

# **Vacant Homes Action Plan**

2023 - 2026

Prepared by the Department of Housing, Local Government and Heritage **gov.ie/housing** 

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# Foreword by Minister O'Brien



Housing for All, the Government's Housing Strategy, will significantly transform the provision of housing in Ireland and it will do this by pushing forward on many different fronts. One of the levers of change will be how we tackle vacancy.

While it is just one of our approaches towards delivering more housing, it is one which offers us a real opportunity. There is hardly a town or village in

Ireland that does not have some vacant properties sitting in the heart of the community. In some instances, they can deteriorate and become derelict, resulting in serious negative social impacts on local and surrounding communities. That is why I am so determined to act on the issue of vacant and derelict properties.

I know that the reasons for vacancy can be complex and multifaceted. That is why I have ensured that we match our sense of urgency with measured and considered actions to address the challenges involved.

The most efficient home to deliver is the one which already exists and there is so much potential within our vacant stock to provide more homes for so many of our citizens. The difference between a house and a home is the level of care and investment a family or owner puts into a building. I want vacant houses to become homes and give people the opportunity to live and participate in local communities.

Furthermore, the re-use and regeneration of these buildings can be an essential game changer for so many towns in Ireland – supporting revitalisation, regeneration and investment.

Within the pages of this *Vacant Homes Action Plan* you will see that, while significant work remains to be done, real progress is being made in addressing vacancy. Our sense of urgency remains, and we are determined to build on what we have achieved to date.

I look forward to working with all relevant stakeholders in the implementation of this Action Plan to ensure that we bring back into use as many vacant homes as possible to benefit our people and our communities.

Darragh O'Brien TD

Minister for Housing, Local Government and Heritage

# **Executive Summary**

Housing for All, the Government's housing plan to 2030, was published in 2021. Reflecting the Government's commitment to addressing vacancy, one of the four pathways in the plan is Addressing Vacancy and Efficient Use of Existing Stock.

Recognising that the reasons for vacancy are often complex, bringing vacant properties in our towns, villages and cities back into use can provide homes in both urban and rural areas, while also adding to the vibrancy to communities. Pathway 4 of *Housing for All* sets out a comprehensive suite of actions to achieve these objectives.

Over the past 12 months, the plan to address vacancy has been put into action. Real progress has been made, with the introduction of new schemes, supports and incentives for owners and prospective owners of vacant properties. This Action Plan reports on the progress that has been made and delivered to date. It also identifies the actions to be pursued in order to continue to return as many recoverable vacant properties back to viable use as possible, increase the supply of housing available, whilst also revitalising the vibrancy of local communities.

## **Key Policies Addressing Vacancy**

Pathway 4 of *Housing for All* builds on the targets and objectives in the *National Planning Framework* (2018), which are aimed specifically at tackling vacancy in rural towns and villages as well as supporting local communities. It also builds on Our Rural Future (2021), with its key objective of revitalising rural towns and villages, encouraging town centre living and combatting vacancy and dereliction.

In addition, *Town Centre First - A Policy Approach for Irish Towns* (2022) provides a co-ordinated, whole-of-government policy framework to proactively address the decline in the health of towns across Ireland and supports measures to regenerate and revitalise them, including the re-use and regeneration of vacant and derelict buildings.

This Action Plan draws together the elements of these policies that relate to vacancy and ensures a cohesive policy approach to area.

#### **Research and Data**

The issue of vacancy is not unique to Ireland. The problem is widespread across Europe, with the view taken, common to Ireland, that vacancy is a waste of potential housing resources, in addition to having a detrimental impact on the vitality and viability of communities. Across Europe, the various national and local policy responses to addressing vacancy include renewal, change of use, compulsory purchase or sale and in some cases demolition, often where there is no market demand for housing.

Managing vacancy is now viewed as a part of planning for local authorities that needs to be organised, with dedicated project managers and resources, bringing together diverse funds, initiatives and stakeholders into coherent plans.

The challenges in addressing vacancy are varied and complex and having an accurate picture in terms of data is vital. There are a number of sources of data on vacancy. While all contribute to the information available on vacancy, they suggest very different estimates of vacancy. This is due in part to different definitions of vacancy and data collection methodologies being used. There are, however, common trends across the data. The lowest levels of vacancy can be seen around Dublin, along the east coast and around the cities of Cork, Limerick, Galway and Waterford. The highest levels of vacancy can be seen in the north-west of Ireland and along the west coast. Significantly, while different levels of vacancy are indicated by the different data sources, the overall trend is downwards over the last ten years.

The reasons for vacancy are varied. For example, properties that are stated to be vacant in the Census may be vacant rental properties, they may be for sale, the owner may be deceased and they may be in probate or the property may be undergoing refurbishment.

The challenge for policy makers and stakeholders is to identify a data baseline which can be used at a high level to report on vacancy and develop policy, but can also be interrogated at a granular level to enable activation of vacant properties.

Data emerging from the vacancy survey which is being initiated and supported by the Department of Housing, Local Government and Heritage and carried out by local authorities, can assist in providing this. Direct engagement with vacant property owners will be facilitated at local authority level in order to bring the properties identified back into use, using the various means now available.

# **Actions to Address Vacancy**

Solutions to address vacancy need to take into account the various and often complex reasons for why properties become vacant. Pathway 4 of *Housing for All* does this by presenting a range of actions that require a cross-government, coordinated and comprehensive approach to deliver.

Significant progress has been made across the 22 actions identified in Pathway 4 to Addressing Vacancy and Efficient Use of Existing Stock. These include the introduction of new schemes and grants such as the **Vacant Property Refurbishment Grant and the Ready to Build Scheme**, the harnessing of existing funding, such as that under the Urban Regeneration and Development Fund, to focus on the activation of vacant properties, the expansion of existing schemes such as the Repair and Leasing Scheme, in addition to the introduction of taxation measures and amendments to legislation to reduce disincentives for the rental of properties owned by Fair Deal participants.

An update on all of these vital actions is provided in this Action Plan, with information on progress and delivery to date. Information is also provided on the actions which will be pursued over the period of this Plan to return as many recoverable vacant properties back to viable use as possible, increasing the supply of housing available, while also revitalising the vibrancy of local communities.

## **Supporting Implementation**

Since the publication of *Housing for All*, a number of structures have been established to support the addressing of vacancy and the reintroduction of vacant properties to the housing stock. These include a dedicated Vacant Homes Unit in the Department of Housing, Local Government and Heritage, a full-time Vacant Homes Officer in each local authority, Town Regeneration Officers in local authorities, a new National Town Centre First Office in the Local Government Management Agency, as well as advisory and support services provided by the Housing Agency. These are essential to coordinate, promote and drive delivery of the actions that need to be taken and the collaboration and cooperation required to address vacancy.

While real progress is being made, the focus on vacancy and the work to address it needs to continue. This Action Plan presents the actions planned to continue to return as many recoverable vacant properties back to use as possible. These actions will be overseen, and driven by the Department of Housing, Local Government and Heritage who will report on the implementation of this Vacant Homes Action Plan and provide key supports to all stakeholders. Progress will also be monitored and tracked through *Housing for All* implementation mechanisms.

# Introduction



## 1 Introduction

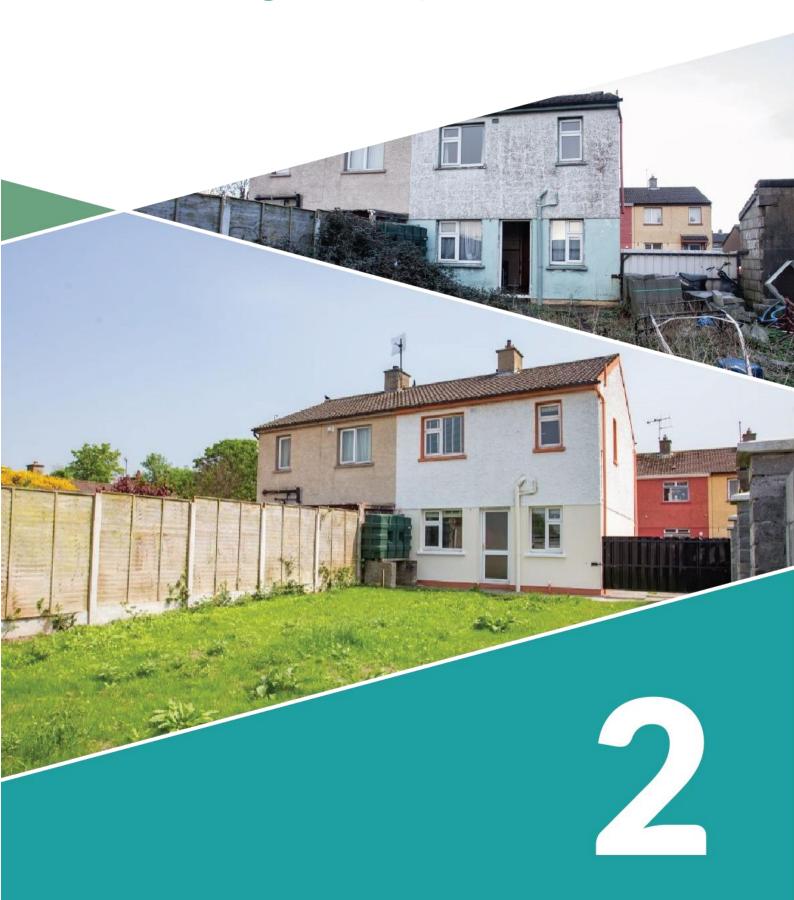
Addressing vacancy and maximising the use of existing housing stock is a primary objective of Government. The re-use and regeneration of vacant properties in cities, towns, villages and rural areas can provide much needed housing, while also being an essential catalyst to transforming areas and the communities living in them. If not appropriately addressed in time they can impact negatively on their surroundings and local communities and ultimately become derelict. The challenges associated with vacancy and dereliction are not limited to affecting housing supply, they also impact on the vibrancy and vitality of our cities, towns, villages and rural areas. Given the current demand on housing supply, the availability of existing vacant buildings provides significant opportunities to bring these back into use and support home ownership.

Government is committed to tackling vacancy. A number of strategic policies and objectives in the *National Planning Framework* are aimed specifically at tackling vacancy in rural towns and villages as well as supporting local communities. One of the key objectives of *Our Rural Future*, is revitalising rural towns and villages by investing in projects which support economic activity, increasing footfall, encouraging town centre living and combatting vacancy and dereliction. *Town Centre First - A Policy Approach for Irish Towns* provides a co-ordinated, whole-of-government policy framework to proactively address the decline in the health of towns across Ireland and supports measures to regenerate and revitalise them. It highlights how re-use and regeneration of vacant and derelict buildings can be an essential catalyst to transforming the capacity and potential of smaller towns in Ireland.

Housing for All builds on these commitments and recognises the opportunity to reimagine and transform our cities and towns and increase residential development in tandem with an emphasis on amenities and quality of life. In Pathway 4 on Addressing Vacancy and Efficient Use of Existing Stock, Housing for All sets out a blueprint to ensure that houses already built are being fully used as well as resolving issues which see habitable properties remaining vacant while people are homeless or living in unsuitable accommodation.

While significant work remains to be done, real progress is being made in addressing vacancy. This Action Plan outlines the policy context to addressing vacancy and presents the data currently available. The various strands of work being undertaken under Pathway 4 of *Housing for All* to address residential vacancy are then presented, with information on progress and delivery to date and the actions to be pursued to continue to return as many recoverable vacant properties back to viable use as possible, increasing the supply of housing available, while also revitalising the vibrancy of local communities.

# **Key Policies Addressing Vacancy**



# 2 Key Policies Addressing Vacancy

The challenges associated with vacancy and dereliction are not limited to poor use of existing housing resources. Vacant and derelict buildings can have negative impacts on the surrounding community, contributing to neighbourhood decline, deterioration and dereliction, vandalism and social and environmental problems. They can also impact on the vibrancy of communities in cities, towns, villages and rural areas. Tacking vacancy can lead to positive social, economic and housing outcomes, contributing to the provision of housing, the renewal and revitalisation of communities and the meeting of environmental objectives.

While output of new social and private homes is increasing, reactivating and reusing vacant properties can be a faster and more and cost-effective way to contribute to the provision of housing in cities, towns, villages and rural areas. This will be dependent on the condition of each individual vacant property. Vacant commercial premises such as 'over the shop' type spaces present another opportunity for residential use, while also addressing vacancy. Whether through information, advice and guidance, tax incentives, funding supports, taxation measures or compulsory acquisition, the reuse of existing building stock can make a significant contribution to the provision of housing.

Regardless of where they are, whether in cities, suburbs, towns, villages or rural areas, vacant and derelict properties have the capacity to negatively impact and damage the quality of surrounding neighbourhoods and communities. The re-use and regeneration of these buildings can act as a catalyst in revitalising cities, towns, villages and rural areas. It can help make these areas attractive places to live, work and socialise in, supporting economic and social growth and contributing to the creation of more sustainable communities, as well as delivering balanced regional development.

From a climate perspective, bringing vacant properties back into use, can contribute to the transition to a low carbon society. As part of this transition, utilising existing buildings in cities and reducing the need to travel and the distance travelled will reduce energy consumption and carbon emissions. The reuse of existing built structures offers the opportunity for people to live closer to work, local services and amenities as well as promoting compact growth; thereby making a valuable contribution to the Government's *Climate Action Plan 2023*. The re-use of such buildings is also in-keeping with climate sectoral targets for the built environment, accounting for the locked up carbon in the materials of older buildings. It can also help safeguard heritage buildings for future generations.

A key consideration when working to bring empty properties back into use is the reason why a particular property has been left empty. These are varied and multifaceted and can relate at a broad level to migration, urbanisation, loss of industry and employment and at an individual property level to financial, ownership, personal or property issues.

Properties can be for sale, in between rental periods, undergoing renovation, or in some cases the owner may be in hospital or in nursing home care. A lack of investment can lead to some properties being vacant for long periods and if these properties are not addressed in a timely manner, they can ultimately become derelict. The reasons for vacancy influence the measurement of vacancy, and must also be taken into account in considering measures to address vacancy.

In the context of the differing reasons for vacancy and the social, economic, housing and environmental considerations, this Vacant Homes Action Plan is informed by a number of policies. The Action Plan aims to build on these policies and associated actions, report on progress made to date and identify next steps to tackle vacancy and ensure that we are utilising our existing housing stock to the fullest extent possible.

## **Housing for All**

Housing for All provides a new housing plan for Ireland to 2030 with the overall objective that every citizen in the State should have access to good quality homes through a steady supply of housing in the right locations, with economic, social and environmental sustainability built into the system. The Strategy sets out, over four pathways, a broad suite of measures to achieve its policy objectives together with a financial commitment of in excess of €4 billion per annum. Addressing vacancy is a key part of the strategy, as set out in Pathway 4 on Addressing Vacancy and Efficient Use of Existing Stock. This pathway sets out a blueprint to ensure that houses already built are being fully used as well as resolving issues which sees habitable properties remaining vacant while people are homeless or living in unsuitable accommodation.

The suite of measures contained in Pathway 4 to Addressing Vacancy and Efficient use of Existing Stock are presented in Table 2.1 below. An update on each of these objectives is provided in Chapter 4.

