



Making Homes Affordable

Labour's Plan for Housing

Our Proposals

- **Make buying a home a realistic ambition for families.** We recognise the difficulties faced by many young families in saving up to buy a home. We will launch a new Save to Buy scheme to help turn their aspirations into a reality.
- **A long-term strategy for the private rental sector.** We need to attract more long-term investment into rental housing provision and ensure that the sector operates under standardised rules that work for tenants and landlords.
- **Protect renters.** We will strengthen the rights of tenants to ensure that buying a home is not the only stable option.
- **Build more social and affordable homes.** There is a need for some 25,000 new homes each year between now and 2021. Labour's goal is to meet this demand by providing quality housing across the country.
- **Tackle homelessness through a housing-led approach.** Labour will continue to tackle homelessness through a housing led approach, and through innovative solutions such as rapid delivery housing.

“**EVERY PERSON SHOULD HAVE ACCESS TO GOOD QUALITY, SECURE, AFFORDABLE HOUSING, APPROPRIATE TO THEIR NEEDS. WE WILL DELIVER A SUSTAINABLE SYSTEM OF HOUSING PROVISION TO MEET THE NEEDS OF FAMILIES AND INDIVIDUALS ACROSS ALL SECTORS — OWNER-OCCUPIER, PRIVATE RENTAL, SOCIAL AND AFFORDABLE HOUSING**”

Introduction

Labour is committed to the delivery of affordable homes for families, tackling long-term homelessness and continuing to invest in social housing.

Everyone should have access to good quality, secure and affordable housing, appropriate to their needs. We will deliver a sustainable system of housing provision to meet the needs of families and individuals across all sectors – owner-occupier, private rental, social and affordable housing.

The single greatest lesson from the building boom and subsequent crash is that Government must intervene smartly to ensure a stable housing supply. We cannot return to the tax-led intervention of the past where lavish incentives, loose credit and bad planning created a perfect storm from which we are still recovering.

In Government, Labour launched the single largest social housing programme in the history of the State worth €4bn, delivering 110,000 social housing units by 2020.

We have dramatically increased funding for tackling homelessness across the State.

And we introduced a two year rent freeze to bring about stability in the rental sector.

But we must go further.

We are committed to a policy of active land management to be carried out by a new Land Development Agency.

For those not eligible for social housing but who struggle to afford decent quality rental housing, we will introduce an affordable rental scheme. There is a clear gap in the Irish housing market with a shortage of affordable renting options for households who are above the threshold for social housing. These are individuals and families who are working, but either because of where they live, or because they are not paid enough, pay too much of their income on housing costs.

A right to quality, secure and affordable housing

Every person should have access to quality, secure, affordable housing, appropriate to their needs.

The damage wrought on our society by the crash is being repaired through increases in people's pay packets, through job creation and through debt resolution. But recovery in building lags behind. We recognise that about 25,000 homes need to be built each year to meet demand.

In Government, Labour launched the single largest social housing programme in the history of the State worth €4 billion, which will deliver 110,000 social housing units by 2020. We will continue to work to ensure the successful delivery of the Social Housing Strategy, and to enhance social housing delivery as resources and new supply channels become available.

We recognise that the creation of a sustainable system of social and affordable housing supply depends on a larger role for Approved Housing Bodies (housing associations and co-operatives) and local authority direct builds in the provision of housing. Labour remains committed to regulation of the AHB sector as a means to build capacity and further augment its ability to deliver housing, and to the development of new and innovative methods of financing social housing through AHBs.

Labour is also committed to balanced, mixed-tenure communities where people of different income levels and social backgrounds live side by side. It is important that in responding to the urgent housing shortage that we do not return to the mistakes of the past by building large socially segregated housing developments. Balanced communities require a mix of owner-occupiers and tenants, but also a balance of new households and families.

Supplying the homes families need

We will provide €300m to develop an affordable rental housing sector. We will invest €100m to support construction by local authorities and others of affordable housing projects with a further €200m to support rents in 44,000 affordable housing units. Affordable rent will be set at 20% or more below market levels. This new form of housing will bridge the gap between social housing and market rental and will particularly support those families whose earnings are above the threshold to qualify for social housing, but who face significant rental cost in the open market.

