

Calls to address 'serious imbalances' in housing sector



Cllr Mary Butler.

Fianna Fáil Councillor Mary Butler has joined with Fianna Fáil Spokesperson on Environment and Local government Barry Cowen in calling on the Government to take a series of steps to correct serious imbalances in the housing sector. Cllr Butler said a functioning housing market is essential for social cohesion and must include an affordable rental market, appropriate social housing and affordable mortgages.

"There are a number of serious issues affecting the housing market at the moment including the lack of social housing with 90,000 people nationally on waiting lists and thousands of these are on waiting lists here in Waterford City and County. Spiralling rents due to under supply of housing units and high variable mortgage interest rates due to the dysfunctional nature of the banking system at the moment are also contributing factors," she said.

Commenting on the impending publication of new rules on mortgage lending by the Central Bank Cllr Butler said: "Conditions for first time home buyers have deteriorated in recent times with the abolition of mortgage interest relief, a sharp rise in house prices and a decline in competition for new mortgage lending with increases in standard variable rates as a result I believe that the minimum deposit for residential home loans should be set at 10%/12% with any further consideration given to increasing this only after a detailed examination of the impact of this initial change. The fact is the new Central Bank rules must take account of both the social and economic needs of the country."

She added: "There are clear steps the Government can take in order to bring greater cohesion to the housing sector, including increasing supply of housing. But we also need a stable supply of new suitable units which should include measures to assist couples or individuals who wish to trade down."

Cllr Butler is also calling for the rent supplement to be reviewed as a matter of urgency.