

December 2014

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

For the past four years, the Government has worked progressively with a range of interests to address the problems it inherited in relation to unfinished housing developments. As a result **over the past four years, the number of unfinished developments has been reduced by two-thirds from just under 3,000 to 992 developments.** This is a significant achievement in what is a complex process.

This is the third annual progress report, which demonstrates the real progress being made on the ground. The substantial reductions in the number of unfinished developments have been made possible by co-operation between all stakeholders. To this end I compliment local authorities and their unfinished housing development teams on the tireless work they have undertaken.

Despite the fact that nearly 2000 developments have been resolved, over 900 remain. Therefore the **Government continues to place a high priority on tackling the problem,** 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.

Of the remaining 992 unfinished developments **766 contain residents and the Government will be focusing on tackling those developments containing residents.**

This report also contains the results of the 2014 National Housing Development Survey which, in line with wider signals of a recovering economy, indicates for the first time in four years, an increase in the numbers of active sites.

The Government, local authorities and NAMA have committed significant resources to resolve developments. The **Public Safety Initiative (PSI)** was established as an initial response to ensure that developments were made safe from a health and safety point of view. This funding source is now being discontinued because of substantive progress on this front.

Subsequently, the **Special Resolution Fund** of €10 million was designed to be targeted towards developments not likely to be resolved in the normal way through solely developer / owner / funder action because of the presence of specific financial barriers and I am very pleased to announce that Budget 2015 allocated **a further €3.35 million** to the Special Resolution Fund for progress in 2015.

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 National Co-ordination Committee that I chair.



Mr. Paudie Coffey T.D.
Minister of State for Housing and Planning
and Co-ordination of Construction 2020

1. Introduction

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

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

- The number of remaining **unfinished developments has fallen by two thirds**.
- Public safety on sites has been addressed.
- The process of preparing and implementing Site Resolution Plans has been completed on many sites and is continuing on others.
- Local Authorities continue to pursue enforcement action, including accessing securities and bonds to access funding to complete public infrastructure.
- The special resolution fund has accelerated the process of resolving more challenging sites that have not been possible to resolve so far.

Overseeing the efforts at local level, the National Co-ordination Committee, established in June 2011, and chaired by Minister of State for Housing and Planning and Co-ordination of Construction 2020, Mr. Paudie Coffey, TD ensures a co-ordinated response across the local authority, government department and agency sectors. Appendix 1 contains details of progress achieved under the Governments Action Programme.

Within each local authority a dedicated 'unfinished developments' co-ordinator has provided continuity at a local level which has been a major factor in successfully navigating the many intricacies of the resolution process.

There have been a number of initiatives by government throughout the years in order to provide an impetus to the resolution of unfinished housing developments.

Initially in 2011 the **Public Safety Initiative** (PSI) was established in order to ensure that developments were made safe from a health and safety point of view.

In 2012 and 2013, the focus was in identifying longer term solutions involving consultations with all stakeholders this included the agreement of **site resolution plans**.

In 2014 a further marked improvement is evident, demonstrated by the reduced vacancy figures and increased levels of activity on sites. However improvements are not evenly spread across the country which is why the **Special Resolution Fund** of €10 million was designed to be targeted towards developments not likely to be resolved in the normal way through solely developer / owner / funder action because of the presence of specific financial barriers.

2. The 2014 National Housing Survey

2.1 Key Findings

The 2014 National Housing Development Survey was completed in mid 2014.

Whereas in 2010 the number of 'unfinished developments' surveyed by the Department was close to 3,000, the number of developments still considered 'unfinished' in the 2014 survey has declined by **around two-thirds to 992 developments.**

With the aid of the **Special Resolution Funding Scheme** another **74** developments should be resolved in the months ahead, reducing the figure to **918**. (This funding has already contributed to the removal of 12 developments from the current survey).

It is critical to note that of these 992 developments, 226 are empty developments containing no residents.

Of the remaining **766** unfinished developments containing residents, **681** of them were, at the time of the 2014 survey, inactive¹. These **681 developments** will be the priority moving forward.

A total of 1,263 developments were inspected.

- **271 of the 1,263 developments are now being 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;
- **992 developments remain unfinished;**
- Of the 992 remaining unfinished developments, **766 developments are occupied;**
- **Within the 992 developments,**
 - **30,709 dwellings are complete and occupied.**
 - **4,453 dwellings are complete and vacant.**
 - **12,027 units are in various stages of completion.**
 - **29,168 units have not been started.**

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

Table 1: Summary of progress in 2014

	Total UFHD's inspected	Total UFHD's resolved within the last year	Total remaining UFHD's	No. of development going through Enforcement proceedings	Number of development going through Site Resolution Plan Process	Total no. of submissions originally approved for the SRF grant	No. of Bonds claimed	Total amount of Bond monies obtained to carry out works	Taken in Charge
Totals	1,263	271	992	212	587	86	164	€12.6 m.	99

Table 2: 2014 Number of Developments surveyed per County and to remain on database

Local Authority	2013 developments surveyed by Inspectors	2013 Developments to remain on the UFHD database	2014 developments surveyed by Inspectors	2014 Developments to remain on the UFHD database
Carlow	53	40	40	33
Cavan	86	60	61	51
Clare	33	22	22	21
Cork City	6	4	4	4
Cork County	180	154	154	130
DLR	22	16	16	14
Donegal	108	77	77	64
Dublin City	23	12	12	10
Fingal	48	28	28	17
Galway City	15	11	11	5
Galway County	68	40	40	32
Kerry	120	80	80	67
Kildare	68	47	47	32
Kilkenny	44	36	36	29
Laois	56	41	41	34
Leitrim	69	42	42	38
Limerick City	5	4	36	27
Limerick County	52	32		
Longford	58	36	36	30
Louth	63	44	44	29
Mayo	75	41	42	29
Meath	46	38	38	23
Monaghan	40	22	24	18
Offaly	29	15	15	14
Roscommon	85	55	55	53
SDCC	19	15	15	12
Sligo	63	29	30	25
Tipperary North	41	38	66	49
Tipperary South	33	28		
Waterford City	9	6	21	15
Waterford County	22	15		
Westmeath	35	21	21	13
Wexford	85	77	77	52
Wicklow	52	32	32	22
Totals	1811	1258	1263	992

2.2 Comparison over three years

The key results are as follows:

- A **decrease of 65%** in the number of unfinished developments since 2010 (down from 2,846 to 992)
- 81% 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 4,453 (in remaining 992 developments).
- 271 developments effectively resolved in the past 12 months.
- (*refer to Appendix 2 for the summary of the National Housing Development Survey 2014*).

