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## The State Needs to Supply its own Housing – to save Money

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If you're looking for a holiday home, think bigger, bolder, better. Rightmove Overseas reports a hike in searches in the first few months of this year for property in Australia, up by 48% on last year, South Africa (46%) and Argentina (41%) – which suggests that a long-haul flight and a smidgen of jet lag are not going to put anyone off. Just think “global citizen”. Here is Move's guide to our favourite far-flung destinations.

#### PARTY PEOPLE

Ibiza has long been the obvious choice for committed clubbers, but if you can remember Paul Oakenfold's inaugural night at Amnesia, the odds are you've now swapped pills for paleo. Relive Ibiza's party heyday in Uruguay, home to some of the most jaw-droppingly beautiful beaches (and people) in South America. The nightlife is great and, should you fancy revisiting a misspent youth, marijuana was legalised in 2014.

Over the past few years, Jose Ignacio, a former fishing village on the south coast, has become the A list hang-out for December to February – think Naomi and Gisele. It's still laid-back, but is creeping upmarket. A few yards from the sea, a three-bedroom house with pool is €640,000 (realestate-in-uruguay.com). Also on the radar The relaxed raving crowd should check out Jurere, in Florianopolis, Brazil, and Legian, in beautiful Bali.

#### CITY-BREAKERS

Admittedly, we're not talking a long weekend, but there is a world beyond Barcelona. Although there are restrictions for foreign buyers, Sydney (we said it was a long way) offers an addictive blend of beach and city life – and you're never far from a plate of perfectly seared scallops.

You'll pay for paradise, though: prime property prices rose by nearly 15% in 2015, according to Knight Frank estate agency, and a two-bedder overlooking Bondi Beach can easily cost €1.13m. Head to the inner-city suburb of Surry Hills, just a 20-minute drive from the surf, and you can buy a chic flat with design input from the Aussie fashion queen Collette Dinnigan; one-bedroom apartments start at about €625,000 (savills.com).

Also on the radar How about a 24-hour special in Brisbane, Cape Town or Miami?

#### WINE SNOBS

Tuscany and Umbria are the traditional destinations for foodies and wine lovers – but, let's face it, with its malbec, asado, tango and gauchos, the new-world territory of Argentina is far sexier. Set within the Vines of Mendoza estate, in the Uco Valley, the Vines Resort & Spa sits at the foot of the Andes. You can build a bespoke home – a typical high-spec model with 250 sq metres of living space will cost about €885,000, including six acres of vineyard (sphereestates.com).

South Africa is the other obvious destination. Scenic Boland – known as the Cape Winelands – takes in towns such as Stellenbosch and Paarl. In Franschhoek, surrounded by wine farms, La Petit Village is a new boutique development where two-bedders start at €217,000 (pamgolding.co.za). Also on the radar Corking destinations include Beamsville, Canada; Marlborough, New Zealand; and Temecula, California.

#### LORDS OF LUXE

The French Riviera and the northwest coast of Mallorca will never cease to dazzle, but a new breed of buyer is seeking out glamour further afield. The indecently affluent pack their monogrammed deck shoes and head for St Barts: sprawling waterfront pads cost up to €31.5m, but you'll find more affordable homes around the harbour in the capital, Gustavia, or in Lorient Beach, where a two-bedroom townhouse, with space to build a pool, is on the market for €985,000 (7thheavenproperties.com).

For the ultimate in barefoot luxury, take a couple of flights to the Turks and Caicos. Six-bedroom Mandalay, with two acres of prime Long Bay beach and a spa, is on sale for €11.2m (sothebysrealty.com). If you're after lower-key Caribbean cool, make St Kitts your second home. Also on the radar Blow the budget in Mauritius, the Maldives or, for tax-free perks closer to home, Dubai.



When it comes to buying a holiday home, perhaps you're better off further afield. Emma Wells finds tempting options from South America to Sydney

# The long view

€3.73m

**TURKS AND CAICOS** The last word in barefoot luxury, Villa Isla was built on a dune on Long Bay beach, on Providenciales. It has five seafloor bedrooms. christiesrealstate.com



€1.9m

**SOUTH AFRICA** This newly built thatched house overlooking the Constantia Valley, on the Western Cape, has five bedrooms, vineyard views, a pool and capacious cellars. christiesrealstate.com



€530,000

**MAURITIUS** The seven three-bedroom villas at this boutique development in Black River, on the west coast of the island, have Indonesian-inspired furnishings, private pools, lush gardens with decking, gazebos and outdoor dining areas. The properties are in a national park, moments from the beach. Owners can use the communal gym – and are entitled to a residence permit. secondhome.ch



