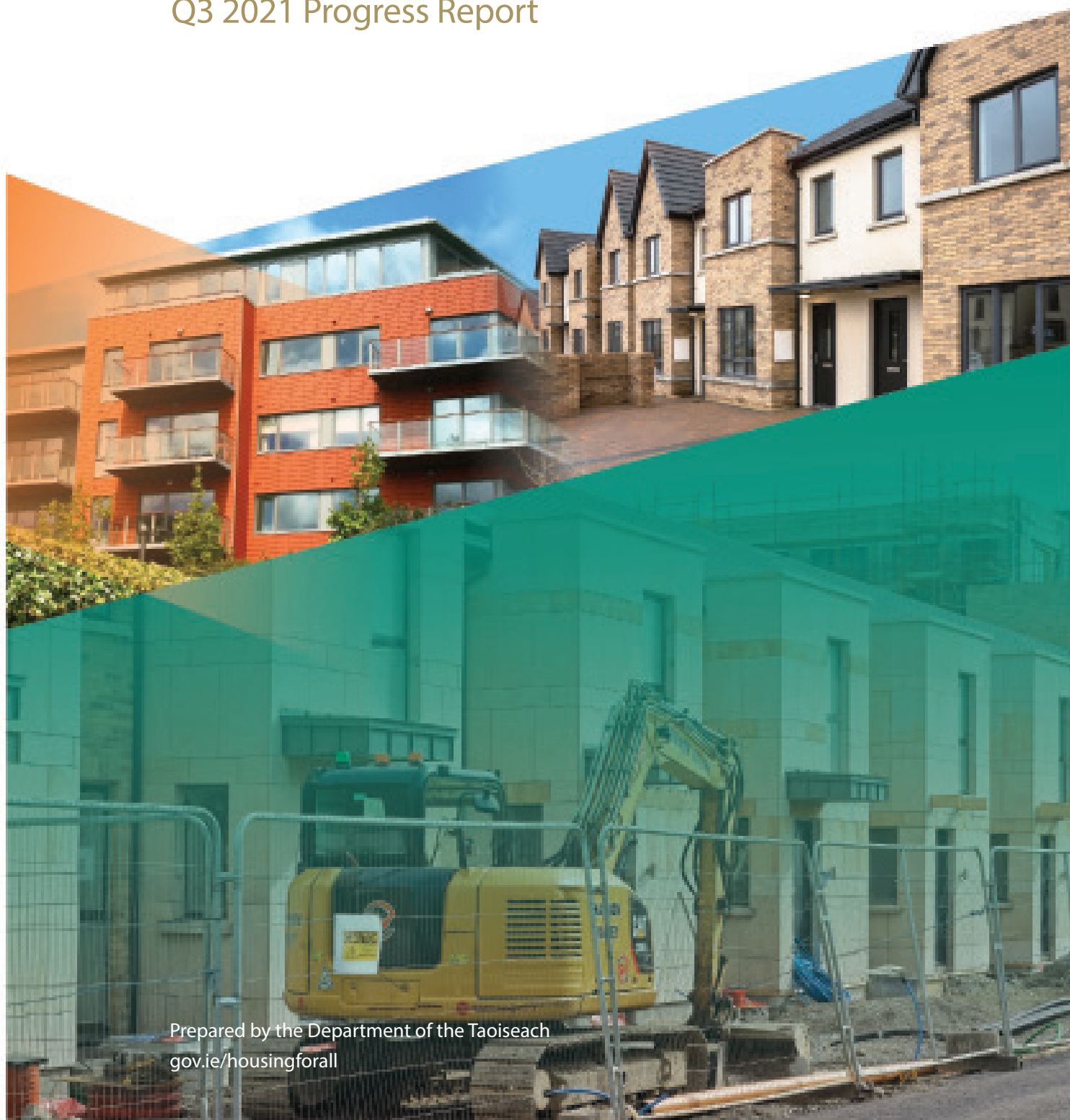




Rialtas na hÉireann  
Government of Ireland

# Housing for All

Q3 2021 Progress Report



Prepared by the Department of the Taoiseach  
[gov.ie/housingforall](https://gov.ie/housingforall)

# Housing for All

Q3 2021 Progress Report

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## Housing for All Q3 2021 Progress



Enactment of the  
Affordable  
Housing Act 2021



Establishment of a  
new Affordable  
Housing Fund



91% (10 of 11  
measures) completion  
rate for actions  
scheduled  
for Q3 2021



Extension of  
Rent Pressure Zone  
protections  
to end-2024



€12 billion allocated in direct  
Exchequer funding for  
social and affordable  
housing between 2022  
and 2025 through  
the NDP

## Executive Summary

This is the first quarterly progress report under Housing for All, the Government's housing plan. The plan's main objective is to increase the supply of housing to an average of 33,000 housing units per year over the next decade. The plan contains a range of measures to increase availability and affordability of housing, and to create a sustainable housing system into the future.