2.2.1 Vacancy Rates

There has been a 36% drop in vacancy rates from 2013 to 2014 with Dun Laoghaire Rathdown, Wicklow and Kildare County Council areas exhibiting significant falls.

Beacon Court Apartment Block in Sandyford, Dublin, Before



After Resolution



Beacon Court Apartment Block in Sandyford, Dublin



After Resolution



2.2.2 Site Activity

Of the 1,263 developments inspected in 2014, 170 were active. After the removal of substantially completed developments there were a total of 992 remaining, of which 88 were active at the time of survey. However, with the commencement of the SRF Scheme after the survey was undertaken, it is anticipated that in excess of 160 sites will be active.

Parkton Mews, Parnell Road, Enniscorthy, Co. Wexford



Table 3: Yearly Overall Activity 2010 - 2014

Year of National Housing Development Survey	Dev's inspected	Dev's substantially complete	Total no. of UFHD's remaining	Inactive Site	Active Site ²
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
2013	1,811**	553	1,258	1,123	135
2014	1,263	271	992	904	88***

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 were identified through advice from local authorities. *This figure is expected to increase to in excess of 160 under the SRF, which was announced after the survey was conducted.*

2 Construction works were on-going on the site at the time of inspection.

2.3 Residents living in UFHDs

The overall priority in tackling unfinished developments is to improve conditions for residents.

Of the 992 developments remaining in the survey, there are **766 occupied** developments and of these occupied developments 88 sites are active and **681 are inactive**. However, with the implementation of the SRF Scheme, further activity is underway.

Within the **766** occupied developments there are:

- just over 30,709 units complete and occupied;
- just over 3,649 units complete and vacant;
- 4,084 units near complete;
- 5,218 incomplete units

This 766 cohort of developments will form the priority for local authorities in implementing future strategies (refer to Section 6.1).

3. Actions and Outcomes

3.1 Public Safety Initiative Funding (PSI)

The Public Safety Initiative (PSI) was introduced in 2011 to secure unfinished developments from posing a risk to public safety. A fund of €5m was made available to local authorities to deal primarily with immediate safety issues.

A total of 171 developments were approved for funding under the Departments Public Safety Initiative involving a total of €4.63 million the implementation of which resulted in a significant improvement to living conditions for residents. The fund has assisted local authorities in making many developments safe from a public access point of view.

With recovery activity levels and the requirement for national level action on public safety issues having been addressed, this funding scheme will be discontinued by the end of 2014.

Overall:

- 171 developments were approved under the scope of the PSI
- 28 additional developments over and above the remit of the PSI are in the remit of NAMA.
- A total of €4.63 million was approved under the PSI.
- 0 claims currently on hand.
- €3.42 million paid on claims to date.

Before and After Pictures
A sample of images illustrating progress

Brocan Wood, Monasterevin, Kildare



Kilbelin Abbey, Newbridge, Kildare



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 1,263 developments surveyed in 2014 a total of **587** are going through the Site Resolution Process, which breaks down as:

- 270 Site Resolution Plans have been prepared and agreed;
- 230 SRP's are in place with works in progress on site; and
- 87 SRP's are completed with works completed on site.

Ard na Deirge, Killaloe, Clare Before and After Resolution



3.3 Special Resolution Fund

Budget 2014 contained a special 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 was proposed to encourage the resolution of the remaining tranche of unfinished developments in the National Housing Development Survey 2013 and particularly those developments not likely to be resolved in the normal way through solely developer/owner/funder action because of the presence of specific financial barriers.

The SRF was not intended to replace the predominantly developer/funder/receiver driven resolution process but complement that process.

The SRF was established to target the remaining 992 unfinished developments with residents living in them, recorded in the 2013 survey and in particular any developments that local authorities identified were in a seriously problematic condition in 2012 for the purposes of identifying the Local Property Tax waiver for such developments and that remain in such a condition.

Local authorities were requested to assemble integrated proposals for funding support to enable collaborative solutions to be found for unresolved developments leveraging additional investor / stakeholder investment and/or significant community gain.

The proposals provided by the local authorities were evaluated by the Department in accordance with criteria outlined in the guidance these included:

- Deliver a lasting improvement for current residents.
- Leverage complementary third party funding (from developer, bond provider, receiver etc).
- Be in a condition to be removed from the UFHD list when works are completed.
- Include an element of community gain.
- Be in a position to be taken in charge by the local authority when works are completed.

Successful proposals were to address as many of these criteria as possible.

SRF funding supports local authorities by encouraging developers / owners / receivers / funders to find long-term solutions for developments that have hitherto been difficult to resolve due to specific funding or operational difficulties.

A number of briefing seminars were held for local authorities, financial institutions, receivers and other relevant interests to ensure awareness of the operation of the SRF and the need for early engagement between all parties and prompt decision making processes so as to enable local authorities to finalise proposals.

The SRF has enabled the local authorities to develop a comprehensive package of investment in specified developments, together with complementary investment from the private sector, which in turn stimulates the local economy.

Allocations:

In total 202 applications for funding for estates on the Department’s unfinished housing development list were received.

Following assessment, 86 projects were initially approved for funding totalling €10m.

It is estimated that the €10m strategic resolution fund investment will leverage approximately €12m in third party finance.

