

'HOUSING FOR ALL' BUDGET BONANZA

The housing package of €3.1bn announced in Budget 2021 – an increase of over €730m on Budget 2020 – is the biggest social housing programme in the history of the State. The Government's commitment to deliver 12,750 social homes this year and to focus on the prevention of homelessness has been welcomed, in particular, by the housing agencies.

The significant €3.1bn spend in housing, which represents the highest investment in housing by any Government in a single year, forms part of the overall budget package for the Department of Housing, Local Government and Heritage for 2021 of over €5bn.

Key areas of spending for the year ahead will include social housing delivery, affordability measures, homelessness provisions and rental measures, while €1.3bn has also been announced for investment in water services.

The Minister for Housing, Local Government and Heritage, Darragh O'Brien TD, said that the Budget demonstrates the Government's commitment to tackling homelessness, increasing the number of new build social houses, and providing more affordable homes to those trying to get on the housing ladder.

"This budget is the very definition of a 'Housing for All' budget. Importantly this budget has also seen €1.3bn allocated to Irish Water, so that critical infrastructure can be provided, which will have knock-on effects on our supply of housing.

"We have also secured further increases in planning, local government and heritage as well as vital access to ring-fenced Covid-19 funding."

Through the increased capital and current funding provision, 12,750 new social homes will be delivered through build, acquisition and leasing programmes. Capital funding of over



"This budget is the very definition of a 'Housing for All' budget," according to Darragh O'Brien TD, Minister for Housing, Local Government and Heritage.

(Pic: Dermot Byrne)

€2bn has been allocated for housing in 2021, a large element will be used to support approved housing bodies (AHBs) and local authorities to deliver over 10,300 new social homes through build and acquisition programmes.

The current funding allocation will support a range of other programmes, and, in particular, the delivery of 2,450 social homes through long-term leasing by local authorities and AHBs.

CRITICAL FOCUS ON HOMELESS CRISIS

The Minister added that homelessness prevention is a 'critical focus' for the Department of Housing in Budget 2021, and to deliver services for those experiencing homelessness.

He does not accept the criticisms of others who simultaneously say that nothing has been provided for renters while dismissing the 76,500 tenancies assisted by the Housing Assistance Payment (HAP) and Rental Accommodation Schemes (RAS).

"While building our long-term stock, we must continue to provide immediate

options to support households in having their housing needs met under these schemes – this is absolutely necessary if we are serious about reducing homeless presentations."

An increased allocation of €218m has been provided, representing a 31% increase on €166m allocated in Budget 2020. This will support over 6,000 exits from homelessness and help support the Housing First Model. "As the pandemic continues, it is imperative that local authorities and their NGO partners are supported in their efforts to reduce homelessness and to care for the

vulnerable.

"Specific funding of €21m has also been allocated to support the housing needs of members of the Travelling community while €60m has also been allocated to fund adaptation grants, which will support older people and people with a disability to remain in their homes.

"These are just some of the key areas of Budget 2021 provisions in my department. We have set ourselves ambitious but realisable targets that will benefit all of our citizens," the Minister noted.

KEY ELEMENTS OF HOUSING CAPITAL PROGRAMME

- Funding of €220m will continue to support the delivery of new social housing homes by the AHB sector, via the Capital Advance Leasing Facility (CALF). The increase in funding will allow for the provision of 3,800 additional social homes through new build and acquisition in 2021;
- Funding of €11m for the Repair and Leasing Scheme will allow local authorities and AHBs to provide financial assistance to property owners to remediate up to 170 vacant private homes so they can then be leased for social housing;
- €23m will support the continuation of the Mortgage-to-Rent Scheme and will allow for 330 additional households to be supported and to remain in their own homes.
- Funding of €65m is available in 2021 to retrofit 2,400 social housing homes to a Building Energy Rating (BER) of B2 or cost optimal equivalent;
- A number of affordability measures with funding totalling €468m will include:
 - » A new funding model to accelerate the delivery of 400 cost rental homes through the AHB sector as part of an €110m Affordability Measures package [new Cost Rental Equity Loan Facility (CRELF) will allow AHBs to borrow up to 30% of the cost of rental homes from the State]. This package also provides for the recently-announced new national Affordable Purchase Shared Equity Scheme for first-time buyers.
 - » €50m will be allocated to the Serviced Sites Fund (SSF) to provide infrastructure to support the delivery of homes to purchase or rent at discounted prices.
 - » The Local Infrastructure Housing Activation Fund (LIHAF) will be supported by an allocation of €38m in 2021, to go towards funding major public
- infrastructure projects and the ongoing delivery of up to 20,000 new homes across public and private sites over the lifetime of the scheme.
 - » Funding package for the Land Development Agency: The LDA has nine sites with the potential to deliver in the region of 4,000 new homes, and the majority of these homes will be made available for cost rental or affordable purchase.
- €73m provided for the National Regeneration Programme, which will benefit some of the most economically disadvantaged communities;
- €218m to support and help those experiencing homelessness to successfully exit homelessness as well as support in the roll-out of the Housing First model;
- Additional funding of €59m under the Social Housing Current Expenditure Programme (SHCEP), giving a total provision of €250m, will help to deliver 6,450 additional social housing homes in 2021, as well as supporting over 20,800 leased homes already in place;
- An allocation of €558m for the Housing Assistance Payment (HAP) will enable 15,000 new households to be accommodated in 2021, as well as continuing to support over 59,000 households already in tenancies by end 2020.

