

November 2013

## Resolving Unfinished Housing Developments

Annual Progress Report on  
Actions to Address Unfinished  
Housing Developments



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





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# Minister's Foreword

Unfinished housing developments are a very visible legacy of our recent economic difficulties.

The **Government continues to place a high priority on tackling problems associated with unfinished housing developments**, because living amidst an unfinished housing development is very problematic for residents and such developments undermine our cities, towns and villages as sustainable communities and attractive locations for investment and the housing market in general.

Two years ago, the Government published an action plan to address the recommendations of a report by the Advisory Group on Unfinished Housing Development. At that time, the Government promised to report annually on progress made until the issue was seen to be under control. Delivering on that promise, I am pleased to introduce **this second annual report on progress** that this Government and the relevant stakeholders are making.

We are making considerable progress. For example, **over the past three years, the numbers of unfinished developments remaining has been halved**. Hundreds of sites have had public safety issues addressed without significant recourse of exchequer funding through the Public Safety Initiative.

The 2010 National Housing Development Survey involved over 2,700 sites. This report, which also contains details of the 2013 Survey indicates that almost 1,500 developments can now be regarded as complete meaning that as economic recovery takes hold, **we can now focus on tackling the remaining 1,250 or so developments**.

Resolving these remaining developments is a complex process. However, I am pleased that the Government has recognised the need to incentivise further action by developers and financial institutions to deal with as many of the remaining cohort of

developments quickly and effectively. Budget 2014 contained a provision for a **€10m Special Resolution Fund**. This fund will stimulate further private sector investment and construction activity on developments that have, for reasons relating to deficiencies in the developments, the unavailability of bond finance and related matters, not been otherwise possible to bring to a resolution stage to date. The fund is a once off provision. Failure to engage with the fund will result in stringent enforcement action thereafter by the local authorities.

The fund will operate alongside private sector funding to resolve developments, for example through planning securities and bonds. **Almost €200m worth of bonds and securities are held by local authorities in respect of unfinished housing developments** and local authorities have made substantial progress in accessing these funds and will continue to do so unless developers and financial institutions engage with their efforts seeking resolution of developments.

I wish to thank the various interests involved for their commitment and hard work that make progress possible and I will be monitoring the situation closely through the work of my Department and the Housing Agency and the National Co-ordination Committee that I chair.



A handwritten signature in black ink that reads "Jan O'Sullivan". The signature is written in a cursive, flowing style.

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Ms Jan O'Sullivan T.D.

Minister of State for Housing and Planning

# Progress Report on Actions to Resolve Unfinished Housing Developments

## 1. Introduction

It is just over three years since the Governments Action Programme on Unfinished Housing Developments was published.

Progress over these three years has been considerable as the details in the following chapter outline.

- The number of remaining unfinished developments has halved.
- There has been a major tightening up of public safety on sites.
- The process of preparing and implementing Site Resolution Plans is continuing.
- Local Authorities continue to pursue enforcement action, including accessing securities and bonds to access funding to complete public infrastructure.

Overseeing the efforts at local level, the National Co-ordination Committee, chaired by Minister of State for Housing and Planning, Jan O'Sullivan, TD and established in June 2011, has met on twelve occasions. The work of the committee is ensuring that the extensive efforts of the Local Authority, government department and agency teams will be effectively measured both to highlight progress and to identify areas needing attention. Appendix 1 contains details of progress achieved on the Governments Action Programme.

Each Local Authority has a dedicated team/person specifically dealing with the issue of unfinished developments in their local area. This involves working through issues on the ground, using an array of technical, procedural, and legislative mechanisms in developing solutions in conjunction with residents, developers, financial institutions and receivers.

In 2011 the priority was to initiate a process to ensure that public safety aspects of stalled developments were addressed under the Public Safety Initiative (PSI).

*The Meadows, Newbridge, Kildare*



In 2012, the priority was to progress realistic medium term strategies for unfinished developments such as Site Resolution Plans. Progress is apparent on many sites, others will take more time.

***Grange Manor, Tulsk, Roscommon – DECLG reference 002322***

Planning permission was granted in 2005 for 28 dwelling houses of which, by the time the developer ceased works on site, 17 were fully or nearly complete, one was constructed to wall plate level and three had foundations constructed. None of the houses were occupied, access to the estate from the public road was blocked, the roadway was constructed only to sub-base level, public lighting was not erected and a substantial amount of construction waste and unused materials littered the northern end of the site.

Following the appointment of a receiver to the property, a Site Resolution Plan was developed in consultation with Roscommon County Council which included the clearance of the partially built unit and foundations, completion of the roads, lighting and other services, and the return of the undeveloped part of the site to agricultural land.

On completion of the works to a high standard the development was re-launched and almost all of the houses have now been sold and occupied.





For 2013, the priority has been turning more towards finding longer term solutions. There are signs that the market for housing is recovering in certain areas and where the market recovers, the prospects for finishing off developments will be stronger. The focus is now turning towards catalysing the resolution of developments that are in a weaker state, whether by virtue of their location, their condition or their financial context.

*Inis Alainn, Kilkenny*



## 2. The 2013 National Housing Survey

### 2.1 Key Findings

In 2010 the number of 'unfinished developments' surveyed by the Department was close to 3,000. There has been considerable work over the last three years by all parties involved and the number of developments still considered 'unfinished' in the 2013 survey has **more than halved** to 1,258 developments.

It is critical to note that of these 1,258 developments, 266 are empty developments containing no residents.

Therefore, of the 992 remaining unfinished developments containing residents, 863 of them were, at the time of 2013 survey, inactive<sup>1</sup>. These **863 developments** will be the priority moving forward.

The 2013 National Housing Development Survey was completed over the summer period.

**A total of 1,811 developments were inspected.** This includes the 1,770 developments identified in the 2012 survey plus 41 other developments identified by Local Authorities in the intervening period.

- ***553 of the 1,811 developments surveyed by the Department can now be removed because they are substantially complete*** and many of these developments will now progress to being considered for taking in charge by the relevant Local Authorities;
- ***1,258 developments remain unfinished;***
- ***Of the 1,258 remaining unfinished developments, 992 have people living in them;***
- ***Within the 1,258 developments,***
  - ***38,705 units have not been started,***
  - ***14,446 units are in various stages of completion***
  - ***6,370 dwellings are complete and vacant***
  - ***39,783 dwellings are complete and occupied.***

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<sup>1</sup> Inactive – no construction works were taking place on the site at the time of inspection.

