



**BY EMAIL: [strategy@housing.gov.ie](mailto:strategy@housing.gov.ie)**

Statement of Strategy,  
Strategic and Business Support Unit,  
Department of Housing, Local Government and Heritage,  
Newtown Road  
Wexford,  
Y35 AP90

21 April 2023

Dear Sir/Madam,

**Re: Call for Submission: Statement of Strategy 2023-2025**

Thank you for the invitation to make a submission in relation to the Statement of Strategy 2023-2025 to the Department of Housing, Local Government and Heritage (“DHLGH”)

Our previous submission in relation to the preceding Statement of Strategy 2021-2025 also refers.

We submit that the following should form objectives of DHLGH’s strategy for the period 2023-2025.

1. Implementation of the recommendations of *“Owners Management Companies, Sustainable apartment living in Ireland”*, the 2019 report jointly commissioned by the Housing Agency and Cluid Housing.
2. Implementation of the recommendations of *“Safe as Houses? A Report on Building Standards, Building Controls and Consumer Protection”*, a 2017 report of the Oireachtas Joint Committee on Housing, Planning and Local Government.
3. Allocation of responsibility for the Multi-Unit Developments Act 2011 (“MUD Act”) from the Department of Justice & Equality to DHLGH. Responsibility for legislation and regulation affecting the multi-unit development sector is better suited to DHLGH. Chapter 3 and Recommendation 3 of the 2019 OMC report, and past submissions to DHLGH by the Apartment Owners’ Network, expand in considerable detail on the rationale for this proposal. The measure would be effected by way of amendment to section 1(1) of the MUD Act. We note that the Programme for Government commits to a review of legislation affecting owners’ management companies (OMCs).
4. Implementation of the undertakings set out in the Housing for All - A New Housing Plan for Ireland as they relate to multi-unit developments and the operation of OMCs.

#### **Section 5.5.4 - Progress of Examination of Defects in Housing.**

We welcome the January 2023 decision by Government, following the publication of the Report of the Working Group to Examine Defects in Housing, to grant approval to draft legislation to support the remediation of apartments and duplexes with fire safety, structural safety and water ingress defects, constructed between 1991 and 2013. The legislation will provide a statutory basis for the establishment of a remediation scheme aimed at protecting the safety and welfare of those living in apartments or duplexes with such defects that occurred during construction.

### **Section 5.5.5 - Reform Owners' Management Companies.**

This section states that: *“Well-functioning Owners’ Management Companies (OMCs) are key to maintaining and sustaining higher-density residential developments, such as apartments. Housing for All will support effective management and oversight of multi-unit developments by legislating for necessary changes. This work will be led by the Department of Justice, supported by the DHLGH.*

*To ensure that OMCs are financially sustainable, the Department of Justice, in collaboration with the DHLGH, will make regulations under subsection 17 of section 18 of the Multi-Unit Developments Act 2011 (MUD Act), prescribing the class or classes of items of expenditure which may be the subject of annual service charges; the procedures to be followed in setting such charges; matters to be taken into account in the setting of such charges; and arrangements for the levying and payment of such charges.*

*Regulations will also be made under subsection 9 of section 19 of the MUD Act to ensure that OMCs provide for expenditure of a non-recurring nature (i.e. sinking fund expenditure) and it will also examine the introduction of a non-statutory dispute resolution process. This process would determine disputes in relation to provisions of the MUD Act and in relation to covenants of head/main leases to which OMCs are party.”*

We are concerned that little progress is evident regarding the development of the proposed regulations. The poor rate of service charge payment and the absence of comprehensive guidance on sinking funds undermine the long-term viability of the multi-unit development sector. We urge DHLGH to engage with the Department of Justice on this matter.

In relation to the above, we note the 13 actions detailed within Housing Policy Objective 25 of Housing for All – *“Drive compliance and standards through regulatory reform”* – and look forward to seeing further progress on these actions as they relate to the MUD sector.

We should be glad to contribute further to the formulation of the strategy.

Yours faithfully



Bryan Maher  
**Director.**