Over the course of Quarter 3 of 2021, the economy has continued to perform strongly, supported by the lifting of COVID-19 restrictions, made possible by the very successful roll out of the vaccine programme.

Updated economic forecasts from the Department of Finance saw significant upward revisions in the near-term growth outlook, with GDP projected to increase by 15.6% in 2021 and Modified Domestic Demand estimated to grow by 5.2% in 2021 and 6.5% in 2022, driven by a normalising of consumer spending.

Housing remains the single most urgent and important social issue facing our country.

The recovery of the construction sector since the relaxation of restrictions is evident in a number of housing related indicators.

The number of new dwelling completions for the second quarter of the year was 5,021, up 4.6% on the most recent comparable pre-Covid period in 2019. The data also shows an increase in completions across all dwelling types, with apartment completions having more than doubled on the same period in 2019.

The data also indicates a strong supply pipeline with almost 16,000 commencements between April and July 2021 following the full reopening of the construction sector, and

11,150 units granted planning permission in Q2 2021, a 16.6% increase compared with pre-pandemic levels in Q2 2019 (9,566).

The data also points to continuing challenges, not least inflation, with the most recent Residential Property Price Index indicating that residential property prices increased by 10.9% nationally in the year to August. Supply chain issues as a result of the pandemic, Brexit, and spikes in demand continue to put pressure on costs and on the supply of certain materials.

Further house price inflation can be expected in the short-term, as the global economy recovers and supply levels rebalance.

Narrowing the gap between supply and demand through the implementation of measures outlined in Housing for All will ultimately result in a moderation of prices and provide greater certainty to buyers and the sector alike.

In the past number of weeks, Government launched the revised National Development Plan which commits to an overall investment of €165 billion in the years from 2021 to 2030, including an unprecedented €12 billion being made available for social and affordable housing between 2022 and 2025. There will be additional benefits for the housing sector through crucial investment in supporting infrastructure including transport, communication services and utility connections.

The Government's focus on increasing housing supply was also evident in the recent announcement of Budget 2022. Next year will see Exchequer funding of €4 billion being made available to deliver 9,000 new-build social homes and ensure 4,100 homes are made available for affordable purchase and

