



26<sup>th</sup> May 2021.

I refer to your recent query on the sale of Approved Housing Body (AHB) homes. I understand my department has issued you with previous correspondence on the matter.

Essentially there are three key issues preventing the sale of AHB homes.

**1. Lack of a legislative basis**

I wish to clarify that there is no legislative basis for the sale of AHB social homes. I am not aware of any sales of AHB homes that were built for social housing purposes. It is a matter of general policy that AHB units developed for social housing purposes are retained as such. For example the Incremental Purchase scheme that allows for tenants to buy their Local Authority Home does not apply to AHBs.

**2. Contractual obligations**

AHBs construct homes through state support which contractually obligates them to use the unit for a specific purpose. Sale of the unit during that period is prohibited by that requirement.

**3. AHBs Constitution**

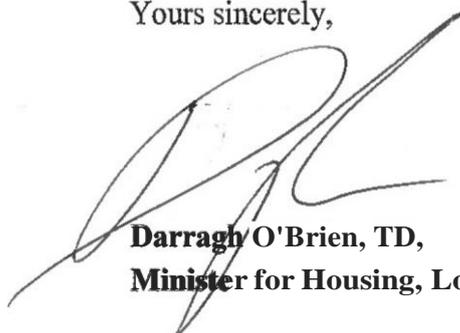
While subsequent to the completion of the terms and agreement of any state funding the AHB is the sole owner of a property and may technically dispose of a property this must comply with its own Articles of Association. AHBs must be not for profit bodies to receive official designation which limits their ability to sell on the open market. Any sale must be in compliance with the Memorandum and Articles of Association of the AHB's and furthermore it is the advisable to consult with the AHB regulator and the Charities Regulator (if it is a registered charity).



In summary as a result of these issues it is my view that the sale of social housing units by an AHB is not practically possible within the current legal framework and would require legislative changes.

I hope this clarifies the matter for you.

Yours sincerely,



**Darragh O'Brien, TD,  
Minister for Housing, Local Government & Heritage.**