The leveraged funding breaks down as:

€7m in developer/funder investment

€5.1m in bonds

There are more than 2,100 occupied households across the 86 estates that will be funded and these families will see an improvement in their living conditions.

Table 2: Number of developments approved for SRF Funding per region

Region	No. of developments initially approved	Total Funding initially approved	Funding Leveraged including 3 rd Party & Bond amount available
Greater Dublin Area	4	€493,090.00	€1,738,329.00
Rest of Leinster	28	€3,165,301.95	€1,744,242.35
Munster	17	€1,833,457.01	€2,736,406.22
Connaught/Ulster	37	€4,378,631.62	€5,871,269.64

Implementation:

Approximately €4 million SRF has been drawn down by local authorities to date. Expected expenditure for the current year is **€6.5 million**.

Correspondence from the Local Authorities indicates that approximately 60% of the Special Resolution Fund (SRF) works should be complete by year end with 30% progressing on the ground but may not be fully complete by year end.

Delays have been experienced with implementation of the SRF in a number of developments due to a number of factors:

- changes in commercial circumstances - developers/funders withdrawing,
- sites being sold,
- legalities of going on to site,
- delays in tendering process.

**These images illustrate progress under the SRF
Lighthouse View, Caherciveen, Kerry, Before/After Resolution**



Ardmore, Meath, Before Resolution



Nearing Completion of resolution



Works nearing completion - Partly constructed block which was attached to live property is now demolished. All services have been brought onto site.

Ardmore, Meath, cont. Before Resolution



Nearing Completion of resolution



Transformation from previously waterlogged, derelict and dangerous site to high quality finished site works.

Clois Dealga, Saltown, Dundalk - Before Resolution



Clois Dealga, Saltown, Dundalk - After Resolution



Clois Dealga, Saltown, Dundalk - Before Resolution



Clois Dealga, Saltown, Dundalk - After Resolution



3.4 Enforcement

Enforcement is a matter for the planning authority.

212 unfinished developments are the subject of legal enforcement proceedings, statutory notices within the last year.

3.5 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.

Over the past four years, local authorities across the country have obtained more than **€43.3 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
2014:	12.6 million
Total:	43.3 million

There has been a significant increase with the draw down of bonds. This could be attributed to improved engagement by financial institutions as they get familiar with the issues and enhanced experience by local authorities in navigating the process of successfully obtaining bonds.

In relation to **IBRC bonds** a collaborative approach is being taken between the DECLG, the Department of Finance, Local Authorities and the Special Liquidators of IBRC in order to secure the release of required bonds. An adjudication process is commencing for unsecured claims. Under this process local authorities will need to lodge a claim in writing with the Special Liquidator setting out the details to the claim and providing supporting documentation by the 31 March 2015.

3.6 Taking in Charge

Section 180 of the Planning and development Act 2000 places certain legal obligations on planning authorities in relation to the taking in charge of residential developments. There are a large number of developments progressing through the taking in charge process. National legislation and local authority procedures are being streamlined as a result.

99 developments which had been on the unfinished housing developments list have progressed within the last year to being taking in charge by the relevant local authority.

A Circular on matters related to the taking in charge of residential developments was recently issued by Mr. Alan Kelly, T.D., Minister for the Environment, Community and Local Government (Planning Circular PL5/2014).

This circular letter clarifies the position as regards local authority procedures concerning the taking in charge of existing residential estates that are connected to public water supply and/or wastewater collection systems followed by the transfer of water services infrastructural assets in agreement with Irish Water.

This circular is of relevance to many of the unfinished developments in relation to their water and waste water infrastructure aspects.

A number of these developments also contain developer provided water services infrastructure, which is stand alone infrastructure, not connected to public water and sewerage networks. A National strategy is to be put in place to comprehensively address these issues.

3.7 Action at Health & Safety Authority Level

The Health and Safety Authority (HSA) has completed its proactive inspection programme of abandoned sites based on the 2012 Housing Development Survey. During the abandoned site inspection programme the HSA notified relevant Local Authorities where it was identified that sites were no longer places of work. It should be noted that following improvements in the economy, sites that were dormant (no work activities on-going) may now have construction works recommenced and in such cases the HSA will continue to inspect these sites through its annual inspection programme of work. In cases where complaints are received about sites regarding workplace safety, health and welfare issues, the HSA will engage with the relevant duty holders to seek resolutions and ensure compliance with the relevant safety, health and welfare at work statutory requirements.

4. NAMA's Response and Actions

In 2013 the DECLG Unfinished Housing Survey detailed 1,258 unfinished developments in Ireland of which 335 were attributed to NAMA debtors. It is estimated that the current total number of UFHD's within NAMA care has now declined to **229** a reduction of just over 30% in one year.

4.1 NAMA Site Resolution Process

The Site Resolution Plan process has been put at the heart of NAMA's policy of ensuring that all UFHD's are actively remediated to guarantee that they are removed from the unfinished list and also rendered Health & Safety compliant. NAMA has approved approximately **€7.5m** to date across this portfolio.