€4m

**URUGUAY** At avant-garde Laguna Escondida, a gated community outside Jose Ignacio, this five-bedroom house has eight bathrooms, glass floors, a sauna and a guesthouse. christiesrealstate.com



€420,000

**ST KITT'S** Appealing to a younger crowd who crave Caribbean luxury, but can't afford Barbados, the one- and two-bedroom homes at Kittitian Hill, in Basseterre, come with use of a spa. savills.com



€315,000

**ARGENTINA** At the chic Casa de Uco resort, in Mendoza, contemporary two-bedroom cottages start at €315,000 – add a small parcel of vineyard from €113,000. savills.com



€625,000

**SYDNEY** Collette Dinnigan is known for dreamy dresses, not interior design, but she has added her signature style to a development in Surry Hills. One-bedders start at €625,000. savills.com



€615,000

**BALI** The Indonesian island's nightlife rivals that of the Balearics. Recover from a night out in this six-bedroom villa near Canggu, in a jungle setting 40 minutes from the airport. elitehavensales.com

## The state needs to supply its own housing – to save money

Much debate about housing has centred on proposed solutions such as the Central Bank's lending limits and a reduction in VAT for developers. The Department of the Environment's contribution managed to bypass the democratic process, ignore its own civil service rules, then introduce new mandatory smaller apartment sizes, which, it said, would bring down costs and stimulate development.

Of course, such a crude move did no such thing – just as reducing VAT for developers and lifting bank lending ratios for lenders will not create an affordable housing system. These “solutions” are like Nero fiddling as Rome burned behind him.

With the talk of a new housing plan and presumably a few proposals, it's therefore interesting to set the plan in context by asking some big picture questions. When agreement is reached on these, solutions suggest themselves.

The first question any policy-maker should be asking is: how

much control does the state really have over housing? When we look at the drivers of demand and affordability, it becomes evident that the state is not really as much of an influencer as you may think.

Divorce and separation, global economic crises, changing employment conditions, the cost of money, emigration and immigration along with many other actual and potential issues affect housing and homelessness.

Potential issues are also important as fear about the future affects decisions today. The state has little influence over these issues, and as globalisation continues apace, whatever influence it has will be reduced further. If the state is indeed losing control of the levers of the housing system, then it may become more reactive to outside forces. This way chaos lies.

The other pertinent question is: whose responsibility is it to house

people? The answer to this question has changed over the last century from charities, to religious organisations, to the state and finally to the individual and their family. For the past 40 years or so it has almost entirely been the responsibility of an individual to house themselves.

Individuals often turned to their families for help through loans or land, but the ability of families to help is waning, just as housing oneself is becoming more challenging. Those in dire straits have always turned to the state to be housed and, despite accepting it at one time, the state's abrogation of this responsibility has led to an increasing backlog of people in housing need.

It's partly an issue of what type of society we envisage for Ireland, but whether you believe it is the role of the state to house people, or that it is the role of an individual to house themselves, the question now is: can the state afford not to get involved in housing people, lots of people? I believe that the potential cost of the state not getting knee-deep in



Building social housing would cost less than paying the private sector

housing is far greater than the cost of doing so.

It spends tens of millions each year housing people in other people's properties, yet the state itself could provide housing at about €180,000 each, using its own land (if it knew how much land it had; many local authorities don't even seem to know that) –

very different from an equivalent privately built house at €330,000.

Combining the questions of control and responsibility, the obvious conclusion (to me) is that housing is akin to blood transfusions. The blood transfusion service needs a reliable supply of blood every month (otherwise it will suffer

shortages each year in summer as people leave the country).

Without a steady drip-feed of state housing (and there's more to state housing than just social housing) each year – say 5,000 units – the state will always be on the back foot; it will always be a price taker rather than a price maker, and will always be forced into taking decisions that are expensive and less than ideal (PPPs, anyone?).

Putting people in hotels and hostels, “rapid build” (timber-frame) housing smaller than Dublin city council's minimum standards, homelessness and shoebox apartments are all responses to a crisis that need not have been half as severe if the state hadn't taken its foot off the pedal and relied entirely on a dysfunctional market.

Let's hope the imminent housing plan isn't about distancing the state from housing even further, but about entrenching the state within housing, to retain as much control as possible against increasingly powerful external forces.

LORCAN SIRR  
ON THE  
HOME FRONT

