HOUSING
Ireland currently finds itself in the grip of a colossal housing crisis. What makes tackling the issue so challenging, is that the crisis crosses the age and income spectrums, meaning solving the issue will require large scale policy reform, which the current government is apparently uninterested in doing.

With the cost of housing shooting up, even reasonably well-paid working people are being priced out of Ireland’s urban markets. Homelessness is soaring and in Dublin the number of registered homeless people has increased at least fourfold in the past three years. Many more are couch-surfing, commuting huge distances or moving back in with their parents.

This new housing crisis is embarrassing at a time when Ireland is touting for jobs and businesses fleeing Brexit Britain. Threshold, a housing-support charity, says it is being contacted by desperate foreign firms seeking help with finding homes for would-be immigrant employees.

Whereas the 2008 bubble was caused by a credit-fuelled glut of new housing, the current crisis stems from a famine. Starting in the 1980s, successive governments encouraged local authorities to sell off social housing, which has not been replaced. The private construction sector has so far failed to increase supply in response to soaring demand. Experts estimate that around 50,000 new units are needed each year to ease the shortage. But a recent report from Goodbody, a stockbroker, showed that only 5,377 new privately built units were completed in 2016.

The reasons behind this market failure are various. One of them is more cautious banks. Developers also complain that Irish construction costs are mysteriously high—“40% higher than Amsterdam”, estimates Ronan Lyons, an economist at Trinity College Dublin. Red tape, suspected cartels among materials suppliers and the high fees extracted by closed-shop Irish professionals could be partly to blame. Unwise tax breaks have encouraged land hoarding, and private developers have little incentive to drive down their margins by increasing supply.

Stung by mounting criticism of its lack of an emergency plan to build more houses, this Fine Gael minority government seems more interested in waffling its way out it. Even the Taoiseach recently stated that Ireland’s homeless figures were quite good by international standards, citing numbers which fact-checkers quickly called into question as incomplete and out of date.

This housing policy has been developed through consultation with the Ógra membership, as well as housing organisations in Ireland, and sets about not only identifying areas in need of policy reform, but also making practical and realistic solutions to those issues.

Tom Cahill
Ógra National Policy Director
Student Accommodation
1. Establishment of the Student Accommodation Regulation Board (SARB)
2. Development of student-specific housing through a public private partnership with third level institutions.
3. Student accommodation to fall under the governments Rent Pressure Zones.

Unused Zoned Lands
4. Introduction of a tax on unused zoned lands.

Social Housing
5. Establishment of a semi-state body to take over the responsibility of building and procuring social homes.

General Housing
6. State construction of 30,000 houses per annum.
7. Removing the requirement to supply underground parking for high rise apartment blocks.
8. Removal of the ban on the construction of high rise apartment blocks.

Home Ownership
9. Introduction of a Fist Time Buyer Saving Scheme
10. ‘Construction of 4,000 ‘Starting Out Homes’. 
Students are some of the worst affected by the housing crisis. Thousands of students are priced out of the market annually due to a shortage of student accommodating. This has forced many students to commute long and unsustainable distances for college, and in some cases young people are unable to attend college due to their long proximity from the college and their inability to afford accommodation.

Many students relied on the purpose built student accommodation complexes to guarantee them affordable accommodation each year. However, purpose built student accommodation is also now seeing a jump in the cost of rent. Earlier this year Shanowen in Dublin and Cúirt na Coirbe in Galway increased their rent by 27% and 18% respectively for the coming year. While many students refused to take accommodation here in protest, out of pure necessity and fear many students agreed to pay the higher rents.

Ógra has been creative in developing solutions to this issue. Our proposal to establish a Student Accommodation Regulation Board is one of the most radical proposals to date in relation to student housing. We have also worked with Fianna Fáil’s housing spokesperson Darragh O’Brien on his Bill to bring student accommodation under the Rent Pressure Zones.
Student Accommodation Regulation Board

The SARB will be an independent board established to regulate student accommodation on behalf of the student. The SARB will act as the ‘middle-man’.

i. The SARB will lease the property from the landlord.

ii. Leases will be 40 weeks in length and begin the second last Friday in August (i.e. for 2018/19, the lease would begin on the 24\textsuperscript{th} August 2018 and end on 31\textsuperscript{st} May 2019)

iii. The landlord will agree to lease the property for 5 academic years.

iv. The SARB will sub-let the property to students.

v. The SARB may lease living space for up to 25\% of the total student population of the designated university or IT.

vi. Each property is to be sub-let to students from the same third level institute.

vii. Each property is subject to inspections every 8 weeks by SARB inspectors per annum to ensure the property is maintained at a high level.

viii. Landlords who lease to the SARB will have their rental income exempt from income tax.

ix. Monthly rent will payable by a student will be capped at the highest monthly rate of the SUSI Maintenance Grant.

x. Deposit payable by students will be 50\% of one months rent.

xi. Students will have the option of paying the years rent in one instalment at the start of the lease and receive a 10\% discount.

xii. All student accommodation complexes will be required to rent through the SARB.

Student Housing

Ógra proposes the development of student-specific housing through a public partnership with third level institutions, providing affordable housing for students, with 50\% of spaces reserved for disadvantaged students, specifically those in receipt of a SUSI grant, or attending a third level institution through the Dare or HEAR programmes.

