

It is time to construct an alternative approach to solving the housing crisis

OFF-SITE construction in factory settings would deliver significantly more social and affordable homes faster and more cost effectively.

The State continues to face a serious challenge in order to achieve its target of delivering 10,000 social homes in addition to a significant number of affordable homes each year. However, a fast and effective solution exists in an alternative home-building approach.

The current on-site construction model requires a large labour force and is limited by weather and daylight factors. The associated costs are continuously increasing, meaning this type of approach to providing more social and affordable homes is simply unsustainable.

An alternative model that embraces innovative and modern methods of construction whereby the majority of building takes place off-site in a factory setting would lead to significantly more social and affordable homes being built both faster, and more cost effectively.

MARK McGREEVY



Ireland has a strong and proud tradition of building and many of the industry's leading players are now recognised globally for their capability in the delivery of quality products – fast, efficiently and at scale. Recent studies have shown that the adoption of modern construction methods can lead to homes being built up to 60pc faster and reduce the need for on-site labour by more than 70pc, resulting in more effective delivery outcomes.

The off-site construction concept encompasses not just building at volume and with speed, but

doing so in a way which is cost efficient and focusses on producing a higher quality home. An off-site system would help maximise our usage of the resources available to us without compromising on building quality. In terms of the off-site construction capacity in Ireland, preliminary research shows that it is considerable and it is ready to engage on public projects.

There are other benefits to a factory-based building environment too. This approach has the potential to open construction to a more diverse workforce, create new businesses and jobs in regional locations nationally, and to significantly improve the industry's carbon footprint.

Currently, on the supply side of the equation, there are three issues hindering the nation's ability to address the housing crisis – high construction costs, slow building speeds, and limited planning density. The proposed alternative approach could deliver a significant uplift on the status quo, including a 20pc plus reduction in Vat-exclusive construction costs to below

€150,000, a 50pc-plus improvement in the speed of delivery, and a 50pc improvement in planning density from 35 to 52 homes per hectare.

Coupling the savings in the hard costs of building with improvements in the soft and indirect costs such as taxes and levies, in addition to streamlining the public bidding process as well as harmonising designs and standards, would lead to the delivery of social and affordable, high-quality, energy efficient, three-bed homes for less than €250,000 each.

Put simply, the under-delivery of housing is not a capacity issue – it is a cost issue, and only when lower building costs are available can the State be expected to deliver the requisite number of social and affordable homes.

To drive this national agenda, home builders will need

to be front and centre. This industry cohort is motivated to build efficiently and at scale to ensure their business pipeline remains profitable and sustainable.

Builders are the ideal partners for the State, as the owner of a substantial land-bank, so as to enable cost and time-efficient delivery of new social and affordable homes.

With the ingredients for an alternative, builder-led solution to the housing crisis at the government's disposal, now is the time to move beyond the current debate and commence a large-scale public-sector house building programme which leverages off-site construction techniques.



Mark McGreevy is chief operating officer at John Sisk & Son with responsibility for the company's low-rise residential business, Sisk Living