oireachtas.ie/en/debates/question/2022-04-26/612/>

Exodus from HAP
and RAS?

Current A/C
No new assets.

HAP and Average Rent in New Tenancies

	Average Rent in New Tenancies			HAP		RAS		
	Index	National	Dublin	Non-Dublin	Exp/Flow HAP	Exp/Stock HAP	Exp/Flow RAS	Exp/Stock RAS
2016	100	100	100	100	100	100	100	100
2017	119	121	120	178	139	154	112	
2018	127	130	128	323	181	182	117	
2019	133	134	134	470	207	123	114	
2020	138	138	142	612	221	140	117	
2021	150	148	156	866	249	113	110	

4. Rent Threshold

Number paying “differential rents” in 2020: 275,641.

If housed under HAP, then you are no longer be on the LA’s housing list.

Only considered for social housing if rent and income are below the LA Threshold:

Rent (revised in 2017 and 2022)

Income (revised 2011)

Thresholds are operated independently by each LA. There are as many thresholds as there are LA’s.

Some implications:

- Fuelling rental inflation
- Increasing costs to the Exchequer.
- Geographic disparities in the levels of support.
- Complicated interaction between differential rents, the tax system, social welfare payments and childcare supports. Can result in very high marginal tax rates.

- Single contribution rate for the principal household earner.
- Multiple rates with significant differences in base and rates.
- Some LA’s have a minimum total weekly rent.
- Other LA’s have a maximum rent cap. Results in high- income-supported renters pay such low rents (regressive).

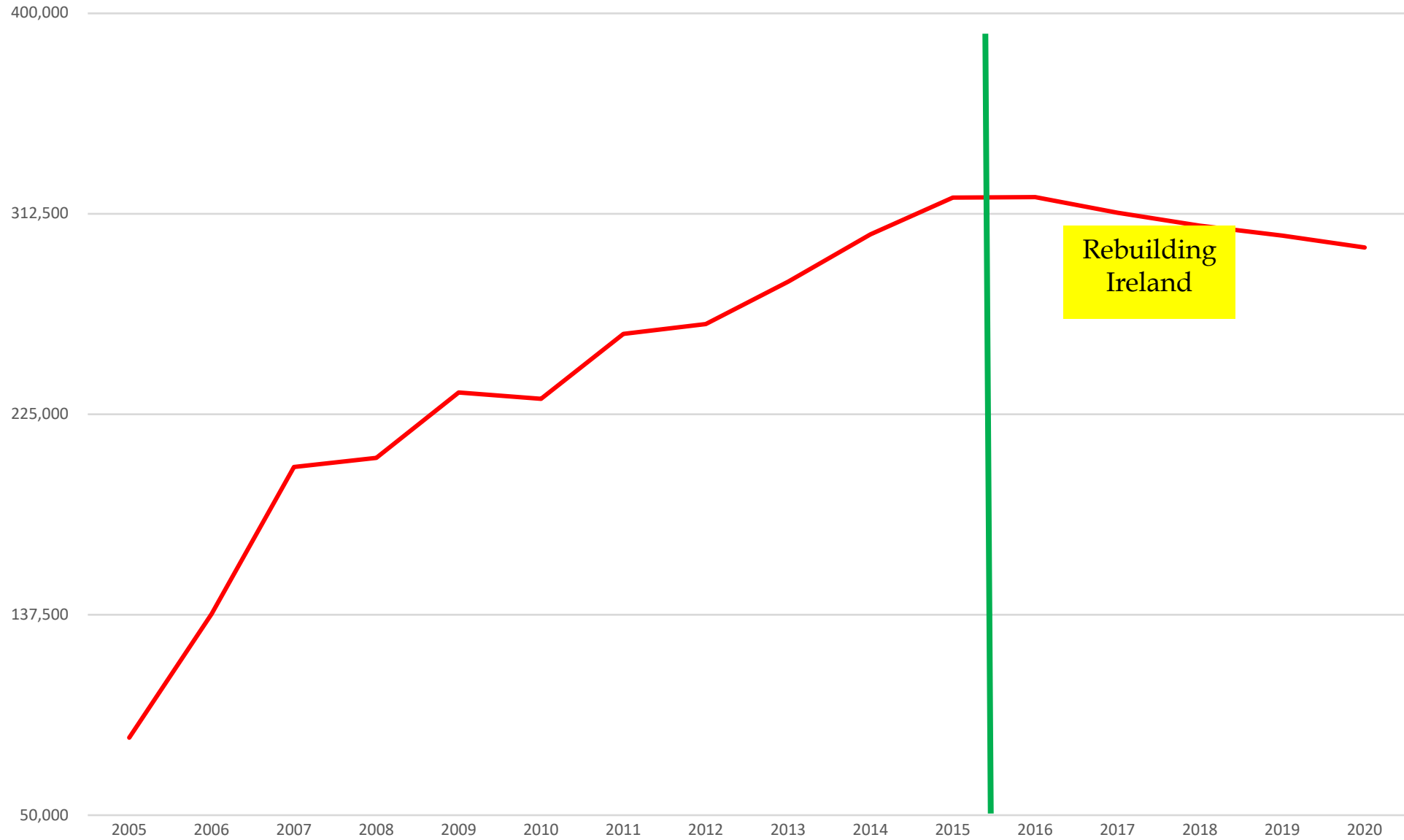
Variation in treatment of;