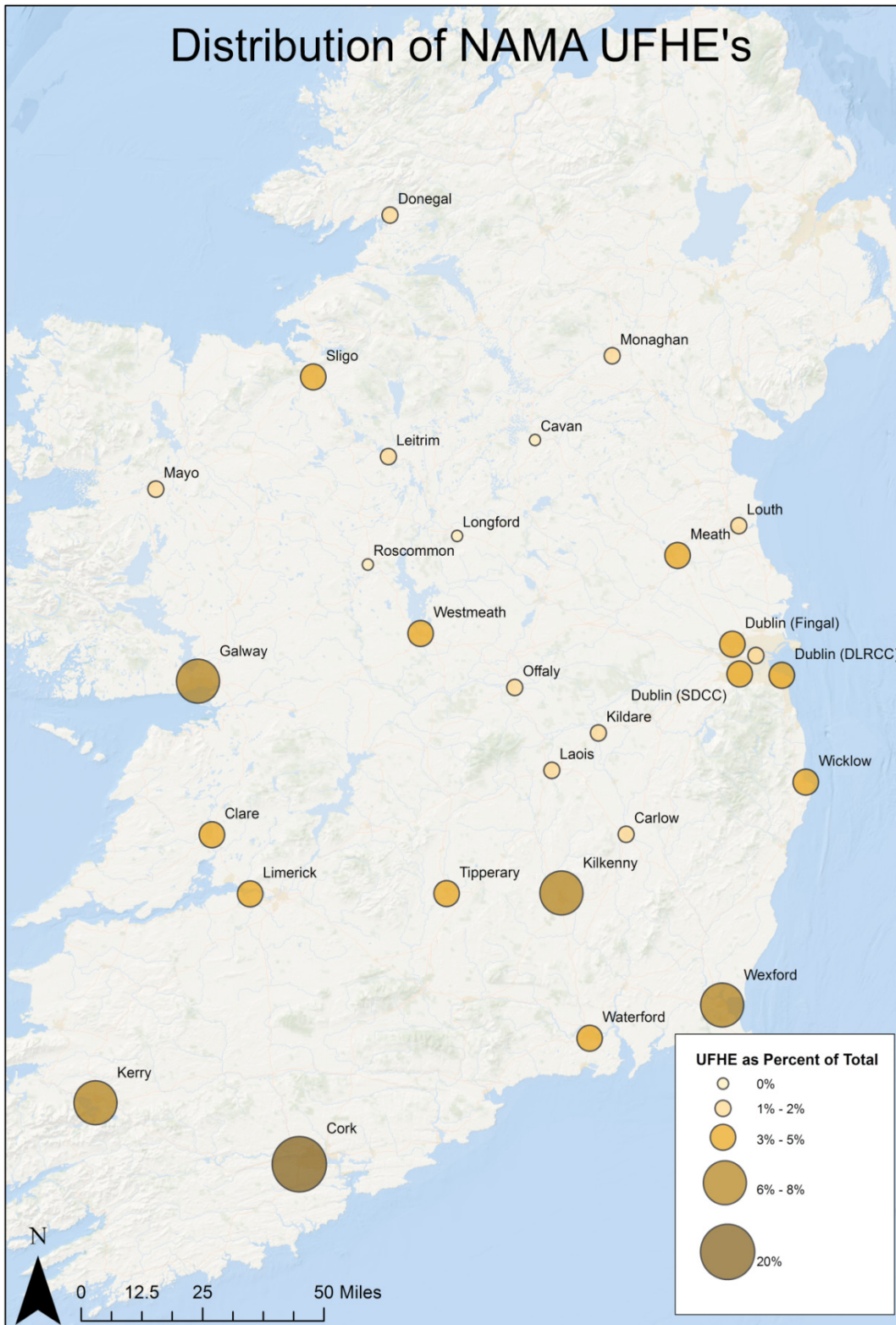
The currently profile of NAMA UFHDs is:-

- 15 estates - Sale of sites agreed or in progress
- 157 estates - Site Resolution Plans in progress
- 57 estates - Site Resolution Plans in early stage of progress

Distribution of UFHDs

The main concentration of NAMA residual UFHDs are largely in Cork, Dublin, Galway, Wexford, Kilkenny and Kerry accounting for over 50% of the total, with the balance spread across the other 20 counties.

Distribution of NAMA UFHE's



4.2 Delivering Social Housing from Unfinished Developments

To date, demand has been confirmed by the local authorities for 2,121 properties that NAMA has indicated are potentially available (This relates to all developments and not just developments identified as 'unfinished'). A further 507 properties are currently being evaluated bringing the total that may be deemed suitable to 2,628 potentially.

Contracts have been signed and transactions completed for 926 units. **708** of these units relate to units within Unfinished Housing Developments to be provided for social housing.

The resolution of The Tannery development in Bandon, Co. Cork was a particular highlight of 2014 with the housing of 24 families on Cork County Council's housing waiting list. The new homes in Bandon are part of a larger development programme being delivered by NABCO that includes further NAMA developments in the counties of Dublin, Waterford and Wexford. The homes at the Tannery in Bandon are a mix of two, three and four-bedroom houses with gardens.

The housing model developed by NABCO enables tenants of social-rented properties to become shareholding members of their local co-operative.

The Tannery, Bandon, Co. Cork



5. Tackling Remaining Developments

5.1 Overall Approach

According to the 2014 National Housing Development Survey, 992 unfinished housing developments remain 'unfinished' of which 766 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. Special resolution fund mechanisms in consultation with 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. It is expected that such processes will continue to make significant inroads into the remaining 992 unfinished developments.

5.3 Future Special Resolution Fund

Deadlines for the implementation of the SRF fund for 2014 are set for the end of this year. Local authorities are making every effort to secure the resolution of developments and draw down this funding within these deadlines.

The Department envisages that the SRF will be the final tranche of significant public funding available for resolving unfinished developments.

Budget 2015 has allocated a limited amount of funding, **€3.35 million for new/carry over SRF projects** for next year.

5.4 Clearance

Despite best efforts, it is apparent that there is a cohort of parts of 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.

It is likely that many of these developments or parts thereof 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 (clearance) before sale;
- Investment to bring to a marketable condition.

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 require direct State intervention.

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.

Of the 86 developments initially approved for SRF funding:

10 SRF proposals intend clearing some units that are at sub-floor foundation level. (118 sub-floor units in total)

23 SRF proposals intend clearing some partially built units the majority of which are shells at wall plate level. (162 partially complete units in total)

No full site clearance is intended.

Shannon Valley, Ballaghaderreen, Roscommon



6. Future Priorities

6.1 Outlook for the Year Ahead

Very significant progress has been made over the past four years.

The recovering national economy has created a more positive climate within which reasonable demand for housing is emerging and many of the stalled development projects in and around the main urban centres have been reactivated.

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

Therefore, the priorities for 2015 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 with local government and Irish Water.
- **Continue with the Implementation of the Special Resolution Fund** to encourage resolution of more difficult cases.