Rent Pressure Zones

Ógra proposes that student specific accommodation would fall under the Rent Pressure Zone legislation.
Tackling Unused Zoned Land

Tax on Zoned Lands

It’s been the case for many years, that land owners and developers ‘sit-on’ vacant land and allow it to appreciate in value in an attempt to generate a greater profit. Such practice is having a negative effect on the current housing crisis, and land zoned for residential properties is being held vacant. The tax on zoned lands would only affect land in areas identified as having a shortage of supply of houses. While the tax being proposed may seem steep, it must be taken in context of the gravity of the housing crisis the country is currently faced with.

i. Lands zoned for the construction of residential properties, that are greater than 5 acres, to be taxed at 15% per annum of the value of the land on the 31st of October each year.

ii. Where planning permission is pending or granted, land will be taxed at a lower rate of 5%.

iii. Where planning permission has been granted, and construction has begun, the land will be exempt from land zone tax.

iv. However, if construction hasn’t completed within the timeframe set-out in planning, the owners of the land will be liable for back payment of the land zone tax.
This country is facing a very severe housing and homelessness crisis, which predominantly is a result of a lack of supply of housing as well as an over demand. At the core of this crisis are a number of issues. The rate of construction of units by the private sector since c.2008 has not been sufficient to deal with the demand. There has been a severe shortage of housing stock, both in the public and private sectors over the last decade. Neither the current government nor the one preceding it did anything of note to tackle this issue, continuing an ideological decision that was made in the 1980’s to withdraw the state from an asset based social housing programme. This was acceptable when the private sector was producing enough housing units to satisfy demand. This is no longer the case so there must be a policy shift.

To compound the problems, the response of the government to the crisis reaching new lows has been nothing short of abysmal. A PR based approach insofar as scheduling summits - one in both of the last two governments - which ultimately have achieved nothing is a sign that this government is content to paper over the cracks of the problem at hand. Ógra believes in taking proactive steps to solve this problem. In this section Ógra has proposed the establishment of a semi-state body that will take over the duties of local councils in regards to the construction of social houses on council areas. The second is the establishment of a Housing Procurement Agency, that will assist local councils and voluntary housing associations in the procurement of houses.

The chief problem concerning the provision of social housing is the shortage of stock to begin with. This is due to policy shifts in the 1980’s from state held asset based social housing to putting the bulk of the provision of social housing into the hands of the private rental market. This policy change opened up the private market to having an interest in social housing, particularly in the last decade through schemes such as HAP and RAS. This, coupled with a reduction in the number of homes being built or acquired for social housing by government has contributed to housing shortages at present. This is shown by the falling number of completions and acquisitions under social housing schemes year on year.
Establishment of a Housing Agency

Ógra proposes the establishment of a semi-state body, whose function would be to take over the responsibilities of councils with regards to the building, and procurement of social houses.

Ógra believes that the agency would help kick start the necessary social housing projects to deal with homelessness and housing issues in this country.

Ógra believes that, while local councils in most cases provide an excellent service in the building of social houses, there is an imbalance as to the location of these social houses. Many areas have an oversupply of social houses, while larger cities are experiencing a shortage. By centralising the building of social houses, supply can be targeted at areas most in need. It is proposed that prior to each council year, each city and county council will submit estimations of social housing requirements to the semi-state body, and that each council area would receive a minimum number of social houses each year based on population.

Ógra also proposes that the Housing Agency would be made up of staff or representation drawn from the Department of Environment, Community and Local Government, Local Authorities, An Bórd Pleanála as well as additional technical staff from the private sector.
Owning your own home was once a realistic target for the past generations of this country, but now, for first time buyers starting out, families struggling with mortgages or rent, or low income households trying to secure a place to call home, home ownership is disappearing from view.

Making homeownership an accessible goal is good for families and good for communities. Owning a home is both a source of pride, stability and a major financial asset.

First Time Buyers Saving Scheme

Ógra proposes establishing a first time buyers saving scheme for 100,000 new buyers. The scheme aims to aid families starting out to save the money for a deposit on their new home. This involves a 25% top up on individuals special deposit savings account. This means for every €200 saved, the government will add €50 to help meet the deposit. The top up would be subject to a €5000 cap as part of a monthly saving scheme of a minimum of 4 years, for a single buyer, with joint buyers subject to a €7,500 cap over the same period. This would incur a max government expenditure of €120m per annum for the duration of the scheme.

‘Starting Out Homes’

Ógra proposes the construction of 4,000 ‘starting out homes’ per annum for a five year period. These houses will be reserved for first time buyers, and will cater for 25% of first time buyers per annum. The construction and sale of these houses will be administered by the Department of Housing. These houses will be evenly distributed throughout the country based on demand, and will not be solely confined to major urban centres.
General Housing

Government Construction of Houses

Ógra supports the Fianna Fáil plan to build 30,000 houses per year in the first three years of government, in addition to the 15,000 houses being built per annum (2017) by the private sector.

Underground Parking for High Rise Apartment Blocks

Ógra proposes removing the supply of underground parking, as a requirement to the building of high rise apartment blocks, in areas with adequate public transport facilities. Developers have identified the requirement of including an underground parking for apartment blocks as a disincentive to build. The construction of apartment blocks should be encouraged and Ógra proposes to remove this disincentive.

Removal of Ban on High Rise Apartment Blocks

Ógra proposes the construction of high rise, student style, apartment blocks for young professionals. Furthermore, these apartments would be build close to public transport links, and there would be no requirement for parking, either above or underground.
This document has been developed in consultation with the membership of Ógra Fiann Fáil

Ógra Fianna Fáil Housing Policy