Changes to Part V for local authorities

Part V of the Planning and Development Acts 2000 to 2020 has been amended by the Affordable Housing Act 2021.

Main Changes:

These changes to Part V primarily apply to land purchased on or after 1 August 2021. Any new planning permissions for housing development on that land will have a 20% Part V requirement.

A 10% Part V requirement will apply where land already has planning

permission or was purchased between 1 September 2015 and 31 July 2021 and planning permission is granted before 31 July 2026.

Land where the changes to Part V requirement apply

20% Part V requirement

At least half of the Part V provision must be used for social housing support

The remainder can be used for affordable housing, which can be affordable purchase, cost rental or both.

Land where the transition arrangements apply 10% Part V requirement

All of the Part V provision must be **used for social housing support**

All of the land or equivalent value gain under Part V must be used for social housing support.

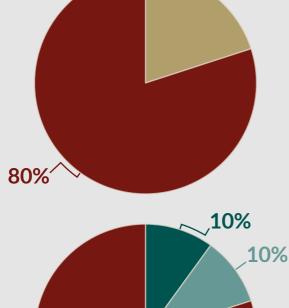
Housing Strategies:

Housing strategies within local authority development plans must in future include an estimate of how much social, affordable purchase and cost rental housing is required in the area.

The housing strategy must specify a percentage (not more than

20%) of land to be reserved for the delivery for social, and, if applicable, affordable, and cost rental housing under Part V. Where there is a housing strategy already in place, the local

authority chief executive must estimate the affordable purchase and cost rental requirements for deemed inclusion in the strategy.



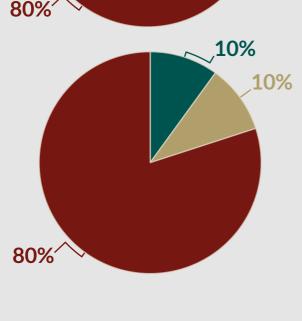
authorities are now entitled to 20% of the land or the equivalent value gain under Part V. 80% Market Housing

At least 10% of the land or the equivalent value gain

Outside of the transition arrangements, local

- 20% Part V

must be used for social housing. The remaining 10% can be used for affordable purchase or cost rental. 80% Market Housing **10% Social Housing**



10% balance can be used as an additional discount on construction costs or for more social housing. 80% Market Housing

If affordable housing is not required, the remaining

- 10% Social Housing 10% Used as construction discount

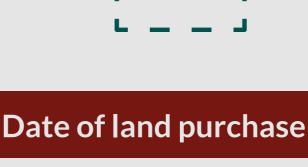
10% Affordable Housing

3 September 2021.

Transition Arrangements:

Date of grant of planning

Changes to Part V take effect from



For land purchased before 1 September 2015,

any new planning permission for housing

development granted on or after 3 September

2021 will have a 20% Part V requirement.

1 September 2015 For land purchased between 1 September 2015 and 31 July 2021, any new planning permission granted between 3 September 2021 and 31 July 2026,

will have a 10% Part V requirement.

31 July 2021 For land purchased on or after 1 August 2021, any new planning permission granted for housing development on that land will have a 20% Part V requirement.

Planning permissions granted before

3 September 2021 will continue to have a

10% Part V requirement.

3 September 2021

After 31 July 2026, all planning permissions granted for housing developments will have a 20% Part V requirement, regardless of when the land was purchased.

31 July 2026

Other important changes:

There will be a Part V requirement on any land granted planning

permission for the development of housing (irrespective of zoning). The legislation has been updated to bring clarity to the availability of

arbitration at any stage in the Part V negotiations. The 'Market value' of land for the purpose of Part V is now defined as the

open market value on the date of the grant of planning permission. An applicant for planning permission for developments of 4 houses or

fewer can apply for an exemption certificate from Part V.

Information provided in this graphic is for illustrative purposes and broad guidance. For specific information please refer to the <u>text of the Affordable Housing Act 2021 as published by the</u> Oireachtas.