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', 2011.

Co-ordination and Partnership

Action / Output	Status
<p>National Co-ordination</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><i>The NCC, comprising of representatives of all stakeholders, is chaired by the Minister for Housing and Planning Mr. Paudie Coffey, the last meeting taking place on 5th March 2014.</i></p> <p><i>A Plenary meeting for Local Authority Coordinators was held on the 16th January at the Custom House. A further stakeholder meeting was organised between the DECLG, LAs and representatives from financial institutions and NAMA at the Wood Quay venue in Dublin on 20th May 2014, all local authorities were represented.</i></p>	<p>On-going – The committee has, so far, met on thirteen occasions.</p> <p>Number of documents & guidance manuals published and complete.</p> <p>This was an opportunity for the dissemination of information between local authorities, financial institutions and the Department.</p>
Action / Output	Status
<p>Local Co-ordination</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 http://www.housing.ie/our-services/unfinished-housing-developments/local-authority-contacts.aspx.</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>Complete & Reports on-going.</p> <p>Progress Report 2014</p>

Action / Output	Status
<p>Code of Practice</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><i>The Stakeholders Code of Practice was published in October 2011, a copy of which can be found at www.housing.ie. 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></p> <ul style="list-style-type: none"> • <i>Builders/Developers (as represented by the Construction Industry Federation and the Irish Home Builder’s Association);</i> • <i>Financial Institutions (as represented by the Irish Banking Federation);</i> • <i>The National Assets Management Agency (NAMA)</i> • <i>Residents as represented by Irish Rural Link;</i> • <i>Local Authorities as represented by the City and County Managers’ Association;</i> • <i>The Department of Environment, Community and Local Government; and</i> • <i>The Housing Agency.</i> 	<p>Complete</p> <p>Implementation: On-going</p>

Action / Output	Status
<p>NAMA involvement</p> <p>In cases where unfinished housing developments are held as loan security, NAMA 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> <p><i>NAMA is represented at the NCC meetings and is actively engaged in working with the Department, LA's and Banks.</i></p>	<p>Significant progress made.</p> <p>On-going.</p>
<p>Engagement with the Banking Sector</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><i>Regular meetings have been established with the Irish Banking Federation (IBF).</i></p>	<p>On-going</p>

Action / <i>Output</i>	Status
<p>Resident's Information</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><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 www.housing.ie. 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 and 2012 survey.</i></p>	<p>Complete and website being continually updated with current information.</p>
<p>County Development Board Involvement</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>In view of the Government decision to replace the CDB's with Social and Economic Committee's (not yet established, this action has been withdrawn)</p>
<p>Best Practice Manual</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><i>The Manual was published in August 2011 and is available to view/download at www.housing.ie</i></p>	<p>Complete</p>

Public Safety

Action / Output	Status
<p>Public Safety Initiative</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><i>The PSI scheme is to be discontinued as of from the end of 2014.</i></p> <ul style="list-style-type: none"> • 171 developments were approved under the scope of the PSI • 28 additional developments are in the remit of NAMA. • A total of €4.63 million was approved. • 0 claims currently on hand. • €3.42 million paid on claims to date. 	<p>Significant progress made. All submissions for PSI funding have been made by LA's to the DECLG at this stage.</p> <p>Complete.</p>
Action / Output	Status
<p>HSA Liaison</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><i>The Health and Safety Authority (HSA) has completed its proactive inspection programme of abandoned sites based on the 2012 Housing Development Survey. During the abandoned site inspection programme the HSA notified relevant Local Authorities where it was identified that sites were no longer places of work.</i></p>	<p>Significant progress made.</p> <p>On-going.</p>
<p>DECLG Support</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><i>The Housing Inspectorate with the Housing Agency provides technical support to LA's on PSI funding and related queries.</i></p> <p><i>The National Housing Development Survey 2014 was completed with full results compiled, published and available for viewing on www.housing.ie.</i></p> <p><i>Workshops are organized on a regular basis to allow for consultation between bodies.</i></p>	<p>Significant support mechanisms established and on-going.</p> <p>On-going.</p>

Site Resolution Plans

Action / Output	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 300 Site Resolution Plans are in place by end 2011.</u></p> <p><i>The Progress Report clearly demonstrates the significant advancement that LA's are making with site resolutions.</i></p> <p><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.</i></p>	<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><i>LA's together with approved housing bodies and NAMA are working with the DECLG & 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 Social Housing).</i></p>	<p>On-going.</p>

Legislative and Policy Framework

Action / Output	Status
<p>Legislative Review</p> <p><i>A Legislative Review sub-group was established.</i></p> <p><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></p> <p><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></p> <p><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></p> <ol style="list-style-type: none"> <i>1. The purpose of securities;</i> <i>2. Types of securities;</i> <i>3. Requirements for securities;</i> <i>4. Default events and definition;</i> <i>5. Securities and phased development;</i> <i>6. Assessment of security mechanisms;</i> <i>7. Computation of bonds for residential developments;</i> <i>8. Release of bonds</i> 	<p>Complete</p> <p>Complete</p>

Action / Output	Status
<p>Taking in Charge Standards</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>A Circular on matters related to the Taking in Charge of Residential Developments was recently issued by the Department. Also a new Planning and Development Bill is currently in preparation, in which section 180 will be updated to improve and streamline the taking in charge process. The Department is engaging with the City and County Managers Association (Planning and Land Use Committee), Irish Water and other relevant stakeholders in the context of preparing for this new legislation, which it is intended will update the taking in charge process to both address legacy issues and take account of the proposed connections policy driven approach of Irish Water.</i></p>	<p>On-going.</p>
<p>Building Standards Compliance</p> <p>The <u>Report of the Advisory Group will be referred to the Building Standards Compliance Group</u> for its analysis and response.</p> <p><i>A report was received from the Building Standards Section (DECLG). Building Control provisions enable LAs to waive 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.</i></p>	<p>Complete</p>