**Table 1: Summary of progress in 2013**

	Total UFHD's inspected	Total UFHD's resolved within the last year	Total remaining UFHD's	No. of developments going through Enforcement Proceedings	Site Resolution Plan Process	Total no. of developments being dealt with through Developer/ Funder Resolution	No. of Bonds claimed	Total amount of Bond monies obtained to carry out works	Taken in Charge
Totals	1,811	553	1,258	377	607	*482	425**	€30.7 million**	42

\*This figure is out of the remaining 1,258 developments

\*\*Since 2011

## 2.2 Comparison over three years

In terms of yearly advancements, there has been continual progress achieved in relation to 'unfinished developments'.

Among the key findings are:

- A **decrease of 56%** in the number of unfinished developments since 2010 (down from 2,846 to 1,258)
  - 72% decrease in the number of vacant units in unfinished developments remaining in the survey comparing the 2013 survey data to 2010 baseline data i.e. from 23,250 to 6,370 (in remaining 1,258 developments).
  - 553 developments effectively resolved in the past 12 months.
- (refer to Appendix 2 for the summary of the National Housing Development Survey 2013).

**Table 1: Yearly Overall Activity 2010 - 2013**

Year of National Housing Development Survey	Dev's inspected	Dev's substantially complete	Total no. of UFHD's remaining	Inactive Site	Active Site <sup>2</sup>
2010 baseline NHDS	2,846	1,041	1,805	2,417	429
2011	2,876	810	2,066*	1,822	245
2012	2,973	1,203	1,770	1,518	252
<b>2013</b>	<b>1,811**</b>	<b>553</b>	<b>1,258</b>	<b>1,123</b>	<b>135</b>

\*The total remaining has increased from the previous year due to additional developments being identified through advice from Local Authorities

\*\*This is slightly more than the number of developments that remained unfinished in 2012 the additional 41 developments was identified through advice from Local Authorities.

<sup>2</sup> Construction works were on-going on the site at the time of inspection.

## Rinnucinni development, Portlaoise

Photo taken 2010



Photo taken 2013



## 2.3 Residents living in UFHDs

It has been a priority for the Department and Local Authorities to ensure that safety issues were tackled, especially within developments where people were living. Overall, developments where people are living that remain categorised as 'unfinished developments' are the highest priority and these developments warrant the greatest focus. Of the 1,258 remaining UFHDs there are 992 developments **with people living in them** and of that number 129 are active and **863 are inactive**.

Within the 863 inactive developments there are:

- just over 32,000 units complete and occupied;
- just over 4,500 units complete and vacant;
- 4,232 units near complete;
- 5,361 incomplete units

**This 863 cohort of developments will form the priority for Local Authorities in implementing future strategies (refer to Sections 5.3 & 6).**



## 3. Actions at Local Authority Level

### 3.1 Public Safety Initiative Funding (PSI)

A total of 159 developments were approved for funding under the Departments Public Safety Initiative involving a total of €4.5 million which resulted in a significant improvement to living conditions for residents. The fund assisted Local Authorities in making developments safe from a public access point of view.

Three years on and developments have been made safe and a significant amount are and have moved on to completion. Therefore this funding scheme is being concluded and the Department will be requiring the reimbursement of funds from the Local Authorities, which in turn will be recouped from the developer / funder that is liable.

#### Overall:

- 159 developments were approved under the scope of the PSI
- 27 additional developments are in the remit of NAMA.
- €4.5m approx. approved funding to date
- 13 claims currently on hand.
- €2.68 million paid on claims to date

### 3.2 Site Resolution Plans

**The target set by the Government in its action plan of 2011 was 300 per year. This target has been exceeded.**

Within the 1,811 developments surveyed in 2013 a total of **607** are going through some form of Site Resolution Process, which breaks down as:

- 281 Site Resolution Plans have been prepared and agreed;
- 213 SRP's are in place with works in progress on site; and
- 113 SRP's are completed with works completed on site.

*Sliabh Amharc, Enniscorthy, Wexford*



### 3.3 Bonds and Securities

Planning permissions for housing developments may contain conditions requiring the lodgement with the planning authority of a security for the purposes of providing funding for the satisfactory provision of public infrastructure (not the development) in case of default by the developer. In many instances this security is in the form of a cash deposit, an insurance policy or a construction bond.

Accessing funding by calling in bonds is a serious matter requiring adherence to clear procedures within Local Authorities around compliance and enforcement as well as effective communication systems with the providers of securities. Securities may only be accessed in respect of clear breaches of planning conditions and after a process of appropriate engagement with developers, owners and funders. In the case of successfully completed developments, the release and/or return of such securities are a key element of ensuring effective interaction between Local Authorities and financial institutions.

Given the increasingly important role of securities in effecting the resolution of public infrastructure elements of unfinished housing developments, information has been collated nationally on the level of planning securities, including bonds, held by planning authorities in respect of unfinished housing developments.

This data reveals that in respect of the **1,811 developments inspected**:

- The total value of existing bonds is €259.8 million;
- Over the past three years, Local Authorities across the country have obtained more than **€30.7 million** from such securities to complete essential public infrastructure within housing developments including roads, water services, public lighting and amenity areas and where breaches of planning conditions have occurred.

The yearly breakdown is as follows:

2010 - 2011:	23.9 million
2012:	3.9 million
2013:	2.9 million
Total:	30.7 million

More specifically, of the **1,258 remaining unfinished developments**:

- The total value of existing bonds is €198.0 million;
- Over the past three years, Local Authorities across the country have nevertheless obtained more than **€25.5 million** from such securities to complete essential public infrastructure within housing developments including roads, water services, public lighting and amenity areas.

The yearly breakdown is as follows:

2010 - 2011:	20.3 million
2012:	3.0 million
2013:	2.2 million
Total:	25.5 million

- Bonds have expired in the case of **224 developments** with a total value of approximately €49.9 million (€5.1 million received to date). This will result, in many cases, in further enforcement action by the Local Authorities to ensure that developers comply with the terms of planning permissions, which require, in accordance with Section 34(4)(g) of the Planning and Development Act 2000 as amended, the giving of adequate security for the satisfactory completion of a development.
- **79 developments** had no specific bond condition in the planning permission, including:
  - 34 developments of 5 or less dwellings;
  - 13 developments of between 6 and 10 dwellings;
  - 12 developments of between 11 and 25 dwellings;
  - 7 developments of between 26 and 50 dwellings;
  - 5 developments of between 51 and 100 dwellings;
  - 6 developments of between 101 and 200 dwellings; and
  - 2 developments of over 200 dwellings.