The *Housing for All Action Plan Update* was published in November 2022. It did not seek to amend the fundamental policy approach or targets in *Housing for All*, but instead focused on prioritising measures to activate and accelerate the delivery of housing supply. Further details of the Action Plan Update, including amended and new additional actions, are outlined in Appendix 2. As part of the Action Plan Update, it was agreed (Priority action 16.1) that a plan would be published to consolidate the various strands of work to address residential vacancy, with data on progress on delivery to date and actions being pursued. Publication of this Vacant Homes Action Plan meets that commitment.

Table 2.1 Housing for All, Pathway 4 Objectives

No.	Housing Policy Objective 19: Address Vacancy in housing	Timelines <sup>1</sup>	Lead
19.1	Publish the new Town Centre First policy, which will include approaches to utilising existing and new financial incentive mechanisms	Q4 2021	DHLGH, DRCD
19.2	Use the Better Energy Homes Grant to support retrofit for vacant properties	Ongoing to 2030	DECC
19.3	Incorporate activation of vacant properties as key criteria in the Urban Regeneration and Development Fund (URDF) and the Rural Regeneration and Development Fund (RRDF)	Ongoing	DHLGH, DRCD
19.4	Harness European Regional Development Funding to tackle vacancy and dereliction in towns	Q2 2022	Regional Assemblies
19.5	Introduce a new programme for the CPO of vacant properties for resale on the open market	Q4 2021	DHLGH, LAs, Housing Agency, Housing Finance Agency
19.6	Ensure Vacant Homes Officer position is full-time	Q4 2021	DHLGH, LAs
19.7	Implement the amendment to the Nursing Home Support Scheme (Amendment) Act 2021 to extend the three-year cap on Fair Deal contributions from the principal residence to the proceeds of sale of the principal residence, removing the disincentive to bringing vacant homes back onto the property market. Modify operation of the Fair Deal Scheme accordingly.	Q3 2021	DoH
19.8	Amend the Nursing Home Support Scheme Act 2009 to remove disincentives against the rental of vacant properties by participants in the Fair Deal scheme in a way that is	Q4 2021	DoH, DHLGH

<sup>&</sup>lt;sup>1</sup> Timelines detailed in this table are as originally presented in *Housing for All* (September 2021). Where timelines have been revised, and/or objective numbers have changed, these are presented in Table A2.2 in Appendix 2, together with the current status of the objective.

	targeted, equitable, evidence-based and provides appropriate safeguards for vulnerable older people		
19.9	All Government Departments will examine their existing portfolio of properties and, subject to any obligations under the PSC, the LDA Act 2021 or the State Property Act 1954, will place them on the market if they are not required and may be suitable for conversion to residential accommodation	Q4 2021	All
19.10	Local Authorities will work with the appropriate stakeholders to resolve issues within estates still categorised as 'unfinished' with a view to minimising any vacancy levels	Ongoing	DHLGH, LAs
19.11	Establish a Croí Cónaithe (Towns) Initiative focused on towns and villages	Q4 2021	DHLGH
19.12	Collect data on vacancy levels in residential property with a view to introducing a vacant property tax	Q2 2022	DFIN
19.13	Commence section 9 of the Local Government Rates and other Matters Act 2019 with a view to empowering Local Authorities to offer rates based incentives for the conversion of suitable vacant commercial properties to residential use	Q1 2022	DHLGH
20.1	Work in a partnership approach with Local Authorities, AHBs, heritage NGOs, the Heritage Council and the Heritage Division within the DHLGH to unlock the potential in our villages, towns and cities to utilise heritage building stock (pre 1940) to help tackle the housing crisis, recognising in particular Sustainable Development Goal 11; Sustainable cities and communities	Ongoing	DHLGH, LAs, AHBs, Heritage NGOs, Heritage Council
20.2	Develop guidance relating to protected structures to encourage the use of such properties for repurposing and/or refurbishment as residential accommodation	Q2 2022	DHLGH

20.3	Review and extend planning regulations that exempt certain vacant commercial premises from requiring planning permission to change of use for residential purposes to 2025	Q4 2021	DHLGH
20.4	Develop new regulatory controls requiring Short-Term and Holiday Lets to register with Fáilte Ireland with a view to ensuring that homes are used to best effect in areas of housing need	Q2 2022	DTCAGSM, DHLGH
20.5	Develop a national policy on rightsizing and explore options to support and incentivise rightsizing on a voluntary basis	Q1 2022	DHLGH
20.6	Move to a planned management and maintenance model for Local Authority stock supported by the LGMA's work on developing an asset based ICT system	Q1 2024	LAs, LGMA
20.7	Work with relevant Departments and Local Authorities to move to a position where housing revenue at Local Authority level is ring-fenced to ensure its retention for housing management and maintenance	Q3 2024	LAs , CCMA , DHLGH
20.8	Support Local Authorities to engage in targeted acquisitions of vacant and under-utilised properties under the Buy and Renew element of the social housing programme to support town and village renewal	Ongoing	DHLGH
20.9	Support Local Authorities to drive expanded take-up of the enhanced Repair and Leasing Scheme	Ongoing	DHLGH

# **National Planning Framework**

The *Programme for Government: Our Shared Future* reaffirms that 'everybody should have access to good-quality housing' as well as prioritising investment in housing as a 'social and economic imperative'. Related to this priority, the *National Planning Framework* (NPF), published in 2018, together with the *National Development Plan 2021*, combine to form *Project Ireland 2040*, the overarching policy and planning framework for Ireland. The NPF will guide the future development of Ireland, taking into account a projected 1 million increase in population over 2016 levels and the need for 550,000 more homes by 2040. The NPF

growth strategy aims to shift the spatial pattern of development by concentrating a greater proportion of new development in cities, towns and other settlements where the required services, employment and infrastructure can be provided for citizens. This compact growth approach will tackle the unsustainable sprawl of development and contribute to overall carbon reduction. The NPF seeks to:

- Enable people to live closer to where they work, moving away from the current unsustainable trends of increased commuting;
- Regenerate rural Ireland by promoting environmentally sustainable growth patterns;
- Plan for and implement a better distribution of regional growth, in terms of jobs and prosperity;
- Transform settlements of all sizes through imaginative urban regeneration and bring life and jobs back into cities, towns and villages; and
- Co-ordinate delivery of infrastructure and services in tandem with growth, through integrated investment across sectoral plans.

The NPF also seeks to target the reversal of rural decline in towns and villages through targeted measures that address vacancy through sustainable reuse, thereby supporting local communities. It states that building stock in a state of obsolescence has the potential to offer transformative options for housing and as part of the original fabric of some settlements, can serve to further preserve the heritage and cultural identity of a place.

In particular, National Policy Objective 35 seeks to "Increase residential density in settlements, through a range of measures including reductions in vacancy, re-use of existing buildings, infill development schemes, area or site-based regeneration and increased building heights."



#### **Our Rural Future**

Our Rural Future, a Government policy launched in March 2021, provides a framework for the development of rural Ireland for the period 2021 – 2025. The policy addresses both the challenges facing rural areas and the opportunities which rural economies and communities can benefit from in the coming years. One of its key objectives is to support the regeneration, repopulation and development of rural towns and villages to contribute to local and national economic recovery, and to enable people to live and work in a high quality environment. Achieving this will require investing in projects which support economic activity and increased footfall in towns and villages, improve the public realm, encourage town centre living, and provide the necessary services infrastructure to support town and village regeneration and sustainable growth

The Policy recognises that vibrant towns are important catalysts for balanced regional development. One of the challenges identified is the effect of vacant properties on the vitality and attractiveness of towns. Investment in the revitalisation of rural towns is a priority with targeted measures to support the viability of local businesses and local jobs, increase economic activity and footfall, and encourage more people to return confidently to town centres to shop and socialise.

The implementation of a strategic approach to town centre regeneration through utilising existing buildings and unused lands for new development, addressing vibrancy and future function while promoting residential occupancy, are all central elements to securing a sustainable future for rural towns and villages. *Our Rural Future* contains a number of measures focused on the redevelopment of vacant and

derelict buildings in town centres. The Policy also sets out the Government's ambition for a national policy and action plan for the islands. The availability of affordable, quality homes for permanent residents on the islands is essential to ensure the long-term viability and sustainability of our island communities. The opportunity to build or refurbish a house on an island, particularly for young people who have grown up there, can make a significant difference to the long-term sustainability of an island community. Housing related measures for the islands will be included in the forthcoming policy and action plan for the islands.

#### **Town Centre First**

Town Centre First - A Policy Approach for Irish Towns was launched in February 2022. It provides a co-ordinated, whole-of-government policy framework to proactively address the decline in the health of towns across Ireland and support measures to regenerate and revitalise them. It recognises that a solely top down approach to the development of towns is not appropriate and sets out an innovative approach where local communities and businesses are central to planning their own towns and shaping their development.

The Policy recognises that in certain rural areas it has been challenging to retain and/or develop community and social facilities and local infrastructure as populations shift. Vacancy and dereliction in towns and villages has become increasingly prevalent, resulting in the demise of the historic vibrancy and vitality of town centres. The re-use and regeneration of these buildings can be an essential catalyst to transforming the capacity and potential of smaller towns in Ireland.

Overall, Town Centre First contains 33 unique actions which aim to give our towns the tools and resources they need to become more viable and attractive places in which to live, work, visit and run a business.

**Town Centre First supports and resources include:** 

- Programme of Town Centre First Plans to provide a focus for local action;
- Support for local Town Teams;
- A National Town Centre First Office to provide leadership, coordination and best practice in policy implementation;
- Dedicated Town Regeneration Officers (TRO) in local authorities; and
- Coordination of funding streams to support investment in local projects aimed at town regeneration.

The reasons for vacancy can be complex and multifaceted as can its impact on communities and their surroundings. Tackling vacancy requires a co-ordinated and cross government approach. This approach is reflected in the various policies which have been outlined, and in the actions identified in Pathway 4 of *Housing for All*. This Action Plan presents progress to date and identifies next steps to tackle vacancy to ensure that we are utilising our existing housing stock to the fullest extent possible, with the social, economic and environmental wider benefits that brings to communities.

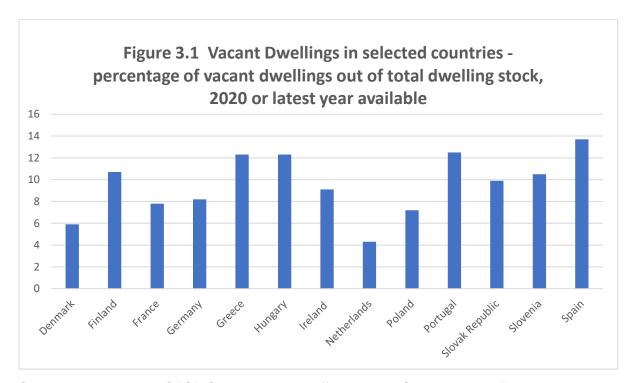
# **Research & Data**



#### **Research and Data**

The issue of vacancy is not unique to Ireland. The problem is widespread across Europe, where in 2016 there were some 11 million empty homes<sup>2</sup>, with large variations across and within countries. This in turn has meant that the degree to which vacancy is defined as a problem varies across countries. Common reasons for vacancy include industrial change, urbanisation and the de-population of villages and towns in areas far from cities, changes in the agricultural sector and changes in demography.

Information on the number of vacant dwellings is only available for some countries. Figure 3.1 highlights the variation in vacancy rates across a number of countries, with Spain, Portugal, Greece and Hungary recording the largest share of vacant dwellings, at over 12%. By contrast, vacancy rates are lowest in the Netherlands at less than 5%. Overall, the share of vacant dwellings is larger in rural areas, compared to urban areas.



Source: 2021 and 2019 OECD Questionnaire on Affordable and Social Housing, Eurostat 2021.

Note: Data are for 2020, except for France (2019), Finland (2019), Germany (2018), Greece (2018), Slovenia (2018), Ireland (2016), Poland (2010), Portugal (2011), Slovak Republic (2016), Spain (2011).

<sup>&</sup>lt;sup>2</sup> Bogataj, D., McDonnell, D.R.(2016), 'Management, financing and taxation of housing stock in the shrinking cities of ageing societies, International Journal of Production Economics, 181, 2-13.

Vacancy, in addition to being a waste of housing resources is acknowledged as having a serious negative impact on the viability of surrounding communities, with neighbourhood decline, dereliction and deterioration and social and environmental problems identified<sup>3</sup>. Similar to Ireland and other European countries, Denmark, with an overall vacancy rate of 5.5% in 2017, has low vacancy levels in cities while towns and villages furthest from the cities have higher rates<sup>4</sup>. In Denmark in the municipalities far from larger cities, vacancy rates are typically above 10% and in some areas as high as 25-30% as a consequence of urbanisation.

The difficulties in identifying and classifying vacant buildings is a common theme, with uncertainty regarding the actual number of vacant buildings (some may be used for holiday homes, some are for sale and others are mistakenly registered as being vacant).

Across Europe the tools used to address vacancy are mostly legislative or fiscal in nature, with the various national and local policy responses to addressing vacancy including renewal, change of use, compulsory purchase or sale and a mixture of these. In some countries, particularly where the focus is on the negative impact of vacancy on communities rather than reuse of building for housing, demolition of 'abandoned' vacant properties is a means used by local authorities to address vacancy, often where there is no market demand. Incentivising financial instruments are also widespread in Europe aiming to encourage owners to rent out or sell their empty assets to a local authority or a housing association who will undertake renovations<sup>5</sup>.

National programmes that incentivise the reuse of vacant buildings for housing focus on increasing the availability of residential accommodation but are also related to outcomes such as health and well-being, safety, community cohesion and sustainable communities. Programmes commonly involve providing central funding to local authorities or municipalities to use for renovation, acquisition or demolition. Similar to the Town Centre first approach in Ireland, involvement of local actors and the local community in addressing vacancy is highlighted<sup>6</sup>. The literature identifies how managing vacancy is a new part of planning for local authorities that needs to be organised, with dedicated project managers and resources in municipalities bringing together diverse funds, initiatives and stakeholders into a coherent plan.

<sup>&</sup>lt;sup>3</sup> Jensen, Jesper Ole (2017), 'Vacant Houses in Denmark: Problems, localisation and initiatives'. Paper presented at ENHR Conference Tirana, Albania.

<sup>4</sup> ibid

<sup>&</sup>lt;sup>5</sup> FEANTSA and the Foundation of Abbe Pierre, (2016), *Filling Vacancies – Real Estate Vacancy in Europe: Local Solutions for a Global Problem* 

<sup>&</sup>lt;sup>6</sup> Jensen, Jesper Ole (2017), 'Vacant Houses in Denmark: Problems, localisation and initiatives'. Paper presented at ENHR Conference Tirana, Albania.

Common practical challenges that are identified in relation to addressing vacancy, which are also relevant in Ireland, include:

- identifying vacant buildings, with a lack of comprehensive data bases of vacant and derelict properties and uncertainly with regard to vacancy figures;
- engaging with and establishing dialogue with owners of vacant buildings;
- potential legal issues;
- combining addressing vacancy with other types of regeneration efforts; and
- the requirement for collaboration and communication between government departments, central and local government, agencies, semi-state bodies and communities7.

#### Data

There are a number of sources of data on vacancy in Ireland, the three main sources currently being Central Statistics Office (CSO) data based on the Census, GeoDirectory data and Revenue data based on an analysis of Local Property Tax returns. While all contribute to the information available on vacancy, they suggest very different estimates of vacancy. This is due in part to different definitions of vacancy and data collection methodologies being used.