Housing Market and Planning Supports

Action / Output	Status
<p>Planning Guidance</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><i>A number of guidance documents have been issued including;</i></p> <ol style="list-style-type: none"> 1. Managing and resolving Unfinished Housing Developments, Guidance document, August 2011, 2. Derelict Sites Circular, 3. Planning Securities Circular 4. Receivers Guidance and Information Note 	On-going
<p>Re-Use of Vacant Housing</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><i>LA's together with approved housing bodies and NAMA are working with the DECLG & 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. (refer to section 4.2)</i></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><i>The Equity Partnership did not work out as a viable approach to the completion of the two pilot schemes. The Tannery in Cork was subsequently purchased by NAMA's SPV, National Asset Residential Property Services (NARPS) and leased to NABCO. NABCO had been in discussion with the equity partnership group throughout.</i></p>	Discontinued

Appendix 2: Summary Report of National Housing Development Survey 2014

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 - 2013 a survey of unfinished housing developments in Ireland was conducted over the summer of 2014.

As in the case of the previous surveys, the 2014 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 surveys³ 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;⁴

A2.2 Key Findings

The 2014 survey reveals that:

- (1) **271 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) **992 developments remain unfinished**;
- (3) **766 unfinished developments** with residents in-situ will remain a focus for continued action;
- (4) **4,453 houses remain vacant** in the remaining 992 unfinished developments.
- (5) **30,709 units within the remaining 992 'unfinished' developments are complete and occupied.**

3 A small number of additional developments (5 developments) were included in the 2014 survey having been identified by the local authorities as not having been surveyed in previous years.

4 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.

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 be in resolving the remaining 992 developments that are incomplete and especially the 766 developments with residents living there.

A2.3 Background

A total of 1,263 developments were inspected.

The 2014 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.

Table A2.1: Summary of National Figures from the 2014 National Housing Development Survey

Year	2010	2011	2012	2013	2014	No. of remaining UFHD 2014
Number of Developments inspected	2,846	2,876	2,973	1,881	1,263	992
Detached units	24,476	25,048	25,864	20,459	15,665	12,399
Semi-detached units	55,243	56,007	57,528	46,153	34,481	26,666
Terrace units	36,872	38,044	39,644	30,073	23,213	17,155
Duplex units	7,873	7,870	7,979	5,953	4,956	3,772
Apartment units	54,766	54,466	54,640	29,587	21,141	16,365
Total Dwellings	179,230	181,435	185,655	132,225	99,456	76,357
Complete & Occupied units	78,195	85,538	91,692	57,642	41,476	30,709
Complete & Vacant units	23,250	18,638	16,881	8,694	5,563	4,453
Near Complete – With building activity units	2,699	1,934	1,014	973	842	469
Near Complete – No building activity units	7,277	6,860	6,978	6,207	5436	4,937
Wall Plate – With building activity units	923	417	432	428	328	113
Wall Plate – No building activity units	2,104	2,040	2,037	1,965	1499	1,408
DPC – With building activity units	467	273	201	151	94	61
DPC – No building activity units	2,507	2,668	2,682	2,705	2541	2,120
Founds to DPC level – With building activity units	602	412	318	326	284	249
Founds to DPC level – No building activity units	3,251	3,268	3,370	3,380	2936	2,670
No Construction Started units	58,025	59,381	35,191	19,661	12,286	9,126
Planning Expired units			24,864	30,132	26,171	20,042
Roads Complete and in service	67,535	73,140	79,786	42,930	31,106	22,322
Footpaths Complete	100,155	104,611	110,176	66,986	47,687	35,698
Lighting Complete	98,022	102,740	106,762	64,353	45,529	33,901
Potable water supply fully operational	101,279	105,045	109,372	66,475	47,106	35,300
Storm water system fully operational	101,199	104,586	108,974	67,087	47,101	35,241
Waste water system fully operational	100,940	104,524	112,780	66,432	47,120	35,261
Planned number of open space areas	5,300	5,355	5,565	4,033	2,973	2381
Open space areas fully complete	3,305	3,418	3,616	2,205	1,512	1164
Construction activity on site	429	245	252	193	170	88

A2.4. Vacant Housing Trends

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 1000 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