### 3.4 Enforcement

- 377 developments are the subject of legal enforcement proceedings, statutory notices etc.

### 3.5 Taking in Charge

The introduction of the Local Property Tax has placed a much greater focus on the condition of housing estates. This in turn will increase demands for taking in charge of estates by Local Authorities. There is now a large number of estates which need to progress to Taking in Charge. Procedures in Planning Authorities are being streamlined to deal with this fact.

- Of the 553 developments surveyed and resolved this year, **42 developments** have progressed to being taken in charge by the relevant Local Authority;

*An Plasán, Bridgetown, Wexford*





## 4. Actions at National Level

### 4.1 Action at DECLG / Housing Agency Level

To complement the achievements at a site by site level, a range of other commitments outlined in the June 2011 Government Action Plan has also been delivered on, including the following.

- **The roles and functions of receivers** were clarified in a guidance note prepared and issued to Local Authorities, NAMA and Receiver Groups in December 2012. The information note is also available on [www.housing.ie](http://www.housing.ie)
- Out of the remaining 1,258 developments on the Unfinished list Local Authorities are aware that a receiver has been appointed in 205 cases and a liquidator has been appointed in 51 cases.
- **New guidance on Bonds was issued by the Department**, taking account of the recommendations in the Advisory Group's Report under Circular Letter PL 11/2013.
- **Information on bonds and securities** has been collated (as outlined previously in section 3.3)
- **Banks have established dedicated teams and contact points** for working with Local Authorities which are available on [www.housing.ie](http://www.housing.ie).
- **The National Co-Ordination Committee established a Technical Group** to develop a strategy for residual developments or developments that despite efforts around site resolution etc, would appear to have no reasonable market prospects or prospects for beneficial use.



*An international delegation of planners visiting some unfinished developments*

## 4.2 Action at NAMA Level

**292** unfinished developments from the 2012 Housing Development Survey list are held as loan security by NAMA.

78 Site Resolution Plans to date are being processed by NAMA.

NAMA has advanced in excess of €3 million to date for health and safety works.

To date one development has been partly cleared by NAMA, which was an apartment block consisting of 12 units.

In 2014 as part of agreed SRP's, NAMA estimates that 12 developments/parts of developments could have the potential for clearance.

### 4.2.1 Social Housing

To date demand has been confirmed by the Local Authorities for 1,900 properties that NAMA has made available (This relates to all developments and not just developments identified as 'unfinished'). A further 290 properties are currently being evaluated bringing the total that may be deemed suitable to 2,190 potentially.

Contracts have been signed and transactions completed for 466 units. **384** of these units relates to units within Unfinished Housing Developments.

## 4.3 Action at Health & Safety Authority Level

The Health and Safety Authority has inspected 928 sites within the last year from the 2012 Housing Development Survey list.

Of the 928 sites, 894 have been brought to a conclusion.

- 230 had necessary remedial works carried out.
- 725 of the 928 have been identified as not being places of work and the relevant Local Authorities have been notified of this in writing.

## 5. Tackling Remaining Developments

### 5.1 Overall Approach

According to the 2013 National Housing Development Survey, 1,258 unfinished housing developments remain 'unfinished' of which 992 developments have residents living in them.

Very significant progress has therefore been made, however further progress must continue to resolve as many of the remaining developments as possible within three broad streams of activity, namely:

- (1) Normal developer/funder/receiver resolution;
- (2) Integrated Local Authority led measures to resolve developments not likely to come through the resolution process; and
- (3) Clearance of parts of or overall developments by developers/funders/receivers that are not likely to be resolved under streams (1) and (2) above.

### 5.2 Normal Developer/Receiver/Funder Led Resolution

Normal predominantly developer/funder/receiver funded site resolution processes will remain the main vehicle to tackle unfinished estates. Over 500 developments have been brought to a resolution point in this way over the past 12 months alone. It is expected that such processes will continue to make significant inroads into the remaining 992 unfinished developments.

### 5.3 Special Resolution Fund

There are some developments that the normal resolution process will not progress, because of absences of/or inadequacies in planning securities and other unforeseen cost and risk issues.

To ensure the legacy of unfinished developments continues to be erased, Budget 2014 contained a provision to further assist in addressing the legacy of unfinished housing developments in the form of a targeted €10m Special Resolution Fund (SRF).

The SRF will not replace the predominantly developer/funder/receiver driven resolution process.

The fund will be operated by the Local Authorities and will be carefully targeted to mainly address difficulties in public infrastructure (roads and footpaths, water services, public lighting and amenity or open space areas) that have arisen on certain developments included in the Department's National Housing Development Survey 2013.

The SRF is intended to enable Local Authorities to better co-ordinate and direct the efforts of developers, receivers and funders in stimulating additional investment by them to move forward certain developments that have not or would not otherwise be likely to progress to full resolution, to enable the relevant development to be completed to an acceptable level and subsequently to be taken in charge.

The specific difficulties mentioned above could include situations where there are serious deficiencies in the public infrastructure serving the relevant development, where resolution has been considered through a site resolution plan but the expiry, unavailability or inadequacy of a planning security or bond has hampered the assembly of the necessary funding to implement the resolution plan.

Similarly, another example could be where partial site clearance is required as part of the site resolution plan, but such works cannot be funded through the use of the bond.

The SRF will enable Local Authorities to develop a comprehensive package of investment in specified developments, together with complementary investment from the private sector, which it believes will bring about a step-change in the resolution process in its area, moving on from the previous Public Safety Initiative, addressing the legacy of unfinished housing developments in its area and stimulating the local economy.

The SRF will be operated on the basis of a call for proposals from the local government sector and these proposals will be evaluated by the Department. Proposals delivering significant scale and impact in the resolution process, as well as complementary private sector investment and stimulation of local economic activity are likely to attract the most significant levels of funding support.

The fund will be administered by the Department of the Environment, Community and Local Government with technical support and advice from the Housing Agency in accordance with an assessment framework to aid in the evaluation of submitted applications.

## 5.4 Clearance

Despite best efforts, it is apparent that there is a cohort of mainly un-occupied developments that do not appear to have long term prospects for resolution because they are (a) in weak market areas, (b) poorly configured (mainly apartments) and (c) in a state of deterioration which the bond will not cover.

