

## **Simon Communities in Ireland**



**Submission to the Department of Housing, Planning, Community and  
Local Government on Draft Guidelines to Part V of the Planning and  
Development Act 2000**

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*September 2016*

## Introduction

The Simon Communities in Ireland welcome the opportunity to comment on the Draft Guidelines in relation to *Part V of the Planning and Development Act 2000* (the Act). The Simon Communities work with over 7,500 people who are homeless or at risk of homelessness each year. We are now over half way through 2016 and the numbers of people who are homeless continue to grow; with the numbers entering homelessness greater than the numbers exiting. This housing and homeless crisis is impacting every region and community around the country. It is a nationwide crisis, more acute in our urban centres but certainly present in our rural areas too. The number of people trapped in emergency accommodation has continued to grow in the first seven months of 2016. During one week in July 2016 (latest available figures), there were 6,525 men, women and children in emergency accommodation across the country; a 40% increase from July 2015. This included 2,667 adults with no dependents in their care and 1,130 families made up of 1,510 adults and 2,348 children<sup>1</sup>.

In light of these increasing figures, the Simon Communities welcome the recently published *Rebuilding Ireland: Action Plan for Housing and Homelessness* (the *Action Plan*), the coordinated approach contained therein to tackle the complexity of the housing and homelessness crisis and the broad commitment of relevant government departments to its implementation. We welcome the commitment in the *Action Plan* to introduce legislation to fast track planning approval for large scale residential developments by direct application to An Bord Pleanála.<sup>2</sup> This is a necessary prerequisite to increased building of social housing through *Part V* as outlined in the *Action Plan*. The *Action Plan* commits to the delivery of 47,000 new social housing units by 2021. *Part V* developments can and must be central to the delivery of these units and must be increasingly flexible to deliver on any future upward adjustment.

Ireland's approach to the housing provision to date has been disconnected - home ownership, the private rented sector, social housing and homelessness have all been approached in isolation when in fact they are all interconnected. The Rebuilding Ireland integrated plan across all forms of housing provision offers a huge opportunity to take into account this reality and the fact that a change in one area in relation to housing provision and supply can have the knock on effect on other areas. We must however move away from continued over reliance on the private housing sector for the delivery of affordable housing for those on low incomes, and social housing for those with long term housing needs. The private rented sector is under increasing pressure to deliver social housing supports through Rent Supplement and the Housing Assistance Payment scheme and there are over 100k households on the social housing waiting list. The delivery of *Part V* developments is completely reliant on reinvigorated private housing development which has yet to materialise. It is essential that Local Authorities get back into the business of building and delivering social housing on the scale required, with the support of Approved Housing Bodies (AHBs), to meet ever-growing housing need.

This submission will examine a number of issues that arise in the draft guidelines and where appropriate will suggest alternative measures, targets and approaches to ensure greater delivery of social housing units. This examination will pay particular attention to sections 3.3 to 3.5 of the draft guidelines which relate to the Making of a *Part V* Agreement; Contracts and Conveyancing; and Amendment of a *Part V* Agreement.

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<sup>1</sup> DHPCLG Emergency Accommodation Figures July 2016 [http://www.housing.gov.ie/sites/default/files/publications/files/homeless\\_report\\_-\\_july\\_2016.pdf](http://www.housing.gov.ie/sites/default/files/publications/files/homeless_report_-_july_2016.pdf).

<sup>2</sup> *Rebuilding Ireland: Action Plan for Housing and Homelessness*, Appendix 3, P. 111  
[http://rebuildingireland.ie/Rebuilding%20Ireland\\_Action%20Plan.pdf](http://rebuildingireland.ie/Rebuilding%20Ireland_Action%20Plan.pdf).

## Recommendations

### *Part V Consultations*

- Closer collaboration between Local Authorities and prospective *Part V* developers is required. It should be compulsory for the perspective *Part V* developer to participate at initial discussions with Local Authorities regarding *Part V* developments.
- Where *Part V* contributions surpass a specified number of units, consideration should be given to sharing the allocation of units between AHBs in particular homeless specific AHB's.
- Open and prompt consultation and communication is required between Local Authorities and AHB's with regard to the delivery of *Part V* developments as a crucial source of social housing. For example, a call for AHB's submission for the delivery of Part V as part of the Expression of Interest for Dublin Social Housing in Dublin City Council in June and Fingal County Council in July.