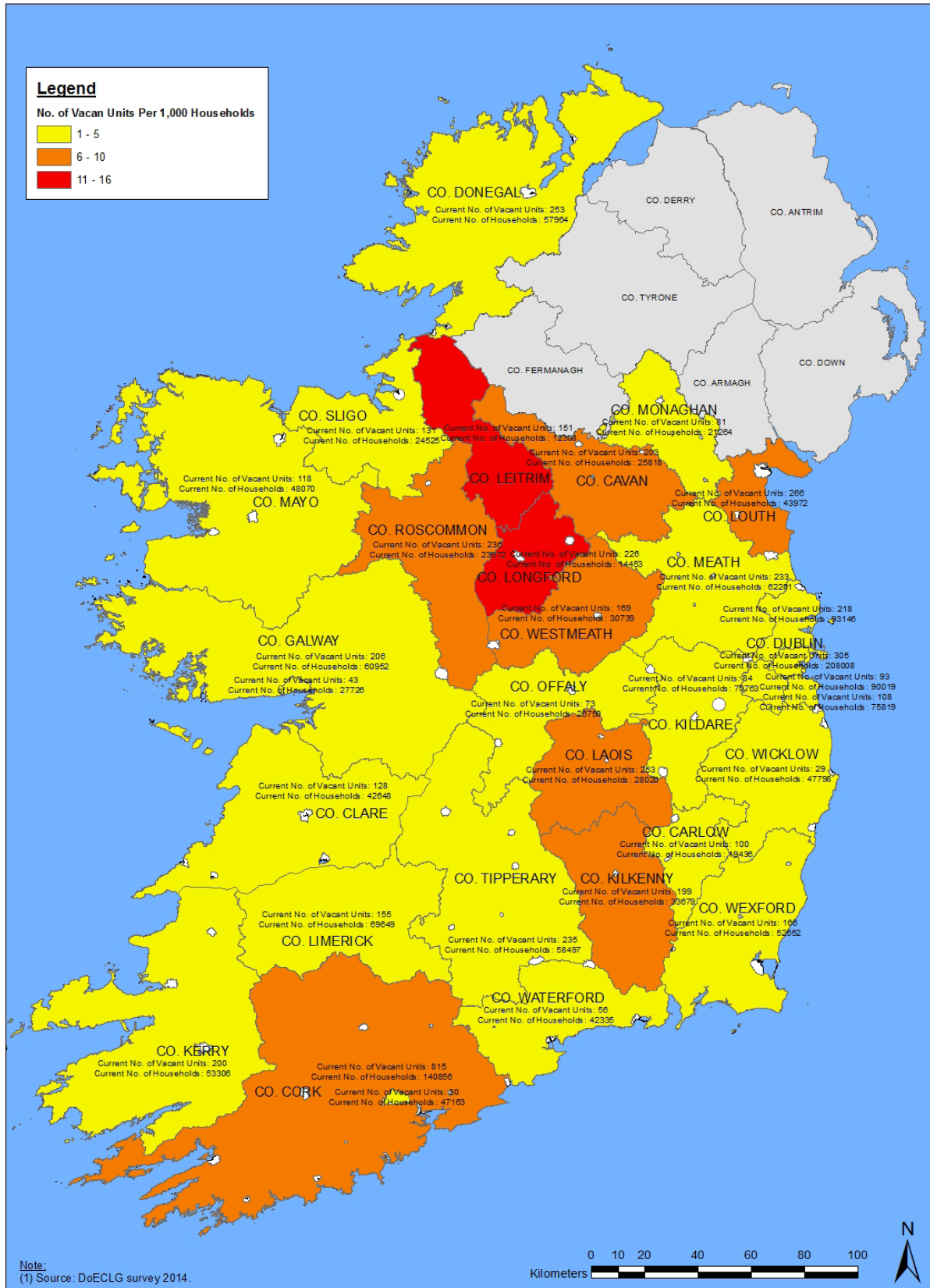
Local Authority	No. Vacant Units derived from Survey (See Note 1)	Total No. Households (See Note 2)	No. Vacant Units Per 1,000 Households
Wicklow	29	47,798	0.61
Cork City	30	47,163	0.64
South Dublin	93	90,019	1.03
Kildare	84	70,763	1.19
Waterford	56	42,335	1.32
Dun Laoghaire Rathdown	108	75,819	1.42
Dublin City	305	208,008	1.47
Galway City	43	27,726	1.55
Limerick	155	69,649	2.23
Fingal	218	93,146	2.34
Mayo	118	48,070	2.45
Offaly	73	26,750	2.73
Clare	128	42,648	3.00
Wexford	166	52,652	3.15
Galway Co.	206	60,952	3.38
Meath	233	62,201	3.75
Kerry	200	53,306	3.75
Monaghan	81	21,264	3.81
Tipperary	235	58,497	4.02
Donegal	253	57,964	4.36
Carlow	100	19,436	5.15
Sligo	131	24,525	5.34
Westmeath	169	30,739	5.50
Cork Co	815	140,856	5.79
Kilkenny	199	33,679	5.91
Louth	266	43,972	6.05
Cavan	203	25,818	7.86
Laois	253	28,020	9.03
Roscommon	236	23,672	9.97
Leitrim	151	12,308	12.27
Longford	226	14,453	15.64
Nationally	5,563	1,654,208	3.36

Note 1: As derived from the 2014 Survey

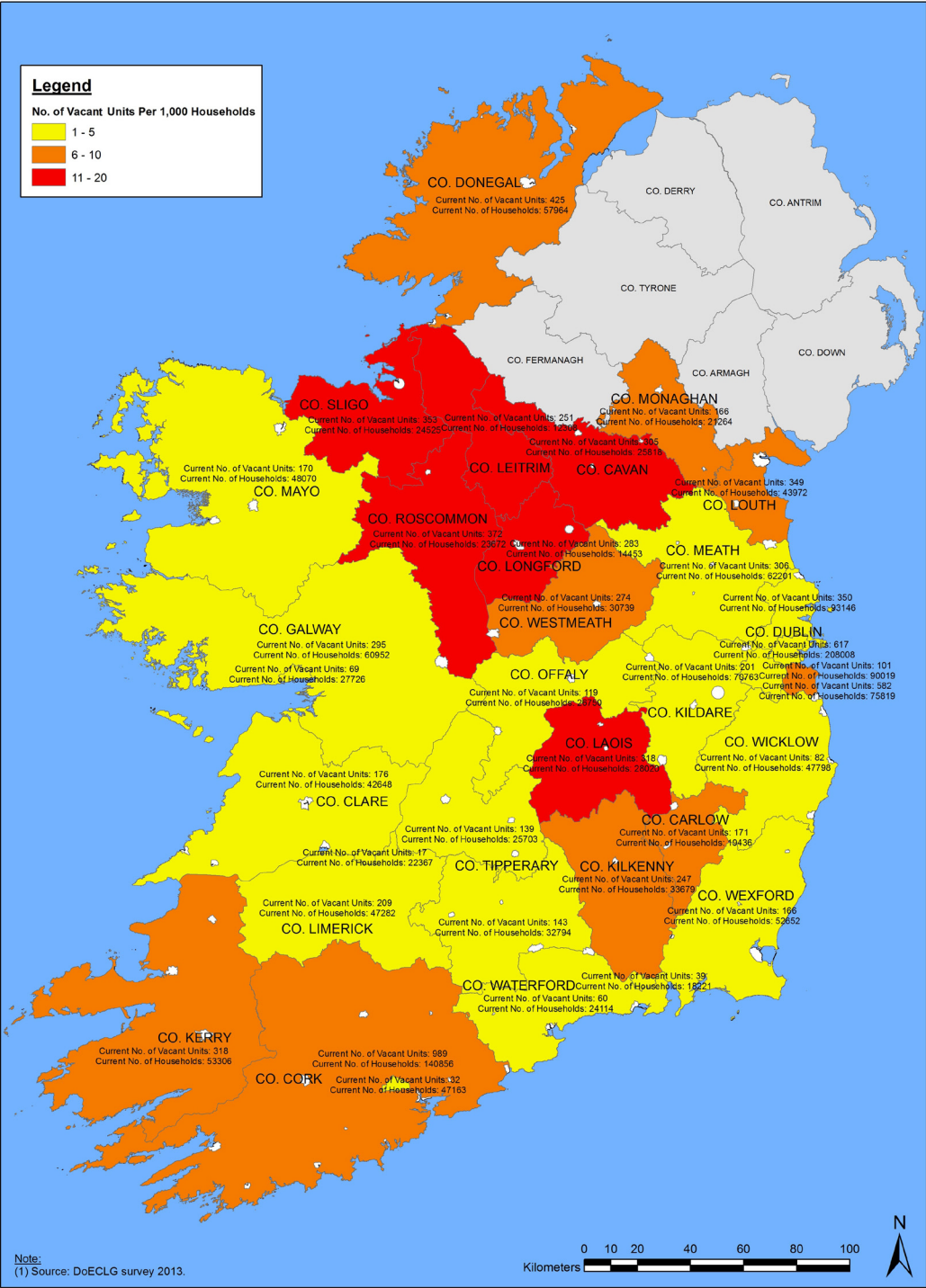
Note 2: 'Number of households' is derived from most recently published CSO data 2011.

