

Construction Summit 2026

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A Special Report

Speeding up the delivery of new homes

Modern methods of construction can cut timelines by 60% and costs by up to 40%. But scaling it requires early design decisions, stable pipelines and collaboration

EMMET RYAN

Ireland needs more housing, but the challenge doesn't just come in terms of volume. The speed and cost of delivering more homes play a significant role in the construction sector's struggles to keep up with demand.

That's because the traditional approach to construction, like most sectors, has its natural vulnerabilities. It is labour intensive and susceptible to delays due to external factors like Ireland's notoriously grouchy weather.

Rather than just sit back and accept the problems, the industry has moved and evolved to try to mitigate or overcome such challenges. Modern methods of construction (MMC) are designed to address some of the core challenges.

"Modern methods of construction can help address Ireland's cost and delivery challenges by improving productivity and speeding up delivery, but only as part of a coordinated national infrastructure campaign and eco-system of reform," says Alan Hore, co-founder and director of CitA, the Construction IT Alliance.

To scale, MMC must align with standardised design, pipeline certainty, procurement reform, and integrated supply chains, he adds.

"Our focus is on a skills-led transition supported by Skillnet Ireland. The Skillnet MMC Accelerate national initiative is having a very positive impact. Our platform (skillnetmmcaccelerate.ie) is seeing strong engagement, with over 10,000 user sessions, more than 370 courses listed, and 12 events attracting over 700 attendees supporting upskilling across lean, green, digital and advanced manufacturing capabilities."

From a housing perspective, Hore adds that "MMC can deliver real impact in housing, but only with systemic reform and sustained investment in skills. MMC represents a critical enabler of increased housing output, but it is not a standalone solution. Its effectiveness depends on systemic reform across the housing delivery ecosystem.

When combined with standardisation, pipeline certainty, procurement reform, and skills transformation, MMC can play a

central role in addressing supply challenges."

MMC shifts enormous parts of the building process indoors, developing modular systems and using digital manufacturing to gain more control over the process.

"Rather than relying solely on traditional block-by-block construction, MMC incorporates approaches such as off-site manufacturing, modular construction, volumetric units, panelised systems, and digital project delivery including building information modelling (BIM) and construction technology," says Cillian Kelly, group head of digital project delivery at John Sisk & Son.

The most visible change that MMC brings is where a lot of construction work is actually done off-site.

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MMC can deliver very substantial gains, but only when Ireland aligns design, procurement and regulation with industrialised construction

"In practice, building components or, in some cases, entire units are manufactured in factories, transported to the site and assembled efficiently on location," says Kelly. "This approach can significantly accelerate construction programmes while also improving quality control and reducing material waste."

That acceleration is enabled because there is greater certainty around delivery timelines due to the enhanced control.

"Factory-based production allows work to proceed regardless of weather conditions and enables parallel processes, where site preparation and component manufacturing take place simultaneously," says Kelly.

It's not just Sisk that has noticed the benefits of MMC. Research at Government lev-



el has found that MMC can have a significantly positive impact on the construction sector.

"Two major Government-commissioned reports – the National Economic and Social Council's Boosting Ireland's Housing Supply; MMC, and the Department of Housing's Standardised Design Approaches study – offer the clearest evidence to date," says Gary Greenan, senior client adviser of the housing delivery unit with Enterprise Ireland.

"Taken together, they give an insight on how MMC can deliver very substantial gains, but only when Ireland aligns design, procurement and regulation with industrialised construction."

The research across these reports points to substantial gains from deploying MMC, with the potential to reduce the cost of construction projects by as much as 40 per cent while reducing timelines by as much as 60 per cent. While appealing, MMC's gains tend to appear down the line when it comes to projects.

"MMC does not automatically translate into lower upfront construction costs. In many cases, the capital cost can be comparable to or higher than traditional construction methods," says Kelly.

There is an element of scaling with gains, as the stronger financial benefits tend to come with larger developments.

"The strongest value proposition tends to emerge in large-scale, repeatable developments, where standardisation, economies of scale and faster delivery can offset higher manufacturing costs," says Kelly. "As a result, the most significant gains from MMC in Ireland are likely to come from programme certainty, improved build quality, and the ability to deliver housing more quickly."

From Sisk's experience with MMC, timely decision making on design matters is crucial.

"One key lesson is that design decisions must be made earlier in the process. Be-

cause many components are manufactured in factory settings, projects need a higher level of design co-ordination before construction begins," says Kelly. "The Construction Industry Federation's MMC report highlights that early-stage design integration, often supported by digital tools such as BIM, is essential to ensure components can be manufactured and assembled efficiently."

Improve productivity

It's not just the size of the project that matters with MMC. The ability to repeat processes at scale also matters.

"MMC delivers its strongest efficiencies in projects with a high degree of repetition, such as housing developments, hotels or student accommodation," says Kelly.