Labour will professionalise the landlord business and encourage institutional investors into long term rental provision. We will provide standard business reliefs available to other sectors, conditional on housing units meeting required building energy standards. We will also seek to create the regulated, stable rental market that institutional investors, such as pension funds, require to provide significant rental units.

We have already taken several significant steps to stimulate the construction of residential units and supply of homes where they are needed, such as the development levy rebate. To build on this work, local authorities will be supported to frontload the Part V contribution to part finance housing projects. We will examine the potential impact and cost of a Build to Rent Fund supported by the Housing Finance Agency to provide upfront finance to builders. We will also better support cooperative housing initiatives.

We also plan to extend the "Empty Nester" scheme that is available in parts of Dublin city and county. This scheme facilitates older people who wish to downsize due to children leaving the home or similar changes in lifestyle. It will allow for the homeowners, if they so choose, to sell their property directly to the council, which will then ensure that they are re-housed in a more suitable property that guarantees a similar, or better, standard of living. The sold property can then be added to the council's supply of housing stock.

“ALL HOUSING TYPES SHOULD BE PART OF THRIVING COMMUNITIES. LABOUR IS COMMITTED TO BUILDING BALANCED, MIXED TENURE COMMUNITIES COMPRISING DIFFERENT TYPES OF HOUSING”

The scale of local authority vacant houses or voids is evidence of poor stock management and tenancing policy. Too many people decline housing offers because of perceived difficulties with how certain estates are managed. Labour believes that structured participation by the local community is essential in the upkeep and management of social housing units and in the tenancing policy to be pursued and we will make provision to ensure this.

In addition, we will establish a nationally integrated asset management system in conjunction with the local authorities in order to ensure more efficient management of social housing stock. We will also work closely with third level institutions to identify suitable, achievable ways to increase the supply of affordable accommodation for third level students.

Homes in thriving communities

All housing types should be part of thriving communities. Labour is committed to building balanced, mixed tenure communities comprising different types of housing.

We will not return to the mistakes of the past with social housing concentrated in one area and gated communities defining the new private estates. Labour will promote mixed communities where young and older people; and owner-occupiers and social renters can live together.

Labour will make best use of our architectural heritage by providing improved tax incentives to bring heritage buildings back into full use in our historical cities and town centres. Residential development will be particularly encouraged in Dublin along public transport lines, either in existing brownfield sites such as Dublin's Docklands, or new developments such as Cherrywood and Adamstown.

We will establish a new Land Development Agency to ensure long-term housing demand is matched by available land. This agency will have the power to tackle land hoarding, and counteract land speculation. Land laws will also be reformed to reduce the period in which local authorities can take estates in charge, the compulsory acquisition of private lands will be provided for and a method to determine fair compensation will be set out. As NAMA winds down its current operations, we propose that the agency takes up a new remit as this Land Development Agency.

We will introduce a new land development tax to further incentivise productive land use and tackle land hoarding. The expansion of the Vacant Site Levy into a land development tax will apply to residential and commercially zoned land whose owners are not actively and demonstrably seeking to develop it.



Making homes affordable

Ireland needs a growing construction sector to provide families with affordable homes. The revised Central Bank rules will prevent the housing market from overheating in the way that led to the crash. But they also make it challenging for young families in particular to get onto the property ladder.

Within the existing home ownership sector, it is clear that many households are still living in housing that does not meet their current needs. Negative equity has meant that some families are in homes they have outgrown or they have become both accidental landlords and reluctant tenants in order to move to a bigger home.

We will establish a 'Save to Buy' scheme for aspiring home buyers. An increased rate of interest will apply to a new fixed term State

savings account run through the Post Office network. The term would last 3 to 5 years, giving aspiring home owners the opportunity to save for a deposit. For every €4 a saved, we will provide a top-up of €1, subject to a maximum cap of €1,200 a year over five years. A home buyer would therefore receive a maximum of €1,200 in assistance if saving for a deposit for a year, rising to a maximum of €6,000 if saving over five years.

