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Comhairle Cathrach
Bhaile Átha Cliath
Dublin City Council

'We need to inject some adrenaline into the housing delivery system'

New housing minister Simon Coveney says purchasing vacant homes would be 'a hell of a lot quicker' than building them



Michael Brennan
Political Editor

New housing minister Simon Coveney is planning to buy vacant homes owned by the banks to help tackle the housing crisis.

It comes on foot of a draft Housing Agency report that has highlighted the potential to use some of the 230,000 vacant homes around the country

In an interview with *The Sunday Business Post*, Coveney said purchasing vacant homes which banks owned as security on loans would be a "hell of a lot quicker" than building a house.

"If you can acquire a number of the thousands of vacant properties in Dublin, Cork, Limerick, Waterford and Galway, and make them available to approved housing bodies for families that need them, that would be a very effective response," he said.

Coveney said he had asked the Housing Agency to provide accurate figures on how many vacant houses there were, how many were available for the state to buy and how much they would cost.

It is a new challenge for Coveney, who spent the last five years in the Department of Agriculture. But he said it was the job he had asked for because solving the housing crisis was "ten times more important" than water charges.

"This is about people's homes and people's families. We need to inject some adrenaline into the housing delivery system," he said.

He's taking over the job at a time when just 12,500 homes were built last year instead of the target output of 25,000. The housing problem is not nationwide, but it is acute in Dublin, Cork, Galway, Limerick, Waterford and other major urban centres. Rents are rising rapidly and the numbers of families becoming homeless in Dublin has jumped from around 200 two years ago to over 1,000 now.

Coveney said the homelessness situation was "totally unacceptable", with Dublin City Council's hotel bills for housing families expected to reach €46 million this year.

"The thing is mad," he said.

Under the current system, it can take over a year for officials in the housing department to complete the four-stage process to approve new social housing.

Coveney said he was going to send dedicated delivery teams of department officials to council offices to work through the issues in a "matter of days" rather than months. And there would be a reduction in the six-month tendering time to get a builder.

"We're going to treat this with the urgency it needs," he said.

Cutting the two-year planning permission process for private developers and targeted reductions in Vat on home building is also on the cards for the housing action plan due by August. It will be informed by the report due shortly from the new Dáil cross-party housing committee.

Coveney said there were no houses being built in Dublin which were sold for less than €300,000, which was ruling out 40 per cent of people who wanted to buy homes.

"There are no houses being built for those people. So that's a big problem and we need to change it," he said.

During the Celtic Tiger era, there was little official attention given to the issue of housing affordability, with homebuyers being forced to take out ever increasing mortgages to get on the property ladder.

But it is now government policy at least to deliver affordable homes.

Coveney said the aim was to create mixed communities containing social, affordable and private housing.

"What we don't want is large tracts of land which only have social housing. As we've seen in the past, sometimes those addresses have a stigma or unfair disadvantage attached to them," he said.

But middle class families have been reluctant for generations to live alongside social housing tenants. Back in the mid-1960s, the late Maynooth sociologist Fr Liam Ryan wrote about how the better educated classes were careful to segregate themselves and their offspring from what they saw as the "undesirable and under-educated children" in one of the new council estates in Limerick city. And during the Celtic Tiger years, builders opted to pay cash to the state instead of turning over 20 per cent of their estates to social housing.

Coveney said he believed that middle class families could be attracted to the type of new mixed housing developments being planned. He said that there was social housing next to his Dublin home and also across the road from his family home in Carrigaline in Cork.

"Lots of people live next door to social housing and it's no problem at all," he said.

Coveney said the plan for 3,000 homes on the former Irish Glass Bottle site on a prime site in Ringsend in Dublin would be a good test case for the new approach.

"Nama will be developing an element of social housing and I hope more than 10 per cent will be made available through social or affordable housing schemes. I think there'll be a good mix there," he said.

The government has promised to take in 4,000 refugees in response to the exodus caused by the Syrian civil war. But it is a delicate political situation for Coveney to handle, given the current housing shortage.

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"Yes it is a big challenge. People will rightly say to me: 'We need to look after our own first.' Of course, I have a responsibility to Irish families and to the new Irish living here and to those unfortunately sleeping on our streets or families living in hotel rooms," he said.

However, Coveney's previous role saw him approve the Irish naval missions which resulted in 9,000 refugees being rescued from the Mediterranean. He said the country had to play its part in tackling a global humanitarian crisis.

"I also looked at images of a large vessel capsizing in the Mediterranean last week, where five people lost their lives, where children are being thrown into the sea," he said.

And then there is the issue of water charges. It is a bitter pill for Coveney who was the creator of Fine Gael's New Era document back in 2009. It set out a vision for a national water utility to take over from the 34 councils, funded by water charges. Now in his new cabinet portfolio, he looks likely to be the minister who presides over the ending of water charges when the Dáil votes on the matter in around a year's time.

But Coveney said his role was to take the political heat out of the water charges issue and create the space for a re-think through a water commission and Dáil committee hearings. He is pinning his hopes in particular on Fianna Fáil, who he says have changed their position on water a number of times.

"There are many in Fianna Fáil and in other parties who see the sense to a charging system when you have a fair metering system and so on. Let's wait and see if we can get back to that kind of rational discussion, as opposed to parties trying to protect their left flank," he said.

