## <u>Speech by Jan O'Sullivan, T.D.,</u> <u>Minister for Housing & Planning,</u> <u>at the opening of the General Assembly of</u> <u>CECODHAS Housing Europe,</u> <u>Grand Hotel, Malahide, on 22<sup>nd</sup> May, 2013</u>

President of CECODHAS Housing Europe, Mr. Eliasson, ladies and gentlemen, thank you for inviting me to open your important conference today. I am particularly grateful to our local hosts, the National Association of Building Cooperatives - NABCO - and the Irish Council for Social Housing, who jointly represent Ireland's voluntary and co-operative housing sector.

I am pleased to be able to represent Government here today and I am particularly proud that this event is part of the programme of events that is presented in association with Ireland's Presidency of the Council of the European Union.

In January of this year, we set out our priorities for Ireland's Presidency. Our key objective is to promote stability, jobs and growth. In particular, we are focused on channelling the EU's future financing to deliver smart and sustainable growth that will tackle the challenge of youth unemployment.

I hope you will see that there is an immediate and obvious fit between our priorities and the work that you are doing here today.

The principal focus of today is to reflect on the work that has been completed by the partners in the SHELTER Project, under the auspices of Intelligent Energy Europe. In seeking to secure co-operative methods for the energy renovation in social housing, this project, has the potential to tackle the challenges of youth unemployment, while promoting improved health outcomes and better education and training opportunities for young people.

Housing associations are inherently people-centred in their outlook, helping to address income inequalities and tackle disadvantage through the provision of affordable housing options. By bringing together partners from across the Union, you have been able to find innovative ways to deliver the funding necessary to support social housing. Energy efficiency, urban regeneration and housing intervention for vulnerable

groups are all areas where housing associations can play a role. In turn these activities can provide significant employment.

Today's conference is particularly valuable given the complexities of forging partnerships that can deliver on these goals. Today you will have an opportunity to meet with peers who bring an extraordinary wealth of experience. New models of co-operation can only be created where strong relationships of trust and understanding are in place.

That is why I am pleased to see that today's conference is supported by leading international networks such as the Architects Council of Europe and the European Builders Confederation.

I would like to acknowledge, in particular, that today's conference forms part of the programme for the General Assembly of CECODHAS Housing Europe. CECODHAS brings together the national and regional federations that represent more than 41,000 housing providers from both inside and outside the European Union. CECODHAS plays a key role in facilitating partnerships, such as SHELTER and PowerHouse Europe, which allow social housing to operate at the leading edge of environmental practice.

Housing is a priority not just for its role in energy consumption, of course, but for the wider social and economic impact that housing provision has across the European Union. We know only too well how important a sustainable housing market is to the wider goal of stability.

For our part, in Ireland, we have dramatically reassessed our housing policy in light of the financial crisis. We are determined that housing decisions will be made in future not on the basis of speculative investment but on what really matters - 'hearth and home'.

I don't need to tell anyone here that the changes in the circumstances in the country have meant that we need to make fundamental changes to the social housing system – and we need to be quick about it.

But the need for reform goes deeper than the very real requirements to make adjustments due to the economic downturn. I would argue that we have had a housing crisis for most of the past 20 years. However, rather than making the real reforms needed to treat the underlying problem we have historically introduced short-term measures to treat the immediate symptoms.

So faced with a massive supply shortage in social housing in the past, we built vast estates that weren't serviced and lacked amenities. Badly planned and badly managed, many estates were unable to sustain vibrant and successful communities and now require further state intervention up to and including full regeneration.

Faced with a supply shortage in the private sector, we allowed widespread rezoning, unsustainable development patterns, and substandard design to facilitate market-led housing speculation that played such a large part in our economic collapse.

As this occurred, paradoxically, we found ourselves faced with an affordability crisis that we responded to, not by asking how relatively well-paid households found themselves in this situation, not by querying the lending policies, or scrutinising the land market, but by a sticking plaster in the form of a State-subsidised ownership scheme.

And at the other end of the market, yes we built social housing, but never at a rate or with the intent that we could meet the full demand.

Rent supplement, the worst of the housing options grew and grew with all its inequities and poor standards of accommodation.

So I think it's time for a more fundamental look at social housing, to go back to first principles and to consider what it is we want to achieve, and to set about root-and-branch reform to give us a system that will provide a modern, humane, fair social housing system.

Just shy of two years ago, the Government's Housing Policy Statement was launched and, at the time, I don't think commentators fully appreciated the transformative – some might say – radical nature of the document. It was developed as the aftershocks of the housing market's collapse rumbled on to devastating effect. However the long-term impacts of the Statement on how to meet social housing demand will be just as significant.

It is time now to start to flesh out more fully the implications of that statement and to advance more fully the reforms it implies. It is also worth stating that the statement is nuanced. So, while it places tenure neutrality at the heart of policy the government also remains committed to providing an opportunity to purchase for those households who are

able and willing so to do. Similarly, the Statement recognises Approved Housing Bodies as a critical part of the housing solution and we are doing everything we can to encourage private investment in social housing via AHBs. However, we also recognise that while we are for the present precluded from building on the large scale of the past that there should still be a space for some level of direct delivery in the near future

Providers in the voluntary and co-operative sector, represented by NABCO and the ICSH, have a major role to play in delivering that vision. I am encouraged to see that our national representative organisations not only have access to the benefits of CECODHAS membership, but are also taking the lead in that organisation, not least by hosting the conference today.

Funding is one of the key challenges in delivering both new and improved social housing that you will be discussing today. At a national level we have prioritised housing investment by developing new models of delivery such as leasing and by targeting our capital investment in key areas such as regeneration.

But I am heartened that at a European level, housing has been recognised as having a crucial role to play in meeting the social, economic and environmental objectives of the Union. The new flexibility that has been agreed in the structural funds and the contribution that is offered by the Social Investment Package have the potential to deliver a far more integrated approach to housing investment.

My own officials are actively looking at possible sources of external investment in social housing in Ireland and we have already had good discussions with the European Investment Bank and others in this regard. The non-profit approved housing body sector is, of course, critical in terms of delivering on this.

Today, I am sure you will have the opportunity to discuss these issues in depth. I am deeply impressed by the breadth and range of contributors that you have assembled including representatives from member organisations, the world of academia, the Council of Europe Development Bank and the UK Department of Energy and Climate Change.

I hope that while you are here you will also have the opportunity to see some of the work that we are progressing including field trips to public, social and co-operative housing developments across the city and county of Dublin. Your hosts, NABCO and the ICSH, have been at the forefront of finding innovative solutions to the challenges that we face locally, nationally and globally and I encourage you to take every opportunity to hear more about their work.

Friends, colleagues, thank you once again for inviting me here today and I wish you every success in your deliberations.