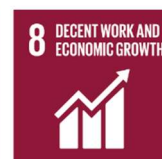




**Chambers
Ireland**
Advancing business together



Department of Housing, Local Government and Heritage

Statement of Strategy 2025 - 2027

Submission by Chambers Ireland

March 2025

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Key Points

- Great urgency is required in all matters to expedite increased housing delivery throughout the State.
- The Department must implement a transparent, multi-annual investment framework to effectively meet housing targets and address affordability.
- The Department must increase housing supply, especially in urban areas, by accelerating the adoption of Modern Methods of Construction (MMC) to overcome capacity constraints and speed up delivery.
- Financial supports, including grants for brownfield development and tax incentives for renovating derelict properties, are essential to scale housing delivery.
- The Vacant Home Tax needs to be strengthened and the Derelict Sites Act renewed to incentivise property reuse and prevent market decline
- Expanding the Cost Rental Scheme and increasing eligibility for affordable housing in high-demand areas like Dublin will help meet growing demand.
- Timely completion of critical projects, like the Water Supply Project for the Eastern and Midlands Region and other water and wastewater projects is essential to meet growing housing and business needs.
- Investment in essential infrastructure, such as transport systems and the electricity grid, is crucial to support housing delivery and ensure well-connected, sustainable developments.
- A balanced regional approach and devolving more powers to local authorities will enable tailored housing solutions, improve service delivery, and foster community engagement.
- Extending the Living City Initiative (LCI) until 2035 will support sustainable urban growth and balanced development across cities and high-growth towns.
- A transparent, multi-annual investment framework will help meet targets and address housing affordability.
- Funding mechanisms should be in place to support capital investment and working capital funding needs.

- The Department must support local authorities with tools, expertise, and guidelines to integrate climate resilience into planning, while investing in infrastructure to withstand extreme weather and protect communities long-term.

About Chambers Ireland

Chambers Ireland is an all-island business organisation with a unique geographical reach. Our members are the Chambers of Commerce in the cities and towns throughout the country – active in every constituency. Each of our member Chambers is central to their local business community and all seek to promote thriving local economies that can support sustainable cities and communities.

Progress achieved from the aims and commitments set out in the most recent Statement of Strategy

The Department made considerable progress across multiple key areas. A notable achievement was the appointment of full-time, dedicated Vacant Homes Officers in all local authorities¹, which marked a major commitment to tackling the issue of vacant housing. The new Secure Tenancy Affordable Rental (STAR) investment scheme² was launched to support eligible private households and address development viability challenges by offering equity investment. Ultimately the initiative helped stimulate the creation of cost rental accommodation, increase the availability of affordable rental housing and support households in need.

Additionally, Uisce Éireann became a standalone regulated public water utility on January 1, 2023, which was a key milestone for the State's water management system. This was complemented by transposing the Recast Drinking Water Directive³ into Irish law through the European Union (Drinking Water) Regulations 2023 (S.I. No. 99 of 2023),⁴ which ensures enhanced water quality standards across the State. We were pleased with the focus on improving water quality standards which set a solid foundation for more efficient and sustainable water services moving forward.

In addition, the Department made strong progress on Objective 1 of Connecting Government 2030⁵, completing key actions such as developing the Government Information Systems (GIS),

¹ [Officers - Vacant Homes Ireland](#)

² [STAR - Secure Tenancy Affordable Rental Investment Scheme | The Housing Agency](#)

³ [Drinking water - European Commission](#)

⁴ [S.I. No. 99/2023 - European Union \(Drinking Water\) Regulations 2023](#)

⁵ [Connecting Government 2030: A Digital and ICT Strategy for Ireland's Public Service - ogcio.gov.ie](#)

improving housing data management, improving cybersecurity capabilities and ultimately advancing Project 2030⁶.

Of great interest to the Chamber Network was the Planning and Development Act 2024⁷, which aims to strengthen the planning and development framework across Ireland.⁸ We were particularly supportive of the Act's potential to streamline coordination, accelerate decision-making and helping provide the regulatory certainty needed to address infrastructure challenges effectively.