Coveney said that Fine Gael had managed to keep Irish Water in existence so that issues such as the 50,000 houses pumping raw sewage into Cork Harbour could be dealt with.

"Irish Water will have that issue resolved within 18 months. We have a new wastewater treatment facility, ironically, being built 300 yards from my house, which I've no problem with. There's no nimbby-ism [not in my backyard] here," he said.

However, Coveney is among the objectors to the €160 million incinerator being planned by Indaver in Ringaskiddy in his Cork South Central constituency. His argument is that it is not compatible with the plan to turn Cork Harbour into a tourism and marine education centre. But official government policy is to encour-

age such incinerators to stop hundreds of thousands of tonnes of waste being exported every year. Coveney said he was restricted in what he could say as the minister responsible for waste policy, but stood over his previously expressed views.

"My issue is not around waste policy, my issue is around location," he said.

Coveney has often been tipped as one of the main contenders in the race to succeed Taoiseach Enda Kenny when he steps down as Fine Gael leader. But when asked if this would distract him, he said he was "living and sleeping and thinking" about how to solve the housing emergency.

"Even if this government only lasts two or three years, there's a lot we can do," he said.

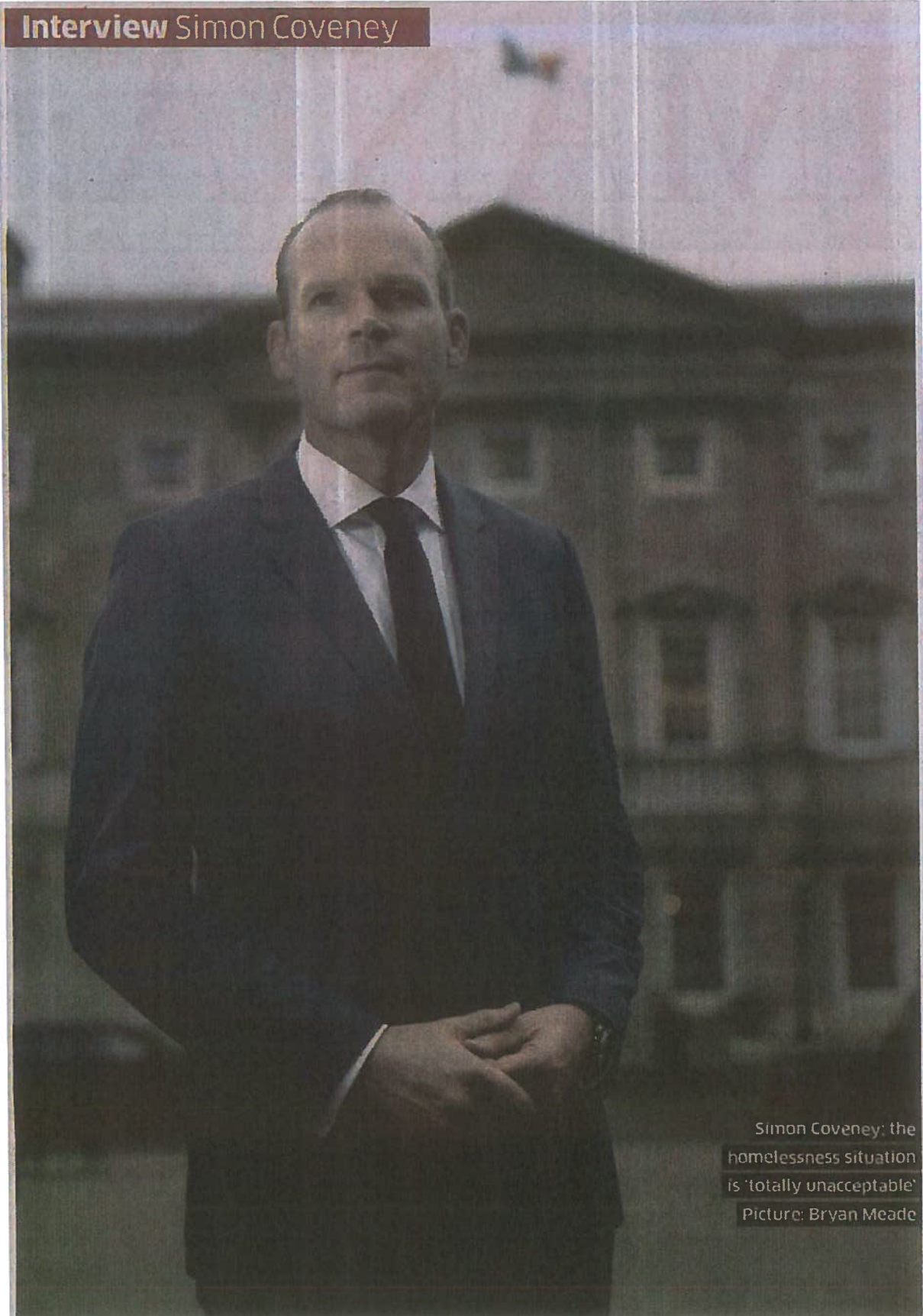


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Interview Simon Coveney



Simon Coveney: the homelessness situation is 'totally unacceptable'
Picture: Bryan Meade