- income of additional household members.
- self-employed income
- shift allowances and overtime payments
- social welfare payments

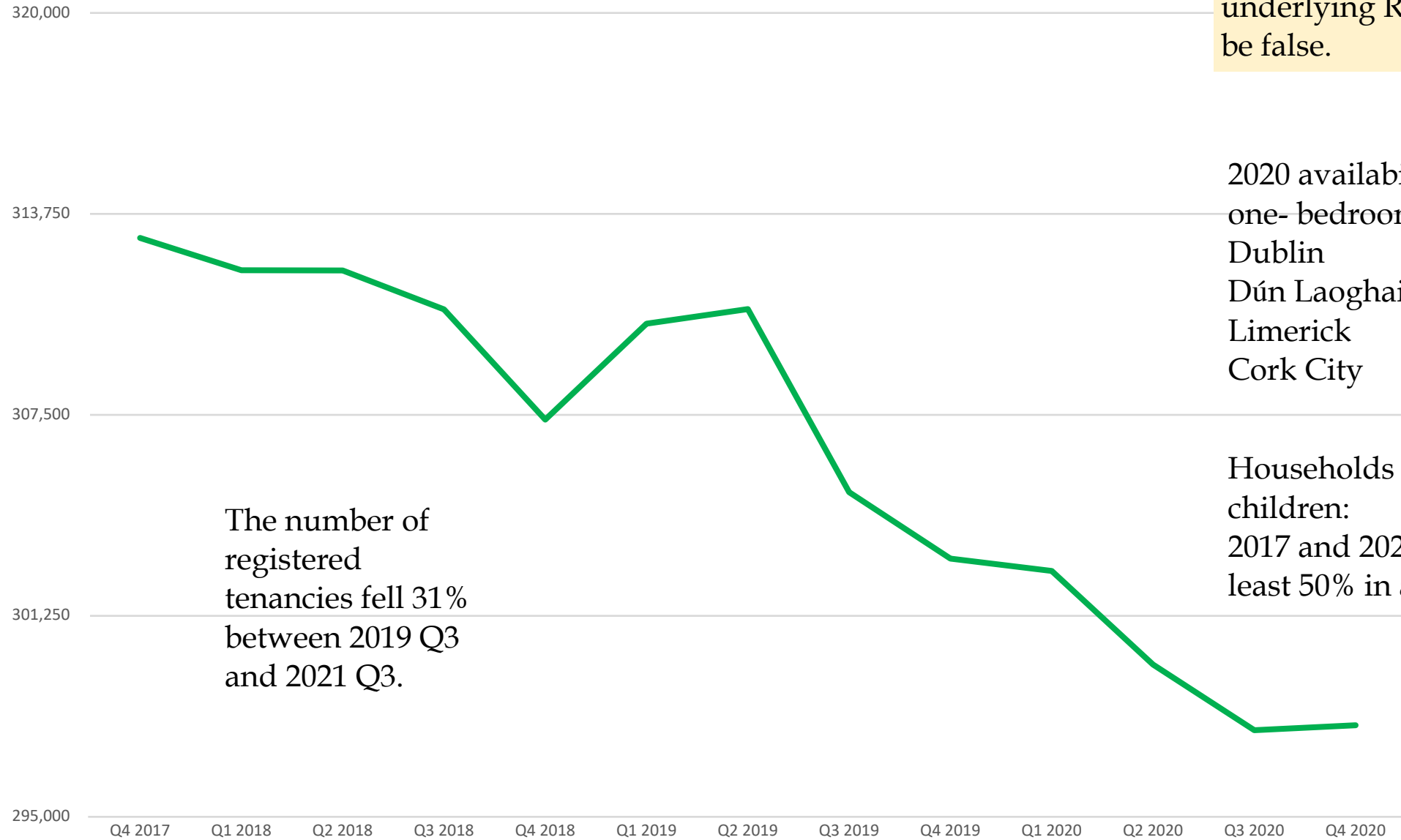
LA rental income usually well below management, maintenance costs or servicing capital cost of dwellings.