#### **Census Data**

The preliminary findings of Census 2022 provide a figure of 166,752 vacant homes nationwide. This represents 7.8% of the housing stock. Studies suggest a properly functioning housing market will have a base vacancy rate of around 6%.8 The Census 2022 figures represent a 9% reduction overall on the Census 2016 vacant homes figure of approximately 183,000. At a national level, the Census vacancy rate has fallen to less than 7.8% in 2022, down from over 9% in 2016 and 12% in 2011.

Properties that are classed as vacant in the Census may only be vacant for a short period of time e.g. properties may for sale, undergoing renovations or the owner may be deceased.

According to the CSO, the lowest levels of vacancy can be seen around Dublin, along the east coast and around the cities of Cork, Limerick, Galway and Waterford. The highest levels of vacancy can be seen in the northwest of Ireland and along the west coast.

<sup>&</sup>lt;sup>7</sup> Crowe, P. (2019), Examining incentives for the reuse of vacant buildings in town centres for housing and sustainable communities in Scotland, Denmark and France, Space Engagers, Commissioned by The Collaborative Working Group for Housing and Sustainable Living Funded by The Heritage Council of Ireland. Wilson, W, Cromarty, H., Barton, C (2020), *Empty Housing* (England), Briefing Paper No. 3012, House of Commons Library.

<sup>&</sup>lt;sup>8</sup> AIRO Report, Maynooth University (<a href="http://airo.maynoothuniversity.ie/news/breakdown-housing-vacancy-figures-ireland">http://airo.maynoothuniversity.ie/news/breakdown-housing-vacancy-figures-ireland</a>)

Table 3.1 Rate of Vacancy by County 2016 and 2022

County	Vacancy rate 2016	Vacancy Rate 2022
Total	9.1	7.8
Carlow	8.0	7.2
Cavan	14.4	11.8
Clare	10.9	9.2
Cork	8.7	7.1
Donegal	13.9	11.4
Dublin	5.9	5.5
Galway	11.1	10.1
Kerry	13.1	11.4
Kildare	5.7	5.3
Kilkenny	7.6	7.7
Laois	9.2	7.6
Leitrim	19.9	15.5
Limerick	9.4	7.7
Longford	15.2	12.1
Louth	7.7	6.7
Mayo	16.1	13.3
Meath	6.6	5.8
Monaghan	11.4	10.8
Offaly	8.6	8.3
Roscommon	17.0	13.4
Sligo	14.4	11.8
Tipperary	10.8	9.0
Waterford	9.9	7.1
Westmeath	10.1	8.3
Wexford	8.7	7.5
Wicklow	6.2	5.8

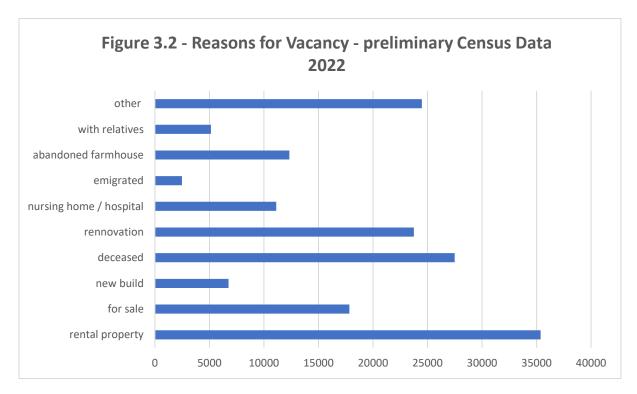
Source: hhtps://data.cso.ie.

For Census 2022, enumerators were required to record a reason for vacancy for each vacant dwelling to provide more insight into patterns of vacancy across the country. Reasons for vacancy included in the most recent Census 2022 data are outlined in Figure 3.2 below. It shows that rental properties accounted for over 20% (35,380 dwellings) of the vacant residential units identified in the Census, representing some 12.8% of the overall number of private tenancies registered with the Residential Tenancies Board (RTB).<sup>9</sup>

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<sup>&</sup>lt;sup>9</sup> The figure of 276,223 private tenancies in the rental sector is based on an estimate taken by the RTB and the ESRI at the end of 2021. The RTB last published figures on the number of private rented tenancies for the end of 2020. At that point, there were 297,837 private tenancies registered with the RTB.

This figure includes short term lettings and properties that were between lets but may not have been advertised. A further almost 18,000 properties (11%) were for sale.



Galway City (38%) and Dublin City (30%) were the areas with the highest proportions of vacant rental properties. In contrast, Roscommon (16%), Cork County (16%) and Galway County (17%) had the lowest proportions of vacant rental units.

In Roscommon (25%), Galway County (24%) and Mayo (24%) properties were most often vacant because the owner was deceased. In Galway City (6%) and Fingal (8%) this was much less common.

Properties in the cities were in general less likely to be vacant because the residents had emigrated than for rural dwellings.

Abandoned farmhouses were more common in rural areas such as Leitrim (17%) and Sligo (16%).

Many properties that are classed as vacant in the Census may only be vacant for a short period of time. Linking individual dwellings across the 2011, 2016 and 2022 censuses indicates that more than 30% (48,387) of the dwellings vacant in 2022 were also vacant in 2016 and of these 48,387 dwellings, nearly half (23,483) were also vacant in Census 2011<sup>10</sup>. At a national level, the proportion of dwellings vacant in both Census 2022 and Census 2016 was 2%. In counties along the east coast with large urban populations, the proportion of dwellings vacant in both censuses was about 1%. In more rural counties, particularly in the north-west the proportion of dwellings vacant in both censuses varied from between 4 and 7%.

A dwelling is classed as vacant by census enumerators if it is unoccupied on Census Night (3 April 2022), is not used as a seasonal holiday home and is not usually inhabited by occupants who are temporarily away from home on Census Night. The Census definition of a vacant dwelling is a point-in-time indicator of whether a property was inhabited or not on Census night. The CSO points out that their Census figure of vacant homes contains many dwellings that may be unoccupied for a relatively short period of time (e.g. properties for sale, rental properties, new builds and houses being renovated are all included) and that a home deemed vacant does not necessarily mean a home is available for re-use or to house other people.

Although Census data provides valuable high level information on vacancy, information at an individual vacant property level cannot be accessed in order to support the activation of those properties.

# **GeoDirectory Data**

GeoDirectory is an electronic register of addresses matched to their geographical locations that has been jointly developed by An Post and Ordnance Survey Ireland. Data on vacant dwellings is gathered initially by postal operatives in An Post.

The GeoDirectory Database (Q3 2022) classified 84,797 dwellings as vacant in the 12 months to September 2022, a 5.9% drop when compared to the previous year, with a vacancy rate nationally of 4.2%. The highest vacancy rates in the country were found in the west and north-west of the country with Leitrim at the top of the list with 12.8%. Mayo (11.4%), Roscommon (11.0%) and Donegal (9.7%) were the other counties to post high vacancy rates.

Dublin recorded the lowest vacancy rate in the country at 1.3%, closely followed by Kildare (1.6%), Meath (2.5%), Waterford (2.6%) and Louth (2.6%).<sup>11</sup>

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<sup>&</sup>lt;sup>10</sup> Over 90% of vacant dwellings included in Census 2022 could be linked back to Census 2016 and almost 85% back to Census 2011 as well

<sup>&</sup>lt;sup>11</sup> Based on Q2 2022 GeoDirectory data

21,680 of these vacancies were classified as derelict. Dereliction levels were highest in Mayo (13.4% of the national total), Donegal (11.9%) and Galway (8.6%). Connacht had the highest proportion of derelict address points, with 36.6% of the national total. In contrast, the Greater Dublin Area accounted for 5.4% or 1,179 of the total derelict address points in Q2 2022.

#### **Local Property Tax Returns**

The Finance (Local Property Tax) (Amendment) Act 2021 facilitated the collection of data on vacant property through Local Property Tax (LPT) returns. Accordingly, the LPT return for the valuation period 2022 to 2025 sought to ascertain certain information with regard to vacant residential properties. By June 2022, returns for over 1.62 million residential properties had been received. The Revenue Commissioners analysed the data on vacancy from these returns and published a report detailing its findings in July 2022<sup>12</sup>.

In total, 57,206 (3.2%) properties were indicated by their owners as being vacant on 1 November 2021. The analysis indicated that levels of vacancy in LPT liable properties are low across all counties and in line with rates considered normal in a properly functioning housing market<sup>13</sup>.

In the Dublin City local authority area, 2.6% of properties were reported as vacant. Similarly low rates exist in other areas, such as:

- Cork City (2.6%)
- Dun Laoghaire-Rathdown (2%)
- Fingal (1.7%)
- Galway City (2.4%)
- Limerick City & County (2.5%)

The highest rates of vacancy were returned in Donegal (6.7%), Kerry (6.4%), Leitrim (6.3%) and Mayo (6%). In these areas, the most common reason for vacancy was the incidence of holiday homes, making up 40.6% of the vacancy in Donegal and 39.9% of the vacancy in Kerry.

The most frequent reasons provided for vacancy, for all properties reported as vacant, were "Undergoing Refurbishment" (22.2%), "Other" (21.7%) and "Holiday Home" (20.4%).

<sup>&</sup>lt;sup>12</sup> https://www.revenue.ie/en/corporate/documents/statistics/lpt/lpt-vacant-properties-report.pdf.

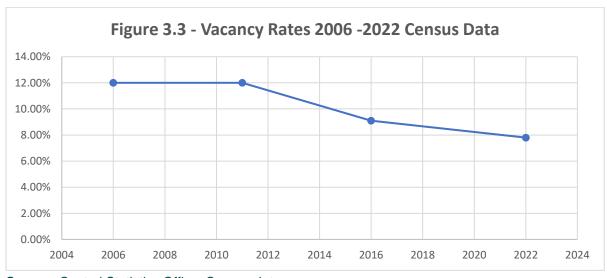
<sup>&</sup>lt;sup>13</sup> AIRO Report, Maynooth University (<a href="http://airo.maynoothuniversity.ie/news/breakdown-housing-vacancy-figures-ireland">http://airo.maynoothuniversity.ie/news/breakdown-housing-vacancy-figures-ireland</a>).

In Budget 2023, the introduction of a Vacant Homes Tax was announced. Legislation providing for the introduction of the new tax is included in the Finance Act, 2022. The legislation providing for the introduction of the tax also provides for a register of vacant homes to be established and maintained by the Revenue Commissioners. It will contain a list of vacant properties and their associated chargeable persons. The collection of data with regard to vacant homes and the maintenance of this data on the register will allow changes in the number of vacant properties for the purposes of the Vacant Homes Tax to be monitored. The legislation also includes a provision for the exchange of information between the Revenue Commissioners and the Minister for Housing, Local Government and Heritage and other bodies such as local authorities for the purposes of administering and the tax and maintaining the register. This should in the future provide a valuable source of high level data on vacancy.

## **Trends in Vacancy Rates**

While different levels of vacancy are indicated in the different data sources, the overall trend as highlighted in Census and GeoDirectory data is downwards.

Figure 3.3 and Table 3.1 show historical vacancy rates from Census and GeoDirectory data. The CSO Census data shows that while there was no change in vacancy rates between 2006 and 2011, rates have fallen since, with a rate of 7.8% in 2022. GeoDirectory data presents lower vacancy rates than the CSO estimates, but the overall trend is again downwards.



Source: Central Statistics Office, Census data

**Table 3.3** Vacancy rates – GeoDirectory Data

Q2 2016	Q2 2017	Q2 2018	Q2 2019	Q2 2020	Q2 2021	Q2 2022
n/a	4.89%	4.80%	4.80%	4.50%	4.50%	4.20%

#### **Variation in Data Sources**

As outlined above, the variances that exist in currently available vacancy data sets arise due to differences in methodologies and definitions used. For example, CSO data includes all vacant properties (excluding holiday homes) while GeoDirectory data excludes dwellings which are available for rent or sale and dwellings undergoing renovations or where the owner is in hospital or a nursing home.

Table 3.3 Vacancy Data currently available

Data Source	Number of dwellings classified as vacant	Vacancy Rate
Census 2022 (preliminary 3 April 2022)	166,752	7.8%
GeoDirectory (Q3 2022)	84,797	4.2%
Revenue analysis of Local Property Tax (6 July 2022)	57,206	3.2%

In addition, different data collection methods are used in each. In the case of the LPT, the preliminary analysis is based on information provided to Revenue directly by property owners and based on their self-assessment of the property's status. The preliminary Census results are based on the classification of Census enumerators, while GeoDirectory data is initially provided by postal operatives in An Post.

#### **Additional Data Sources**

A new experimental vacancy indicator, currently being developed by the CSO, will be based on electricity consumption data for all connected meters. This will imply dwellings to be vacant where they have very low levels of electricity consumption over four consecutive quarters. This will provide valuable information on rates of vacancy by location and building type. It is due to be published in early 2023. The vacanthomes ie website which is operated by Mayo County Council is another data source for vacant properties. It is a dedicated website which allows individuals to anonymously log possible vacant properties and alert local authorities who can then follow up with the owners to see whether the house can be re-used quickly. The website also provides information for property owners on how to bring a property back into use.

In Budget 2023, the introduction of a Vacant Homes Tax was announced. Legislation providing for the introduction of the new tax is included in the Finance Act 2022. This also provides for a register of vacant homes to be established and maintained by the Revenue Commissioners. It will contain a list of long term vacant properties and their associated chargeable persons. The collection of data with regard to vacant homes and the maintenance of this data on the register will allow changes in the number of vacant properties to be monitored. It will contribute to a better understanding of the number of vacant residential properties, the location of these properties and the reasons why these properties are vacant.

The challenge for the Department of Housing, Local Government and Heritage<sup>14</sup> and for local authorities is to identify a data baseline which can be used at a high level to report on vacancy and develop and assess policy, but importantly can also be interrogated at a granular level to enable engagement with owners and activation of vacant properties at a local level. While this is not possible with Census data, and will not be possible with the Vacant Homes Register, the data which emerges from the vacancy survey, being initiated and supported by the Department and carried out by local authorities (see Chapter 6), does aim to provide that. Data from that survey will facilitate engagement with vacant property owners in order to bring those properties identified back into use, using the various mean available.

<sup>&</sup>lt;sup>14</sup> All futures references to the Department of Housing, Local Government and Heritage in this Action Plan have been shortened to 'the Department'.

# **Actions Addressing Vacancy**



# 4 Actions Addressing Vacancy

Solutions to address vacancy need to take into account the various and often complex reasons why properties become vacant. Pathway 4 of *Housing for All*, aims to address vacancy and the efficient use of the existing housing stock by presenting a range of actions to be taken that cross government and which require a coordinated, comprehensive approach.

Significant progress is being made in meeting the objectives identified in *Housing for All*, together with other actions, which are impacting positively on vacancy and bringing existing properties back into use. The original actions in Pathway 4 (September 2021) are listed below, with the progress made to date outlined and the actions that will be taken to continue to bring existing vacant homes into use. Table A2.1 in Appendix 2 provides a summary of all actions, timelines for delivery and their current status, including where these have been revised.