Finally, a total of 663 structures and 7 historic towns received support through capital grants from the Historic Structures Fund (HSF)⁹, Built Heritage Investment Scheme (BHIS)¹⁰, Community Monuments Fund (CMF)¹¹, and Historic Towns Initiative¹² by 2023. This progress represents a positive step towards enhancing our cultural heritage and aids tourism in all regions of the State, while also ensuring that these valuable sites are preserved.

Proposals

Housing

Housing remains a core priority of the Chamber Network. The overall pace of housing development remains insufficient to meet the growing demand nationwide and while we

⁶ [Where clean energy, mobility and innovation converge | Project 2030](#)

⁷ [Planning and Development Act 2024 – No. 34 of 2024 – Houses of the Oireachtas](#)

⁸ <https://chambers.ie/press-releases/planning-bill-marks-vital-step-towards-reform/>

⁹ [gov.ie - Historic Structures Fund](#)

¹⁰ [gov.ie - Built Heritage Investment Scheme \(BHIS\)](#)

¹¹ [gov.ie - Community Monuments Fund 2024 - Call for Projects](#)

¹² [Historic Towns Initiative | The Heritage Council](#)

acknowledge the efforts by the Department in this regard, the statistics reveal significant constraints in achieving our targets. To address the shortfall, a comprehensive strategy with clear action points that account for our estimated population growth is necessary.

Urgent action is needed to bridge the gap between meeting our targets and the current shortfall in delivery. A more streamlined, coordinated approach is essential, focusing on increasing supply, modernising construction practices and continuing to reform planning processes to hear judicial reviews and appeals in a timely fashion.

We have consistently highlighted the need to align targets with our population growth, revise cost rental limits and increase the supply of affordable homes on the open market. In our Pre-Budget submission for 2025, we lobbied for up-front grant aid and financing help for brownfield sites in areas which already have access to public services to ensure that high-density projects can be viable.

In addition, underdeveloped residential zoned sites were highlighted as a key issue for our members across our Network. To help address this we proposed introducing a legislative framework for Compulsory Sales Orders (CSOs) which would encourage the appropriate development of these sites. In the context of repurposing neglected sites and promoting sustainable urban growth, we called for the Derelict Sites Act 1990 to be renewed and strengthened to incentivise infill and brownfield construction. Equally, strategies should include providing financial support to developers, promoting Modern Methods of Construction (MMC), and investing in training to address skills shortages in the sector.¹³

The projection of 30,000 to 33,000 homes, which is below the target and the Housing for All¹⁴ plan's target of 33,450 completions and below the target we proposed of 80,000 units per annum by 2030¹⁵. This falls short of the Department's own projections and also highlights the growing

¹³ [Chambers-Ireland_Housing-for-All-Action-Plan-Submission_Final.pdf](#); 2025 PBS

¹⁴ [gov.ie - Housing for All - a New Housing Plan for Ireland](#)

¹⁵ [Chambers-Ireland_Local-Elections-Manifesto-2024_Final.pdf](#)

housing demand. The ESRI suggested between 35,000 and 53,000 units per year are required, while the Housing Commission estimates between 33,400 and 81,400 units annually¹⁶.

Since the Housing for All plan's launch in September 2021¹⁷, 10,313 housing supports have been delivered through various schemes, and local authorities helped 1,293 households purchase homes at reduced prices. The Cost Rental Scheme, which provides long-term, secure tenancies with rents 25% below market levels for households earning €66,000 (Dublin) or €59,000 (nationally) or less, had helped 2,377 applicants by the same time, falling short of its target of 5,000 homes.