5. Supply

Number of Private Tenancies Registered with the RTB



Number of Private Rented Tenancies 2017 - 2020



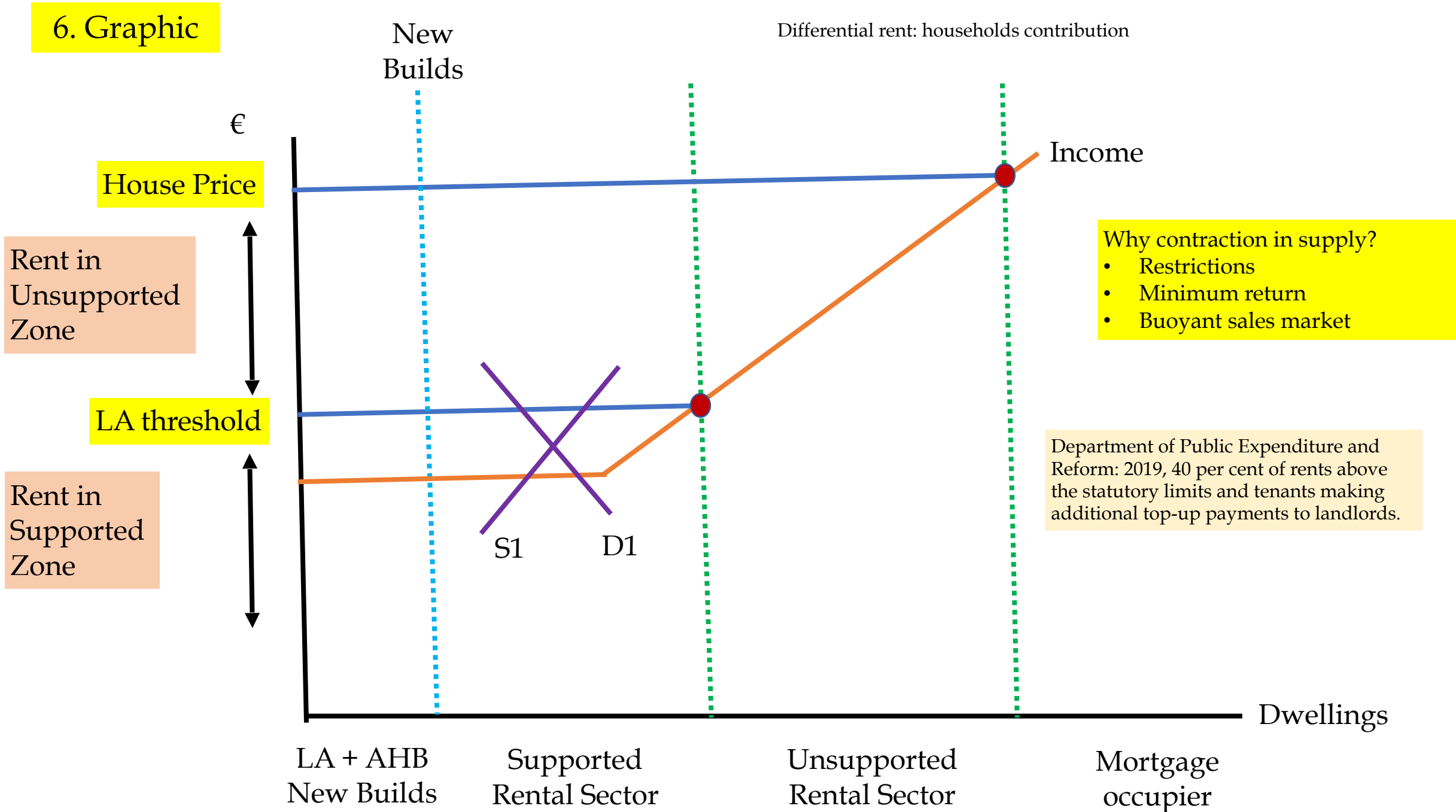
Fundamental assumption underlying RI proved to be false.

