



## Introduction to Housing

Webinar for AILG members, 25<sup>th</sup> June 2021

### Note of Question-and-Answer session

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This is a summary of the questions asked during the webinar on 26<sup>th</sup> June. For ease of use, questions are grouped by topic.

### Affordable Housing

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**Q 1. Could you please expand on the affordable aspect in terms of income bands likely to apply please?**

Income eligibility will be set in regulation by the Minister. As the Bill has now passed through the Oireachtas the regulation in relation to the Affordable Schemes is currently being prepared by the Department.

It is anticipated that the regulation will set the eligibility income criterion to purchase a particular dwelling at a level where an applicant cannot secure a bank/financial institution mortgage for 90% of the market value of the unit. It is intended that the applicant will be required to take out their maximum bank mortgage (linked to CBI 3.5 x LTI) (but not necessarily maximum Rebuilding Ireland Home Loan), and the % equity charge will be based on the difference between the purchase price the individual can afford to pay with their full bank mortgage and deposit.

**Q 2. In the Dublin and surrounding area what in your opinion is the price of affordable home?**

It depends on a household's income. However, we would need to provide a percentage of the homes in Dublin and the surrounding area for the order of €230,000.

**Q 3. The reply to question re Dublin prices would seem to suggest the people on average incomes in Dublin will not be able to avail of the scheme since there are no homes priced at the level suggested. Can John comment?**

As above, we would need to provide a percentage of the homes in Dublin and the surrounding area for the order of €230,000.

The Housing for All Plan which will be introduced by the Minister this month will set out targets for local authorities, approved housing bodies and the Land Development Agency to deliver affordable purchase and cost rental homes which will be targeted at first time buyers on moderate incomes.

**Q 4. Please give an example for a house which costs €320,000 in Westport and how the new affordable scheme will work in this situation.**

<b>New House Price</b>	<b>€320,000</b>
Household Income	€70,000
Mortgage at 3.5 Loan to Income	€245,000
Deposit 10%	€32,000
Funding Gap	€43,000
Funding gap = €320,000 – (€32,000+245,000) Size of equity share required to bridge funding gap	13.4%

**Q 5. I understand that DLR have delegated the allocation process for the Cost Rental Units on the Enniskerry site to Tuath, Respond & Housing Agency 1) can they do that; and 2) is there any indication how the cost rental units will be allocated?**

DLR will require Tuath and Respond to advertise the cost rental homes in accordance with the rules set out in regulations. This will include, among other things, a maximum net income for the household. It is likely that will be a large number of applicants so that priority would be by way of lottery.

**Q 6. Does the home owner buy out equity portion of the help to buy scheme at its cost or its new higher value if house price increases?**

A homeowner will buy out the equity portion at its future value. So if it was a 20% equity it would be 20% of the market value at the time they buy out the equity portion.

**Q 7. Is there an opportunity of the home owner to reduce the equity share year on year?**

Yes, a homeowner can buy out the equity share over time. There may be a minimum amount set for the buy out of portions. This will be set out in regulations.

**Q 8. Is affordable housing proposed to be supplied by private contractors? Will the LA have to agree and pass any proposal prior to funding approval**

A local authority will likely engage building contractors to build affordable homes in a way similar to how they deliver social housing. The local authority would have to get approval

from the members, as if the affordable homes are being built on local authority land section 183 applies. Also it is likely that a Part 8 planning process would be used for many developments; and again approval from the members would be necessary.

## **International Protection**

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**Q 9. Is there a plan to include LAs in the DP Accommodation plan to speed up the transition from residents of DP Centres particularly residents in DP for a long period?**

Yes, it is critical that local authorities are involved.

The White Paper provides a progress schedule covering the period 2021-2024, which outlines a plan for the introduction of the new system. This progress schedule states that the first Direct Provision centres will be decommissioned in 2022, with single people moving into single occupation accommodation the same year. The White Paper does not detail what criteria will be used to determine the order in which Direct Provision centres will be closed, or residents moved out. These issues may be considered by the Transition Team within the Department of Children, Equality, Disability, Integration, and Youth. The White Paper does state that an accelerated programme will be implemented from 2021 to support people who already have international protection status but who are still living in Direct Provision to move to new homes in the community. Local Authorities will be informed of the development of new accommodation options in their counties through the establishment of inter-agency working groups in each county.

**Q 10. If a refugee's status is approved and assuming they continue to have a dependency on housing support how do they transition from accommodation provided per the white paper and accommodation provided by LA's or AHBs?**

Households and individuals would first apply to the local authority for social housing support and to be on the housing list. They can avail of the housing assistance payment to source accommodation in advance of the allocation of social housing.

The White Paper states that supports will be offered to assist those who are granted international protection to assist them with the transition to permanent living in Ireland. The nature of these supports may vary according to need. One model mentioned by the White Paper as an example to draw on is the Support to Live Independently (SLi) initiative. This visiting support service for those with low or moderate needs who have been in homeless services provides wraparound supports to assist the transition into independent accommodation. Community support, including the engagement of people who have already come through international protection, to assist people moving out of the International Protection system will also be explored.

## Other

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**Q 11. Does the Housing Agency have a role, or see itself in having a role, in encouraging community led housing and co-operative housing?**

Our mission is to promote sustainable communities. We support community led and co-operative housing as part of the mix to provide housing solutions for all.

Recently The Housing Agency supported a major research project led by Self-Organised Architecture (SOA) Research. The result of this research project, a publication series called *Roadmapping a Viable Community-Led Housing Sector for Ireland*, was launched on 13<sup>th</sup> May 2021.

**Q 12. Our town centres have numerous houses lying vacant for one reason or another, can the HA act as a go between LAs, Dept of Housing and Revenue to make these houses available?**

The Agency supports a range of measures in the National Vacant Housing Reuse strategy to get vacant homes back into use. The Agency plans to get more involved in bringing buildings in town centres back into use as housing.

**Q 13. In relation to John's answer about vacant buildings in town centres, does this include vacant and derelict commercial buildings. If so, what is the process for purchasing them, i.e. who contacts the Housing Agency to advise them about these derelict buildings?**

It would be best that a local authority or an approved housing body makes contact with the Housing Agency. This is where a vacant building, including a vacant commercial building, could feasibly be brought back into use as housing.

**Q 14. I notified my LA of 5 vacant houses recently through Vacant Homes website. They did not progress with 4 of them as there is a charge on the property by a bank. The LA said it is up to the Housing Agency to progress these. Is this correct? How does LA reps engage with the Housing Agency with this as we have lots of these units in Cork.**

Would you please contact the Housing Agency directly in relation to these vacant houses. The contact email address is [des.oconnor@housingagency.ie](mailto:des.oconnor@housingagency.ie)

**Q 15. There appears to be a lack of private developers in the housing market, is there a danger that with all these agencies they could end up competing with one another**

Yes, it is important that where an approved housing body or the Housing Agency is considering a purchase from a private developer that they make contact with the local

authority in advance. The Housing Agency does not purchase any property without prior approval from the local authority.