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Summary of IHBA Housing asks for the Next Government

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Summary of IHBA Key Housing Asks for the Next Government

The Irish Home Builders Association (IHBA) represents house builders of all scales across Ireland. In recent years considerable progress has taken place in relation to housing output. We are now at a crossroads with supply side initiatives and to scale up supply, we make the following list of suggestions below. We urge the Government to ensure policy certainty and support the continuation of schemes essential for housing delivery.

Uncertainty in the legislative and financial landscape could negatively impact investment in housing development, and stability is crucial to meet our housing targets. Increasing the scale of housing output will accelerate capacity and productivity. There have been too many interruptions to housing output in recent years due to macro-economic factors.

Key Asks

1. Policy Certainty and Stability

- As Ireland aims to deliver 50,500 homes per annum until 2030, rising to 60,000 homes per annum thereafter, the housing sector requires certainty to encourage investment and enable developers to meet ambitious housing targets. The Government must prioritize stable policies, funding schemes, and long-term strategic planning to ensure sustainable housing delivery. Changes to Rental Caps are required to attract international capital for the private rental sector and accelerate apartment delivery in our urban centers.
- An overall implementation or oversight body would be a welcome addition to housing delivery.

2. Infrastructure and Regional Development

- Accelerate investment in essential infrastructure, including water and wastewater systems, ESB Networks, roads, and public transport, to ensure regional balance in housing development.
- Provide **multi-annual funding** for water infrastructure upgrades and prioritize the acceleration of National Development Plan (NDP) projects. This will address the capacity issues that are holding back housing delivery in key areas. Reduce the approval steps and the involvement of multiple Departments in project assessments.
- Further and accelerated reform of Public Procurement and Contracts.
- A fund for enabling infrastructure that could be used by Local Authorities to unlock zoned lands.
- Specifically in relation to Water and Wastewater Infrastructure the Government must:
 1. Provide the necessary ringfenced funds of €500 m per annum to fund the design and construction of capital water and wastewater infrastructural projects.
 2. The funding of DMD and the WSP from the Shannon must be financed separately, perhaps under a PPP or DBOF process and not from UE annual budget.
 3. This funding cannot under any circumstances be used to fund land acquisition, their own staff, or buildings, paying down loans or any other form of spending that doesn't involve infrastructural advancement.

4. One option to find the funding above could be found by pausing the Uisce Éireann transition Programme for 5 years and allow the private sector to continue to operate the 25-30% of all existing critical water and wastewater infrastructure and reallocate these funds to putting pipes in the ground.

3. Addressing Housing Supply, Planning System Resourcing and Planning Reform

- Adopt the revised NPF immediately. Increase the national housing target to 60,000 homes per year and ensure that the current 50,500 target remains at a minimum, not a ceiling.
- An instruction to all Local Authorities to review and update development plans to ensure sufficient zoned land and at least 50% headroom for future growth in the Housing Demands Needs Assessments. Local Authorities to be rewarded for increasing housing supply.
- Urge local authorities to zone lands (Vary Development Plans) with lapsed Local Area Plans (LAPs), Phase 2 lands, and strategic land reserves, removing settlement caps.
- Prioritize zoning of lands along transport infrastructure corridors to create sustainable, well-connected communities.
- Implement sections of the Planning and Development Act which will expedite housing supply by outlawing settlement caps and address issues with expiring LAP's.
- Increase the resources dedicated to planning at both An Bord Pleanála and local authority levels. Expand the critical skills list to include planners, facilitating skilled immigration into the sector.
- Reform of the Residential Zoned Land Tax from a Development Tax to an activation measure by allowing for the phasing of residential developments and excluding lands that are not serviced. A definition of "serviceable" land that is reasonable.
- Implement expedited planning and development processes, including mandatory decision timelines and the removal of settlement caps, to accelerate housing delivery.

4. Continued Support for Key Housing Schemes

- Ensure the continuation and expansion of critical housing support schemes, including Croí Cónaithe, Project Tosaigh, AHB Cost Rental, Secure Tenancy Affordable Rental (STAR), the Help to Buy Scheme, and the First Home Scheme.
- **Capital allocation for AHB Cost Rental to accelerate** the many projects in the approval process.
- Increase the salary caps for cost rental and have the one cap level applicable nationwide. Index link the applicable salaries to the CPI Index.
- Extend the development contribution waiver and Uisce Éireann's new connection agreement rebate to help overcome the viability challenges in housing delivery. The scheme works as a supply side measure as evidenced by the housing commencements.
- Funding for these schemes and the Department of Housing must not decrease on an annualised basis and should increase proportionally

Conclusion

The IHBA urges the new Government to ensure stability, investment, and policy clarity in housing development. The continuation of successful housing schemes, enhanced infrastructure, and planning reforms are essential for

achieving our housing targets and delivering the homes Ireland needs for the future. With the right support, we can overcome current challenges and build a sustainable housing sector that meets the demands of a growing population.