2020 availability for HAP of one-bedroom tenancies:
Dublin 6%
Dún Laoghaire 2%;
Limerick 8%
Cork City 12%.

Households with two children:
2017 and 2020, fall of at least 50% in availability.

The number of registered tenancies fell 31% between 2019 Q3 and 2021 Q3.

6. Graphic



7. Alternative Policy

Local authority
Carlow County Council
Cavan County Council
Clare County Council
Cork City Council
Cork County Council
Donegal County Council
Dublin City Council
Dún Laoghaire-Rathdown County Council
Fingal County Council
Galway City Council
Galway County Council
Kerry County Council
Kildare County Council
Kilkenny County Council
Laois County Council
Leitrim County Council
Limerick City and County Council
Longford County Council
Louth County Council
Mayo County Council
Meath County Council
Monaghan County Council
Offaly County Council
Roscommon County Council
Sligo County Council
South Dublin County Council
Tipperary County Council
Waterford City and County Council
Westmeath County Council
Wexford County Council
Wicklow County Council

Create 31
Construction
Companies
based on the
same grid as
the LA's.

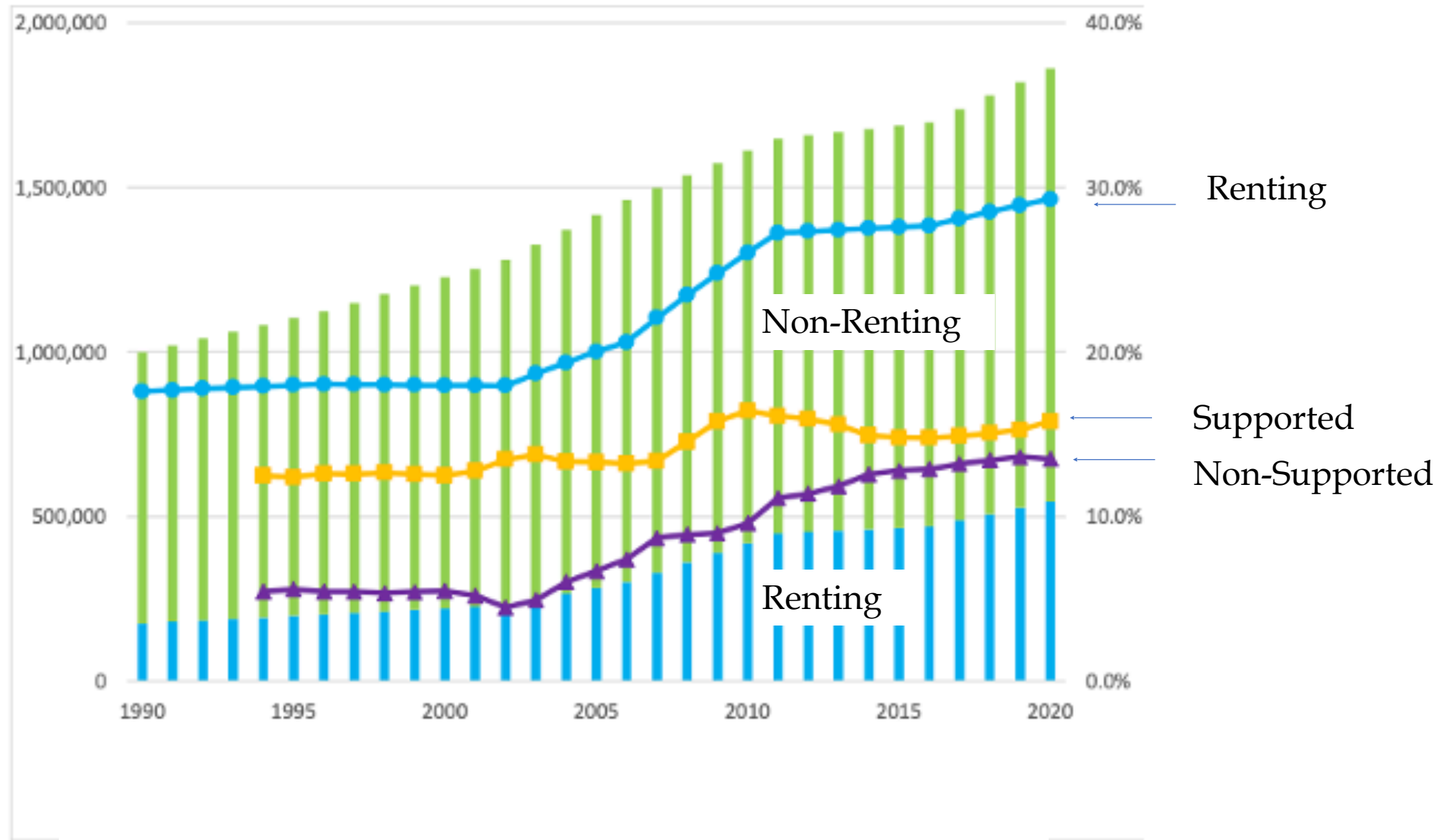
Independent but
“special
relationship” with
LA's