## Pathway 4 Housing for All Objectives

# 19.1 Publish the New Town Centre First policy, which will include approaches to utilising existing and new financial incentive mechanisms

Town Centre First - A Policy Approach for Irish Towns, was launched on 4 February 2022. The Policy features 33 specific actions including:

Town Centre First (TCF) plans to be produced by a local Town Team drawn from local community and business representatives. These plans will identify challenges, actions and integrated responses across a number of themes (business/commercial; community/cultural; housing; built environment; heritage). Each plan will be action orientated and will assist the town in accessing a range of funding programmes available for town regeneration across government departments and agencies.

Currently, 26 Pathfinder towns are undertaking their TCF Plan with funding support provided by the Department of Rural and Community Development. Further towns will be identified in the future through the National Town Centre First Office (See Appendix 3 for Pathfinder towns). Local authorities with towns are being provided with a dedicated Town Regeneration Officer who will lead Town Centre First implementation at a local level, assisted by the wider local authority and the Town Teams.

A National Town Centre First Office has been established within the Local Government Management Agency to drive Town Centre First actions, coordinate stakeholder engagement at a national level and across local government sector and promote best practice. The office is staffed by a full-time Town Centre First National Co-ordinator with support staff expected to be in place shortly.

A National Oversight and Advisory Group has been formed to oversee the effective implementation of the overall TCF programme. This group is made up with representation from local government/government departments, agencies and wider sector/community representation. The NOAG will ensure Implementation of the TCF Policy, with the National Town Centre First Office reporting to it on the progress of the 33 policy actions.

#### **Planned Actions**

Under *Town Centre First*, the recruitment of 26 Town Regeneration Officers in the local authorities will continue and be completed in Q1, 2023. In addition to the 26 pathfinder towns currently undertaking their TCF Plan, further Pathfinder Towns will be identified in 2023 to receive funding for the preparation of their Plans. These Plans will identify challenges, actions and integrated responses across a number of themes. Town Regenerations Officers in the local authorities will work closely with the Vacant Homes Officers in addressing vacancy with support and engagement from the National Town Centre First Office.

# 19.2 Use the Better Energy Homes Grant to support retrofit for vacant properties

The Better Energy Homes Scheme administered by the Sustainable Energy Authority of Ireland (SEAI) provides a financial incentive to private homeowners to improve the energy performance of their home. The scheme is available to all homeowners, including non-corporate landlords, with different options and grants available under the scheme.

In February 2022, Government announced a range of new measures to make it easier and more affordable for homeowners to undertake home energy upgrades. The package of measures provided for increased grant rates under the Better Energy Homes Scheme. Grants for cavity wall and attic insulation were more than tripled, as part of the Government's response to the current high energy prices. These are cost-effective upgrade measures that can be deployed rapidly and at scale. It is expected that these works will pay back in 1-2 years in most houses.

A special enhanced grant rate of 80% of the typical cost of attic and cavity wall insulation is available to all households under the scheme. A higher grant is available for homeowners on the offshore islands as construction costs are higher due to their location.

#### **Planned Actions**

The budget for the Better Energy Homes Scheme will increase from €39.6 million in 2022 to its highest ever level in 2023. This compares to a spend of €24 million in 2020 (it is important to note that these figures relate to the budget/spend for all homes supported by the Scheme as opposed to just vacant properties). The increased budget will allow more homeowners and landlords to be able to avail of the higher grant levels and take a step-by-step approach to upgrading their homes. It will also result in warmer homes that are easier and cheaper to heat and light as well as a reduction in emissions from the residential sector.

The special enhanced grant rate of 80% of the typical cost of attic and cavity wall insulation will continue to be available in 2023.

19.3 Incorporate activation of vacant properties as key criteria in the Urban Regeneration and Development Fund and Rural Regeneration and Development Fund

## **Urban Regeneration and Development Fund (URDF)**

A key element of Project Ireland 2040, the Urban Regeneration and Development Fund (URDF) was established to support more compact and sustainable development, through the regeneration and rejuvenation of Ireland's five cities and other large towns, in line with the objectives of the *National Planning Framework* and National Development Plan. This is to enable a greater proportion of residential and mixed use development to be delivered within the existing built-up footprints of cities and towns and to ensure that more parts of urban areas can become attractive and vibrant places in which people choose to live and work, as well as to invest and to visit. It does this by part-funding regeneration and rejuvenation projects.

While not intended to supplant funding that would usually come from other central government sources, the URDF supports various types of proposals, including measures to address building vacancy, that are eligible for funding once they align with the overall objectives of the fund.

The Department has responsibility for implementation of the URDF and has already allocated almost €1.7 billion in funding to regeneration projects under two separate calls for proposals since its inception in 2018. The URDF is currently providing financial assistance for 132 proposals which are made up of almost 400 individual projects all across the country.

#### **Planned Actions**

The Department is currently developing the criteria for the next round of funding under the URDF in line with the following national strategies and plans:

- 1. Objective 16.3 of the Housing for All Action Plan Update (see Appendix 2) requires that the third call for proposals under the URDF must have an emphasis on projects that will contribute to the activation of vacant properties and the acceleration of residential developments in line with the Town Centre First policy.
- 2. Action 21 of *Town Centre First* provides for targeted funding through Government investment programmes such as URDF and the RRDF.
- 3. The National Development Plan requires that funding will be targeted across a number of strands which will separately address the needs of cities and towns in terms of accelerating new residential supply and tackling vacancy. In respect of cities, funding will reflect the particular need for the investment required to accelerate residential development on brownfield sites and in towns to encourage the activation of vacant properties and to bring housing stock back into productive use.

The third call for proposals will therefore provide financial support for the tackling of vacancy and dereliction across cities and large towns. It will operate as a revolving fund, available nationally so as to financially de-risk the acquisition of vacant and derelict buildings and sites for local authorities. Local authorities will replenish the fund with proceeds received from the end users of acquired properties thereby leaving local authorities in funds to continue with a rolling programme of acquisitions.

# Rural Regeneration and Development Fund (RRDF)

Under Project Ireland 2040<sup>15</sup>, funding has been provided for the Department of Rural and Community Development's Rural Development Investment Programme. A key element of this programme is the Rural Regeneration and Development Fund which was established in 2018.

<sup>&</sup>lt;sup>15</sup> Project Ireland 2040, launched in February 2018, is the Government's overarching policy and planning framework for the social, economic and cultural development of Ireland. It includes a detailed capital investment plan for the ensuing ten years. The National Development Plan 2018-2027 and the National Planning Framework outline the broader policy principles and priorities in planning for future population and economic growth in Ireland to 2040.

The Fund seeks to provide investment to support rural renewal, strengthen and build resilience in rural communities and assist in the regeneration of towns and villages with a population of less than 10,000, and outlying areas. The Fund provides funding for the development and construction of capital projects and supports coordinated and collaborative projects between Government Departments, State agencies, local authorities, other public bodies, communities and, where appropriate, philanthropic funders and/or the private sector. The Fund seeks to support the delivery of a number of key Government strategies, including *Our Rural Future, Housing for All*, Town Centre First and the Climate Action Plan 2023. To date, €277 million has been approved for 191 projects costing over €375 million.

The fourth call for Category 1 applications to the Rural Regeneration and Development Fund closed on 29 April 2022. Category 1 relates to large scale capital projects with all necessary planning and other consents in place, and which are ready to proceed. Arising from the fourth call, in November 2022, funding of €115 million was announced for 23 landmark Rural Regeneration Projects nationwide, which will together combat vacancy and dereliction, drive town centre residency and provide much needed facilities which support greater activity and breathe new life and vibrancy into rural town centres.

In addition to the RRDF, the Department of Rural and Community Development also manages the Town & Village Renewal Scheme (TVRS)<sup>16</sup> on behalf of local authorities. The 2022 TVRS Scheme, launched in May 2020, places particular emphasis on projects that bring vacant and derelict buildings and sites back into use as multi-purpose spaces.

#### **Planned Actions**

The Department will engage with a range of stakeholders in 2023 with a view to designing and positioning the Fund to appropriately address the various priorities set out in *Our Rural Future*, *Housing for All*, *Town Centre First* and the *Climate Action Plan 2023*.

A regular schedule of meetings is established between the National Town Centre First Office, the Department of Housing, Local Government and Heritage and the Department of Rural and Community Development, who are responsible for a number of measures designed to rejuvenate rural towns and villages throughout Ireland. A particular focus will be on the activation of vacant properties.

<sup>&</sup>lt;sup>16</sup> The Town and Village Renewal Scheme was introduced in 2016 and is one of a number of measures designed to rejuvenate rural towns and villages throughout Ireland. The programme is funded under Project Ireland 2040 as part of *Our Rural Future – Ireland's Rural Development Policy 2021-2025*.

### 19.4 Harness European Regional Development Funding to tackle vacancy and dereliction in towns

#### **European Regional Development Funding**

The European Regional Development Fund (ERDF) aims to strengthen economic, social and territorial cohesion in the European Union by correcting imbalances between its regions. Its objective is to enable investments in a smarter, greener, more connected and social Europe that is closer to its citizens.

Reflecting the two different EU classifications of the development status of different regions in Ireland, there are two ERDF programmes - the Southern, Eastern and Midland Regional (SEM) Programme, which is managed by the Southern Regional Assembly, and the Northern and Western Regional Programme, managed by the Northern and Western Regional Assembly.

As part of the overall ERDF Programme 2021-27, approved by the EU Commission in November 2022, funding is being provided to support the strategic outcome of Sustainable Urban Development through assisting the implementation of the Town Centre First (TCF) regeneration policy. The two ERDF regional programmes have a combined estimated funding allocation of €120m for the Sustainable Urban Development/*Town Centre First* priority and actions under this priority will include a focus on measures to tackle vacancy and dereliction in Irish towns.

#### **Planned Actions**

The Department will continue to work closely with the Regional Assemblies, the Department of Public Expenditure and Reform and the European Commission to ensure that the implementation of the ERDF Sustainable Urban Development/Town Centre First 2021-2027 programme includes a focus on addressing vacancy and dereliction in Irish towns.

## 19.5 Introduce a new programme for the Compulsory Purchase of vacant properties for resale on the open market

The use of Compulsory Purchase Orders (CPO) is one of the measures that local authorities can use in addressing vacancy particularly when other forms of engagement have been unsuccessful. CPOs typically involve the local authority compulsorily acquiring the property from the owner, where the property has not been brought back into use despite engagement with the owner or where an owner cannot be identified or located.

A number of local authorities are already successfully using the CPO process to address vacancy and dereliction, bringing properties back into use as social and affordable housing as well as selling these properties on the open market. *Housing for All* contains an objective to introduce a programme for the compulsory purchase of vacant properties for resale on the open market.

To support local authorities in the use of CPOs, a number of key steps have been taken including:

- The development by the Housing Agency of CPO guidance material which has been made available to local authorities:
- The establishment of a Property Optimisation Unit in the Housing Agency.
   This Unit is assisting local authorities with CPOs, providing a general advisory service, including step by step assistance through the process;
- The Department has engaged with local authorities who are successfully utilising the CPO process with a view to identifying best practice for dissemination to all local authorities;
- The use of CPOs is being examined by the Department in partnership with the Housing Agency with the intention of identifying opportunities to make the process more straightforward, establish best practice and support local authorities; and
- Legislation with regard to compulsory purchases/acquisitions is being reviewed with a view to streamlining and consolidating the CPO process. This is alongside a review of the Planning Act and the Law Reform Commission's examination of the use of CPOs which is ongoing.

#### **Planned Actions**

It is proposed to introduce a new programme for the CPO of vacant properties for resale on the open market. The Department along with the Housing Agency will examine and monitor the use of CPOs to acquire vacant and derelict properties in order to bring them into use, including the legislation that is being utilised (i.e. Housing Act, 1966; Derelict Sites Act, 1990; the Planning and Development Act, 2000). There will also be an examination of the potential use of Compulsory Sales Orders.

Best practice will be identified with guidance disseminated to local authorities. Local authorities will be supported in adopting a proactive approach in utilising their legislative powers to carry out CPOs, with targets developed. Issues identified, including the possible need for legislative change, will be examined and addressed. These actions will build on the support and guidance that is already being provided by the Department and the Housing Agency.

The Department in partnership with the Housing Agency will examine each local authority's Derelict Sites Register<sup>17</sup> with a view to identifying potential properties that could be brought back into use through compulsory acquisition. Local authorities will be requested to review these properties in the first instance with a view to engaging with owners.



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<sup>&</sup>lt;sup>17</sup> One of the legislative powers under which a local authority can compulsory acquire a property is by means of the Derelict Sites Act, 1990. The Act imposes a general duty on every owner and occupier of land to take all reasonable steps to ensure that the land does not become, or continue to be, a derelict site. These powers include the power to prosecute owners who do not comply with notices served, making compulsory land purchases and carrying out necessary work at a charge to the owners for the costs. Under the Act, all local authorities must maintain a derelict sites register and can impose a Derelict Sites Levy, as appropriate. A review of the Derelict Sites Act is currently being undertaken.

#### 19.6 Ensure the Vacant Homes Officer is full-time

Since 2018, the Department has provided funding to each local authority of €50,000 per annum to support the work of a Vacant Homes Office including a Vacant Homes Officer (VHO). *Housing for All* commits to ensuring that these roles are full-time.

In this context, from January 2022 the Department increased the contribution made to local authorities for the role by 20% to €60,000. This was subject to transitioning the changeover of the VHO to a full-time position by the end of quarter 2 2022.

Currently, 29 out of 31 local authorities have full-time VHOs in place with the two remaining local authorities currently recruiting for the role. Details for all VHOs can be accessed here.

This full-time role aligns with various actions outlined in *Housing for All*, and complements the role of Town Regeneration Officers, which are being funded by the Department of Rural and Community Development as part of the implementation of the *Town Centre First* policy. The VHO role was reviewed in 2022 and the updated role profile was communicated to all local authorities.

A national VHO network has been established that supports and facilitates:

- Peer support and dissemination of information,
- Consistency of approach by VHOs to their responsibilities,
- Delivery of information, shared learnings and best practice advice,
- A platform for collective engagement that supports feedback of information to the local authority, the Department and the Housing Agency for consideration, development and to inform policy development and implementation.

The Network is organised by the Department and the Housing Agency with quarterly meetings held in addition to training / information meetings as, required.

#### **Planned Actions**

The Department will work with remaining local authorities to ensure that they have a full-time VHO in place, with funding provided to support the role.

The VHO role will be kept under review and the Department will continue to work with all local authorities regarding the most appropriate and effective location for this resource within each local authority.

The Department will continue to ensure VHOs are supported in identifying vacant properties in each local authority, engaging with owners, promoting schemes available to address vacancy and working collaboratively and effectively with relevant teams across the local authority, e.g. Town Regeneration Officers, Derelict Sites teams.

From 2023, each local authority will be required to prepare an annual report detailing the VHOs activities in relation to addressing vacancy and dereliction.

The funding position for Vacant Homes Officers will be reviewed in mid-2024 in conjunction with local authority work-force plans.

The Department will continue to work closely with the Housing Agency in relation to the operation of the national VHO Network.