### *Part V Timelines*

- Given the urgent need for social housing it is crucial that there is no delay by the Local Authority in making a *Part V* agreement. We encourage the Department to publish and circulate recommended turnaround times to deliver on requirements for local authorities to minimise delay. Additional resources should be provided to local authorities where lack of capacity is a reoccurring issue.
- Agreements for the delivery of *Part V* developments must be actionable and strictly adhered to by both parties. Deviation from initial agreements can only occur by way of agreement through processes outlined at initial meetings between the Local Authority and the developer. Changes in personnel on either side of the agreement should not adversely impact the delivery of the *Part V* units.
- Ongoing monitoring of timelines for *Part V* agreements by DHPCLG is crucial to ensure *Part V* developments are delivered on time and as envisaged in the agreement between the developer and Local Authority.
- We encourage the Department to reduce from 8 to 6 weeks, the period of time in which a dispute in relation to a *Part V* agreement can be referred to An Bord Pleanála as per general planning recommendations.

### *Part V Developer Contributions*

- We urge the Department to reinstate developers' *Part V* contributions from 10% to a minimum of 20% of the total development. This is crucial for the delivery of new social housing units as per the *Action Plan*.
- The maximum social housing return from *Part V* developments must be realised during the implementation of the *Action Plan*. *Part V* is a crucial mechanism to combat continued and future overreliance on the struggling private rented sector.
- The exemption from *Part V* for developments of 9 units or less as introduced in September 2015 should be reduced to 5 units to ensure maximum net monetary value can be realised from smaller developments.
- We express concern that *Part V* agreements made prior to the commencement of the Urban Regeneration and Housing Act 2015, where a construction commencement order had not been lodged by that date can be renegotiated at the request of the developer, if it is agreed to by the local authority, under the amended provisions of Part V, including the current 10% developer contribution instead of the previous 20%. *Part V* agreements that fall into this category will be highly susceptible to renegotiation requests from developers given that if successful they can reduce their *Part V* contribution liability by at least 50%. In light of the ambitious social housing targets contained in the

*Action Plan*, it is imperative that all current *Part V* agreements stipulating a 20% developer contribution be maintained and commenced as a matter of priority.

- Local Authorities should be permitted and encouraged to ‘request’ an increased purchase allocation of properties from the developer under *Part V*. Local Authorities cannot be expected to rely on discretionary offers from developers to purchase increased allocations, particularly in light of reduced developer contributions. Where increased allocations have been sought and received, there should be prioritisation for people who are long term homeless.
- The ‘up-front’ purchase of *Part V* social housing units is provided for in the *Action Plan* as a means of supporting the development of private housing and the delivery of social housing. When making a *Part V* agreement the Local Authority should, as a matter of priority, examine the financial feasibility of purchasing said *Part V* units ‘up-front’ and not merely ‘consider’ their purchase as per the draft guidelines.
- In cases where the Local Authority must alternatively pursue the building or acquisition by the developer of houses/units elsewhere in the functional area of the Local Authority, the land acquired for such building should be ideally currently serviceable by the Local Authority.
- The number of houses transferred by the developer to the Local Authority or AHB under section 96(3)(b)(iv) of the Act should be at a minimum, equivalent to the number of housing units that would have been transferred had the Local Authority been able to secure agreement for the provision of houses on the original development site.
- In cases where the developer does not wish to exercise the option of transferring land under section 96(3)(a) of the Act, and when they must consider one of six alternative options, the Local Authority must consider whether the proposed alternative agreement will contribute effectively and efficiently to the achievement of the objectives of the Housing Strategy and the *Action Plan*.
- The *Action Plan* commits to the delivery of mixed tenure housing across State and other lands. We welcome the recommendation in the draft guidelines that the acquisition of *Part V* units on development sites is the option that should be pursued by the Local Authority from its earliest engagement with the developer.

#### *Approved Housing Bodies*

- We welcome the recognition of the role and impact of AHBs in the delivery of social housing and the efforts of such bodies to overcome vertical segregation in housing. Furthermore, we welcome that strong consideration should be given to the involvement of AHBs in the implementation of *Part V* agreements. We encourage the department to set targets for the involvement of AHBs within each Local Authority based on available data and in consideration of AHB capacity for delivery of said housing.
- Where it is envisaged that a number of *Part V* units will be allocated to AHBs, AHBs should become part of the collaborative process with Local Authorities and developers at the earliest possible stage of the agreement making process and during the delivery of the *Part V* units. AHBs need to be encouraged to become part of this collaborative process with the LA and developers.