The Vacant Property Refurbishment Scheme has made limited progress with 11,327 applications and 7,738 approvals by the end of 2024. However, only 1,449 grants have actually been issued, meaning the pace of grant distribution needs to accelerate to meet its revised target of 4,000 by the end of 2025. Equally, it is important that balance should be afforded to ensure that town centres do not lose the commercial units central to the vibrancy of their towns. Meanwhile, the Ready to Build Scheme, funded by the Croí Cónaithe Towns Fund, offers discounts of up to €30,000 on serviced sites provided by local authorities. However, only 24 sites have been made available for sale so far, with an additional 110 sites under consideration.¹⁸

These results reveal a significant gap between ambitious targets and actual delivery, particularly in key schemes like the Cost Rental and Affordable Purchase Schemes. While some schemes show steady progress, the overall outcomes highlight the scale of the housing crisis. Addressing this challenge requires more effective, targeted efforts in the future, including expanding existing schemes like the Ready to Build Scheme and Local Authority Home Loan Scheme to meet demand.

¹⁶ [Ireland as many as 20,000 new homes per year behind requirements, Darragh O'Brien seeks increase to annual €4bn Housing for All funding ahead of Budget | Irish Independent](#)

¹⁷ [gov.ie - Housing for All - a New Housing Plan for Ireland](#)

¹⁸ [Departmental Schemes – Tuesday, 7 Nov 2023 – Parliamentary Questions \(33rd Dáil\) – Houses of the Oireachtas](#)

Lastly, Local Authorities need to ensure that their purchases of new housing from developers, as well as existing housing stock does not inadvertently reduce the availability of housing on the private market. It is essential that such housing is in addition to the housing supply that would otherwise be built as Local Authorities are both inflating the cost of housing and creating market inefficiencies with such purchases. Focusing on direct procurement will ensure that local authorities, Approved Housing Bodies (AHBs), and the Land Development Agency (LDA) take a leading role in housing development. By adopting a direct procurement approach, agencies can expedite housing delivery and promote sustainable and inclusive communities.

Modernising Construction Practices

To overcome capacity constraints and speed up housing delivery, the Department should accelerate the adoption of MMC. It involves innovative construction techniques that use prefabricated or modular components, allowing for faster, more cost-effective building processes. This will help reduce costs and delays, making construction more efficient, especially for large-scale projects.

Additionally, the Department should invest in training programs to promote MMC use among developers, planners, and construction professionals. Chambers Ireland further suggests enabling finance for MMC projects and increasing investment in upskilling the workforce to address the growing need for qualified professionals.

Financial Supports and Incentives

To achieve the necessary housing delivery at scale, viable financial supports should be facilitated. This includes grants for developing brownfield sites and tax incentives for renovating derelict properties.

There should also be funding mechanisms for other structures such as apartment blocks. According to the 2022 Census, in total, 130,469 houses and 32,964 flats/apartments (including bed-sits) were vacant¹⁹, many of which could be brought back into use with the right incentives.

The Cost Rental Scheme and the Local Authority Affordable Purchase Scheme aimed to deliver 10,000 homes between 2022 and 2024. However, by the end of September 2024, only 3,672 households benefited. The Cost Rental Scheme should be expanded by raising income eligibility limits to allow more households to access affordable homes, especially in high-demand areas like Dublin, where the average cost of renting a home is now over €2,000 per month.²⁰

Investing in Infrastructure

We have repeatedly made the point that investment in essential infrastructure is crucial for housing delivery. The Department must coordinate urbanisation and densification strategies in areas with high economic activity. Key infrastructure projects, such as transport system like the Metrolink, the Cork Suburban Rail project, and the DART extension, and Ireland's electricity grid infrastructure. A particular focus on front-loading investment to meet anticipated demand should be prioritised to ensure housing developments are well-connected and supported by sustainable transport options.

As an example, the Water Supply Project for the Eastern and Midlands Region, the first new major water source in the region in 60 years, is a critical initiative for meeting both housing and business water demands. The timely delivery of this project is essential to ensure a secure and sustainable water supply as the population increases rapidly. Delays or insufficient funding for such infrastructure projects would undermine these critical goals and hinder broader economic and housing objectives.

