



HOUSING



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Ireland needs a radical change in housing policy. In the context of the housing disaster brought about by this government and the previous government, we need to implement an ambitious and urgent State-led programme to deliver the much-needed homes for our people and our communities.

We need to see urgent adoption of more ambitious targets – because, two years on, the Government’s own Housing for All plan has failed even to meet the inadequate targets set within it. And we need urgent adoption of a massive social and affordable house-building programme, to ensure delivery of homes; and access to decent, adequate, affordable and healthy housing for all, as demanded by the UN Sustainable Development Goals (UN SDG 11 - By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums).

The number of people experiencing homelessness has soared by over 50%, rents have risen to unaffordable levels for many, and house prices are also rising. Almost two thirds of our young people have now no option but to stay in the family home well into their 20s and 30s.

Ireland needs to build at least 50,000 homes a year, but the government’s target for housebuilding is far too low. The government’s plan, even if implemented in full, will only meet two thirds of the real need. It’s simply not ambitious enough, and this lack of ambition will perpetuate and worsen the housing crisis for years to come.

Labour has been very clear in setting out our ambition on housing. We have called for the delivery of one million homes over ten years. This would mean building a minimum of 50,000 new homes per year over the next decade; and enabling the provision of another 50,000 per year through deep retrofit and restoration of vacant and derelict properties.

This level of ambition is necessary to address our housing crisis, to meet our climate targets and to ensure sustainable use of our building stock. Our construction workforce planning must recognise the competing demands between building new, and restoring old, and it must also ensure that we have enough workers to do both.

Young people are deeply frustrated, caught in a cycle of ever rising rent and house prices, with rents often consuming nearly half their wages. The crisis for renters has been deepened by the Government’s disastrous decision to lift the temporary no-fault eviction ban earlier this year, without putting in place adequate effective measures by way of safety-nets for those facing eviction.

To help support renters, Labour has proposed a strong Renters’ Rights Bill which would provide real protections for those in rented homes, to include greater security of tenure and quality of life measures.

By contrast, the latest solution offered by the Government on rental homes is to propose tax breaks for landlords, without any evidence that this measure will work to stop landlords from selling properties. In our view, landlords should not be paying lower taxes on passive rental income than

workers' pay on their wages - especially when a substantial portion of those wages then go on paying the rent! This is an issue of generational (in)justice. We need to see State intervention to protect renters.

Labour calls for stronger State intervention also, to build more affordable homes, freeze rents and tackle homelessness through massive public investment in the supply of social and affordable homes.

Labour will invest to build.

Economic analysis commissioned by the Labour Party shows that at least another €1bn needs to be invested by the State in housing delivery.

Overall, we would allocate over €1.6 billion more in capital to provide for the delivery of social and affordable homes in 2024.

Social and Affordable Housing Provision

Over the medium-term Labour would move to double capital investment in social and affordable housing. Doing so would also address the over-reliance of the State on private rental accommodation to provide social housing through current expenditure programmes like HAP, RAS and social leasing.

The existing FG/FF model is not a viable long term housing strategy, as it will leave the State with no asset, despite having invested hundreds of millions of annual current expenditure on housing provision.

Our ultimate goal is the phasing out of such schemes, to remain only as a short-term measure until a person or family with an identified housing need is permanently housed in a publicly owned building or home owned through an approved housing body.

In this year's Budget, by way of starting point, we would invest enough to deliver 20,000 social and affordable homes in 2024.

The Government's proposed building programme under Housing for All in 2024 would deliver 9,300 social homes. This is not enough.

We would provide an additional €860 million, funded from excess corporation tax receipts, to build an extra 2,700 local authority homes next year on publicly owned land.

Accurate figures for the delivery of cost rental and affordable housing in 2023 are hard to come by, and costings from the Department are opaque. The building of these homes are funded by the Department through a variety of indirect schemes, and through the LDA. Only 101 affordable purchase homes were delivered in the first half of the year, alongside 22 AHB cost rental units.

Labour is proposing to more than double annual delivery for these two streams, to ensure that 4,000 affordable purchase homes, and 4,000 cost rental homes, can be delivered in 2024. This would be partially funded through the phasing down of the Help to Buy and First Home shared equity schemes, which have been shown to bring about higher house prices.