Protecting renters

The profile of housing in Ireland has changed considerably. Home ownership has fallen from a peak of 80% in the early 1990s to the European Union average of just under 70% today. The private rented sector has doubled in size in recent years to account for 20% of the overall housing market- a level not seen in Ireland since the 1950's.

With more and more people and families renting their home, renting should no longer be a stop gap measure. Labour will further reform the law to ensure a stable, sustainable rental market for both tenants and landlords. To make renting a secure housing option, regulation is vital to harness the potential of the private sector.

In Government, we have implemented a two year rent freeze until 2017. We also strengthened security of tenure for tenants. We have begun the roll-out of the Housing Assistance Payment (HAP), now operational in 18 local authorities, allowing families to work without losing their entitlement to housing support.

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Labour has already legislated for and will roll out a deposit protection scheme. Deposit protection schemes operate successfully in the United Kingdom. Under these schemes, tenancy deposits are paid into a designated account held by a third party, and are held for the lifetime of the tenancy. Such schemes are largely self-financing.

The introduction of a deposit protection scheme in this jurisdiction ensures that tenancy deposits are safeguarded and are returned promptly on the termination of a tenancy, with any lawful deductions being

remitted to the landlord. This introduction of this scheme means that a significant proportion of the Private Residential Tenancies Board's case load will be reduced, thereby enabling it to focus on other matters.

Labour will ensure that tenants are afforded greater security in their homes, with enhanced protection from unlawful evictions, so that renting is a viable alternative to home ownership.

Security of tenure is a key factor in encouraging demand and stability in the private rented sector, and can benefit both landlords - in the form of long-term revenue streams - as well as tenants, particularly families with children. At present, the law provides for four-year renewable tenancy cycles. We will extend that period, giving certainty to tenants, many of whom have strong links to an area through family, schools and other community activities.

Labour has already brought in protections to protect tenants from illegitimate evictions. We will legislate for further protections for tenants in cases where a financial institution gains control of a rental property due to mortgage arrears and commences proceedings for repossession and sale.

Labour will ensure such tenants are protected from summary eviction by amending the definition of 'landlord' as provided for at s.5 of the Residential Tenancies Act 2004 to include a mortgagee (i.e. lender) that has obtained an order for possession and/or sale of the dwelling that is the subject of the tenancy concerned. We will ensure that the financial institution takes on the responsibilities of the landlord.

We will also establish a commission to examine the Private Rented Sector and to make recommendations for the sector post 2019, when some existing measures will cease. This will serve to secure a carefully considered long-term plan for the development of the sector with buy-in from Government, landlords, tenants and other significant players in the rental industry.

Homes for the most vulnerable

Homelessness is the most visible and harrowing example of a housing system that isn't working. A lack of supply and increasing rents has seen families who never would have contemplated being without a home now housed in hotels.

Labour has already doubled the budget to support people who are homeless, increasing central Government funding from €53 million in 2015 to €70 million in 2016. We have directed large urban local authorities to give priority to families who are homeless and introduced additional supports to keep families in the private rented sector in their homes. In Dublin, we have invested €20m to fund an action plan to address homelessness, and will deliver 500 rapid delivery homes specifically for families who find themselves in emergency accommodation.

We will do more. Labour recommits to its goal of working closely with the voluntary housing associations to ending the necessity of placing families in hotels and other kinds of emergency accommodation.

We will continue to ensure that enough short-term places are available so that no one has ever to sleep rough. We will provide houses as quickly as possible, including rapid delivery homes, to take families out of emergency accommodation. We will implement a housing-led approach to homelessness that eradicates the need for stop-gap accommodation except in emergency situations.

WE WILL DO MORE. LABOUR RECOMMITTS TO ITS GOAL OF WORKING CLOSELY WITH THE VOLUNTARY HOUSING ASSOCIATIONS TO ENDING THE NECESSITY OF PLACING FAMILIES IN HOTELS AND OTHER KINDS OF EMERGENCY ACCOMMODATION



Costings

Policy commitment	2021 cost (current)
44,000 affordable housing units	€300 m
Save to Buy scheme	€180m
Tackle Long-term homelessness	€35m
Sheltered Housing	€10m
Extend the Empty Nester scheme	€5m
Total	€530m



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