



Minutes of the 407th NESC Council Meeting, 21st Feb 2014

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

Attendance: John Shaw (Chair), Michael Ewing, Karin Dubsky, Siobhán Egan, Mike O’Sullivan, John O’Connor (Housing Agency), Danny McCoy, Mary Walsh, Seámus O’Donoghue, Tony Donohue, Ian Talbot, Helen Faughnan, Caroline Fahey, Seán Healy, Brid O’Brien, Tony Gallagher, Shay Cody, David Begg and Gavan O’Leary.

Secretariat: Rory O’Donnell, Larry O’Connell, Anne-Marie McGauran, Jeanne Moore, Noel Cahill, Helen Johnston and John Sweeney.

Apologies: Tom Parlon, Pat Smith, Manus O’Riordan, Sean Ó Riáin, Mary Daly, Edgar Morgenroth, Niamh O’Donoghue, Geraldine Tallon, John Moran, and John Murphy.

Minutes of the Meeting of January 2014 were approved.

1. **Matters arising:** none.
2. **Housing:** Rory O’Donnell provided a summary of the Secretariat paper ‘Housing In Ireland—Review, Current Situation and Lines of Inquiry’. He noted the central challenge to be addressed: providing housing for those for whom home ownership and satisfactory private rental is not available and will not be provided by existing approaches to housing markets, private rental, social housing and mortgage provision. Where they bear on this, other aspects of the housing, land, planning, financial and construction systems should be considered. As well as the overall analysis, four questions were put to the Council for discussion.

Opening the discussion, John Shaw informed the meeting that the Government’s strategy for the construction sector would be finalised in the coming weeks. Council members welcomed the emphasis on institutional innovation and suggested that this should be explored, including the potential role of a new national institution and international vehicles such as impact investing and ethical investment funds. Members emphasised the way in which housing is intertwined with other issues, including pensions, mortgage provision and incomes policy. Members debated the degree to which there is a housing and planning policy challenge, beyond the current blockages to the construction of three-bedroom family homes. Members drew attention to a number of aspects of the housing issue. These included: the importance of understanding maturation to long-term development; detailed analysis that is taking place, in the Department of Social Protection, on the ways in which housing supports is being provided and of housing markets and rents; cyclical nature of finance for social housing; the need to document and describe current activity in Local Authorities; upward pressure on rents in the private rental sector; current estimates of housing need and demand; the sense that planning was and is weak; the composition of dwelling types; the work of the constitutional convention on housing; the hollowing out of smaller towns; the role of property and site tax; the low availability of finance; instances of tax and levies which may be limiting construction;

In closing the discussion, Rory O’Donnell noted that there are good reasons to be fearful about the provision of affordable housing and the inability of the market to address this challenge. He argued that problems associated with the current conjuncture, in particular the pressures now emerging in Dublin, must be noted in the work. However, the dominant focus of the work by NESC would be the central challenge and three inter-connected issues a) finance and institutional innovation; b) planning; c) social housing provision; rather than the challenge of re-starting the construction sector. The latter is the subject of work underway in the Department of the Taoiseach, and it was agreed colleagues working on this would be invited to the next discussion on housing that the Council undertakes.

The next meeting was set for: **Friday, March 21st**, Clock Tower, 10.00 a.m.