Accordingly, the NCC established a Technical Group to oversee the development of a strategy for these residual developments and, acknowledging that these sites are privately owned, to work with stakeholders who own/manage the sites.

It is likely that many of these developments will be progressively addressed by the relevant financial institutions on a case by case basis through measures including:

- Disposal of the asset to the market;
- Return to greenfield (demolition/clearance) before sale;
- Investment to bring to a marketable condition.

Financial institutions have indicated that around 40 developments or more precisely uncompleted parts of same are currently likely to be returned to greenfield. However, this figure may go up or down

as the financial institutions assess each loan on a case by case basis and decide an appropriate course of action. For client confidentiality reasons, the locations of the developments considered at this stage most likely to be candidates for clearance, cannot be disclosed.

Unless there are compelling reasons, primarily relating to public safety, the decision to clear all or part of an unfinished housing development is a matter for the owner/developer or funder acting in possession, usually acting through a receiver and in the context of implementing a site resolution plan agreed with the Local Authority.

Therefore, clearance is an intrinsic part of asset management and disposal processes by owners/developers/funders and will not normally require State intervention or funding.

Local Authorities have certain powers under Derelict Sites and Public Safety legislation to order certain works on site but only after the service of statutory notices and where such actions are justifiable under the relevant legislation.

The NCC will continue to liaise with key stakeholders in monitoring progress in this area, including opportunities to address this cohort of developments through the more normal resolution processes where possible.

## 6. Future Priorities

### 6.1 Outlook for the Year Ahead

Very significant progress has been made over the past three years. But significant challenges lie ahead too.

The recovering national economy will create a more positive climate within which reasonable demand for housing will emerge and many of the stalled development projects in and around the main urban centre's will re-commence.

However, in parts of the midlands, border and northwest, significant levels of unfinished developments combined with a weaker economic context will make the resolution of some developments more difficult and time consuming.

Therefore, the priorities for the year ahead will be to:

- Conclude the **Public Safety Initiative**.
- Continue to prepare and implement **Site Resolution Plans**.
- Support Local Authorities in gaining **access to bond finance** to assist in resolution.
- **Accelerate the taking in charge process** through new protocols to be developed with local government.
- **Implement the Special Resolution Fund** to encourage resolution of more difficult cases.
- Oversee, in conjunction with owners, particularly funders/receivers, a **process of clearance** for the most difficult sites.

## Appendix 1: Actions and Outputs

The following tables outline some further details of the actions taken to deliver on the aims of the Government's report, 'Resolving Unfinished Housing Developments – Response to the Advisory Group Report on Unfinished Housing Developments', in 2013.

### Co-ordination and Partnership

Action / <b>Output</b>	Status
<p><b>National Co-ordination</b></p> <p>A <u>National Co-ordination Committee (NCC) on Unfinished Housing Developments</u>, will drive the implementation process and the recommendations of the report of the Advisory Group, with a particular focus on resolving sites.</p> <p><b><i>The NCC, comprising of representatives of all stakeholders, is chaired by the Minister for Housing and Planning Jan O'Sullivan, the last meeting taking place on 16th July 2013.</i></b></p> <p><b><i>A Plenary meeting for Local Authority Coordinators was held on the 13th February and the 23<sup>rd</sup> October 2013, all Local Authorities were represented.</i></b></p> <p><b><i>A Technical Group was established to tap Local Authority and organisational best practice in relation to enforcement matters including bonds and securities. The Technical Group was asked by the NCC to assist in developing with stakeholders who own/ manage sites, a long term strategy for the most difficult sites including the option of clearance.</i></b></p>	<p>On-going – The committee has, so far, met on twelve occasions.</p> <p>Number of documents &amp; guidance manuals published and complete.</p> <p>This was an opportunity for the dissemination of information between Local Authorities and the Department.</p> <p>A Circular on Planning Securities was issued to Local Authorities.</p> <p>A Residual Strategy has been prepared and stakeholder negotiations are taking place.</p>



Action / <b>Output</b>	Status
<p><b>Local Co-ordination</b></p> <p>City and County Councils will each establish <u>Unfinished Housing Development Teams</u> to co-ordinate actions at a local level and to provide regular reports to the National Co-ordination Team.</p> <p><i>Each City and County Council has established an Unfinished Housing Development Coordinator who leads the relevant Local Authority teams and the Coordinator's name, email and phone numbers are available to the public on <a href="http://www.housing.ie/our-services/unfinished-housing-developments/local-authority-contacts.aspx">http://www.housing.ie/our-services/unfinished-housing-developments/local-authority-contacts.aspx</a>.</i></p> <p><i>Regular Progress Reports are gathered from Local Authorities to enable the production of this and other progress reports.</i></p> <p><i>A number of sub-groups have been established with Local Authority representation in order to assess various aspects of resolving the issue of unfinished housing developments; such as the Legislative Review Group, the National Housing Development Survey Project Board and the Technical Group.</i></p>	<p>Complete &amp; Reports on-going.</p> <p>Progress Report 2013</p> <p>On-going</p>



Action / <b>Output</b>	Status
<p><b>Code of Practice</b></p> <p>A <u>Code of Practice</u> on issues such as public safety, the site resolution plan process, information exchange and identification of development solutions will be finalised by the National Co-ordination Team to ensure buy-in by developers, site owners, funders, Local Authorities and residents.</p> <p><b><i>The Stakeholders Code of Practice was published in October 2011, a copy of which can be found at <a href="http://www.housing.ie">www.housing.ie</a>. This code of practice acts as a framework for specific coordinated and integrated actions between key stakeholders addressing the issues that have arisen in relation to the unfinished housing developments. The code represents agreement on specific protocols of engagement and action between representative bodies of the key stakeholders in the process of resolving unfinished housing developments including:</i></b></p> <ul style="list-style-type: none"> <li><b><i>• Builders/Developers (as represented by the Construction Industry Federation and the Irish Home Builder's Association);</i></b></li> <li><b><i>• Financial Institutions (as represented by the Irish Banking Federation);</i></b></li> <li><b><i>• The National Assets Management Agency (NAMA)</i></b></li> <li><b><i>• Residents as represented by Irish Rural Link;</i></b></li> <li><b><i>• Local Authorities as represented by the City and County Managers' Association;</i></b></li> <li><b><i>• The Department of Environment, Community and Local Government; and</i></b></li> <li><b><i>• The Housing Agency.</i></b></li> </ul>	<p>Complete</p> <p>Implementation: On-going</p>