¹⁹ [Vacant Dwellings Census of Population 2022 Profile 2 - Housing in Ireland - Central Statistics Office](#)

²⁰ [The average cost of renting a property in Dublin is now over €2,000; General Election Manifesto; 2025 PBS](#)

Regional Housing Strategy and Local Authority Support

A balanced regional approach is needed to ensure that housing developments occur outside major urban centres. Devolving more powers to Local Authorities will enable them to tailor housing solutions to the specific needs of their regions, fostering more effective and efficient development.

The restructuring of Local Government under the *Putting People First: Action Programme for Effective Local Government* was a significant achievement, but the challenges faced today—such as housing shortages, climate change, and regional economic disparities—are much more complex than those in 2012. These evolving challenges highlight the need for a more flexible and responsive local governance structure. Currently, local authorities lack sufficient powers and resources to effectively address the diverse and specific needs of their communities. This limits their ability to implement locally tailored solutions that could improve service delivery and foster stronger community engagement.

To better address these challenges, we recommend greater devolvement to local authorities. This will enable them to make decisions that reflect the unique needs of their communities. By empowering local governments with greater authority over resources and services, we can improve national service delivery, promote more responsive policies and enhance community involvement.

Of note is above the shop development opportunities, which have significant potential to increase housing stock, reduce vacancy rates and revitalise our urban areas. However, there are a number of obstacles facing such refurbishment and development including regulatory and planning issues, financial challenges, infrastructure and accessibility, administrative hurdles, and safety and security concerns.

Furthermore, to support sustainable urban growth, we suggest extending the Living City Initiative (LCI) until 2035. This will provide long-term stability, encouraging urban development projects that align with future goals and benefit both major cities and high-growth towns. This approach

will foster balanced growth and help create more sustainable housing and inclusive urban environments across Ireland.

Planning

A long-term funding model for housing infrastructure is crucial. Short-term funding measures, such as the €3 billion allocated in Budget 2025²², is encouraging however long-term challenges require long-term commitments.

A transparent, multi-annual investment framework will enable the Department to meet its targets and address housing affordability issues effectively. Similar to our point elsewhere in our submission, the delays experienced by projects mean that planning permissions for those projects are at risk of expiring. To address this issue, pragmatic solutions should be implemented, such as extending the planning permissions for those projects.

Progress on integrating climate resilience into planning has been slow, with many local authorities still struggling to fully incorporate climate adaptation measures. Inconsistent climate risk assessments and a lack of clear guidelines have hindered the integration of climate resilience into development plans. This delay impacts Ireland's ability to meet climate targets, which are vital for achieving the Sustainable Development Goals, particularly those related to sustainable cities, climate action, and resilience. Without stronger action, the country is far from meeting its climate goals, undermining long-term sustainability, and leaving communities vulnerable to climate risks.

Despite efforts by Met Éireann, many local authorities still lack the tools and expertise to incorporate up-to-date climate projections, leaving communities vulnerable to extreme weather events like flooding are slowing progress towards climate resilience goals. The impact of this gap

[2025 PBS; General Election Manifesto](#)

²² [Budget 2025 to include €3bn boost for infrastructure including housing, Chambers says – The Irish Times](#); [Chambers Ireland responds to Budget 2025 | Chambers Ireland](#)

was starkly highlighted by Storm Éowyn in February 2025, which caused €200 million in damages, leaving 768,000 buildings without power.²³ This storm exposed the weaknesses in infrastructure and demonstrated the urgent need for a more robust, coordinated approach to climate resilience in planning.

To address these issues, Chambers Ireland recommends the Department take immediate steps to support local authorities with the tools, expertise, and clear guidelines necessary to integrate climate data and resilience measures into their planning processes. This includes providing up-to-date climate projections and ensuring consistent climate risk assessments across all regions. The Department should also invest in strengthening infrastructure to futureproof against extreme weather events, including allocating resources for resilient energy and water systems, even if it leads to increased costs. Long-term investments in these areas will be critical to protecting communities from the escalating impacts of climate change.

²³ [Storm Éowyn review to be submitted to Govt by summer](#); [General Election Manifesto](#)