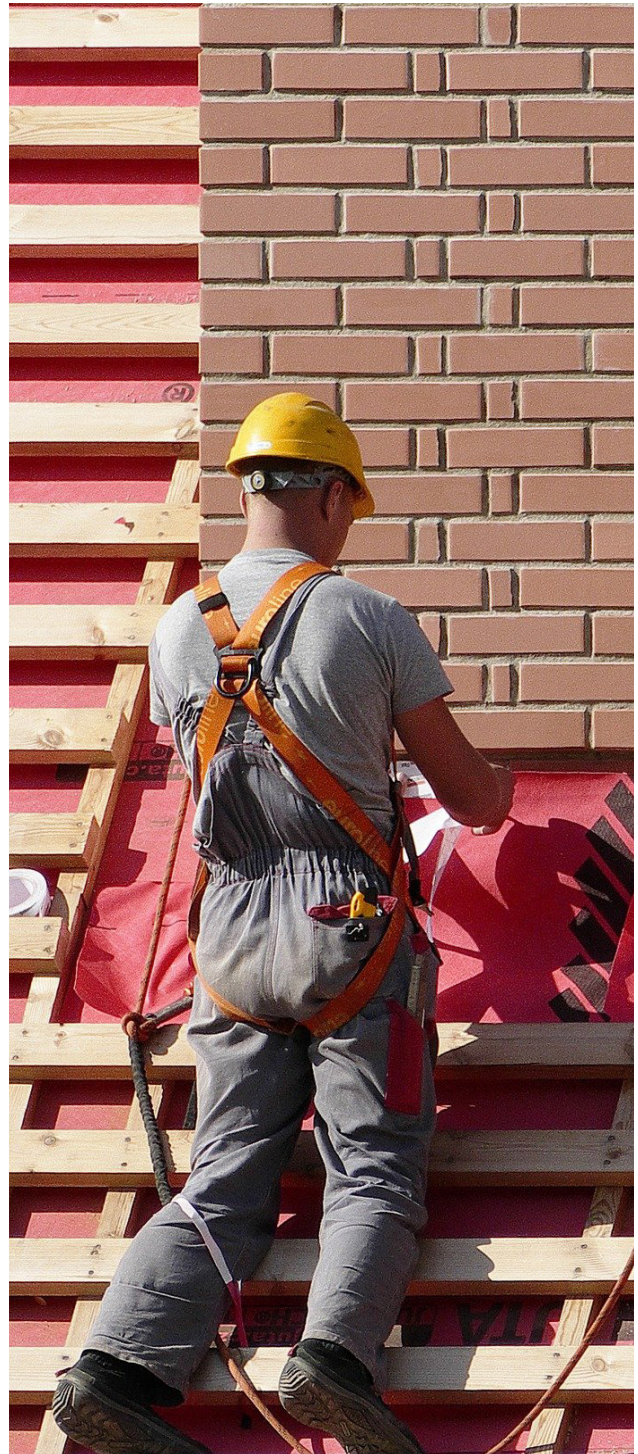


Cost Rental. This record investment will happen in parallel with major measures and reforms committed to under Housing for All.

Budget 2022 also extended the Help to Buy Scheme for first time buyers to end-2022 in support of homeownership and announced tax reforms in respect of vacant land which will play an important role in increasing housing supply at a time when many sites could deliver much needed residential development.

Despite the short time since publication, considerable progress has been made in implementing a number of elements of the Plan, including the following;

- The Affordable Housing Act 2021, enacted in July 2021 will enable implementation of many of the affordability measures outlined in Housing for All.
- On 28th September, the Government announced a review of planning legislation, another key enabler in the delivery of the plan's objectives.
- Housing for All is underpinned by accountability and a strong delivery focus, as reflected in the establishment of appropriate Governance structures and systems to oversee its progress.



## Overview of Housing for All Measures in Q3 2021

This is the first quarterly progress report on the Housing for All Plan published in September 2021. As the Plan was published late in Q3, there are relatively few measures due for delivery and reporting in Q3 2021 (See Table 1). Implementation of the Plan will accelerate significantly throughout Quarter 4 and beyond.

**Table 1: Number of Measures due by Departments in Q3 2021**

Responsible Department	Q3 2021 Measures
Department of the Taoiseach	2
Department of Housing, Local Government and Heritage	7
Department of Public Expenditure and Reform	1
Department of Health	1

In summary, in Q3 2021:

- 10 of the 11 measures due for delivery in Q3 2021 were delivered on schedule, giving a delivery rate of 91% this quarter.
- Action 19.7, will be progressed in Q4 2021.

More detailed information in respect of each measure is provided from Page 9 onwards.



