

5 Church Gate,
Greystones,
Co Wicklow.

21 January 2020

Mr Eoghan Murphy, T.D.,
Minister for Housing, Planning & Local Government

Dear Minister,

I am writing to update you on the work of the Galway Social Housing Taskforce which you established last year to support the Galway local authorities in expanding their delivery of social housing under *Rebuilding Ireland*. I provided a mid-year update, with reports from each authority, to you in July 2019.

I can now confirm that the Taskforce met four times during 2019 (25 April, 18 June, 3 September and 12 November) and all meetings were attended by both Chief Executives, with their Directors of Housing and support staff, as well as by representatives of the AHB sector, your Department and the Housing Agency. While the establishment of the Taskforce reflected concerns about the momentum of housing delivery in Galway, all participants have worked very hard throughout the year, and the outcomes achieved mark significant progress compared with performance in 2018.

As at mid-year, I invited each authority to prepare a concise end-of-year review for 2019, and copies of these are attached. In the round, they show each authority achieving closer to target results than previously notwithstanding the higher targets set for 2019. Indeed, depending on how the figures are presented, performance can be viewed as extremely positive. For example,

- Galway County Council achieved 76% of its 2019 build target, but 99% of its combined build, acquisition and leasing target. When provision of HAP and RAS tenancies is included, the County delivered 108% of its overall target, securing accommodation for 636 households, in comparison with a target of just over 590 households.
- Galway City Council achieved 96% of its 2019 build target, and 91% of its combined build, acquisition and leasing target. When provision of HAP and RAS tenancies is included, the City delivered just over 106% of its overall target, with 744 units against a target of 698 under all housing delivery streams.

It should therefore be acknowledged that considerable effort was sustained throughout the year to meet the accommodation needs of nearly 1,400 households in Galway City and County. Importantly,

too, there is a healthy build pipeline in each local authority area, and authorities are intensely focused on maintaining the momentum necessary for full delivery of *Rebuilding Ireland* by end 2021.

However, global presentation of figures can mask specific and local problems, and while many of these are reflected in the two authorities' end-of-year review reports, the following comments may be read as observations by the Chair, drawing on evidence from the Galway authorities, rather than consensus points agreed by the Taskforce membership.

- A range of interventions is in place to address homelessness, with some €9 million spending in 2019 administered by the City Council for the West Region. Despite many positive developments (including the opening of the Corrib Haven Family Hub in May 2019, the city pilot modular housing project, HAP Placefinder Services, Cold Weather Response), the prevalence of homelessness and the problems faced by homeless Travellers in particular are not being reduced. The Taskforce intends to hold a Roundtable Discussion with key providers from COPE Galway, Galway Simon and the Peter McVerry Trust, at the end of the month to see how their experience can assist the housing authorities in the best possible targeting of preventative and response measures.
- Each authority has adopted a new Traveller Accommodation Programme for the 2019-24 period. Although Galway County exceeded the target set in its previous programme, these are complex to deliver, and Travellers feature significantly in homelessness figures with particular problems in sourcing private rented accommodation. Galway County's new programme will seek to meet the needs of 111 households, compared with 262 addressed in the 2014-18 period. Galway City targets the provision of housing supports for 242 households, compared with 194 housing supports in the previous five years. The challenges involved, eg in selecting sites for additional Traveller specific accommodation, and in addressing Traveller homelessness and overcrowding, require early and intensive action, and the Taskforce will give priority to reporting by the Authorities on progress in this area.
- Despite quite healthy levels of planning activity, and availability of residentially zoned land suitable for high density development, private sector delivery of new housing in Galway City has been virtually stagnant since 2007. No high density scheme has been developed in the City to date. Demand for housing is likely to increase significantly as the National Planning Framework projects population growth of +40,000 people in the City and Suburbs by 2040. There is no straightforward explanation as to why the private market response is poor, and there are real concerns about the social and sustainability impacts of expanded social housing delivery in this context. The Taskforce has agreed that it will explore the possibility of hosting a forum with relevant stakeholders to assess what measures could be taken to stimulate housing delivery, and as preparation for this, the Housing Agency has been asked to conduct a case study on the ongoing imbalances in the City residential property market to inform the proposed discussion.
- With acute supply shortage in the City generally, there is also pressure in the rental sector, and poor development of a build to rent sector. The Taskforce reviewed the findings of the ESRI 2019 Research – *Trends in Rental Price Inflation and the Introduction of Rent Pressure Zones in Ireland*. While this suggests that Co Galway was one of two locations with larger reduction in rent inflation than Cork, Dublin and the Greater Dublin Area, reduction in rent inflation does not mean that rents have fallen. In Galway City they are over 97% higher than

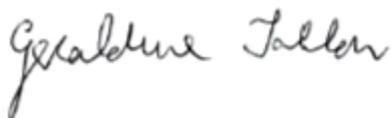
in 2012, and are markedly higher than the maximum HAP rental limits. This area needs to remain under close scrutiny to see whether the reforms contained in the Residential Tenancies Amendment Act 2019 are effective in practice, and more generally to determine whether the continued exodus by private landlords from the social rented sector can be reversed.

- Notwithstanding the sustainability considerations in Galway City, it is positive that the local authority build pipelines in both City and County are now strong. However, the City programme will use the existing land bank in its entirety by 2023, and the County Council has 78% of its primary housing land either under construction or in the approval process. The latter now has an approved land loan and an active acquisition strategy in high demand areas. Although carrying costly land debt, the City needs, as a priority, to complete the Infill Strategy it has begun, and to pursue value-for-money greenfield sites where possible. It is understood that there is also active collaboration with the Land Development Agency, but limited evidence of this has been available to the Taskforce to date.

As will be evident from the above, we are seeking to develop greater understanding of, and appropriate responses to, a number of the issues identified to you in my mid-year letter, but even with the active co-operation of everyone involved real and lasting solutions to the particular problems identified in Galway will take time, as well as a highly co-operative approach on the part of the two local authorities and all other housing bodies active in Galway.

I appreciate that, at the current time, it will not be possible for you to visit Galway and discuss developments on the ground, but the invitation to do so remains open for an appropriate future occasion.

Yours sincerely,

A handwritten signature in cursive script that reads "Geraldine Tallon".

Geraldine Tallon

Chairperson, Galway Social Housing Taskforce