

**DPER View: Reject affordable element if it involves a requirement for Exchequer funding.**

The priorities for the use of available fiscal space for housing are LIHAF to increase overall supply and the construction (as opposed to the purchase of private units) of LA social housing to increase the supply of social housing.

The demands on current expenditure for HAP and SCHEP means there are no resources available to fund any new affordable housing measures. Affordability will be addressed as the supply of houses increases to match demand arising from the impact of the various existing tax and expenditure measures.

Therefore, any measure involving the use by LAs of surplus lands free or for nominal cost will have to be funded by LAs from their own resources.

**Rebuilding Ireland Review**

**Pilot – Affordable Purchase Scheme – Infirmary Road/Devaney Gardens**

Description of action	Objective (should include a target output for 2018 & beyond)	Timeline	Principal Officer
Operate a pilot affordable purchase scheme with Dublin City Council as part of its development of the Infirmary Road/O’Devaney Gardens site	To open up State land for mixed-tenure housing in order to accelerate the delivery of housing for all tenures, given the current housing market conditions that exist.	Development Agreement, January 2018	Barry Quinlan

**How will it operate?**

Dublin City Council (DCC) is bringing three development sites, in prime locations and in their ownership, to the market, with a proposed tenure mix of 30% social housing; 20% affordable housing; and 50% private/open market. The sites are located at Infirmary Road, Dublin 7 (aka O’Devaney Gardens); Emmett Road, Dublin 8 (aka St. Michael’s Estate); and Oscar Traynor Road, Dublin 5. The sites offer the potential to provide over 2,000 homes in total and the opportunity to create three new, high quality urban quarters.

The Department has conditionally agreed with Dublin City Council to fund the 30% social housing element on the Infirmary Rd/O’Devaney Gardens site (which has capacity for at least 585 new homes) and initially almost €18m has been allocated for the first phase of 56 social housing units.

In relation to the 20% affordable element, following consideration by DCC and the Department of the independent economic appraisal of the viability of various affordable housing options, it’s

agreed that the 20% affordable housing yield (c. 120 units) will be on an affordable purchase basis, in line with the affordability principles and terms to be set down by the Department, to be sold to the Council's qualifying nominees.

The private housing element will be progressed and defined through the competitive dialogue procurement process.

**Who are the key stakeholders & have they been consulted?**

Dublin City Council has put in place a project board with representatives from the Department; NTMA etc. It has also appointed a process auditor. The Infirmary Road Site and any sites put forward by Dublin City Council (through their Housing Land Initiative) have been, and continue to be, subject to master-planning, and at all stages the Council elected members, through the joint Housing and Planning SPC, are fully informed.

**Does the action require detailed research/new Budget/new funding arrangements/new legislation/regulation?**

Subject to the negotiated terms of the contract, the costs of the affordable units will be offset from the provision/sale of private homes on the site. The eligibility and terms and conditions of the affordability scheme will be informed by the Department's policy approach and launch of an affordable housing scheme.

**Any other information**

Lessons learned from the pilot scheme will help to inform and refine other DCC and wider LA proposals for mixed-tenure affordable housing.

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