Digital
integration to
ensure
specialization
and economies
of scale.

Objective: Initially,
10,000 “break-even”
units per annum.
(322 per LA.)

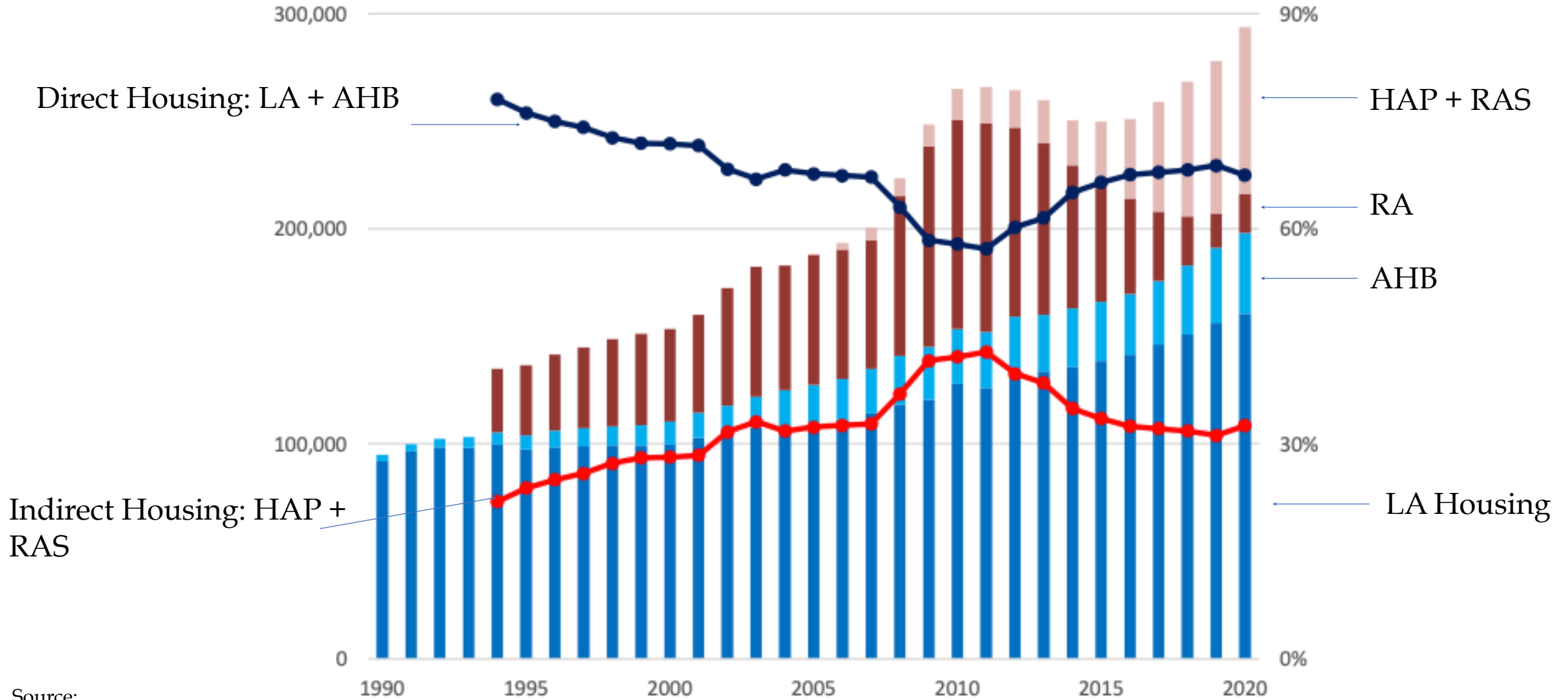
Appendix

Renting Sector: Trend 1990 - 2020



Source:
Doolan,
Roantree,
Slaymaker (2022)

Direct and Indirect Social Housing: Trend 1990 - 2020



Source:
Doolan,
Roantree,
Slaymaker (2022)

**Illustrative table of net income limits as set out in the
Social Housing Assessment Regulations, 2011, as amended.
19th April 2021**

**LA Income
Threshold**

Band	City and County Councils	Maximum Net Income Threshold – single person	Income Threshold – 3 adult & 4 child family
1	Cork City	€35,000	€42,000
	Dublin City	€35,000	€42,000
	Dún Laoghaire Rathdown	€35,000	€42,000
	Fingal	€35,000	€42,000
	Galway City	€35,000	€42,000
	Meath	€35,000	€42,000
	South Dublin	€35,000	€42,000
	Kildare	€35,000	€42,000
	Wicklow	€35,000	€42,000
	2	Cork County	€30,000
Kerry		€30,000	€36,000
Kilkenny		€30,000	€36,000
Limerick City & County		€30,000	€36,000
Louth		€30,000	€36,000
Wexford		€30,000	€36,000
Waterford City & County		€30,000	€36,000
3		Carlow	€25,000
	Cavan	€25,000	€30,000
	Clare	€25,000	€30,000
	Donegal	€25,000	€30,000
	Galway County	€25,000	€30,000
	Laois	€25,000	€30,000
	Leitrim	€25,000	€30,000
	Longford	€25,000	€30,000
	Mayo	€25,000	€30,000
	Monaghan	€25,000	€30,000
	Offaly	€25,000	€30,000
	Roscommon	€25,000	€30,000
	Sligo	€25,000	€30,000
	Tipperary	€25,000	€30,000
	Westmeath	€25,000	€30,000

