



## **Minutes of the 412<sup>th</sup> NESC Council Meeting, 18<sup>th</sup> July 2014**

The meeting took place in The Clock Tower, Department of Education and Skills, Marlborough St, at 10 am.

**Attendance:** John Shaw (Chair), Seámus O'Donoghue, Frank Allen, Pat Smith, John Murphy, Michael Layde, Michelle Norris, Gavan O'Leary, Ian Talbot, Brid O'Brien, Caroline Fahey, Seán Healy, James Doorley, David Hegarty, Anna Davies, Michael Ewing, Karin Dubsy, Shay Cody, and Manus O'Riordan.

**Secretariat:** Rory O'Donnell, Anne-Marie McGauran, Larry O'Connell and Noel Cahill.

**Apologies:** Mary Daly, Niamh O'Donoghue, Michael O'Sullivan, Seán Ó Riain, Tony Donohue, Mary Walsh, Sally Anne Kinahan, and David Begg.

1. **Minutes of the Meeting of June 2014** were approved.

2. **Housing: Discussion of paper** — *The Place of Owner Occupation in Ireland's Future Housing System*

Rory O'Donnell situated the paper in the wider policy context, noting in particular the once-in-a-generation opportunity that exists to make meaningful reform to Ireland's approach to housing and the need to think about how to give more formal institutional form to emerging policy initiatives.

Dr. AnneMarie McGauran presented the paper. The Council welcomed the paper, in particular the probing of the stated goal of 'tenure neutrality'. Members noted the advantages enjoyed by buy-to-let owners over first-time buyers; the advantages of ownership over long-term rental, given the nature of the Irish rental system; the need to think about the influence of policy instruments (such as property tax) on shifting the balance between groups and across generations. In addition, Members welcomed the discussion of the money illusion that can exist regarding property; mortgage market design and the need for the Irish banking system to evolve towards a more sustainable, affordable and regulated financing system. Mention was made of the implications for pensions and future exchequer costs. Members mentioned the difficulty of creating alternative banking and finance models and the scope for less radical changes in the short term, such as the recent Bank of England changes to minimum deposit levels.

It was argued that further consideration be given to a number of issues. These included: the impact of the liberalisation and reduced state role in finance and mortgage provision; difficulties faced by those in contract and precarious employment; pressures associated with exorbitant rent increases; the role of Part V; complexities associated with tenant purchase; the positive and negative features of tenant purchase; the costs associated with one-off housing; urban-rural differences; and potential new sources of financing, such as community banks (e.g. Germany)

The Council endorsed further work on sustainable urban development and suggested that it should include a focus on communities and social and family issues; and, it might consider how this work could support a National Framework for Housing Supply which would balance supply and demand (as mentioned in Construction 2020). The Council asked that, in time, further work be done on the private rental sector focusing on issues such as effective security of tenure, professionalisation of the sector and, quality. An issue raised in this context was the scope for a survey of people about their experiences of renting in Ireland and abroad.

In closing Rory O'Donnell suggested that the Secretariat would now amend the paper on owner occupation for consideration by the Council and then proceed to work on the private rented sector. The Secretariat in dialogue with Department of Environment, Community and Local Government will begin work on sustainable urban development and planning related issues.

3. **Other Business:** None

The next meeting was set for: **Friday, 19<sup>th</sup> September**, Clock Tower, 10.00 a.m.