The following succession of vacancy maps visually highlights the reduction of vacancy levels nationally from 2012 to 2014.

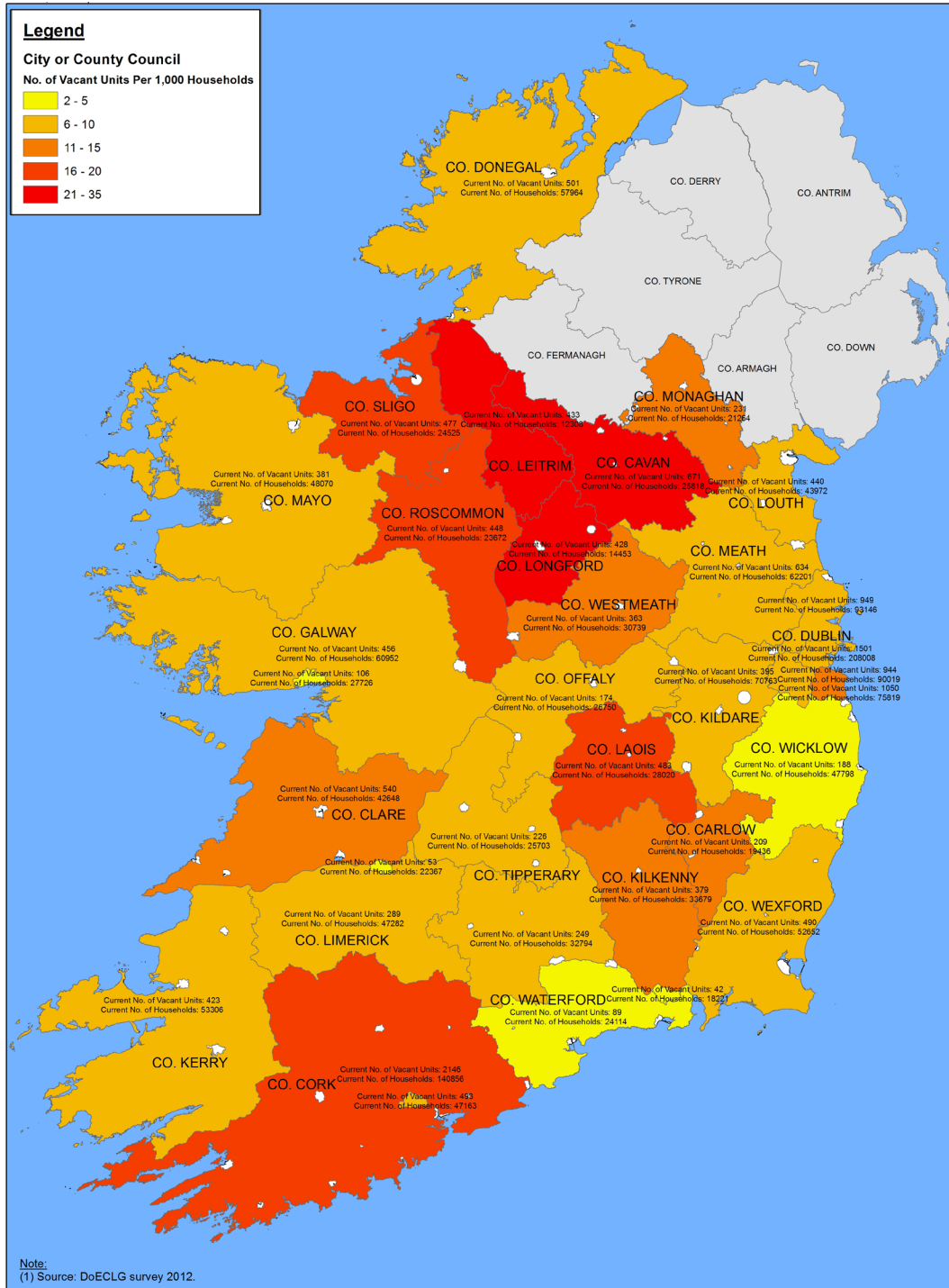
Map of City and County Councils Showing Numbers of Vacant Houses per 1,000 Households, 2014



Map of City and County Councils Showing Numbers of Vacant Houses per 1,000 Households, 2013



Map of City and County Councils Showing Numbers of Vacant Houses per 1,000 Households, 2012



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 and www.housing.ie and mapping of the developments will be then added in time to www.myplan.ie