19.7 Implement the amendment to the Nursing Home Support Scheme (Amendment) Act 2021 to extend the three-year cap on Fair Deal contributions from the principal residence to the proceeds of the sale of the principal residence, removing the disincentive to bringing vacant homes back onto the property market. Modify operation of the Fair Deal scheme accordingly

19.8 Amend the Nursing Home Support Scheme Act 2009 to remove disincentives against the rental of vacant properties by participants in the Fair Deal Scheme in a way that is targeted, equitable, evidence based and provides appropriate safeguards for vulnerable older people

Housing for All calls for the introduction of incentives for sale and rental of vacant properties owned by participants in the Fair Deal scheme to assist in making more properties available for use.

In meeting this objective, the Nursing Homes Support Scheme (Amendment) Act 2021 commenced on 20 October 2021. The Act provides for a change in how the cost of a person's nursing home care, under the Nursing Homes Support Scheme (the 'Fair Deal' scheme) is calculated. The Act extends the existing three-year cap on contributions to the cost of care. The cap is extended from contributions based on the value of a principal residence to include proceeds from the sale of that residence. By treating the home and its proceeds in a similar way, the Act removes any disincentive for people who want to sell a home left vacant after they enter residential care.

In July 2022, Government legislated to reduce disincentives for the rental of properties vacated by Fair Deal participants. Provisions in Part 9 of the Regulation of Building Providers and Miscellaneous Provisions Act 2022 (commenced on 1 November 2022) provide for a disregard of 60% (rather than the current 20%) of any rental income derived from the principal private residence of a Fair Deal participant in the context of a financial assessment of their income under the scheme. This measure is expected to incentivise the rental of some 1,200 properties.

#### **Planned Actions**

With regard to the rental of properties vacated by Fair Deal recipients, the Act provides for a review of the operation of this measure after 6 months operation. That will be carried out by the Minister for Health in consultation with the Minister for Housing, Local Government and Heritage and the Minister for Public Expenditure and Reform. The findings and conclusions of that review will underpin any future changes to the disregard of rental income.

A second review of the operation of the amendments to this Act (effected by the *Act of 2021*) shall take place not later than 5 years after the coming into operation of *Section 27 of the Act of 2021*, in consultation with the Minister for Public Expenditure and Reform.

Publicising the new provisions will be part of the role of the Vacant Homes Officer in each local authority.



19.9 All Government Departments will examine their existing portfolio of properties and subject to any obligations under the Public Spending Code, the Land Development Agency Act 2021 or the State Property Act 1954, will place them on the market if they are not required and may be suitable for conversion to residential accommodation

Under Action 19.9 of *Housing for All*, it was agreed that all Government Departments would examine their existing portfolio of properties and, subject to any obligations under the Public Spending Code, the Land Development Agency Act 2021 or the State Property Act 1954, would place them on the market if they were not required and may be suitable for residential housing. This would allow for more efficient use of those buildings and provide opportunities for individuals and families to convert suitable buildings into homes.

In this context, the Department wrote to all Government Departments in December 2021 requesting that they review their respective portfolio of properties and assess what properties, if any, may be suitable for housing. All Departments responded to this request and further direct engagement is now taking place, led by the *Housing for All* State Lands Subgroup<sup>18</sup> to identify potential underutilised properties which could be released for use for residential purposes. The importance of this work was reinforced in the *Housing for All Action Plan Update*. Under Actions 10.5 and 10.7 of the Update, there is a commitment to continue this engagement across Government Departments and agencies to identity further State lands and property which could be made available for residential use and to report progress to Government in this regard.

#### **Planned Actions**

The Land Development Agency will continue to progress work, as appropriate to each individual site, on the transfer of identified State lands. Progress reports will be included in *Housing for All* quarterly reports.

There will be continued engagement across Government Departments and agencies to identify further State land and property which could be made available for residential use (e.g. by local authorities, LDA, etc.) and report to Government on progress.

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<sup>&</sup>lt;sup>18</sup> Membership of this group is comprised of Department of Taoiseach (Chair), Department of Public Expenditure and Reform, Department of Housing, Local Government and Heritage, Office of Public Works and the Land Development Agency. Other relevant Departments and agencies attend and provide inputs, as required.

There will also be further engagement with local authorities to identify State owned sites/properties in their functional areas that could have the potential to be repurposed for delivery of housing.

19.10 Local authorities will work with the appropriate stakeholders to resolve issues within estates still categorised as 'unfinished' with a view to minimising any vacancy levels

Since 2010, there has been a 98% reduction in the number of unfinished housing developments, from 3,000 to 75. Of those remaining:

- 40 developments are unoccupied. These developments mainly contain partial shells and units at foundation level and are located in low housing demand areas.
- 35 developments that remain on the 'unfinished' developments survey for 2022, are occupied and are to remain the focus for local authorities to work towards a satisfactory resolution.

Thirteen local authorities do not have any developments now classified as 'unfinished' as developments have progressed to be substantially complete.

Two local authorities have 10 or more developments classified as 'unfinished'. These are located in counties Donegal (12) and Roscommon (10).

#### **Planned Actions**

Since 2010 there has been a 98% reduction in the number of unfinished housing developments nationally. The remaining housing developments that continue to be categorised as 'unfinished' will remain a focus for local authorities.

## 19.11 Establish a Croí Cónaithe (Towns) Initiative focused on towns and villages

Housing for All includes an objective relating to the introduction of the Croí Cónaithe Towns Fund, to be delivered by local authorities, for the provision of serviced sites for housing to attract people to build their own homes and to support the refurbishment of vacant properties.

Two schemes are now provided under the Croí Cónaithe Towns Fund; the Vacant Property Refurbishment Grant provides people with a grant to support the refurbishment of vacant properties, while under the Ready to Build Scheme, local authorities make serviced sites available in towns and villages at a discounted rate to individuals who want to build their own home.

The Vacant Property Refurbishment Grant was launched on 14 July, 2022 and will benefit those who wish to turn a formerly vacant house or building into their principal private residence. The Grant covers eligible vacant properties in cities, towns, villages and rural areas. A grant of up to a maximum of €30,000 is available for the refurbishment of vacant properties for occupation as a principal private residence, including the conversion of a property which has not been used as residential heretofore, subject to appropriate planning permission being in place. Where the refurbishment costs are expected to exceed the standard grant of up to €30,000, a maximum top-up grant amount of up to €20,000 is available where the property is confirmed to be derelict, bringing the total grant available for a derelict property up to a maximum of €50,000. A Sustainable Energy Authority of Ireland (SEAI) Better Energy Home Grant may also be available in combination with the Grant.<sup>19</sup>

In the context of the objective of Pathway 4 of *Housing for All* of supporting re-use of existing buildings, the Vacant Property Refurbishment Grant was extended to eligible vacant properties in cities and rural areas (in addition to those in towns and villages) on 15 November 2022 to ensure existing housing stock is being used to the fullest extent possible.

The Ready to Build Scheme was launched on 21 September 2022. Under the Scheme, local authorities will make serviced sites available in towns and villages at a discount on the market value, to individual purchasers for the building of their home which will be their principal private residence. It is intended that the local authority will develop existing sites in their control or purchase sites and make them available for development by providing services and access to the sites concerned. The level of discount to the individual will depend on the level of servicing cost incurred by the local authority before the sale of the site with discounts up to a maximum of €30,000. The amount of such discount will be reflected in the sale price of the site to the purchaser.

<sup>&</sup>lt;sup>19</sup> Details of grants are available on the SEAI website: www.seai.ie

#### **Planned Actions**

Both schemes under the *Croí Cónaithe Towns Fund* are targeted to deliver some 2,000 homes by 2025.

The Department will continue to support the operation of both schemes which are administered by local authorities. There will be ongoing engagement with the VHO in each local authority to assist the delivery of both schemes and the collection and review of data.

Acknowledging the administrative overheads associated with delivering these schemes, the Department will provide financial support to assist local authorities in rolling out these schemes.

The Department will ensure that data is being gathered on the operation of the schemes, funded by the *Croí Cónaithe Towns Fund*, by local authorities, with ongoing monitoring of its operation, delivery and funding allocations.

The schemes will be kept under ongoing review by the Department, with a comprehensive overall review and evaluation of the *Croí Cónaithe Towns Fund* undertaken by mid-2024.



#### **Living City Initiative**

Another scheme supporting owners in bringing vacant properties back into use is the Living City Initiative (LCI). It is operated by the six urban local authorities on behalf of the Department of Finance. It complements the Vacant Property Refurbishment Grant which may also be available to applicants of the LCI.

The Living City Initiative is a scheme of property tax incentives first enacted in the Finance Act 2013 and commenced on 5 May 2015. It is a targeted property incentive aimed at the regeneration of older heritage buildings in historic inner cities. It offers income or corporation tax relief for qualifying expenditure incurred in the refurbishment and conversion of qualifying residential and commercial buildings located within 'Special Regeneration Areas' (SRAs) in Cork, Dublin, Galway, Kilkenny, Limerick and Waterford.

There are three distinct types of relief available under the Living City Initiative:

- owner-occupier residential relief; (the property must have been built before 1915 and, after the work has been completed, the claimant must occupy the property as their main residence for all or part of each year for which the relief is claimed).
- rented residential relief; and
- commercial or retail relief.

The minimum qualifying level of expenditure for the refurbishment / conversion of the premises is €5,000 but there is no upper limit to the amount of qualifying expenditure that can be incurred in the refurbishment / conversion of a qualifying premises.

This initiative has continued relevance in light of Government policy priorities on the restoration of historical buildings nationwide while also playing a role in increasing the supply of residential units in the housing market and the urban regeneration of Ireland's cities and towns. The costs of the scheme have remained relatively consistent annually.

The Living City Initiative is currently targeted towards the regeneration of historic buildings in urban areas of neglect and deprivation. The Finance Act 2019 provided for an extension of the scheme until 31 December 2022 and the Finance Act 2022 extends the scheme for a further five years to provide certainty on the available relief for potential developers and purchasers alike.

Overall, there has been a low take-up of the Living City Initiative to date and the average amount claimed ranging from €18,500 to €38,500 from a total number of 78 claimants between 2015 and 2018. With the aim of increasing the effectiveness of this incentive, particularly in relation to owner-occupiers, a number of measures have been included in the Finance Act, 2022 with effect from 1 January 2023. Accelerated relief is being made available to new entrants. This will allow the deduction to be claimed over seven years rather than ten and means that a larger portion of the costs of the works can be reclaimed sooner by those who can absorb it. Under the new provisions also, where an owner-occupier cannot absorb the deduction in-year, they will have the ability to carry forward relief up to a maximum of ten years after the expenditure is incurred. Finally, under the Act, the Living City Initiative is being extended for a period of five years to end-2027.

## 19.12 Collect data on vacancy levels in residential property with a view to introducing a vacant property tax

The Finance (Local Property Tax) (Amendment) Act 2021 facilitated the collection of data on vacant property through local property tax (LPT) returns. Accordingly, the LPT return for the valuation period 2022 to 2025 sought to ascertain certain information with regard to vacant residential properties. By June 2022, returns for over 1.62 million residential properties had been received. The Revenue Commissioners analysed the data on vacancy from these returns and published a report detailing its findings in July<sup>20</sup>.

In total, 57,206 (3.2%) properties were indicated by their owners as being vacant. The analysis indicated that levels of vacancy in LPT liable properties are low across all counties and in line with rates considered normal in a properly functioning housing market.

In Budget 2023, the introduction of a vacant homes tax (VHT) was announced. Legislation providing for the introduction of the new tax is included in the Finance Act, 2022.

This measure seeks to achieve an appropriate balance between incentivising owners of vacant homes to bring their properties back into use and not penalising homeowners for normal, temporary vacancy, with the primary objective of the tax being to bring about behavioural change rather than raise revenue. The VHT will be administered by the Revenue Commissioners and will operate on a self-assessed basis. It will apply to long-term vacant properties and will be paid by property owners.

A property will be considered vacant for the purposes of the tax if it is in use as a dwelling for less than 30 days in a 12-month chargeable period, with each chargeable period commencing on 1 November and ending on 31 October of the following year. The first chargeable period commenced on 1 November 2022 and will end on 31 October 2023. Owners of vacant properties will be required to file a return on or before the 7 November 2023 in respect of this chargeable period. Payment of the tax will be due on 1 January 2024, at a rate equal to three times the property's base Local Property Tax liability for 2023 and will apply in addition to a property's LPT charge. The amount of VHT payable is unaffected by the local adjustment factor.

<sup>20</sup> https://www.revenue.ie/en/corporate/documents/statistics/lpt/lpt-vacant-properties-report.pdf
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In line with the stated policy objective to increase the supply of homes for rent or purchase to meet demand, the VHT will only apply in relation to vacant properties that are habitable, and therefore suitable for occupation as a dwelling. It will not apply to derelict properties or properties that are unsuitable for use as a dwelling. In addition, it will not apply to properties in a chargeable period if they were sold during this time, if they were subject to a bona fide tenancy lasting at least 30 consecutive days during a chargeable period or if they are exempt from LPT for the year in which the chargeable period ends.

The legislation provides for a number of exemptions to ensure property owners are not unfairly charged for temporary vacancy arising from genuine reasons. These include properties recently sold or currently listed for sale or rent; properties vacant due to the owner's long-term illness; properties vacant following the recent death of an owner-occupier, and properties vacant as a result of significant refurbishment work.

#### **Planned Actions**

Legislation providing for the introduction of the new tax provides for a register of vacant homes to be established and maintained by the Revenue Commissioners. It will contain a list of vacant properties and their associated chargeable persons. The collection of data with regard to vacant homes and the maintenance of this data on the register will allow changes in the number of vacant properties to be monitored. It will contribute to a better understanding of the number of vacant residential properties, the location of these properties and the reasons why these properties are vacant. The legislation also includes a provision for the exchange of information between the Revenue Commissioners and the Minister for Housing, Local Government and Heritage and other bodies such as local authorities for the purposes of administering the tax and maintaining the register.

As with any new tax measure, the Department of Finance and the Revenue Commissioners will monitor the tax as it comes into effect, and keep the measure under review to ensure it operates as intended and is effective in meeting its policy objective.

19.13 Commence section 9 of the Local Government Rates and other Matters Act 2019 with a view to empowering local authorities to offer rates based incentives for the conversion of suitable vacant commercial properties to residential use

Maximising the use of existing housing stock and properties is a critical element of a sustainable housing policy. Commencing section 9 of the Local Government Rates and Other Matters Act 2019 will empower local authorities to offer rates based incentives for the conversion of suitable vacant commercial properties to residential use. This marries with the main objectives in Town Centre First and will assist in increasing housing supply while addressing vacancy.

In order to facilitate implementation of this objective, amendments are required to address key issues in the Local Government Rates and Other Matters Act 2019. The remaining provisions of the Act, including Section 9, cannot be commenced until these issues are addressed by amending the primary legislation.

#### **Planned Actions**

Work has commenced on the drafting of the amendments required to the Local Government Rates and other Matters Act 2019, with a target date for completion of amendments of end Q1 2023.

A scheme under Section 9 of Local Government Rates and other Matters Act, 2019 must be approved at a local authority budget meeting for the financial year to which the scheme will apply. For this reason, 2024 will be the earliest year for which such a scheme could be made.