Action / <b>Output</b>	Status
<p><b>NAMA involvement</b></p> <p>In cases where unfinished housing developments are held as loan security, <u>NAMA</u> will work with Local Authorities, developers and/or receivers and the Department in facilitating early resolution of public safety issues and in co-operating with the other stakeholders in agreeing and implementing Site Resolution Plans, where feasible and appropriate.</p>	Significant progress made.
<p><b><i>NAMA is represented at the NCC meetings and is actively engaged in working with the Department, LA's and Banks.</i></b></p>	On-going.
<p><b>Engagement with the Banking Sector</b></p> <p>The Minister will engage with <u>other financial institutions</u> (both domestic and non-domestic banks) to ensure a full understanding of their statutory responsibilities and to secure their co-operation and engagement with Local Authorities and developers in addressing public safety issues and in agreeing and implementing Site Resolution Plans.</p> <p><b><i>Regular meetings have been established with the Irish Banking Federation (IBF). The full contact list of LA representatives has been provided to the IBF. The IBF have been providing updates of their progress and involvement at each NCC meeting. The IBF and representatives from the specific banks are engaged with the UFHD process and the residual strategy.</i></b></p>	On-going

Action / Output	Status
<p><b>Resident's Information</b></p> <p>An <u>Information Pack for local residents</u> in unfinished housing developments will be prepared and published by the Housing and Sustainable Communities Agency.</p> <p><b><i>A Guide for Residents in Unfinished Housing Developments was published in Oct 2011. This guide was made available in hard copy within the various LA's nationwide in English and Irish and on <a href="http://www.housing.ie">www.housing.ie</a>. The guide has been developed to give information to residents in unfinished developments on how they can become involved in helping to resolve the difficulties that can arise in these developments. The guide was updated in 2012 to take account of the change of UFHD categorisation system and issued to Local Authority coordinators. The housing agencies website also provides information for the public/residents on the various reports and manuals, codes of practice, LA contacts and the results of the 2010, 2011, 2012 and 2013 surveys.</i></b></p>	Complete and website being continually updated with current information.
<p><b>County Development Board Involvement</b></p> <p>With the support of the National Co-ordination Team, the Department of Environment, Community and Local Government will issue <u>guidance to City and County Development Boards</u> on encouraging and facilitating community involvement in resolving unfinished housing developments.</p> <p><b><i>The Community and Enterprise Network is to provide guidance on the role of the City &amp; County Development Board on facilitating community involvement.</i></b></p>	In view of the Government decision to replace the CDB's with Social and Economic Committee's (not yet established, this action is being deferred)
<p><b>Best Practice Manual</b></p> <p>A best practice <u>Guidance Manual on Managing and Resolving Unfinished Housing Developments</u> on unfinished housing developments will provide practical guidance for Local Authorities and other stakeholders on how to manage the unfinished housing development issue generally and focusing on steps to bring about the resolution of sites.</p> <p><b><i>The Manual was published in August 2011 and is available to view/download at <a href="http://www.housing.ie">www.housing.ie</a></i></b></p>	Complete

## Public Safety

Action / <b>Output</b>	Status
<p><b>Categorisation</b></p> <p>Building on the baseline survey work carried out by the Department in Autumn 2010, Local Authorities will complete their own initial <u>categorisation of unfinished housing sites</u> in line with the four categories identified in the Advisory Group's Report and will monitor the developments in their areas, updating regularly and reporting annually to the National Co-ordination Team on the categorisation and status of housing developments in their areas.</p> <p><b><i>LA's completed their initial categorisation. In the context of the 2012 National Housing Development Survey, a DECLG/LA sub-group assessed the existing system and the approach at this stage of the process was amended to focus on the physical quality of developments. The 2012 survey took place during June, July and August 2012. The 2013 survey took place during the summer.</i></b></p>	<p>LA's completed categorisation.</p> <p>On-going</p>
<p><b>Public Safety Initiative</b></p> <p>The Department will <u>expedite the approval of applications for funding support from the €5 million public safety initiative funding</u> with the first allocations to be made in June 2011.</p> <p><b><i>Desktop appraisals are continuously carried out on the applications made by LA's in relation to PSI funding.</i></b></p> <p><b><i>Submissions have been received in the case of 159 developments. Approvals for funding, so far total €4.5 million.</i></b></p>	<p>Significant progress made. All submissions for PSI funding have been made by LA's to the DECLG at this stage.</p> <p>On-going.</p>

Action / Output	Status
<p><b>HSA Liaison</b></p> <p>Local Authorities and the Health and Safety Authority will continue to liaise and engage in <u>monitoring incomplete sites</u> and any resolution activities being undertaken either by the developer or Local Authority.</p> <p><b><i>The HSA has inspected 928 sites within the last year.</i></b></p> <p><b><i>Of the 928 sites, 894 have been brought to a conclusion.</i></b></p> <ul style="list-style-type: none"> <li><b><i>230 had necessary remedial works carried out.</i></b></li> <li><b><i>725 of the 928 have been identified as not being places of work and the relevant Local Authorities have been notified of this in writing.</i></b></li> </ul>	<p>Significant progress made.</p> <p>On-going.</p>
<p><b>DECLG Support</b></p> <p>The <u>Department will provide ongoing technical assistance to Local Authorities</u> on the categorisation of developments, on the formulation of an initial site response, on the preparation of Site Resolution Plans, as well as planning and building control queries.</p> <p><b><i>The Housing Inspectorate with the Housing Agency provides technical support to LA's on PSI funding and related queries.</i></b></p> <p><b><i>The National Housing Development Survey 2013 was completed with full results compiled, published and available shortly for viewing on <u>www.housing.ie</u>.</i></b></p> <p><b><i>The Housing Agency has established an on-line forum/discussion point for LA/UFH coordinators and will manage the distribution of and responses to queries made via the forum.</i></b></p>	<p>Significant support mechanisms established and on-going.</p> <p>Complete</p>

