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Rebuilding Ireland: Innovations to improve, support and accelerate delivery

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Rebuilding Ireland

Action Plan for Housing
and Homelessness



Core Objectives

- **Addressing unacceptable levels of families & individuals in emergency accommodation**
- **Moderating rental and purchase price inflation**
- **Addressing growing affordability gap for many households wishing to purchase own homes**
- **Maturing the rental sector**
 - security, quality and choice of tenure for tenants
 - certainty for providers and investors
- **Ensuring housing's contribution to the national economy is steady and supportive of sustainable economic growth**



Five Pillars of Action Plan



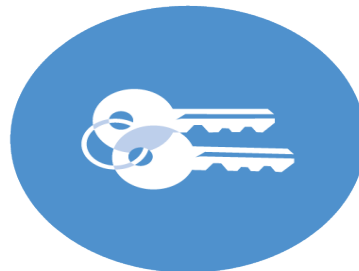
Address
Homelessness



Accelerate
Social Housing



Build
More Homes



Improve the
Rental Sector



Utilise
Existing Housing



Pillar One:
Address
Homelessness

Objectives

Address unacceptable level of families in emergency accommodation; inter-agency supports for homeless people; State supports to keep people in their own homes

- **Phase out hotel use by mid-2017**
- **1,500 rapid delivery units by 2018**
- **Triple no. of Housing First tenancies in Dublin and extend to other urban areas**
- **Emergency beds for rough sleepers**
- **Triple health budget for homeless people to €6m**
- **Increased Rent Supplement /HAP limits**
- **Keep people in their homes**
 - ☐ **Mortgage to rent**
 - ☐ **Financial & legal support for people in arrears**
 - ☐ **Free-phone service for tenants by end 2016**



Objective

Increase the level and speed of delivery of social housing & other State supported housing

- **€5.35bn investment in 47,000 social housing units by 2021**
- **Accelerated Housing Assistance Payment (HAP) delivery [12,000 in 2016 and 15,000 in 2017]**
- **NTMA/Private Sector Housing Fund**
- **Mixed tenure development on State lands & other lands**
- **Housing Delivery Office**
- **Housing Procurement Unit**
- **Extensive supports for LAs and AHBs**
- **Streamlined approval processes**
- **Housing for Specific Groups**



Objective

Increase the output of private housing to meet demand at affordable prices

Doubling housing output to deliver 25,000 units per year over the period of the plan [2017-2021], aided by:

- **Opening up land supply and low-cost State lands**
- **Local Infrastructure Housing Activation Fund - €200m**
- **NTMA financing of large-scale “on-site” infrastructure**
- **Planning Reforms**
- **National Planning Framework & land management actions**
- **Efficient design and delivery methods to lower costs**
- **Construction innovation and skills**



Pillar Four:
Improve the
Rental Sector

Objective

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

- **Develop strategy for viable and sustainable rental sector**
- **Legislation on balanced arrangements for tenancy terminations**
- **Review standards for rental accommodation**
- **Enhance the role of the Residential Tenancies Board**
- **Introduce and Affordable Rental Scheme**
- **Encourage build-to-rent**
- **Support greater provision of student accommodation**



Objective

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

- **Better management of social housing**
 - **Rapid re-letting of vacant units**
 - **Choice-based letting**
- **Review of Tenant (incremental) Purchase Scheme**
- **Housing Agency purchase of vacant houses held by financial institutions [1,600 units - €70m revolving fund]**
- **Repair and Leasing initiative**
- **Removing regulatory barriers to re-use**
- **Urban regeneration, including Living City initiative**
- **Village and Rural Renewal initiatives**
- **Unfinished estates**

Accelerate Social Housing

Under Rebuilding Ireland's second pillar plan, social housing will be accelerated with 47,000 units to be delivered by 2021. Here's the plan in numbers:



47,000

social housing units
will be delivered under Rebuilding Ireland



26,000

will be
exclusively built
as social housing



11,000

will be
acquired
by Local Authorities and Approved
Housing Bodies from the
market or the Housing Agency



10,000

will be
leased
by Local Authorities and
Approved Housing Bodies

5,000

more units will be secured via a pilot
Repair & Leasing Initiative and under
long-term lease arrangements by Local
Authorities and Approved Housing Bodies

5,000

of these will be sourced via the
National Treasury Management Agency

47,000 social housing units by 2021



	Build	Acquisition	Leasing	Total
2016	2,260	1,755	225	4,240
2017	3,200	1,250	600	5,050
2018	4,119	1,750	2,000	7,869
2019	4,747	1,895	2,130	8,772
2020	5,470	2,018	2,631	10,119
2021	6,240	2,260	2,450	10,950
	26,036	10,928	10,036	47,000



What does it mean for AHBs?

- What's the delivery expectation?
- How much money is available to support delivery?
- How to deliver?
- What help is there?



AHBs will deliver over a third of the 47,000



- *Build* 4,700 new build units
- *Acquire* 8,650 new units from the market, incl. turnkeys
- *Lease* a portion of 2,600 Part V units; and a portion of 1,500 direct lease units, 5,000 NTMA/ISIF and 3,500 Repair and Leasing Scheme units
- Breakdown will depend on many factors incl. activity in the private sector, capacity of LAs and AHBs to deliver etc.
- LA targets to end 2017 already in place. New and increased targets when the Housing Needs Assessment 2016 is complete



Secure funding available to meet delivery

- Almost **€1 billion capital funding** available for Capital Assistance Scheme (CAS) and the Capital Advance Leasing Facility (CALF) over the lifetime of the Plan
- Almost another **€1 billion current funding** (under the Social Housing Current Expenditure Programme -SHCEP) for the cost of Payment and Availability Agreements (P&AA) over the life time of the Plan

Capital Advance Leasing Facility (CALF)



- To date 1,198 units have been delivered using this assistance at a cost of around €40m
- Approvals in the system for 2,405 units with associated approved cost of €109.9m
- Proposals on hand for review within next 2-6 weeks for up to 600 units at a cost of €38m
- In 2016, we will see approx. 170 project approvals – almost 2,500 units - double the number of project approvals compared to 2015, equating to around one and a half times the number of units
- At end 2016, estimated that over 8,000 units will be operational and funded under SHCEP



CALF and P&A 2017

- CALF - €43m provisioned for 2017
- SHCEP - €84m provisioned for 2017
- Expect 2,250 new units to become operational under the SHCEP, incl. 550 new build and 1,175 newly acquired - funded by CALF
- Multiannual CALF Allocations for 5 AHBs 2017-2018
- Accelerated CALF – focus on build projects

New delivery mechanisms

- Housing Agency acquisitions
- Vacant Properties schemes – *Repair and Leasing Scheme* and *Buy and Renewal Scheme*
- NTMA/ Private Sector Housing Fund
- Affordable Rental?
- Private Rental?



New delivery supports

- Housing Delivery Office
- Housing Procurement Office
- Streamlining the Part 8 planning process
- One Stop Shop
- Innovation Fund to support the development of innovative financial models, e.g. SPVs or mutual bodies



Key messages

- Range of delivery mechanisms, incl. new build, acquisitions, turnkeys, vacant property, Part V, affordable rental. One size doesn't fit all.
- Range of secure and enhanced funding supports available to AHBs, specific focus on debt financing (CALF and P&A). Opportunity needs to be harnessed.
- New strategic and operational support structures to assist AHBs, local authorities and the Department to work towards the ambitious targets
- Achieving mixed tenure and scale will require greater collaboration and innovation – for all actors in a variety of ways

Thank you

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