20.1 Work in a partnership approach with local authorities, Approved Housing Bodies (AHBs), heritage NGOs, the Heritage Council and the Heritage Division within the Department to unlock the potential in our villages, towns and cities to utilise heritage building stock (pre 1940) to help tackle the housing crisis, recognising in particular Sustainable Development Goal 11: Sustainable cities and communities

The Department and the Heritage Council have amended the selection criteria in the Historic Structures Fund<sup>21</sup> and the Historic Towns Initiative (see below) respectively to benefit applications which bring residential space into use. Additional funding has also been allocated to the Built Heritage Investment Scheme<sup>22</sup>, which funds works of maintenance and repair that prevent heritage buildings from falling into disuse in the first place. The Department is currently scoping research to understand vacancy in protected structures and help determine whether special measures are required beyond the wider actions to address vacancy set out in *Housing for All*. The Department is working on an on-going basis with stakeholders in relation to actions that relate to historic buildings.

#### **Planned Actions**

The research that is currently being scoped to understand vacancy in protected structures will help determine whether special measures are required to bring vacant heritage building stock into use, as well as assessing the appropriateness and cost effectiveness of such measures. This may require additional measures beyond those set out to address vacancy in *Housing for All*. There will be ongoing engagement with stakeholders in this regard.

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<sup>&</sup>lt;sup>21</sup> In April 2018, €285m capital investment in heritage was announced under Project Ireland 2040. The capital funding for built heritage under this plan runs from 2018-2027 and is focused on enhancing and safeguarding built heritage throughout the country. There are almost fifty thousand protected structures around Ireland. Many of these are in great need of investment to ensure their preservation and continued use so that they remain a living part of our history and community life into the future. Funding for the Historic Structures Fund (HSF) is being made available as part of Project Ireland 2040.

<sup>&</sup>lt;sup>22</sup> The Built Heritage Investment Scheme is designed to assist with the repair and conservation of structures that are protected under the Planning and Development Acts. In certain cases, the scheme also supports the conservation of structures within Architectural Conservation Areas (ACAs) where, in the opinion of the local authority, a need for works to enhance the character and appearance of an ACA has been demonstrated. The primary purpose of the scheme is to support privately owned properties in need of repair and conservation. Projects that incorporate a traditional skills training element may also be supported by this fund. Any such projects must be agreed in advance by the Department and the relevant local authority.

#### **Historic Towns Initiative**

One of the schemes in place to promote the repurposing and reuse of heritage properties for residential use is the Historic Towns Initiative (HTI). Operating since 2018, the Historic Towns Initiative is a joint undertaking by the Heritage Council and the Department which aims to promote the heritage-led regeneration of Ireland's historic towns. The HTI programme is now in its fifth year of operation. In 2022 a greater emphasis on re-use of vacant structures was introduced.

The Historic Towns Initiative 2022 provides support to historic towns engaged in a programme of heritage-led regeneration. In 2022, there was a call for projects that address residential vacancy in town centres, that propose the re-use of historic structures and that can act as a demonstrator for future projects. Two funding Streams operated for the HTI 2022.

Stream 1 seeks proposals for capital works to repair and enhance the heritage of the town through heritage-led regeneration projects designed and implemented by local authorities, projects that encourage private owners and/or occupiers to invest in appropriate conservation-led works and repairs, projects that address dereliction and residential vacancy, the conservation of landmark buildings, streetscape conservation projects, and conservation-led public realm works which encourage investment from other sources. Applications were required to show how they will build resilience in the historic built environment of the town to enable it to withstand the effects of climate change. Match funding of 20% is required from the local authority or owners under Stream 1.

Under Stream 2, applications were sought for projects to deliver a heritage-led regeneration plan (based on a published HTI framework) which will examine the existing heritage of a town and determine what conservation focused interventions are required. The resulting plan should ultimately inform future grant applications. Under Stream 2, up to €40,000 can be awarded per town for heritage-led regeneration plans. Match funding of 20% is required from the local authority under Stream 2.

## 20.2 Develop guidance relating to protected structures to encourage the use of such properties for repurposing and / or refurbishment as residential accommodation

This action aims to assist owners who wish to refurbish or re-purpose their historic properties for use as homes to understand the relevant funding opportunities, conservation challenges, and best practices in design, repair and retrofitting.

To this end, the Department has developed an <u>online hub</u> where owners of protected structures can go to find guidance on funding programmes, planning procedures, conservation practices, supports available from local authorities etc.

The Department has also provided funding to the Dublin Civic Trust (DCT) to develop a suite of materials focussing on how to carry out building conservation and repair, while managing the fabric and character of a historic property. These materials provide inspiration and practical guidance to owners and practitioners seeking to restore historic townhouses of any size and support their residential use. DCT's restoration of 18 Ormond Quay, Dublin received the Europa Nostra Award, 2021. This is Europe's highest award for conservation and recognises the leadership of DCT and the commitment to high quality conservation vision and craftsmanship that delivered the restoration of a single residence over shop in Dublin's north inner city.

The Department is preparing guidance entitled 'Improving the Energy Efficiency of Traditional Buildings' as an action of the Climate Action Plan 2023. The purpose is to provide clear and robust advice to professional users, such as specifiers and installers, while being accessible to a wide audience. A Project Steering Group assembled to oversee the development of the new guidance includes representatives from the Department of Environment, Climate and Communications, the Department of Education, the Heritage Council, the Sustainable Energy Authority of Ireland and the Office of Public Works.

#### **Planned Actions**

#### The Department will:

- maintain and enhance the online hub for owners of protected structures on an ongoing basis, particularly through the addition of relevant and practical case studies gathered through local authorities;
- publish technical guidance 'Improving the Energy Efficiency of Traditional Buildings' on energy retro-fitting of historic buildings in 2023; and
- engage with the SEAI to determine how this guidance might inform its funding programmes.

20.3 Review and extend planning regulations that exempt certain vacant commercial premises from requiring planning permission to change of use for residential purposes to 2025

Planning & Development (Amendment) Regulations, introduced in 2018, exempted certain vacant commercial premises, including 'over the shop' type spaces, from requiring planning permission to change to residential purposes have been extended until 2025. The scope of the exemption was also extended to include 'public houses'.

The Regulations require the developer to notify the planning authority at least two weeks prior to the commencement of any proposed change of use and related works. Each planning authority must submit annual returns to the Department on the notifications received in the preceding year, including information required in the Regulation on the location and number of residential units to be provided.

An analysis undertaken by the Department in September 2022, on the housing data returns from 2019, indicates over 600 notifications received from developers intending to avail of the exemption in the four years to 2021, which, if enacted, would result in some 1,400 homes being provided.

Returns for 2018 - 2021 show Dublin City Council was the local authority with the highest overall number of notifications received with 79, and Tipperary County had the next highest, with 61 notifications. The number of notifications increased year on year in most local authorities.

#### **Planned Actions**

The review and extension of these planning regulations in 2022 fulfils the commitment in Action 20.3 in Pathway 4 of *Housing for All*.

These new Regulations require the Eircode of premises intended to avail of exemptions to be returned to the Department for the first time. This will allow for further spatial analysis to be undertaken, which will support the identification of locations where there has been successful implementation of targeted measures to address vacancy.

In 2023, the Department will request details from planning authorities on the number of notifications received from developers intending to avail of the exemption where the works were completed.

20.4 Develop new regulatory controls requiring short-term and holiday lets to register with Fáilte Ireland with a view to ensuring that homes are used to best effect in areas of housing need

Funding was allocated in Budget 2022 and in 2023 to Fáilte Ireland which has been tasked with the design and implementation of a short term lettings registration system.

Fáilte Ireland estimates that there are approximately 30,000 Short Term Tourist Letting (STTL) properties in the State currently being advertised online. Using estimates derived from 'screen scraping, (which is the only source of data available in the absence of a register) there are in the region of 20,000 full properties and approximately 7,000 shared/private room properties. The remainder would include a wide range of property types including campsites, student accommodation etc. The major online booking platforms in operation in Ireland are Airbnb, Booking.com, HomeAway and TripAdvisor. In addition, there are an estimated 90 smaller online platforms which cater for particular holiday letting markets. Fáilte Ireland has extensively studied similar regulations in other jurisdictions, in particular across Europe.

Working with the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, Fáilte Ireland has designed an 'access to the market' registration system and a compliance regime which will ensure that only properties with the required planning permission can advertise on booking platforms. It is estimated that, of the 30,000 relevant properties, up to 12,000 properties may become available for long term housing requirements.

On 7 December 2022, the Government approved the priority drafting of the Registration of Short-Term Tourist Letting Bill and publication of the General Scheme of the Bill. One of the main features of the bill is the establishment of a new Short-Term Tourist Letting (STTL) register as outlined above, which will provide the Department and local authorities with an accurate register of all short term letting stock across the country. As part of this, property owners will need to apply for a change-of-use planning permission, where required, and confirm that they have this permission in place, or are making use of an appropriate exemption, in order to be eligible.

On 7 November, 2022, the EU Commission adopted a proposal for a Regulation to enhance transparency in the field of short-term accommodation rentals and help public authorities ensure their balanced development, as part of a sustainable tourism sector. The General Scheme is consistent with the approach proposed by the Commission and follows best practice in other countries.

#### **Planned Actions**

The Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media will continue to work in consultation with the Department and Fáilte Ireland to progress the legislation.

20.5 Develop a national policy on rightsizing and explore options to support and incentivise right sizing on a voluntary basis

Housing for All commits to the development of a new national policy on rightsizing to highlight:

- the potential of rightsizing for households that no longer fully occupy their current privately owned accommodation; and
- exploration of options to support and incentivise rightsizing on a voluntary basis.

Making more efficient use of both private and social housing stock is important for long-term sustainability. *Housing for All* further commits that the Department and local authorities will ensure that local authority accommodation is used in the most efficient manner possible and that the Department will develop a national rightsizing policy to apply to social housing accommodation.

A focused stakeholder consultation process was undertaken in November 2022.

#### **Planned Actions**

The development of this rightsizing policy is ongoing in the Department. This work relates to developing actions on rightsizing options that encourage efficient use of housing stock. It includes consideration of incentives or supports, where needed for more householders to choose rightsizing and for the delivery of a wider range of homes suitable for rightsizers, as well as overcoming any barriers preventing householders from rightsizing.

The consultation process with relevant stakeholders will inform the development of the policy, which will be published when completed in Q1, 2023. 20.6 Move to a planned management and maintenance model for Local Authority stock supported by the Local Government Management Agency's (LGMA) work on developing an asset based ICT system

Local authorities are legally responsible for the management and maintenance of their housing stock, including pre-letting repairs to vacant properties, the implementation of a planned maintenance programme, and carrying out of responsive repairs. Local authorities also have a legal obligation to ensure that all of their tenanted properties are compliant with the provisions of the Housing (Standards for Rented Houses) Regulations 2019 ('the 2019 Regulations'). It is important to note that local authorities will always have some level of vacancy in their housing stock, as tenancy surrender and re-let of vacant homes is an ongoing process.

Notwithstanding the legal obligation on local authorities to manage and maintain their own stock, the Department does provide annual funding support to local authorities for returning vacant properties to active use under the Voids Programme for local authority housing stock. This funding was initially introduced to tackle long-term vacant units and is now increasingly targeted at ensuring minimal turnaround and relet times for local authority vacant stock.

Significant progress has been made in bringing vacant or underutilised local authority dwellings back into use since 2020. In that context, a number of void initiatives have included the 'July Stimulus' 2020 and Non Standard Refurbishments.

Collectively these two programmes, coupled with the Department's established Voids programme, saw the remediation of 6,032 units between 2020 and 2021, facilitated through Exchequer investment of €88.6 million. A further 2,200 dwellings are expected to be remediated in 2022, with Exchequer funding of €25 million made available to support this work.

#### **Planned Actions**

Given the significant Exchequer investment into the Voids Programme over recent years, local authorities should now be in a strong position to begin the transition to a strategic and informed planned maintenance approach to the management and maintenance of their housing stock.

To that end, the Department and local authorities are working to transition from a largely response and voids-based approach to housing stock management and maintenance, to a planned maintenance approach.

This planned maintenance approach will require the completion of stock condition surveys by all local authorities of their entire stock and the subsequent development of strategic and informed work programmes in response. The Department will support these work programmes by ensuring that the funding available under the various stock improvement programmes is aligned with this approach.

As part of the transition to the Planned Management and Maintenance Model, each local authority will be required to maintain a register of housing stock and which sets out the breakdown of their properties by size, condition, accommodation status, location and housing demand in the area. The register should include the total number and length of time a property has been vacant in the given year.

The Department will support this approach by funding an asset management ICT system which will allow for real-time upload of stock condition surveys.

As a result of the measure outlined above and with the introduction of an asset management ICT system in 2023, each local authority will be required, as a condition of their funding allocation, to produce an asset management plan that will detail the works to be undertaken within a given financial year. This has already been partially introduced as part of the Internal Capital Receipts (ICRs) process but that programme does not presently capture all required data for the entire local authority housing stock.

Local authorities will also be required to report on management and maintenance costs. Reports should include details of the local authority's total spend on responsive, planned and void maintenance fees from their own resources, and this data will be crucial in identifying accurate planned maintenance costs. In parallel, the Department's stock improvement programmes will look to align with the local authority plans to provide funding support in the most effective areas.



20.7 Work with relevant Departments and local authorities to move to a position where housing revenue at local authority level is ring fenced to ensure its retention for housing management and maintenance

Local authority tenants pay a differential rent, which is set by reference to household income. Income generated from such rents is currently used for a variety of purposes in each local authority. This objective provides for the ring-fencing of income for housing management and maintenance purposes, while acknowledging the reserved functions of elected members in determining spending priorities and adopting the annual budget of a local authority. This objective is also linked to a proposed review of the local authority differential rents system; the timeline for which is Q3, 2023.

#### **Planned Actions**

The Department will consider an appropriate approach to achieving this objective, noting that not all local authorities have the same housing needs / requirements for expenditure on housing. The outcome of the review of differential rents may also impact on these considerations.

20.8 Support Local Authorities to engage in targeted acquisitions of vacant and under-utilised properties under the Buy and Renew element of the social housing programme to support town and village renewal

The Buy and Renew (B&R) scheme provides ongoing capital funding to local authorities to deliver social housing while also tackling vacancy and dereliction in cities, towns and villages. The local authority decides on the extent to which they will deliver social housing as part of the solution to vacancy; in some towns/estates they may need to strike a balance between different housing tenures.

The capital funding available under the Social Housing Investment Programme (SHIP) supports the acquisition and renewal of vacant properties so they can be made available as new social homes. The funding is drawn from the €1bn SHIP fund and is demand-led. There is, therefore, significant available funding that local authorities can draw on in relation to the initiative.

Since the scheme was first introduced in 2016, over 800 properties have been acquired for renewal. Approximately €160 million has been committed for the acquisition and renewal for these units, of which, circa €139 million has already been provided to local authorities. Nationally the average cost to deliver a Buy and Renew units is circa €200,000.

Table 4.3 Buy & Renew acquisitions 2016 - 2022

Buy & Renew Units acquired by Year				
2016	7			
2017	145			
2018	249			
2019	202			
2020	91			
2021	66			
2022 (to end Q3)	57			
Total	817			

Also through the SHIP, local authorities are supported to acquire town centre buildings and sites, including vacant and derelict sites, to re-build as social homes. An example of a multi-unit development using social housing construction programmes, is the work of Monaghan County Council in Clones, where a number of vacant/derelict town centre properties were acquired (some ex-commercial properties), with substantial construction projects involved, and some 20 new social apartments delivered.