## Site Resolution Plans

Action / <b>Output</b>	Status
<p>City and County Unfinished Housing Development Teams will identify priority sites that should be the subject of Site Resolution Plans (SRP's) and will work with site owners, developers, funders and residents in their efforts to develop such plans, reporting to the National Co-ordination Team, <u>with a view to ensuring that <b>300 Site Resolution Plans</b> are in place by end 2011.</u></p> <p><b><i>The Progress Report clearly demonstrates the significant advancement that LA's are making with site resolutions.</i></b></p> <p><b><i>A significant and growing amount of Site Resolution Plans have been initiated, requested or are in progress. According to the LA's these SRP's are being achieved through formal and informal processes. Formal refers to a request explicitly requesting a SRP and informal includes any correspondence to the developer requesting them to complete the development. Within the 1,811 developments surveyed a total of 607 are going through some form of Site Resolution Process, which breaks down as:</i></b></p> <ul style="list-style-type: none"> <li><b><i>281 Site Resolution Plans have been prepared;</i></b></li> <li><b><i>213 SRP's are in place with works in progress on site; and</i></b></li> <li><b><i>113 SRP's are completed with works completed on site.</i></b></li> </ul>	<p>Significant progress made.</p> <p>On-going.</p>
<p>City and County Unfinished Housing Development Teams will develop <u>best practice approaches to the re-use of vacant housing</u> in each of their areas by the end of 2011.</p> <p><b><i>LA's together with approved housing bodies and NAMA are working with the DECLG &amp; the Housing Agency with a view to leasing and sale of some of the properties over which NAMA holds security into beneficial use for social housing and other purposes (see section 4.2.1 Social Housing).</i></b></p>	<p>On-going.</p>

## Legislative and Policy Framework

Action / <b>Output</b>	Status
<p><b>Legislative Review</b></p> <p><b><i>A Legislative Review sub-group was established.</i></b></p> <p><b><i>In terms of the Derelict Sites Act, the Derelict Sites Circular, Circular PH 1/2012, was issued to Local Authorities in early June 2012 on the Derelict Sites Act 1990, statistical returns and the prescription of urban areas.</i></b></p> <p><b><i>This circular references the difficulties associated with unfinished developments and the potential scope to tackle these over the long term through derelict sites legislation by proposing them for prescription as an urban area under the Act.</i></b></p> <p><b><i>In relation to Planning Securities including Bonds, a Circular has been issued to Local Authorities in early July 2013 on the Provision of Security provided under section 34(g) of the Planning and Development Act 2000 - 2010 for the satisfactory completion of residential housing developments. The circular recommends a standard approach to the wording and coverage of bonds and securities, setting out:</i></b></p> <ol style="list-style-type: none"> <li><b><i>1. The purpose of securities;</i></b></li> <li><b><i>2. Types of securities;</i></b></li> <li><b><i>3. Requirements for securities;</i></b></li> <li><b><i>4. Default events and definition;</i></b></li> <li><b><i>5. Securities and phased development;</i></b></li> <li><b><i>6. Assessment of security mechanisms;</i></b></li> <li><b><i>7. Computation of bonds for residential developments;</i></b></li> <li><b><i>8. Release of bonds</i></b></li> </ol>	<p>Complete</p> <p>Complete</p>

Action / <b>Output</b>	Status
<p><b>Taking in Charge Standards</b></p> <p>The Department will <u>review taking-in-charge standards</u> for public infrastructure within housing developments such as roads, public lighting and piped services with a view to making recommendations on how best to develop national standards.</p> <p><i><b>The City and County Managers Association is working with the NCC in the context of progressing a more streamlined approach to the current Taking-In-Charge process under roads and planning legislation with a view to informing DECLG guidance to Local Authorities later in 2013. Development of streamlined procedures for taking in charge of developments has been initiated and will be considered further by the City &amp; County Managers Association (CCMA) in conjunction with DECLG.</b></i></p>	In progress
<p><b>Building Standards Compliance</b></p> <p>The <u>Report of the Advisory Group</u> will be referred to the <u>Building Standards Compliance Group</u> for its analysis and response.</p> <p><i><b>A report was received from the Building Standards Section (DECLG). Building Control provisions enable LAs to waiver certain aspects of the building regulations and this provision would appear to be the most practical course of action. Therefore, no specific action may be required.</b></i></p>	Complete



## Housing Market and Planning Supports

Action / <b>Output</b>	Status
<p><b>Planning Guidance</b></p> <p>The <u>Department will re-state previous planning guidance</u> to planning authorities on specific policy aspects regarding better phasing of development, the provision of bonds / securities and other DECLG policies as regards sequential and phased development to inform the resolution of unfinished housing.</p> <p><b>A number of guidance documents have been issued including;</b></p> <ol style="list-style-type: none"> <li>1. Managing and resolving Unfinished Housing Developments, Guidance document, August 2011,</li> <li>2. Derelict Sites Circular,</li> <li>3. Planning Securities Circular</li> <li>4. Receivers Guidance and Information Note</li> </ol>	On-going
<p><b>Re-Use of Vacant Housing</b></p> <p>The Department, working alongside Local Authorities and voluntary housing bodies, <u>will engage actively</u> with developers and site owners, including NAMA, in seeking <u>to ensure positive uses for vacant complete and near complete housing</u> and in line with the achievement of sustainable communities and balanced tenure of housing developments.</p> <p><b>LA's together with approved housing bodies and NAMA are working with the DECLG &amp; the Housing Agency with a view to leasing and sale of some of the properties over which NAMA holds security into beneficial use for social housing and other purposes.</b></p> <p><b>Contracts have been signed and transactions completed for 466 units. 384 of these units relates to units within Unfinished Housing Developments.</b></p>	In progress and on-going
<p>The Housing and Sustainable Communities Agency will undertake an <u>examination of the potential role for self-build and equity partnership type models</u> to enable residents and new investors to assist in resolving unfinished components of housing developments.</p> <p><b>The Housing Agency continues to liaise with a UK based equity partnership in the progressing of two pilot projects which have been identified in Bandon Co. Cork and Kilminchy, Portlaoise.</b></p> <p><b>A revised planning permission is due to be lodged with the Local Authority in the Kilminchy site. Contact continues to be maintained with the equity partnership and updated reports will be made to the NCC as progress is made.</b></p>	On-going

# Appendix 2: Summary Report of National Housing Development Survey 2013

## A2.1 Introduction

To continue to provide an effective evidence base to support the Government's actions on unfinished housing developments and in line with previous surveys in 2010, 2011 and 2012 a survey of unfinished housing developments in Ireland was conducted over the summer of 2013.