### *Part V Leasing Arrangements*

- The *Action Plan* commits to delivering a considerable number of the 47,000 new social housing units through *Part V* leasing arrangements.<sup>3</sup> Given this significant proportion of social housing stock will be under leasing arrangements we encourage the Department to introduce leasing incentives to encourage greater rental supply linked to conditionality on affordability and security of tenure.<sup>4</sup>
- Where the *Part V* agreement is for the leasing of units to the Local Authority from the developer, the net monetary value must be realised by the Local Authority in the form of a discount from the normal market rent over the period of the lease. We encourage the Department to publish the discounted leasing rates in this regard for each Local Authority and AHB.
- Although we welcome the introduction of *Part V* leasing agreements we remain concerned that units leased by Local Authorities may revert back to the developer at the end of the lease period, and hence be removed from the Local Authority's or AHBs housing stock. We encourage the Department to consider the introduction of a *Part V* 'lease to buy scheme' through which the Local Authority or AHB will have the option to purchase the housing units at the end of the lease.

### *Part V Tenancy Nominees*

- When selecting nominees for designated *Part V* housing units, priority should be given to people who are long term homeless or who have had a long term housing need. *Part V* tenancies should be resourced to provide essential supports for those transitioning from a situation of homelessness or long term housing need.

### *NAMA Part V Contribution*

- The *Action Plan* commits to the delivery of 20,000 new housing units by NAMA.<sup>5</sup> NAMA's *Part V* contribution in this regard should reflect their position as a State agency and should be revised from the current 10% to 30%.

## **Conclusion**

The *Action Plan* commits to the delivery of 47,000 new social housing units by 2021. It will be necessary to closely monitor the delivery of these units and review and adjust this target upwards as necessary for the duration of the *Action Plan*. A significant portion of these housing units will be provided through *Part V* developments. While we recognise the importance of incentivising private construction development as a means of delivering *Part V* housing we remain acutely aware of the severe shortages that currently exist across all forms of social housing supply and the considerable distress this is causing those unable to exit homelessness and those on social housing waiting lists nationwide. It is clear we need to learn from past mistakes and ensure that Local Authorities and AHBs become the core provider of social housing into the future by extending their social housing stock. Given the flexibility that currently exists for developers to meet their *Part V* contributions, we believe that incentivisation and the reinstatement of developer's 20% contribution can deliver the social housing targets contained in the *Action Plan*. Greater Departmental and Local Authority scrutiny of the scheme is required to ensure *Part V* continues to deliver social housing for those with the greatest need.

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<sup>3</sup> *Rebuilding Ireland: Action Plan for Housing and Homelessness*, P.46 [http://rebuildingireland.ie/Rebuilding%20Ireland\\_Action%20Plan.pdf](http://rebuildingireland.ie/Rebuilding%20Ireland_Action%20Plan.pdf).

<sup>4</sup> National Economic and Social Council, *Pathways to Secure Occupancy and Affordable Supply*, P.76 [http://files.nesc.ie/nesc\\_reports/en/141\\_Irelands\\_Rental\\_Sector\\_MainReport.pdf](http://files.nesc.ie/nesc_reports/en/141_Irelands_Rental_Sector_MainReport.pdf).

<sup>5</sup> *Rebuilding Ireland: Action Plan for Housing and Homelessness*, P. 11 [http://rebuildingireland.ie/Rebuilding%20Ireland\\_Action%20Plan.pdf](http://rebuildingireland.ie/Rebuilding%20Ireland_Action%20Plan.pdf).

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**About Simon Communities**

The Simon Communities in Ireland are a network of eight regionally based independent Simon Communities based in Cork, Dublin, Dundalk, Galway, the Midlands, the Mid West, the North West and the South East that share common values and ethos in tackling all forms of homelessness throughout Ireland, supported by a National Office. The Simon Communities have been providing services in Ireland for over 40 years. The Simon Communities deliver support and service to over 7,500 individuals and families throughout Ireland who experience – or are at risk of – homelessness every year.

Whatever the issue, for as long as we are needed, Simon's door is always open. For more information please visit [www.simon.ie](http://www.simon.ie)

**Services include:**

- Housing provision, tenancy sustainment & settlement services, housing advice & information services helping people to make the move out of homelessness & working with households at risk;
- Specialist health & treatment services addressing some of the issues which may have contributed to homeless occurring or may be a consequence;
- Emergency accommodation & support providing people with a place of welcome, warmth & safety;
- Soup runs & rough sleeper teams who are often the first point of contact for people sleeping rough.