#### **Planned Actions**

Under SHIP, the Department will continue to make capital funding available to local authorities to deliver social housing while also tackling vacancy and dereliction in cities, towns and villages.

The Department will continue to support and provide guidance to local authorities to increasingly target vacant and derelict properties that can be brought back to use as part of new public housing delivery, particularly where value for money can be obtained and there is no impact on the local property market.

The Department will engage with the Housing Agency/VHOs in local authorities and social housing capital teams in local authorities to assist in maximising delivery and expenditure of SHIP funding under B&R.

Further support will be provided to local authorities to escalate their activity to undertaking more extensive construction renewal projects using SHIP funding, such as acquiring a number of vacant properties in one area and renewing them, tackling vacancy and dereliction, while also delivering new social homes.

## 20.9 Support Local Authorities to drive expanded take-up of the enhanced Repair and Leasing Scheme

The Repair and Leasing Scheme (RLS) is targeted at owners of vacant properties who cannot afford or access the funding required to bring them up to the standard for rental property. The local authority (or Approved Housing Body (AHB)) pays for the repairs upfront and the home is taken into social housing stock by way of lease for between 5 and 25 years. The cost of the repairs funded by the local authority is offset against future rent.

In line with the commitment in *Housing for All* to support local authorities to drive take-up of the RLS, the Government approved a pilot expansion in June 2022, opening the scheme to a wider range of owners, by removing the criteria that a property owner must be unable to fund or access funding to bring vacant units up to rental standards.

This modification is limited to the conversion of the following types of properties to residential use:

- vacant commercial properties;
- vacant units associated with commercial property, e.g. over the shop;
- vacant institutional buildings; and
- unfinished developments, vacant for a significant period of time.

The maximum cost of repairs allowable under the scheme currently is €60,000 per unit, including VAT (increased from €40,000 in November 2020). It is open to an owner to spend more than this, if required. In the case of multi-unit developments, the funds available i.e. €60,000 (including VAT) per dwelling, may be apportioned between a number of dwellings once total funding for all dwellings does not exceed €60,000 per dwelling, subject to a minimum spend on each dwelling.

It is anticipated that the expansion of the scheme will increase social housing delivery under the scheme and result in the creation of additional homes which would not otherwise be converted into residential units. Part of the role of the full-time Vacant Homes Officers in each local authority will be to identify recoverable vacant homes that may fit the remit of the RLS and actively promote use of the scheme.

Table 4.4 Repair and Leasing Units 2017 – 2022

Repair and Leasing Units by Year				
2017	9			
2018	80			
2019	76			
2020	69			
2021	45			
2022 (to end Q3)	70			
Total	349			

#### **Planned Actions**

The Department is currently working with local authorities to set targets for each local authority for delivery under RLS. While targets will be set up to 2026, these will be kept under review to ensure that the *Housing for All* target of 660 units is achieved. Initial targets will be set in early 2023. A review will take place in June 2023 and annually thereafter.

Table 4.5 Repair and Leasing Scheme targets for duration of Housing for All

	2022	2023	2024	2025	2026	Total
Units	120	130	130	140	140	660

Approval was granted in November 2021 for the renovation of a vacant former convent, St. Joseph's in Waterford city into 71 social housing units under RLS. This was the first application received for a project of this size under RLS. The units will be developed in the existing buildings and will be leased to Waterford City and County Council for a 25-year term. Work commenced in 2021 and is due for completion in Q2 2023.

In relation to promotion and resources, the Department and the Housing Agency will continue to work with local authorities to raise awareness of the scheme and to facilitate local authorities in the administration of the scheme. This will include promotional activities, making template documents available and continued engagement with relevant local authority personnel through on-line and in-person events. The RLS team will engage with relevant groups including the national Vacant Homes Officer network.

The RLS has had a number of positive outcomes working with AHBs. Given the success of the Peter McVerry Trust in delivering homes via RLS, it is proposed to provide other AHBs with the opportunity to express an interest in being active in RLS projects. It is intended to target local based AHBs who may be interested in engaging in particular geographical areas.



# **Supporting Implementation**



#### 5 Supporting Implementation

Since the publication of *Housing for All*, a number of structures have been established to support the addressing of vacancy and the reintroduction of vacant properties to the housing stock. These are essential to coordinate, promote and drive delivery of the actions that need to be taken and the collaboration and cooperation required to address vacancy.

Structures established include a dedicated Vacant Homes Unit in the Department, a full-time Vacant Homes Officer in each local authority, Town Regeneration Officers in local authorities and the National Town Centre First Office as well as advisory and support services provided by the Housing Agency.

#### **Vacant Homes Unit**

In light of the priority status afforded to combatting and tackling vacancy in *Housing for All* under Pathway 4, a dedicated Vacant Homes Unit has been established in the Department. The Unit has a central role in overseeing, driving and supporting a coordinated approach to Addressing Vacancy and Efficient Use of Existing Stock. The Unit:

- engages with teams within the Department, in other relevant Departments, with local authorities, the Housing Agency and other stakeholders to support and drive a co-ordinated approach to addressing vacancy and assessment of the impact of actions taken and progress being made;
- supports and provides direction to the work of Vacant Homes Officers across
  the local authorities, including providing guidance on the role requirement and
  where it is located in the local authority; and
- supports the capture of data on vacancy which can be used to activate properties, inform development and delivery of policies and schemes and measure their effectiveness.

In terms of planned actions, the Unit will:

- Oversee and report on the implementation of this Vacant Homes Action Plan and provide key supports to all stakeholders;
- Progress a data collection project in order to capture the number of vacant properties in cities, towns and villages nationally with a view to identifying opportunities to activate these properties;
- Monitor all relevant vacancy datasets including CSO, GeoDirectory and Vacant Homes Tax returns;

- Monitor and support the operation of schemes under the Croi Cónaithe Towns fund and amend these where appropriate, with a full review to be carried out by mid-2024;
- Work with Directors of Services and Vacant Homes Officers in local authorities, the Housing Agency, the County and City Management Association (CCMA) and the Local Government Management Association (LGMA) and the National Town Centre First Office in identifying opportunities to address vacancy;
- Develop the role of the Vacant Homes Officers and support collaborative working within the local authorities particularly with Town Regeneration Officers and the Derelict Sites Teams in identifying and addressing vacancy;
- Provide funding to local authorities for the Vacant Homes Officer role with an annual review to be submitted by each local authority on the activities undertaken by the Vacant Homes Officer and other relevant teams in the local authority in addressing vacancy and the outcome of these activities;
- Develop an active programme, including advice and support, on the use of CPOs, with targets developed for all local authorities, with an initial focus on derelict properties;
- Review legislation with regard to compulsory acquisitions with a view to streamlining and consolidating the CPO process. This is alongside a review of the Planning Act which is currently being undertaken and the Law Reform Commission's examination of the use of CPOs which is ongoing. Examine the potential use of compulsory sales orders;
- Update the Bringing Back Homes Manual for the Reuse of Existing Buildings, (December 2018); and
- Undertake a vacancy supports information campaign to highlight the range of supports available to bring vacant homes back into re-use.

#### **The Housing Agency**

The Housing Agency is a government body that works with and supports local authorities, approved housing bodies and the Department in the delivery of housing and housing services, by offering a broad base of shared and centralised services through practical, research, and technical expertise.

The functions of the Agency are:

- Shared and central services; research, advisory, information and training services, consultancy, technical and strategic planning services, procurement, and agency services;
- The preparation, holding, management and publication of indices of residential property, including indices in relation to residential housing sales and residential property rents;
- The arrangement, co-ordination, and provision of social and economic regeneration, including the development and improvement of land and infrastructure; and
- The coordination of, and contribution to, the resolution of issues relating to unfinished housing developments.

In addition, the Agency is involved in the delivery of schemes which play a central role in the provision of social and affordable housing.

Addressing Vacancy and Efficient Use of Existing Stock is one of the Agency's strategic goals. To this end, it works with the Department in:

- supporting the Vacant Homes Officers in local authorities, providing advice and information and co-ordinating the Vacant Homes Officer network, with quarterly meetings to facilitate dissemination of best practice and collaboration and information sharing across local authorities;
- supporting local authorities in the delivery of schemes to address vacancy such as the Vacant Property Refurbishment Grant, Ready to Build Scheme, Repair and Leasing scheme and Buy and Renew scheme;
- providing advice and guidance on the use of CPOs by local authorities to address vacancy and dereliction;
- providing templates to be used for the CPO process and the population and preparation of the required documentation;
- carrying out of title searches on behalf of local authorities;
- maintaining a legal framework that local authorities can use for CPOs and the lodging of charge documents (Croí Conaithe Towns Fund);
- engaging with and supporting the Vacant Homes Unit in the Department; and

 engaging with stakeholders across the housing system and participating in relevant fora, public events etc., identifying key learning and possible solutions to bringing these to the attention of policy makers to inform policy development and delivery.

#### **Vacant Homes Officers**

Since 2018, the Department has provided funding to each local authority of €50,000 per annum to support the work of a Vacant Homes Office and each Vacant Homes Officer (VHO). Housing for All committed to ensuring that these roles are full-time and from January 2022 the Department increased the contribution to local authorities to €60,000. This was subject to transitioning the changeover of the VHO to a full-time position by the end of Q2 2022. This full-time role aligns with various actions outlined in Housing for All, and complements the role of Town Regeneration Officers, which are being funded by the Department of Rural and Community Development as part of the implementation of the Town Centre First policy.

To date, 29 out of 31 local authorities have full-time VHOs in place while the remainder are recruiting for the role. The list of VHOs in each local authority is available <u>here.</u>

The role of the VHO in each local authority is:

- To actively promote and lead the uptake within the local authority of various initiatives, schemes and funding programmes to address vacancy and bring vacant properties into residential use;
- To actively engage with owners of vacant properties and other relevant stakeholders and promote use of relevant schemes and supports to bring vacant properties into use;
- To collect, monitor and assess vacancy data locally and use that data to actively engage with property owners and promote schemes to encourage activation of properties; and
- Play a communication, promotion and advisory role both internally within the local authority and externally as a contact point for members of the public and key interested parties on vacant homes/properties.

VHOs across local authorities are supported in their work by the Vacant Homes Unit in the Department, working with the Housing Agency. The Vacant Homes Unit supports the VHOs and the VHO network, providing information and advice, facilitating dissemination of information and best practice, working with the Housing Agency in doing this.

The funding position for Vacant Homes Officers will be reviewed in mid-2024 in conjunction with local authority work-force plans.

#### The VHO Network

The national VHO network is a collective of the VHOs that supports and facilitates:

- Peer support and dissemination of information,
- Consistency of approach by VHOs to their responsibilities,
- Delivery of shared learnings and best practice advice, and
- A platform for collective engagement that supports feedback of information to the local authority, Department and the Housing Agency for consideration and to inform policy development and implementation.

The Network is organised by the Department and the Housing Agency with quarterly meetings held in addition to training / information meetings as, required. It is proposed that from 2023 Town Regeneration Officers (TROs) will attend the Network twice yearly.

#### **Town Centre First Supports**

Town Centre First - A Policy Approach for Irish Towns, provides a co-ordinated, whole-of-government policy framework to proactively address the decline in the health of towns across Ireland and support measures to regenerate and revitalise them. It recognises that a solely top down approach to the development of towns is not appropriate and sets out an innovative approach where local communities and businesses are central to planning and their own towns and shaping their development. Key elements include of the policy include:

- Town Centre First plans to be produced by a local Town Team drawn from local community and business representatives. They will identify challenges, actions and integrated responses across a number of themes (business/commercial; community/cultural; housing; built environment; heritage);
- Local authorities with towns will be provided with a dedicated post of Town Regeneration Officer at a senior level who will lead Town Centre First implementation at a local level, assisted by the wider local authority
- The VHOs in each local authority will work closely and collaboratively with the Town Regeneration Officer in identifying and addressing vacancy. In some local authorities, relevant staff resources are being located in one team to ensure a cohesive and comprehensive approach to vacancy;
- A National Town Centre First Office has been established within the Local Government Management Agency to drive Town Centre First actions, coordinate stakeholder engagement at a national level and across local government sector and promote best practice; and

 The structures above will sit under a National Oversight and Advisory Group whose role will be to set the agenda, high level action plan and ultimately oversee the implementation of the overall programme.

#### **Vacancy Data Project**

As outlined in Chapter 3, one of the challenges in addressing vacancy is identifying a data baseline in order to establish where vacant properties are so that owners can be actively engaged with and measures taken to support bringing the properties into use.

In order to have a greater understanding of the geographical spread of vacant properties, a data collection exercise is to be carried out to identify vacant dwellings in each county.

The objective is to capture data, granular and high level, on the number of vacant dwellings, their condition and the reason for vacancy, in each local authority which:

- Can be utilised by the Vacant Homes Officer in identifying properties in order to then engage with owners and activate, using the schemes available – Croí Cónaithe Towns Fund, Repair and Leasing, Buy and Renew, CPOs, etc.;
- Can be used to inform Town Centre First Plans;
- Can inform Departmental schemes and the measurement of their effectiveness;
- Will provide insight to vacancy data and inform discussion regarding that data;
   and
- Can inform reporting on vacancy levels.

A pilot data project among three local authorities commenced in December 2022 with a national rollout expected in 2023. Each local authority is being provided with a map based mobile application developed by the Geographical Information System Team in the Department, which will be enable capture of spatial data, consistent across local authorities. Training and guidance is being provided by the Department to relevant staff in the local authorities in the use of the application. The data collected will be available to each local authority and to the Department.

#### **Housing for All Governance Structures**

The oversight, implementation and governance measures for the *Housing for All* Plan are detailed in Appendix 4. Progress will continue to be monitored and tracked through *Housing for All* implementation mechanisms. Quarterly Progress Reports will continue to be published, setting out performance against *Housing for All* targets and the updated actions, in a clear and comprehensible way. There will be strong ongoing engagement and consultation with stakeholders, along with an ongoing

communications effort to ensure continued co-ordination across all levels of Government.



## Conclusion



#### 6 Conclusion

Vacancy and dereliction emerges through a variety of processes and takes different forms. It interacts not solely within the policy domain of housing and regeneration but also with rural and urban development, heritage and conservation. If not addressed in time vacant properties can impact negatively on their surroundings and the communities who live there. The re-use and regeneration of these properties can bring much needed housing while also positively transforming the impacted areas of cities, towns and villages.

Addressing vacancy requires varied and holistic responses. The actions identified in Pathway 4 of *Housing for All* and in the *Action Plan Update* provide such responses. Local authorities now have a range of schemes, powers, and incentives at their disposal to address vacancy, while financial incentives are in place for owners of vacant properties to bring them back into use.

While significant work remains to be done, real progress is being made in addressing vacancy. This Vacant Homes Action Plan:

- builds on existing policies and associated actions in Housing for All,
- reports on the progress that has been made to date, and
- identifies next steps to tackle vacancy

to ensure that we are utilising our existing housing stock to the fullest extent.

The focus on vacancy and the work to address it needs to continue. This Action Plan has outlined the actions taken and those planned to 2026 and the support structures that are in place to promote and undertake the ongoing work needed. These actions will be overseen, and driven by the Department of Housing, Local Government and Heritage who will report on the implementation of this Vacant Homes Action Plan, provide key supports to all stakeholders and ensure a coordinated and focused approach to continue to return as many recoverable vacant properties back to viable use as possible, increasing the supply of housing available, while also revitalising our cities, towns and villages.