As in the case of the previous surveys, the 2013 survey covered all housing developments of two or more dwellings commenced since 2007.

It is important to note that the survey generally tracks the progress of housing developments included in previous surveys<sup>3</sup> where there are or were uncompleted construction works involving either housing or infrastructure or both, but it does not include every completed housing development in the country with outstanding taking-in-charge or maintenance issues.

The survey was conducted by the Department's Architecture and Building Standards Inspectorate, in conjunction with relevant staff across all Local Authorities, capturing data and information on:

- (1) The numbers of ***housing developments that can now be regarded as substantially complete*** (either whole developments or phases of developments where the remaining phases are no longer likely to proceed);
- (2) The ***numbers of incomplete developments*** with outstanding housing construction or infrastructure works or both;
- (3) The ***number of complete and occupied houses*** in the surveyed developments;
- (4) The ***number of complete and vacant houses***;
- (5) The ***number of houses partly constructed*** and the stage of construction;
- (6) The ***activity status of the development***, whether active or not;<sup>4</sup>

## A2.2 Key Findings

The 2013 survey reveals that:

- (1) ***553 developments previously included in the survey can now be removed because they are either substantially complete*** or development never commenced and many of the substantially complete developments will now progress to being considered for taking in charge by the relevant Local Authorities;
- (2) ***1,258 developments remain unfinished***;
- (3) ***992 unfinished developments*** with residents in-situ will remain a focus for continued action;

<sup>3</sup> A small number of additional developments were included in the 2013 survey having been identified by the Local Authorities as not having been surveyed in previous years.

<sup>4</sup> Whether or not a site is active or not is a relative phrase, because a site could be recorded as active even though the level of activity could be very low and the numbers of workers engaged on the site could be very small.

- (4) **8,694 houses remain vacant** in the remaining 1258 unfinished developments (down to 6.57% of dwellings surveyed in 2013 from 9.09% in 2012)

- (5) **57,642 houses are complete and occupied**

Overall, the figures indicate the following trends: (refer to Table A2.1 for a summary of national figures)

**Firstly**, good progress continues to be made on the majority of sites in bringing vacant housing into beneficial use and bringing down the level of vacant new housing.

**Secondly**, as the major outstanding construction works on many sites are completed, the next immediate priority for the majority of these developments is for developers, funders and Local Authorities to work together in assessing developments for the purposes of taking in charge and expediting that process on condition that reasonable standards of completion are achieved. Other substantially complete developments, mainly apartment and multi-unit schemes, will be maintained by management companies controlled by residents.

**Thirdly**, the focus on unfinished housing developments will need to shift to resolving the remaining 1,258 developments that are incomplete and especially the 992 developments with residents living there.

## A2.3 Background

A total of 1,811 developments were inspected, marginally up on the 1,770 remaining after the 2012 survey. Most of the additional 41 developments were identified through advice from Local Authorities.

The 2013 survey distinguishes between developments not started and (i) covered by a live planning permission and (ii) where planning permission is expired.

While the survey captures data on rates of vacancy, it should be noted that this information is not always readily apparent from an external survey or site visit and can be difficult to obtain particularly in the case of apartments. Supplementary information on occupancy was obtained from residents and other sources.

In general, the figures would appear to indicate that overall, there is continuing progress on unfinished housing with developments moving through the various stages of construction and on to completion, leading to occupancy and a reduction in vacancy levels.

Nationally, there have also been improvements recorded in relation to the provision of public infrastructure, such as roads, footpaths, lighting and open spaces.

It is also noteworthy that the numbers of sites where building activity was noted remains at a very low level of around 193 sites and the activity on these sites generally related to completion of building works rather than the commencement of new development.

Notably, there is also a trend of developments where the relevant planning permission has expired with permissions for just over 30,000 un-commenced dwellings in unfinished housing developments now having expired (up to 22.79% of dwellings surveyed in 2013 from 13.39% in 2012).

**Table A2.1: Summary of National Figures from the 2013 National Housing Development Survey**

Year	2010	2011	2012	2013	
<b>Number of Developments inspected</b>	2,846	2,876	2,973	1,881	<b>No. of remaining UFHD Nov 2013</b>
					<b>1,258</b>
Detached units	24,476	25,048	25,864	20,459	15,712
Semi-detached units	55,243	56,007	57,528	46,153	34,450
Terrace units	36,872	38,044	39,644	30,073	23,101
Duplex units	7,873	7,870	7,979	5,953	4,945
Apartment units	54,766	54,466	54,640	29,587	21,074
<b>Total Dwellings</b>	<b>179,230</b>	<b>181,435</b>	<b>185,655</b>	<b>132,225</b>	<b>99,282</b>
Complete & Occupied units	78,195	85,538	91,692	57,642	39,783
Complete & Vacant units	23,250	18,638	16,881	8,694	6,370
Near Complete – With building activity units	2,699	1,934	1,014	973	6,444
Near Complete – No building activity units	7,277	6,860	6,978	6,207	
Wall Plate – With building activity units	923	417	432	428	2,107
Wall Plate – No building activity units	2,104	2,040	2,037	1,965	
DPC – With building activity units	467	273	201	151	2,662
DPC – No building activity units	2,507	2,668	2,682	2,705	
Founds to DPC level – With building activity units	602	412	318	326	3,233
Founds to DPC level – No building activity units	3,251	3,268	3,370	3,380	
No Construction Started units	58,025	59,381	35,191	19,661	13,833
Planning Expired units			24,864	30,132	24,872
Roads Complete and in service	67,535	73,140	79,786	42,930	29,304
Footpaths Complete	100,155	104,611	110,176	66,986	46,749
Lighting Complete	98,022	102,740	106,762	64,353	44,752
Potable water supply fully operational	101,279	105,045	109,372	66,475	46,487
Storm water system fully operational	101,199	104,586	108,974	67,087	47,064
Waste water system fully operational	100,940	104,524	112,780	66,432	46,432
Planned number of open space areas	5,300	5,355	5,565	4,033	2,969
Open space areas fully complete	3,305	3,418	3,616	2,205	1,469
Construction activity on site	429	245	252	193	129

## A2.4 Vacant Housing Trends

Initial analysis of the data highlights a number of points.

To provide a nationally consistent context within which to analyse the level of new vacant houses across the different sizes of city and county council areas, the total number of new vacant homes in each area was converted into a ratio per 1,000 households.