Local authority	1 adult in	Couple in			Couple or 1	Couple or 1	Couple or 1
	shared	shared	1 adult	Couple	adult with 1	adult with 2	adult with 3
	accommodation	accommodation			child	children	children
Carlow County Council	270	290	440	510	570	600	630
Cavan County Council	190	220	380	420	450	470	490
Clare County Council	220	240	360	400	480	515	550
Cork City Council	300	330	550	650	900	925	950
Cork County Council	300	330	550	650	900	925	950
Donegal County Council	200	230	340	370	410	470	520
Dublin City Council	430	500	660	900	1250	1275	1300
Dún Laoghaire-Rathdown County Council	430	500	660	900	1250	1275	1300
Fingal County Council	430	500	660	900	1250	1275	1300
Galway City Council	330	360	575	650	850	875	900
Galway County Council	330	360	575	650	850	875	900
Kerry County Council	200	230	380	410	525	550	575
Kildare County Council	350	400	575	750	975	1050	1100
Kilkenny County Council	230	270	480	530	630	660	690
Laois County Council	240	280	420	433	580	610	630
Leitrim County Council	200	220	340	370	450	475	500
Limerick City and County Council	270	300	420	450	650	700	750
Longford County Council	180	200	330	350	400	425	450
Louth County Council	310	350	575	650	975	1050	1100
Mayo County Council	200	220	390	410	480	500	520
Meath County Council	310	350	575	700	975	1050	1100
Monaghan County Council	200	220	330	390	500	515	530
Offaly County Council	210	230	380	435	550	575	600
Roscommon County Council	240	260	360	390	500	525	550
Sligo County Council	220	250	460	490	550	575	600
South Dublin County Council	430	500	660	900	1250	1275	1300
Tipperary County Council	210	230	380	420	525	560	600
Waterford City and County Council	240	270	430	450	550	575	600
Westmeath County Council	220	240	450	470	600	625	650
Wexford County Council	280	300	420	433	530	565	600
Wicklow County Council	370	410	660	900	1150	1200	1250

Local Authority Housing Output - New Build (2016 to 2021)							Total Output	% of Total Output
Local Authority	2016 ^[1]	2017 ^[2]	2018	2019	2020	2021	2016 - 2021	2016 - 2021
Carlow County Council	0	43	36	46	50	42	217	2.2
Cavan County Council	0	2	12	11	11	15	51	0.5
Clare County Council	0	0	2	25	34	55	116	1.2
Cork City Council	31	33	113	269	76	0	522	5.3
Cork County Council	4	123	122	261	241	343	1094	11.1
Dun Laoghaire-Rathdown County Council	54	38	134	17	0	50	293	3.0
Donegal County Council	0	11	58	59	49	53	230	2.3
Dublin City Council	56	295	264	90	124	154	983	10.0
Fingal County Council	29	99	169	128	46	0	471	4.8
Galway City Council	0	0	14	29	99	74	216	2.2
Galway County Council	0	31	38	100	58	82	309	3.1
Kerry County Council	5	10	88	62	38	87	290	2.9
Kildare County Council	0	28	65	128	200	104	525	5.3
Kilkenny County Council	10	29	45	4	63	98	249	2.5
Laois County Council	0	0	33	1	21	28	83	0.8
Leitrim County Council	0	0	7	16	8	46	77	0.8
Limerick City and County Council	45	111	60	77	19	61	373	3.8
Longford County Council	0	14	51	79	45	69	258	2.6
Louth County Council	25	25	23	31	218	49	371	3.8
Mayo County Council	0	3	38	83	75	19	218	2.2
Meath County Council	0	16	76	116	98	26	332	3.4
Monaghan County Council	0	39	27	61	44	18	189	1.9
Offaly County Council	0	5	12	47	16	21	101	1.0
Roscommon County Council	0	16	14	20	16	89	155	1.6
Sligo County Council	1	8	16	35	28	21	109	1.1
South Dublin County Council	15	0	266	146	109	2	538	5.5
Tipperary County Council	6	1	20	38	56	98	219	2.2
Waterford City and County Council	15	4	119	90	70	127	425	4.3
Westmeath County Council	5	21	10	25	41	17	119	1.2
Wexford County Council	19	9	58	80	47	35	248	2.5
Wicklow County Council	0	0	32	97	230	115	474	4.8

Housing For All

Projected Housing Output (New Build) 2022 – 2030									
Tenure	2022	2023	2024	2025	2026	2027	2028	2029	2030
Social homes	9,000	9,100	9,300	10,000	10,200	10,200	10,200	10,200	10,200
Affordable & Cost Rental homes	4,100	5,500	6,400	6,400	6,100	6,300	6,400	6,300	6,300
Private Rental and Private Ownership homes	11,500	14,400	17,750	18,200	19,800	20,400	21,500	23,000	24,000
Total Homes	24,600	29,000	33,450	34,600	36,100	36,900	38,100	39,500	40,500

Figure 3:
Projected Housing
Output (New Build)
2022 – 2030

Figure 4:
Housing for All
Overall Target

