



CONSTRUCTION  
INDUSTRY  
FEDERATION



# IHBA Submission to DHLGH Statement of Strategy 2025 - 2027 Consultation

28/03/25



## INTRODUCTION

The Irish Home Builders Association (IHBA) represents home builders of all scales across Ireland, advocating for a stable, efficient, and well-resourced housing sector that can meet the country's urgent housing needs. As Ireland aims to deliver 50,500 homes per year until 2030, increasing to 60,000 homes annually thereafter, the housing sector requires certainty, streamlined processes, and infrastructure investment to scale up delivery effectively.

The IHBA welcomes the opportunity to provide input into the Department's Statement of Strategy for 2025–2027. Our recommendations focus on policy certainty, infrastructure investment, planning reform, and strategic housing initiatives to ensure the sustainable delivery of new homes. Without bold interventions, housing shortages will persist, driving up costs, restricting economic growth, and worsening Ireland's housing affordability crisis.

### 1. ENSURING POLICY CERTAINTY AND STABILITY

A stable and predictable policy environment is critical to fostering investment in housing development. Frequent legislative changes and uncertainty around key policies deter investment and slow down supply. The housing sector needs long-term, clearly articulated policies that encourage private and public sector collaboration.

- Housing targets must be treated as a minimum, not a ceiling, ensuring there is no artificial restriction on delivery, particularly when demand exceeds supply.
- Rental market reforms should be designed to attract investment in the Private Rental Sector (PRS), particularly in urban areas where apartment viability remains a challenge. If not carefully managed, restrictive policies could exacerbate supply constraints in the rental market.
- The Strategic Housing Activation Office should be established immediately to bring together key stakeholders, including home builders, planners, utilities and local authorities, to address delays and bottlenecks in housing activation.

### 2. INFRASTRUCTURE INVESTMENT TO UNLOCK HOUSING SUPPLY

Insufficient and uncoordinated infrastructure is one of the biggest barriers to housing delivery in Ireland. Many zoned lands remain undeveloped due to a lack of energy, water, wastewater, and transport infrastructure, delaying much-needed housing supply. A strategic, multi-annual funding model is required to ensure timely infrastructure delivery.

- A ringfenced additional €500 million per annum is required to accelerate capital water and wastewater infrastructure projects, enabling the activation of more zoned lands.
- Strategic investment in water, transport, and energy infrastructure must be prioritised, ensuring housing developments are well-connected and sustainable.
- Development levies and Uisce Éireann's connection waivers should be extended beyond 2026 for phased projects, providing cost certainty for home builders and encouraging housing activation.

### **3. PLANNING REFORM AND LAND ACTIVATION**

Ireland's planning system remains one of the biggest bottlenecks to housing delivery. Delays in An Bord Pleanála, inconsistent decision-making by local authorities, and restrictive zoning policies all contribute to a slow and inefficient process.

- Fast-track processing of stalled planning applications at An Bord Pleanála and Local Authorities by increasing resourcing and implementing mandatory decision timelines.
- Protect existing zoned land by instructing Local Authorities to immediately activate expired Local Area Plans (LAPs) and remove unnecessary settlement caps that restrict housing delivery.
- Introduce legislation to extend the duration of existing planning permissions where delays are due to infrastructure constraints, legal challenges, or other unforeseen circumstances outside a home builders control.
- Reform the Residential Zoned Land Tax (RZLT) to ensure it is used as an activation measure rather than a punitive tax, incentivising genuine development rather than penalising landowners dealing with regulatory delays.
- Suspend the Land Value Sharing mechanism, which could discourage landowners from bringing forward development land by imposing additional costs and uncertainty.

### **4. SUPPORTING KEY HOUSING DELIVERY SCHEMES**

Government-backed housing schemes play a critical role in addressing viability challenges and ensuring a pipeline of new housing. Without continued support, many developments, particularly in the affordable and rental sectors, will not progress.

- Ensure the continuation and expansion of critical housing support schemes, including Croí Cónaithe, Project Tosaigh, Secure Tenancy Affordable Rental (STAR), and the First Home Scheme, which are essential to meeting national housing targets.
- Increase capital allocation for Approved Housing Body (AHB) cost rental projects to ensure these schemes remain viable and can be delivered at scale.

### **5. INCENTIVISING LOCAL AUTHORITIES TO ACCELERATE HOUSING DELIVERY**

A lack of consistency and proactive planning across Local Authorities has contributed to housing delivery challenges. Local authorities should be encouraged and rewarded for exceeding their housing delivery targets.

- Introduce a Local Authority Housing Target Incentive Scheme to reward councils that exceed their targets, encouraging faster decision-making and greater ambition in housing delivery.
- Expand the use of the Part 8 planning process to fast-track essential infrastructure projects, ensuring that developments are not stalled by lengthy bureaucratic approvals.
- Align community infrastructure funding (e.g., schools, parks, and transport links) with housing delivery, ensuring that services and amenities are developed alongside new housing.

## 6. EMERGENCY MEASURES FOR HOUSING SUPPLY ACCELERATION

Given the scale of Ireland's housing crisis, urgent emergency measures are required to rapidly increase housing supply. Bureaucratic restrictions and slow-moving development plans must be addressed.

- Remove all restrictions on zoned land, including tiered zoning classifications that delay development and prevent viable sites from being activated.
- Introduce emergency variations to Local Authority Development Plans to increase land supply, ensuring there is sufficient zoned and serviceable land to meet housing targets.
- Enable fast-tracked material contravention applications for projects that align with national housing policy, ensuring that developments are not unnecessarily stalled by outdated zoning policies.
- Extend emergency planning powers for infrastructure delivery, allowing for expedited approval of critical projects that will enable large-scale housing development.

## CONCLUSION

The IHBA urges the Department to take decisive action in its 2025–2027 Statement of Strategy to create a more efficient, predictable, and well-resourced housing system. Without immediate policy interventions, Ireland risks falling further behind in its housing targets, worsening affordability, and undermining economic growth.

A stable policy framework, targeted infrastructure investment, planning reforms, and proactive support for housing activation will be essential to achieving Ireland's housing targets. The IHBA looks forward to continued engagement with the Department to ensure a collaborative approach to housing delivery, benefiting individuals, communities, and the wider economy.