The analysis above reveals that, as in previous surveys, the highest ratio of vacant new homes arise in some midland, border and western counties with comparatively much lower levels in the main urban areas.

Table A2.2 and the map on the following pages graphically summarise and depict the data.

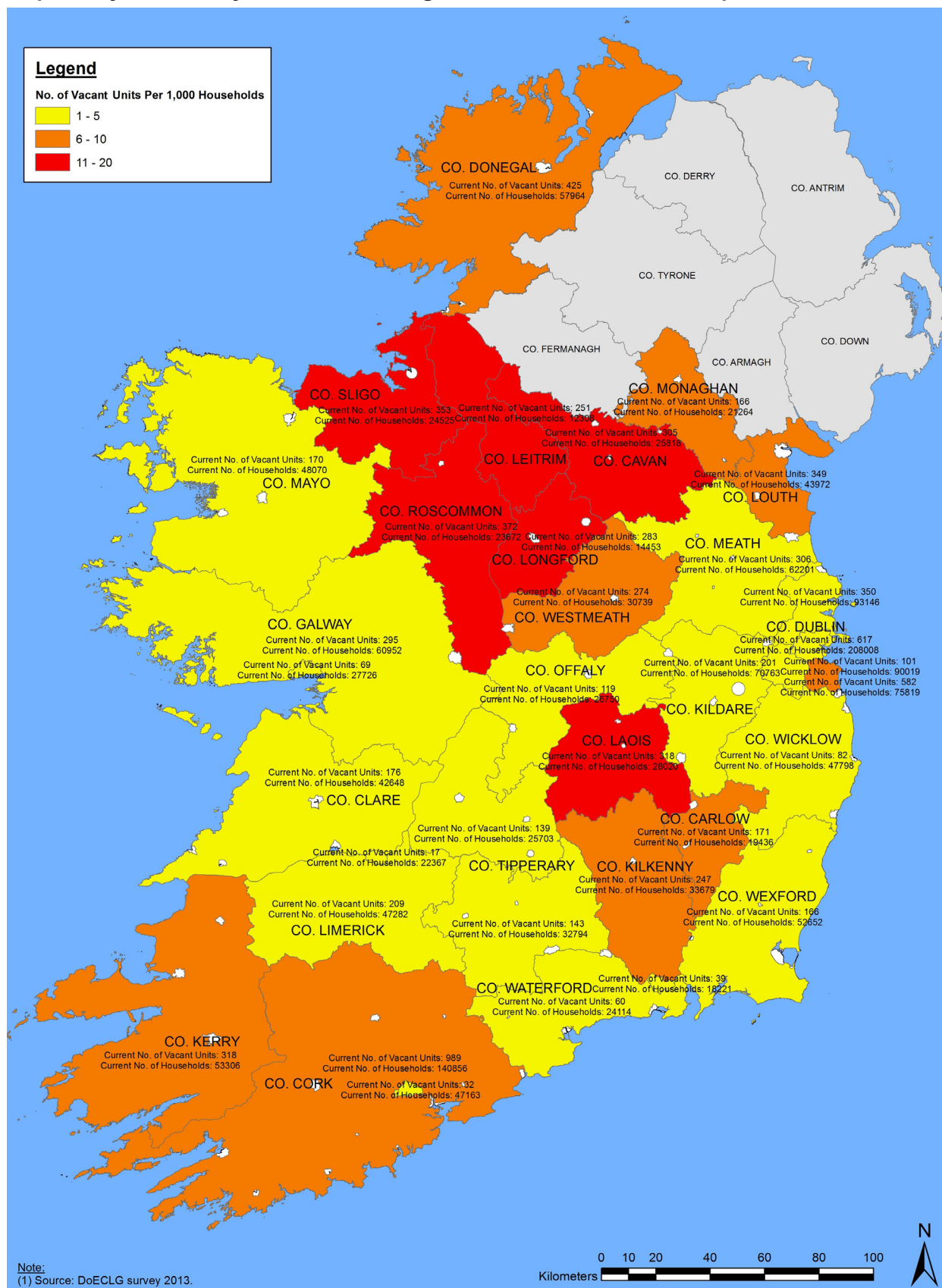
**Table A2.2: Number of Vacant Units per 1,000 Households**

Local Authority	No. Vacant Units derived from Survey  (See Note 1)	Total No. Households  (See Note 2)	No. Vacant Units Per 1,000 Households
Cork City	32	47,163	0.68
Limerick City	17	22,367	0.76
South Dublin	101	90,019	1.12
Wicklow	82	47,798	1.72
Waterford City	39	18,221	2.14
Waterford County	60	24,114	2.49
Galway City	69	27,726	2.49
Kildare	201	70,763	2.84
Dublin City Council	617	208,008	2.97
Wexford	166	52,652	3.15
Mayo	170	48,070	3.54
Fingal	350	93,146	3.76
Clare	176	42,648	4.13
South Tipperary	143	32,794	4.36
Limerick	209	47,282	4.42
Offaly	119	26,750	4.45
Galway County	295	60,952	4.84
Meath	306	62,201	4.92
North Tipperary	139	25,703	5.41
Kerry	318	53,306	5.97
Cork County	989	140,856	7.02
Donegal	425	57,964	7.33
Kilkenny	247	33,679	7.33
Dun Laoghaire Rathdown	582	75,819	7.68
Monaghan	166	21,264	7.81
Louth	349	43,972	7.94
Carlow	171	19,436	8.80
Westmeath	274	30,739	8.91
Laois	318	28,020	11.35
Cavan	305	25,818	11.81
Sligo	353	24,525	14.39
Roscommon	372	23,672	15.71
Longford	283	14,453	19.58
Leitrim	251	12,308	20.39

**Note 1:** As derived from the 2013 Survey

**Note 2:** Note 'number of households' is derived from most recently published CSO data, 2011.

## Map of City and County Councils Showing Numbers of Vacant Houses per 1,000 Households



## A2.5 Next Steps

The survey is an invaluable tool in supporting the work of the Department, the Housing Agency, Local Authorities and other key stakeholders to bring about an effective resolution of the problems with unfinished housing developments.

A detailed excel spreadsheet of the overall survey will be shortly available on [www.environ.ie](http://www.environ.ie) and [www.housing.ie](http://www.housing.ie) and mapping of the individual developments will be available shortly on [www.unfinishedhousing.ie](http://www.unfinishedhousing.ie) and then added in time to [www.myplan.ie](http://www.myplan.ie)