# **Appendices**



## **Appendix 1:** Glossary of Terms

ACAs	Architectural Conservation Areas
AHB	Approved Housing Body
B&R	Buy and Renew
BER	Building Energy Rating
CCMA	County and City Management Association
СРО	Compulsory Purchase Order
CSO	Central Statistics Office
DCT	Dublin Civic Trust
DoE	Department of Education
DECC	Department of Environment, Climate and Communications
DFIN	Department of Finance
DoH	Department of Health
DHLGH	Department of Housing, Local Government and Heritage. (Reference in
	this Action Plan has been shortened to 'the Department')
DPER	Department of Public Expenditure and Reform
DRCD	Department of Rural and Community Development
DoT	Department of the Taoiseach
DTACGSM	Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media
ERDF	European Regional Development Fund
FI	Fáilte Ireland
GIS	Geographical Information System
НА	Housing Agency
HFA	Housing Finance Agency
ICRs	Internal Capital Receipts
LAs	Local Authorities
LDA	Land Development Agency
LGMA	Local Government Management Agency
NDP	National Development Plan
NGO	Non-Governmental Organisation
NOAG	National Oversight and Advisory Group
NPF	National Planning Framework
OPW	Office of Public Works
OSI	Ordnance Survey Ireland
PSC	Public Spending Code
RLS	Repair and Leasing Scheme
RRDF	Rural and Regeneration Development Fund
RTB	Residential Tenancies Board
SEAI	Sustainable Energy Authority of Ireland
SHIP	Social Housing Investment Programme
SRA	Special Regeneration Area
TCF	Town Centre First
TVRS	Town and Village Renewal Scheme
URDF	Urban Regeneration and Development Fund

#### Appendix 2: Housing for All Action Plan Update

There is a commitment in *Housing for All* (September 2021) to update the actions in the Plan on an annual basis, including reviewing the timelines and responsibilities. This is to ensure continued momentum on delivery during the lifetime of the Plan.

The <u>Housing for All Action Plan Update</u> (November 2022) provided an opportunity to respond to significant challenges which have emerged since publication of the Plan. It did not seek to amend the fundamental policy approach or targets in *Housing for All*, but instead focused on prioritising measures to activate and accelerate the delivery of housing supply.

Table A2.1 below provides the original objectives and timelines for each of the actions contained in Pathway 4 of *Housing for All*, Addressing Vacancy and Efficient Use of Existing Stock. The current status together with an updated objective number, where presented in the *Action Plan Update*, is also provided. <sup>23</sup>

Table A2.2 presents yet to be completed actions from *Housing for All* together with the new actions identified in the *Action Plan Update*. Quarterly Progress Reports will continue to be published, setting out performance against *Housing for All* targets and the updated actions in a clear and comprehensible way. In addition, the Department will provide a comprehensive update on the specific vacancy related actions on an annual basis.

Table A2.1 Housing for All Pathway 4 Objectives

No.	Housing Policy Objective 19: Address Vacancy in housing	Timelines	Lead	Current Status
19.1	Publish the new Town Centre First policy, which will include approaches to utilising existing and new financial incentive mechanisms	Q4 2021	DHLGH, DRCD	Complete
19.2	Use the Better Energy Homes Grant to support retrofit for vacant properties	Ongoing to 2030	DECC	See Table A2.2 Action 16.10 Ongoing
19.3	Incorporate activation of vacant properties as key criteria in the Urban Regeneration and Development Fund (URDF) and the Rural Regeneration and Development Fund (RRDF)	Ongoing	DHLGH, DRCD	See Table A2.2 Action 16.3 Ongoing

<sup>&</sup>lt;sup>23</sup> Outstanding *Housing for All* actions with the potential to directly or indirectly impact the supply of housing were given an updated objective number.

19.4	Harness European Regional Development Funding to tackle vacancy and dereliction in towns	Q2 2022	Regional Assemblies	Complete
19.5	Introduce a new programme for the CPO of vacant properties for resale on the open market	Q4 2021	DHLGH, LAs, Housing Agency, Housing Finance Agency	See Table A2.2 Action 16.4 Ongoing
19.6	Ensure Vacant Homes Officer position is full-time	Q4 2021	DHLGH, LAs	Complete
19.7	Implement the amendment to the Nursing Home Support Scheme (Amendment) Act 2021 to extend the three-year cap on Fair Deal contributions from the principal residence to the proceeds of sale of the principal residence, removing the disincentive to bringing vacant homes back onto the property market. Modify operation of the Fair Deal Scheme accordingly.	Q3 2021	DoH	Complete
19.8	Amend the Nursing Home Support Scheme Act 2009 to remove disincentives against the rental of vacant properties by participants in the Fair Deal scheme in a way that is targeted, equitable, evidence- based and provides appropriate safeguards for vulnerable older people	Q4 2021	DoH, DHLGH	Complete
19.9	All Government Departments will examine their existing portfolio of properties and, subject to any obligations under the PSC, the LDA Act 2021 or the State Property Act 1954, will place them on the market if they are not required and may be suitable for conversion to residential accommodation	Q4 2021	All	See Table A2.2 Actions 10.5 and 10.7 Ongoing
19.10	Local Authorities will work with the appropriate stakeholders to resolve issues within estates still categorised as 'unfinished' with a view to minimising any vacancy levels	Ongoing	DHLGH, LAs	See Table A2.2 Action 16.11 Ongoing

19.11	Establish a Croí Cónaithe (Towns) Initiative focused on towns and villages	Q4 2021	DHLGH	Complete
19.12	Collect data on vacancy levels in residential property with a view to introducing a vacant property tax	Q2 2022	DFIN	Complete
19.13	Commence section 9 of the Local Government Rates and other Matters Act 2019 with a view to empowering Local Authorities to offer rates based incentives for the conversion of suitable vacant commercial properties to residential use	Q1 2022	DHLGH	See Table A2.2 Action 16.5 Ongoing
20.1	Work in a partnership approach with Local Authorities, AHBs, heritage NGOs, the Heritage Council and the Heritage Division within the DHLGH to unlock the potential in our villages, towns and cities to utilise heritage building stock (pre 1940) to help tackle the housing crisis, recognising in particular Sustainable Development Goal 11; Sustainable cities and communities	Ongoing	DHLGH, LAs, AHBs, Heritage NGOs, Heritage Council	See Table A2.2 Action 17.5 Ongoing
20.2	Develop guidance relating to protected structures to encourage the use of such properties for repurposing and/or refurbishment as residential accommodation	Q2 2022	DHLGH	Complete
20.3	Review and extend planning regulations that exempt certain vacant commercial premises from requiring planning permission to change of use for residential purposes to 2025	Q4 2021	DHLGH	Complete
20.4	Develop new regulatory controls requiring Short-Term and Holiday Lets to register with Fáilte Ireland with a view to ensuring that homes are used to best effect in areas of housing need	Q2 2022	DTCAGSM, DHLGH	See Table A2.2 Action 16.7 Ongoing

20.5	Develop a national policy on rightsizing and explore options to support and incentivise rightsizing on a voluntary basis	Q1 2022	DHLGH	See Table A2.2 Action 20.5 Ongoing
20.6	Move to a planned management and maintenance model for Local Authority stock supported by the LGMA's work on developing an asset based ICT system	Q1 2024	LAs, LGMA	See Table A2.2 Action 17.4 Ongoing
20.7	Work with relevant Departments and Local Authorities to move to a position where housing revenue at Local Authority level is ring-fenced to ensure its retention for housing management and maintenance	Q3 2024	LAs, CCMA, DHLGH	See Table A2.2 Action 17.6 Ongoing
20.8	Support Local Authorities to engage in targeted acquisitions of vacant and under-utilised properties under the Buy and Renew element of the social housing programme to support town and village renewal	Ongoing	DHLGH	See Table A2.2 Action 17.7 Ongoing
20.9	Support Local Authorities to drive expanded take-up of the enhanced Repair and Leasing Scheme	Ongoing	DHLGH	See Table A2.2 Action 17.8 Ongoing

#### **A2.2** Ongoing *Housing for All* Actions relating to Vacancy

No.	Housing Policy Objective 10: Bring forward additional State lands for activation	Timeline	Lead	Status
10.5	Continue engagement across Government Departments and Agencies to identify further state land & property which could be made available for residential use (e.g. by LAs, LDA etc.) and report to Government on progress.	Q2 2023	D/Taoiseach	Ongoing

10.7	Engage with Local Authorities to identify State owned sites/ properties in their functional areas that could have the potential to be repurposed for delivery of housing.	Q1 2023	DHLGH, HDCO	Ongoing
No.	Housing Policy Objective 16: Address Vacancy in Housing	Timeline	Lead	Status
16.1	Publish a Vacancy Strategy, focussing on Pathway 4 of Housing for Al, which will consolidate the various strands of work to address residential vacancy, with data on progress and delivery to date and actions being pursued.	Q4 2022	DHLGH	Complete
16.2	Develop proposals to extend the reach of Croi Cónaithe Towns Fund to vacant and derelict properties within cities and rural areas.	Q4 2022	DHLGH	Complete
16.3	Issue a third call for proposals under the Urban Regeneration and Development Fund (URDF) with an emphasis on projects that will contribute to the activation of vacant properties and the acceleration of residential developments in line with the Town Centre First policy published earlier this year	Q4 2022	DHLGH	Third call to issue in Q1, 2023
16.4	Introduce a new programme for the CPO of vacant properties for resale on the open market.	Q1 2023	DHLGH	Ongoing
16.5	Commence section 9 of the Local Government Rates and other	Q1 2023	DHLGH	Ongoing

	Matters Act 2019 with a view to empowering Local Authorities to offer rates based incentives for the conversion of suitable vacant commercial properties to residential use.			
16.6	Introduce a Vacant	Q4 2022	DFIN	Complete
16.7	Property Tax  Develop new regulatory controls requiring Short- Term and Holiday Lets to register with Fáilte Ireland with a view to ensuring that homes are used to best effect in areas of housing need.	Q1 2023	DTCAGSM	Ongoing
16.8	Announce successful projects under the fourth call for Category 1 applications to the Rural Regeneration and Development Fund.	Q4 2022	DRCD	Complete
16.9	Review the Rural Regeneration and Development Fund, with a view to ensuring its continued alignment with Our Rural Future priorities, the Town Centre First Policy and other key strategies, and to address issues around vacancy, dereliction and the achievement of continued economic development in rural areas	Q1 2023	DRCD	Ongoing
16.10	Use the Better Energy Homes Grant to support retrofit for vacant properties.	Ongoing	DECC	Ongoing
16.11	Local Authorities will work with the appropriate stakeholders to resolve issues within estates still	Ongoing	DHLGH, LAs	Ongoing

	categorised as 'unfinished' with a view to minimising any vacancy levels.			
No.	Housing Policy Objective 17: Make more efficient use of existing housing stock	Timeline	Lead	Status
17.2	Explore a range of measures to stimulate supply of 'digs' accommodation and/or vacant properties including other Departments as necessary.	Q1 2023	DFHERIS	Ongoing
17.3	Explore the potential of minor capital grants to Higher Education Institutions to assist with small projects and refurbishment of existing stock to provide additional student accommodation for target groups in areas of need.	Q 1 2023	DFHERIS	Ongoing
17.4	Move to a planned management and maintenance model for Local Authority stock supported by the LGMA's work on developing an asset based ICT system.	Q1 2024	DHLGH	Ongoing
17.5	Work in a partnership approach with Local Authorities, AHBs, Heritage NGOs, the Heritage Council and the Heritage Division within the DHLGH to unlock the potential in our villages, towns and cities to utilise heritage building stock (pre 1940) to help tackle the housing crisis, recognising in particular Sustainable Development Goal 11;	Ongoing	DHLGH, LAs, AHBs, Heritage NGOs, Heritage Council	Ongoing

	Sustainable cities and communities.			
47.0		00.0004		
17.6	Work with relevant Departments and Local Authorities to move to a position where housing revenue at Local Authority level is ring- fenced to ensure its retention for Housing management and maintenance.	Q3 2024	LAs, CCMA, DHLGH	Ongoing
17.7	Support Local Authorities to engage in targeted acquisitions of vacant and under-utilised properties under the Buy and Renew element of the social housing programme to support town and village renewal.	Ongoing	DHLGH	Ongoing
17.8	Support Local Authorities to drive expanded take- up of the enhanced Repair and Leasing Scheme.	Ongoing	DHLGH	Ongoing
20.5	Develop a national policy on rightsizing and explore options to support and incentivise rightsizing on a voluntary basis	Q1 2023	DHLGH	Ongoing

**Note:** This table includes actions from *Housing for All* (September 2021) with revised timelines and objective numbers and new actions identified in the *Housing for All Action Plan Update* (November 2022)

## **Appendix 3:** Town Centre First Pathfinder Towns

Tullow,	Bailieborough,	Sixmilebridge,	Skibbereen,	Milford,	Lusk,
Co. Carlow	Co. Cavan	Co. Clare	Co. Cork	Co. Donegal	Co. Dublin
Gort,	Milltown,	Clane,	Urlingford,	Rathdowney,	Carrick on
Co. Galway	Co. Kerry	Co. Kildare	Co. Kilkenny	Co. Laois	Shannon,
					Co. Leitrim
Abbeyfeale,	Longford,	Dunleer,	Killala,	Enfield,	Carrickmacross,
Co. Limerick	Co. Longford	Co. Louth	Co. Mayo	Co. Meath	Co. Monaghan
Clara,	Strokestown,	Tubbercurry,	Roscrea,	Portlaw,	Moate,
Co. Offaly	Co.	Co. Sligo	Co. Tipperary	Co. Waterford	Co. Westmeath
	Roscommon				
New Ross,	Blessington,				
Co. Wexford	Co. Wicklow				

#### **Appendix 4:** Housing for All Governance Structures

- Political oversight provided by the Cabinet Committee on Housing, chaired by the Taoiseach.
- A Delivery Group of Secretaries General, chaired by the Department of the Taoiseach, which is responsible for delivery of all aspects of the Plan ensuring genuine whole-of-government engagement.
- This Secretary General Delivery Group includes dedicated workstreams, led by the relevant Secretaries General, on:
  - Investment;
  - Industry capability; and
  - Public service delivery.
- Quarterly Progress Reports will be submitted to the Cabinet Committee on Housing and to Government, and will be published, setting out performance against the targets and actions set out in the Plan in a clear and comprehensible way. This will be prepared by a dedicated unit within the Department of the Taoiseach. These progress updates will include dashboard statistics that will provide a transparent overview of performance metrics, covering all major aspects of the Plan.
- A Programme Delivery Office located within the Department of Housing, Local Government and Heritage supports implementation of the Plan across the department, and across other departments and agencies, as well as local authorities and AHBs.
- There will be strong ongoing engagement and consultation with stakeholders as the Plan is implemented, through existing and, where necessary, new structures.
- Ongoing communications effort, with a specific team assigned to work on it, including from the Government Information Service, to ensure continued coordination across all levels of Government.
- An implementation fund of €7m annually to ensure that sufficient targeted resources and expertise are in place across departments to expedite delivery of the Plan.
- The actions in the Plan will be updated on an annual basis, including timelines, and responsibilities, to sustain momentum on delivery during the lifetime of the Plan.

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