The Government is intent on pursuing the Croí Cónaithe (Cities) scheme which will use up to €450m of investment to underwrite private apartment developments on urban sites. If this scheme is to be continued, however, then at a minimum the delivery of cost rental homes should be a condition of funding.

CAPITAL

- Build an extra 2,700 local authority homes on publicly owned land in 2024 for total delivery of 12,000 units (All in cost). **€860m**
- Financing to ensure delivery of up to 4,000 cost rental units, and 4,000 affordable homes through the LDA. **€450m**
- Community Infrastructure Fund for local authority and AHB building projects over 50 units. **€30m**

POLICY CHANGES

- Prepare for the establishment of a State Housing Construction Company, which would embed decent terms and conditions, good jobs and sustainable building methods in its ethos.
- Cut red tape for local authorities carrying out the building of social homes, by devolving construction budgets for their direct management.
- Increase social housing income limits to €45,000 per single person.
- Make cost rental a condition of Croí Cónaithe (Cities) funding.

Increasing Residential Supply and the Construction Workforce

- Encourage conversion of redundant commercial properties to residential use, and disincentivise construction of speculative offices and other commercial and industrial properties - such as data centres - by using emergency development levies.
- Pay apprentices at least the minimum wage and abolish apprenticeship fees; support training using the NTF surplus; stamp out bogus self-employment and protect the construction SEO process.

- Make the Housing Agency responsible for promoting construction careers, building on the Working Group in the Department of Further and Higher Education.
- Launch an international recruitment campaign with industry partners and widen the categories of construction work jobs on the critical skills list.

Tackle Vacancy and Dereliction, end speculation and land hoarding

Vacancy and dereliction represent a scourge across our communities. High levels of visible dereliction in our urban centres have a deeply negative impact on community solidarity, but it is clear that vacant and derelict sites registers maintained by each local authority only reflect a small portion of the real levels of vacancy and dereliction. The continued presence of far too many vacant homes represents a serious indictment of Government policy on housing. At a time when a chronic housing shortage exists nationwide, it is shocking to see so many properties remaining vacant – and so little action by Government to tackle this.

Dereliction is anti-social. Urgent measures must be taken to bring vacant and derelict properties back into use, to be repurposed to provide much-needed homes for people.

Local Property Tax returns show there were 57,206 properties declared vacant in November 2021, while Census returns indicate that there are 166,752 vacant dwellings in Ireland. .

A Vacant Housing Tax levied at three times the rate of LPT is finally in place, but enforcement methods must be strengthened, and the rate raised.

Labour believes that the rate for this tax should be set at a minimum of €2,000 per year, and levied at 1% of value, with the rate then ratcheting up further every year.

The purpose of this tax is not to raise revenue but rather to encourage the putting back into use of vacant homes. Thus, if an identified property remains empty, then the Vacant Housing Officers in each local authority should be resourced to proceed with CPO proceedings. Each local authority should have targets on returning vacant and derelict properties into use.

New vacant property refurbishment grants are now in place, but these should be available in instalments. To bridge the affordability gap for some, a low interest credit scheme of up to €100,000 linked to the retrofit loan guarantee scheme should be made available through the local authorities for those who want to buy, refurbish and put back into use vacant and derelict housing.

Labour has a radical plan for action to tackle vacancy and dereliction.

- Increase Vacant Homes Tax to a €2,000 minimum charge and set at 1% in first year. **N/A**
- Provide local authorities with a budget to expand and develop the Tenant in Situ scheme, and to CPO vacant and derelict properties and to ensure their rapid repurposing for use as homes. **€50m**

POLICY CHANGES

- Establish a comprehensive national building survey to review and upgrade the vacant and derelict buildings registers maintained by each local authority.
- Extend Living City Initiative to more towns and make vacant property refurbishment grants available in instalments.
- Introduce a local authority low interest loan scheme linked to the retrofitting scheme for owner occupiers who want to buy and refurbish vacant and derelict buildings.
- Apply a minimum 10% Stamp Duty levy on bulk sale of apartments to private investors.
- Change planning law to stop the repurposing of student accommodation into short term lets and invest in publicly owned cost-rental student housing.
- End social leasing under Part V and provide local authorities with a capital funding stream to purchase these units.