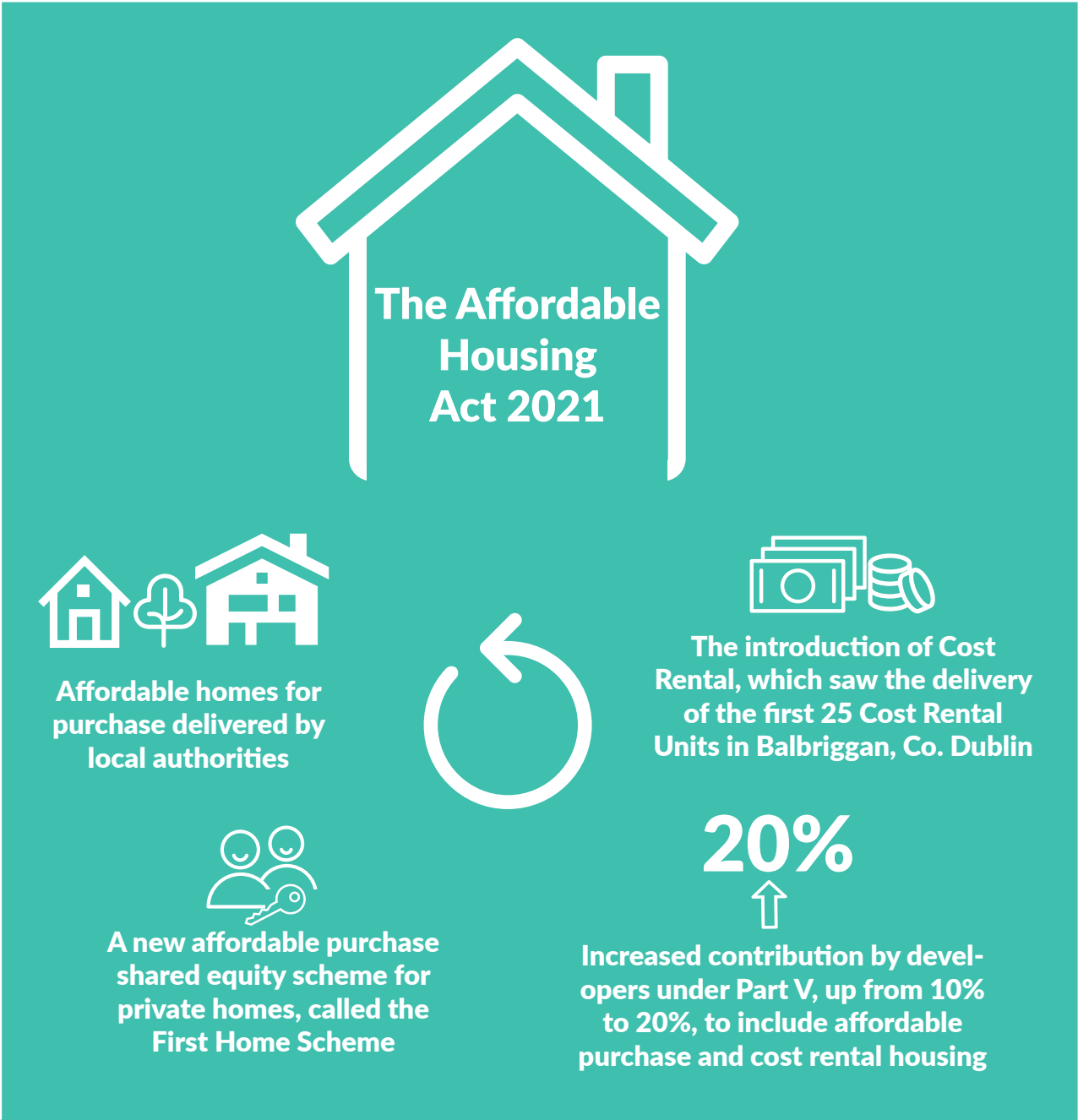
Q3 2021 Measures



# Pathway to Supporting Home Ownership and Increasing Affordability

Action	Status	Lead
1.2	Place affordable housing measures, including a Local Authority Affordable Purchase Scheme and Cost Rental, on a statutory footing via the Affordable Housing Act	Complete DHLGH
<p>Update: The Affordable Housing Act 2021 was enacted in July. This places the Local Authority Affordable Purchase scheme, Cost Rental and the First Home Shared Equity Scheme on a statutory basis. The relevant provisions for the Cost Rental sector were commenced on 19 August 2021. The provisions for the Local Authority Affordable Purchase and the First Home Shared Equity schemes were formally commenced on 3 September 2021.</p>		
1.3	Establish a new Affordable Housing Fund, incorporating existing affordable housing funds, to support Local Authority and Approved Housing Body delivery of affordable housing	Complete DHLGH
<p>Update: The Affordable Housing Fund has replaced the Serviced Sites Fund as per the Programme for Government commitment to extend the Serviced Sites Fund. Local Authorities were notified of this change via Circular 23/2021 - Affordable Housing Fund Scheme, on 25 June 2021. Local Authorities can submit applications for consideration under the Affordable Housing Fund with effect from 1 September 2021. The Department is actively engaging with Local Authorities to support and encourage them to develop and submit proposals. The homes that Local Authorities deliver under the Affordable Housing Fund will be sold at least 15% below open market value in respect of Affordable Purchase homes and 25% below open market value prices in respect of Cost Rental homes.</p>		
1.5	Introduce a new form of tenure in Cost Rental and deliver Cost Rental homes at scale with delivery partners, including AHBs, LDA and Local Authorities	Complete DHLGH, LAs, AHBs, LDA
<p>Update: The legislative framework for Cost Rental is set out in Part 3 of the Affordable Housing Act 2021. This puts in place the operational structure for this new sector and will facilitate the delivery of Cost Rental housing by the relevant delivery partners. The first of these homes, 25 units in Balbriggan, Co. Dublin, were designated by the Minister in August 2021 and the first Cost Rental tenants have moved into these homes at rental levels which are an average of 40% below comparative market rates.</p> <p>An average of 2,000 new Cost Rental homes will be delivered every year under Housing for All with rents targeted at least 25% below market level.</p>		
1.8	Expand Part V requirements to increase the percentage contribution from 10% to 20% and apply to affordable as well as social housing	Complete DHLGH
<p>Update: Amendments to Part V of the Planning and Development Act 2000 were included in the Affordable Housing Act 2021. The commencement date for all amendments to Part V was 3 September 2021.</p> <p>Current planning permissions, and land purchased between 2015 and 2021 will continue at 10%, meaning that near term supply will not be affected by these changes. However, this will change in 2026 when the 20% will apply to all land. This approach is being taken as a balanced and fair way to allow supply to come forward at pace, while also ensuring that the State is getting as much benefit as possible for social and affordable purposes.</p>		

Action		Status	Lead
2.7	Extend Rent Pressure Zone (RPZ) protections to end 2024 and link rent increases to Harmonised Index of Consumer Prices	Complete	DHLGH
Update: In July 2021, the Residential Tenancies (No. 2) Act 2021 extended the operation of Rent Pressure Zones (RPZs) until the end of 2024 and prohibited any necessary rent increase in a RPZ from exceeding general inflation, as recorded by the Harmonised Index of Consumer Prices (HICP).			



