

BUDGET OF UP TO €8 BILLION FOR HOUSING, LOCAL GOVERNMENT AND HERITAGE



An overall package of €7.93 billion for Housing, Local Government and Heritage was announced in Budget 2025, which includes a record capital of €6 billion funding for housing, €2.7 billion for Uisce Éireann to deliver necessary water infrastructure and support housing, in addition to a significant level of funding for local authorities, planning and heritage.

A record €6 billion capital investment in housing during 2025, announced in Budget 2025, aims to sustain the recent strong momentum in delivery under the Government's 'Housing for All' strategy. The funding includes €3.1 billion Exchequer funding, €1.25 billion for the Land Development Agency (LDA) and €1.65 billion for the Housing Finance Agency (HFA).

In announcing the Budget package for 2025, Minister for Housing, Local Government and Heritage, Darragh O'Brien, emphasised that the recent upward momentum in housing delivery will continue to grow due to Budget 2025.

"The €6 billion in capital will help us to deliver social, affordable and cost rental homes for our people. We're the top country in Europe for housing construction – with a growing sector – and expected to keep growing – while declining elsewhere in the continent.

"More than €2.3 billion in affordability investment will support the initiatives put in place such as the First Home Scheme, the Affordable Housing Fund, the Secure Tenancy Affordable Rental (STAR) scheme and the Help-to-Buy initiative.

"The First Home Scheme will receive a further €80 million in Exchequer funding in 2025 which will be matched by participating banks, meaning €160 million will be available next year to support the purchase of some 2,000 homes."

He noted that the Minister for Finance Jack Chambers has extended the Help-to-Buy scheme to the end of the decade. "Over €2 billion in capital investment in social housing will be focussed on new build homes by local authorities and our Approved Housing Bodies who are crucial delivery partners.

"An additional 10,000 households will have their housing needs met under the Housing Assistance Payment and Rental Accommodation Scheme, as well as continuing support for 66,000 active tenancies under these schemes."

Minister O'Brien noted that increased tax credits to €1,000 for renters for 2024 and 2025 will assist them in the immediate term while expansion of affordable cost rental is set to make a massive difference. "The Residential Tenancies Board will receive funding of €14.5 million, while €10.5 million will be provided for local authority inspection activity in the rental sector to ensure compliance with rental standards."

Funding of €303 million has been made available to deliver homeless services with a particular emphasis on ensuring that households at risk of homelessness are prevented from entering emergency accommodation and those in such accommodation are supported to exit into secure tenancies as quickly as possible. This level of funding will be kept under ongoing review throughout 2025.

An overall allocation of €2.7 billion for Uisce Éireann: “In addition to the €1.7 billion for Uisce Éireann in 2025, an equity investment of €1 billion has been secured for Uisce Éireann to support the delivery of their Capital Investment Plan for 2025-2029. “Continued investment in public water services capital infrastructure is vital to support future housing delivery,” noted Minister O’Brien.

PLANNING PROGRAMME

More than €279 million is being provided for the department’s planning programme, of which €63 million relates to current services and €216 million for capital expenditure.

The aim is to promote sustainable economic growth and balanced regional development and support the goals of the National Planning Framework, particularly those related to housing, climate, infrastructure, competitiveness/jobs and urban, regional and rural development. This is all to ensure that the terrestrial planning system can deliver high quality, timely and robust plans and decisions, through the ongoing planning reform programme including through the enactment of the Planning and Development Bill 2023.

The budget allocation includes the Urban Regeneration and Development Fund (URDF) with €186 million provided for the fund in 2025, allowing for further advancement of the 132 applications for URDF support under Calls 1 & 2, comprising of more than 400 individual projects.

There will also be continued support for each local authority’s programme of acquisitions approved under the URDF’s third round of funding support (Call 3), to help tackle long-term vacant and derelict properties in URDF eligible towns and cities.

Minister of State with responsibility for Local Government and Planning, Alan Dillon, said the Budget’s provision for planning allows for investment in the resourcing of the planning system, including staffing levels for An Bord Pleanála, the Office of the Planning Regulator, and enhancing sanctioned staffing levels for local authorities.

“The continued URDF investment will allow the department to provide an integrated, dynamic and responsive programme to support the regeneration and rejuvenation of our towns and cities throughout the country.”

LOCAL GOVERNMENT INITIATIVES

Funding of €685 million for local government and electoral reform in 2025 will allow the department to provide funding towards increased pay/pensions costs arising for local authorities under national pay agreements.

It will also make necessary Local Property Tax (LPT) equalisation payments to local authorities whose LPT yield is lower than set baselines, which were reviewed and revised from 2024.

A range of local government initiatives will also be supported across the country, including reform and digitisation projects. Furthermore, funding will support the building of new fire stations and renovation of some older facilities, along with upgrading essential fire-fighting equipment. It will also support public awareness and local authority activity to maximise public engagement with the modernised electoral registration process.

DIRECTLY ELECTED MAYORAL BUDGET

Funding will be provided for a Mayoral Budget to support the Directly Elected Mayor (DEM) of Limerick in its role and the delivery of the Mayoral Programme. Funding to support the office staff is also being provided.

Minister Dillon described the election of the first DEM of Limerick as “one of the biggest reforms of local government since the foundation of the state”. He added that a mayoral budget of €7.5m will be available for the Office of the DEM of Limerick in 2025, to support the mayor in his role, in the delivery of his mayoral programme.”

HERITAGE & ELECTORAL REFORM

Minister of State with responsibility for Heritage and Electoral Reform, Malcolm Noonan, announced an increase of 12% on current funding and 11% on core capital. He said this was confirmation of the Government’s ongoing commitment to the conservation and management of Ireland’s heritage for the benefit of present and future generations.

Welcoming the Budget 2025 allocation of €172m for heritage, he explained: “This funding includes a record €78 million for the National Parks and Wildlife Service. This will enable us to expand our investment in the protection and restoration of our National Parks and Nature Reserves. It will also help to implement conservation measures in precious places for nature, support vulnerable habitats and species in the wider countryside, tackle wildlife crime, and continue the transformation of the National Parks and Wildlife Service. Crucially, it will underpin the enormous effort underway to prepare a national Nature Restoration Plan.

“The allocation will also allow us to increase support for the conservation of our archaeological and built heritage through the hugely impactful Community Monuments Fund, Built Heritage Investment Scheme and Historic Structures Fund, including conservation advice grants to help bring vacant traditional buildings back into residential use. The package includes funding to progress Ireland’s bid to have sites on the World Heritage tentative list placed on the UNESCO World Heritage site list.”

In relation to electoral reform, Minister Noonan stated: “Huge progress has been made on electoral reform and this is continuing. Franchise has been allocated €9.5m under Budget 2025. This includes almost €3 million in current funding for measures such as the modernisation of the electoral register as well as capital funding of €6.6 million to support the delivery of a shared electoral registration system. This capital funding will also support the implementation of the new Seanad electoral processes as we expand the franchise for electing the six University Senators to Designated institutions of Higher Education.”