



Comhshaol, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government



17 April 2015

FAO - Chief Executive
Dublin City Council

Targets for delivery under the Social Housing Strategy 2015, 2016 and 2017

Dear Chief Executive,

Further to our correspondence of 12 February and in consideration of submissions made by your authority in response to that correspondence, the Minister for Environment, Community and Local Government announced delivery targets under a range of housing programmes out to 2017 on 1 April. In respect of your authority, the target of units set for delivery under these programmes in the period 2015 to 2017 was as follows -

Current & Capital Targets 2015 - 2017 (Number of Housing Units)	Estimated cost of delivery (Current and Capital)
3347	€292.2 million

The purpose of this letter is to provide local authorities with additional detail as to how this target is broken down between capital and current programmes and how funding available will be attached to that delivery.

Targets under the Capital Programmes

Budget 2015 marked a significant change in the trajectory of social housing funding, with provision increased in 2015 by some €210m to €800m and a commitment to multi-annual funding envelopes for social housing over the period to 2017. This will support the ambitious national targets of the Social Housing Strategy which, in turn, must translate into ambitious local targets for each authority.

Drawing on the proposals submitted by local authorities and the requirement to meet programme targets set out in the strategy for 2015 and beyond, a target of **1498** units has

been set for your authority to be delivered under capital programmes encompassing LA Housing (Construction and Acquisition, including Part V acquisitions), Capital Assistance Scheme and the return of Void properties for the period 2015 to 2017.

The Provisional Capital Allocation to support this target is **€277.2m**. The drawdown of this funding by your local authority will be contingent on the delivery of social housing units across all capital programmes within the relevant timeframes. The Department will be monitoring progress on delivery of units under the Social Housing Strategy and reserves the right to reallocate funding between local authorities where satisfactory progress is not being made, in order that national targets can be achieved.

Proposals made by you in respect of local authority build and acquisition of social housing units have been assessed and a first phase of announcements of initial project approvals will be made shortly. The number of Void units for which Department funding will be made available to your local authority in 2015 will also be notified to you shortly.

As you will be aware, a 'Call for Proposals' under the Capital Assistance Scheme is underway at present and following receipt of the details of the projects that your local authority proposes to advance with approved housing bodies, this Department will assess them and revert as soon as possible.

Targets under the Social Housing Current Expenditure Programme

The Social Housing Current Expenditure Programme (SHCEP), previously referred to as the Social Housing Leasing Initiative, is a national fund without individual authority funding allocations. In that context where an authority can exceed its target it should be possible to fund additional units sourced under SHCEP, subject to agreement with the Department.

In terms of the delivery under the Department's current programme, 3,000 units are targeted in total nationally under SHCEP in 2015. In order to meet the demand for social housing at a local authority level and to contribute to the achievement of the overall national target, local authorities need to be ambitious in terms of bringing forward proposals under SHCEP.

A target for your authority of **1626** units for delivery under SHCEP during 2015 to 2017 has been determined with **425** of these units for delivery in 2015. A national target of 8,400 units to be delivered in 2016 and 2017 has been set in the Strategy. The target for

your authority has been based on this national target and is subject to the availability of funding in those years.

It is important to note that under SHCEP, units can be delivered in a variety of ways and local authorities are encouraged to explore using all of these mechanisms where possible –

- multi-unit developments directly leased by authorities,
- individual units either leased or through rental arrangements that can be acquired using local authorities delegated sanction, and
- units can be leased, purchased or constructed by AHBs.

It is important to note that the local authorities that have delivered the most significant units under SHCEP to date have done so by utilising all the delivery mechanisms available to them in a partnership approach with AHB's. It is crucial that all Authorities actively engage with AHBs to determine their capacity to assist in delivering units and to build a programme of delivery for the AHB sector over 2016 and 2017, and out to 2020.

Targets under the Rental Accommodation Scheme

As previously advised, in the longer term it is intended, with the national introduction of HAP, and subject to demand, that RAS as a targeted scheme to transfer rent supplement recipients to local authority accommodation, would gradually phase out. However, RAS remains a very relevant and significant part of the suite of social housing options currently available to those who are assessed as being in need of housing support.

A target of **110** RAS units to be delivered by your authority has been set for 2015 with the number of units estimated to be delivered under the scheme in the period 2016-2017 at **113** units, subject to the availability of funding.

LA Self-Funding Requirement 2015

You will be aware that Dublin City Council is one of 10 local authorities where the Local Property Tax (LPT) receipts in 2015 exceed the 2014 General Purpose Grant from the Local Government Fund. As a result Government has identified that these 10 local authorities will be in a position to fund some services in Housing and Roads areas which are currently funded by central Government. In the case of Housing services for your local authority, the amount to be self-funded is €41.148m. The Department will provide more detailed information in relation to the specific requirements for self-funded expenditure shortly.

Contacts, Guidance and Support

The Department and the Housing Agency are available to provide advice and support in respect of how best to increase delivery of units in your area. In that context if you have any questions or require any assistance please contact the Department at:

Current Programmes:

leasing@environ.ie

ras@environ.ie

Michael O Connor (01) 888 2757 (SHCEP)

Niall Hayden (01) 888 2217 (RAS)

Capital Programmes:

vshousing@environ.ie

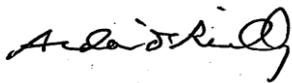
Pat Leonard (096) 24406 (LA Housing + CAS)

Darragh Severs (096) 24364 (LA Housing + CAS)

Claire Gavin (01) 8882191 (Voids)

Thank you for your continued co-operation in the implementation of the Social Housing Strategy and we look forward to the continued and productive engagement between your local authority with our teams in the Department. The Department's team will be in further contact with your colleagues regarding further details of the targets and funding set out above.

Yours sincerely,



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Social Housing Capital Investment



Lisa Clifford
Principal
New Funding Models

cc Director of Housing