## Pathway to Increasing New Housing Supply

Action		Status	Lead
18.2	Allocate €12bn in direct Exchequer funding for social and affordable housing between 2022 and 2025	Complete	DPER

Update: The National Development Plan, which was published on 04 October 2021, sets out a capital funding allocation for the Department of Housing, Local Government and Heritage of €17.5 billion for the period from 2021 to 2025, of which, €12 billion will be allocated for social and affordable housing.

## Pathway to Tackling Vacancy and Efficient Use of Existing Stock

Action		Status	Lead
19.7	Implement the amendment to the Nursing Home Support Scheme (Amendment) Act 2021 to extend the three-year cap on Fair Deal contributions from the principal residence to the proceeds of sale of the principal residence, removing the disincentive to bringing vacant homes back onto the property market. Modify operation of the Fair Deal Scheme accordingly	Incomplete	DoH

Update: The Nursing Homes Support Scheme (Amendment) Act 2021 requires the commencement of the legislation by 20 October 2021, after which the Act will be operational. The sale of a principal residence after this date will be subject to the conditions set out in the Act, removing a disincentive to bringing vacant homes back onto the property market.

## Supporting the Four Pathways: enabling a Sustainable Housing System

Action		Status	Lead
22.1	Reform Part V of the Planning and Development Act 2000 to ensure that the tenure mix is a minimum of 10% for social housing and provide for a further 10% for affordable housing and Cost Rental	Complete	DHLGH

Update: Amendments to Part V of the Planning and Development Act 2000 were included in the Affordable Housing Act 2021. The commencement date for all amendments to Part V was 3 September 2021.

Current planning permissions, and land purchased between 2015 and 2021 will continue at 10%, meaning that near term supply will not be affected by these changes. However, this will change in 2026 when the 20% will apply to all land. This approach is being taken as a balanced and fair way to allow supply to come forward at pace, while also ensuring that the State is getting as much benefit as possible for social and affordable purposes.

## Governance and Reporting on the Housing for All Plan

Action		Status	Lead
30.1	Establish a unit in the Department of the Taoiseach with responsibility for ongoing monitoring and oversight of the implementation of the Plan.	Complete	DoT

Update: A unit has been established within the Department of the Taoiseach with responsibility for ongoing monitoring and oversight of the implementation of the Plan

30.2	Establish a Programme Delivery Office in the DHLGH to support implementation of the Plan across the department, Local Authorities and AHBs	Complete	DHLGH
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Update: The Housing for All Project Management Office was established in the Department of Housing, Local Government and Heritage on 23 August 2021. This newly formed section, will support the implementation of Housing for All across the Department, Local Authorities, AHBs and other agencies under the Department's remit. The unit will work closely with the Housing for All Secretariat in the Department of the Taoiseach and will also be responsible for reviewing and updating the plan on an annual basis, ensuring an optimum allocation of responsibilities, and continued accountability for all actions.

30.3	Establish dedicated work streams under the Housing for All Delivery Group on (i) investment (ii) industry capability and (iii) public service delivery and develop Terms of Reference for each work stream	Complete	DoT, DHLGH, DFin, DETE, DPER
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Update: A Delivery Group of Secretaries General, chaired by the Department of the Taoiseach, has been established and has met twice to date. Dedicated workstreams, led by the relevant Secretaries General, on (i) Investment; (ii) Industry Capability; and (iii) Public Service Delivery have also been established and agreed their Terms of Reference. Each Working Group has met on one occasion to date.

## Glossary

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### AHB

Approved Housing Body

### DETE

Department of Enterprise, Trade and  
Employment

### DFIN

Department of Finance

### DFHERIS

Department of Further and Higher Education,  
Research, Innovation and Science

### DHLGH

Department of Housing, Local Government and  
Heritage

### DoH

Department of Health

### DoT

Department of the Taoiseach

### DPER

Department of Public Expenditure and Reform

### DRCD

Department of Rural and Community  
Development

### LAs

Local Authorities

### LDA

Land Development Agency

### RPZ

Rent Pressure Zone