A Fair Deal for Renters

Tax breaks for landlords will not stop property sales or evictions. Ireland needs to change the laws on evictions, so that renters are not made homeless where their home is being sold.

The Minister must revise HAP limits to accurately reflect current market rents and the discretionary levels already being paid, whilst also committing long term to phasing out HAP, through greater investment in publicly owned housing.

- Ensure every new HAP tenancy is inspected within 12 months and that 25% of all tenancies are inspected per year. **€10m**
- Double the Rent Tax Credit to €1,000. **€200m**
- Pass Labour's Renter's Rights bill to introduce a three-year rent freeze, restrict reasons for evictions, and develop a Rent to Buy scheme.
- Phase in a 40% HAP Limit increase as requested by homeless service providers.

Homelessness

In September 2021 when Housing for All was launched, there were 8,475 people homeless; that included 1,005 families with 2,344 children.

The most recent figures from August 2023 show that 12,691 people are now homeless, including 1,866 families with 3,895 children – a shocking figure, representing an increase of 50% overall.

Each person or family in homelessness is one too many. The direct lived experience of homelessness for each child or adult is deeply distressing and has lasting impacts. Government action to tackle homelessness has been inadequate and ineffective.

Urgent change is necessary to end homelessness.

Such change will also deliver much more effective use of state funding. Apart from the appalling human cost of homelessness, the cost of maintaining a household in emergency accommodation is estimated to be over €40,000 per annum. This is money that could be better spent on housing delivery and should be refocused into turning around and repurposing vacant homes and buildings for use in housing.

Emergency measures should now be taken to recognise the worsening situation, where each case represents a human tragedy.

- Return 3,500 vacant Local Authority housing unit 'voids' to use within 6 months. **€40m**
- Increase Tenant-in-Situ provision to 5,000 units and hire 60 local authority staff to support the expanded scheme. **€4m**
- Allocate funding to pilot a Housing First for Families programme to support those with complex needs. **€4m**
- Ensure every child in homelessness has a Tusla Child Support Worker, along with a dedicated School Transport place and mental health supports. **€2m**
- 20% funding increase for homeless services to support record levels, and address pay deficit for Section 10 workers. **€43m**

POLICY CHANGES

- Reinstate the Winter Temporary No-Fault Eviction Ban to April 2024, and then leave this in place until homelessness is proven to fall for four consecutive months, as per legislation introduced by Labour.
- Pass Labour's Housing Homeless Families Bill.

Other Housing Measures

Over 70,000 homeowners now have their mortgage loans owned and serviced by 'vulture funds' and their agents. The excessive interest rates applied by Funds to 'mortgage prisoners' who have had their loans sold by the main banks is causing huge stress and worry for homeowners. Families who are making every effort to service their mortgage need to be given a fresh start. Government must use the threat of penal bank levies to encourage the highly profitable banks to welcome these customers back on fair interest rates and terms and conditions. In addition, government must examine ways in which local authorities can engage in such a process too, with State backing.

The student accommodation crisis is worsening every year, and the State must act to invest in publicly owned, affordable student accommodation in higher education institutions across the country. Direct state funding is now needed to ensure these cost rental units are built.

The incidence of short-term lets replacing longer-term rentals has to be addressed urgently with stronger regulation of short-term letting platforms.

Limits for the Housing Adaptation grant scheme need to be urgently reassessed to ensure they are in line with actual costs of delivery. We would increase the overall commitment by 20% to €78m to take account of increased demand and construction inflation. Adaptation grant work should also be compulsorily aligned with retrofitting and energy efficiency measures under the SEAI Warmer Homes Scheme.

CAPITAL

- €100m direct state investment in affordable, public student accommodation. **€100m**
- 20% increase for Housing Adaptation Grant funding, align with SEAI retrofitting work, and review limits in line with construction inflation. **€13m**

Construction Defects

- Redress Fund for Construction Defects and MICA funded with a 2% recurring levy on profits from construction activities (€50-60m/year) rather than levy on concrete products. **€500m**
- Tax relief for remediation costs of owner occupiers and AHBs in multi-unit developments. **€7.5m**