■ **'MMC delivers its strongest efficiencies in projects with a high degree of repetition, such as housing developments, hotels, or student accommodation.'** PHOTOGRAPH: ISTOCK

"Standardised systems allow manufacturers to improve productivity and achieve economies of scale, which is key to making MMC commercially viable."

The investment required to enable off-site construction, including developing factories, getting equipment and acquiring skilled staff, all mean construction companies need to be confident there is an adequate pipeline to make the spending worthwhile.

Fortunately there are areas beyond hous-

ing construction where MMC has already been shown to offer benefits.

"Gains are already being achieved in other Irish sectors such as data centres, pharmaceuticals and education, where MMC is widely used," says Greenan.

"Companies in those sectors report reduced delivery times, lower maintenance costs and higher-quality benefits, which can be directly transferable to housing."

A lot of the expertise needed to develop MMC already exists in Ireland, with the likes of Enterprise Ireland playing a key role in fostering it.

"Through support for digital, lean, and off-site manufacturing technologies, the agency has cultivated a portfolio of Irish companies recognised as global experts in MMC, advanced panelised systems, modular construction, and precision off-site manufacturing," says Greenan.

That breadth of expertise can also bridge gaps in understanding, particularly when it comes to the role of standardisation.

"MMC only reaches its full potential when designs are repeated using consistent structural spans, uniform building depths, standardised window and door configurations, and modular elemental design," says Greenan.

A standardised approach enables efficiency within factories, reducing delays along the entire process.

"When standard designs are used, design sign-off times fall dramatically, component procurement becomes cheaper and more reliable, factory production lines can operate at full efficiency, and on-site installation becomes faster and more predictable," says Greenan.

It all offers promise but there's a lot of work to be done. For the housing sector to benefit from MMC, the sector itself will need to adapt. That will require changes to procurement models, approaches to collaboration and a rethinking of supply chains.

Yet, with a sustainable pipeline of projects and adequate policy support, all of this is achievable.

"In effect, Ireland already has an internationally competitive MMC industry; what is needed now is a housing ecosystem capable of harnessing it," says Greenan.

Housing ambition can't be faulted, but is it realistic?

FRANK DILLON

The Government's latest housing plan, unveiled last December, has set a six-year target of delivering just over 300,000 housing units by 2030, including 72,000 social homes.

More than €9 billion in capital funding has been allocated for 2026, while the Land Development Agency received an additional €8.75 billion to lead large-scale developments.

In a related initiative the Accelerating Infrastructure Taskforce report has outlined key objectives to unblock barriers to housing development along with other infrastructure projects.

The plan isn't lacking in ambition but is it realistic?

It has met with widespread criticism from a range of Opposition parties and advocacy groups. Sinn Féin and the Social Democrats, for example, criticised the removal of annual targets as evidence of the Government's lack of confidence in its own plans while the Irish Congress of Trade Unions criticised insufficient increases in social housing targets.

David Howard, of Property Industry Ireland (PII), Ibec's trade association for the property sector, acknowledges that the plan is ambitious but is "probably the right level of ambition". He doesn't see the lack of an annual target figure for

completion as a major issue as many of the initiatives being put in place will have a cumulative and accelerating effect over the six-year time frame, he says.

One of the biggest barriers to the plan is the lack of skilled workers, with a current labour shortfall of more than 100,000 workers estimated. Roughly 25,000 new workers a year are needed to deliver the pipeline of investment in construction and infrastructure projects, according to PII, and Howard says promoting apprenticeships is key to meeting this target.

"We've done it before and there's plenty of evidence from Germany and other European countries about how apprenticeships can offer a very desirable career path with almost guaranteed job prospects and attractive salaries for those who undertake them."

One way in which the skills gaps could be addressed is if more women were involved in construction. Currently only 10 per cent of the industry's workforce is female. The recent Construction Industry Federation (CIF) International Women's Day Summit highlighted pathways to careers in construction for women including via STEM subjects and construction-related apprenticeships.

The CIF noted that the industry is rapidly digitalising and modernising, and on-site roles



■ David Howard is director of Property Industry Ireland, Ibec's trade association for the property sector.

PHOTOGRAPH: DILLON PHOTOGRAPHY

in trades and engineering are only part of the skills mix required. There are also many roles in digital construction, sustainability, off-site manufacturing, design, planning, finance, health and safety among others.

Productivity

Lorcan Sirt, senior lecturer in housing at the Technical University of Dublin, notes that the ambitious targets will involve the construction industry delivering at a rate not seen previously. Productivity may be an issue, especially for SMEs, with a requirement to deliver significantly more units every year than they have done previously.

However, taking a holistic view, he says, the devil may be in the detail of what the 300,000 units spoken about consists of.

"I am more concerned about whether the units delivered will be the appropriate mix for what

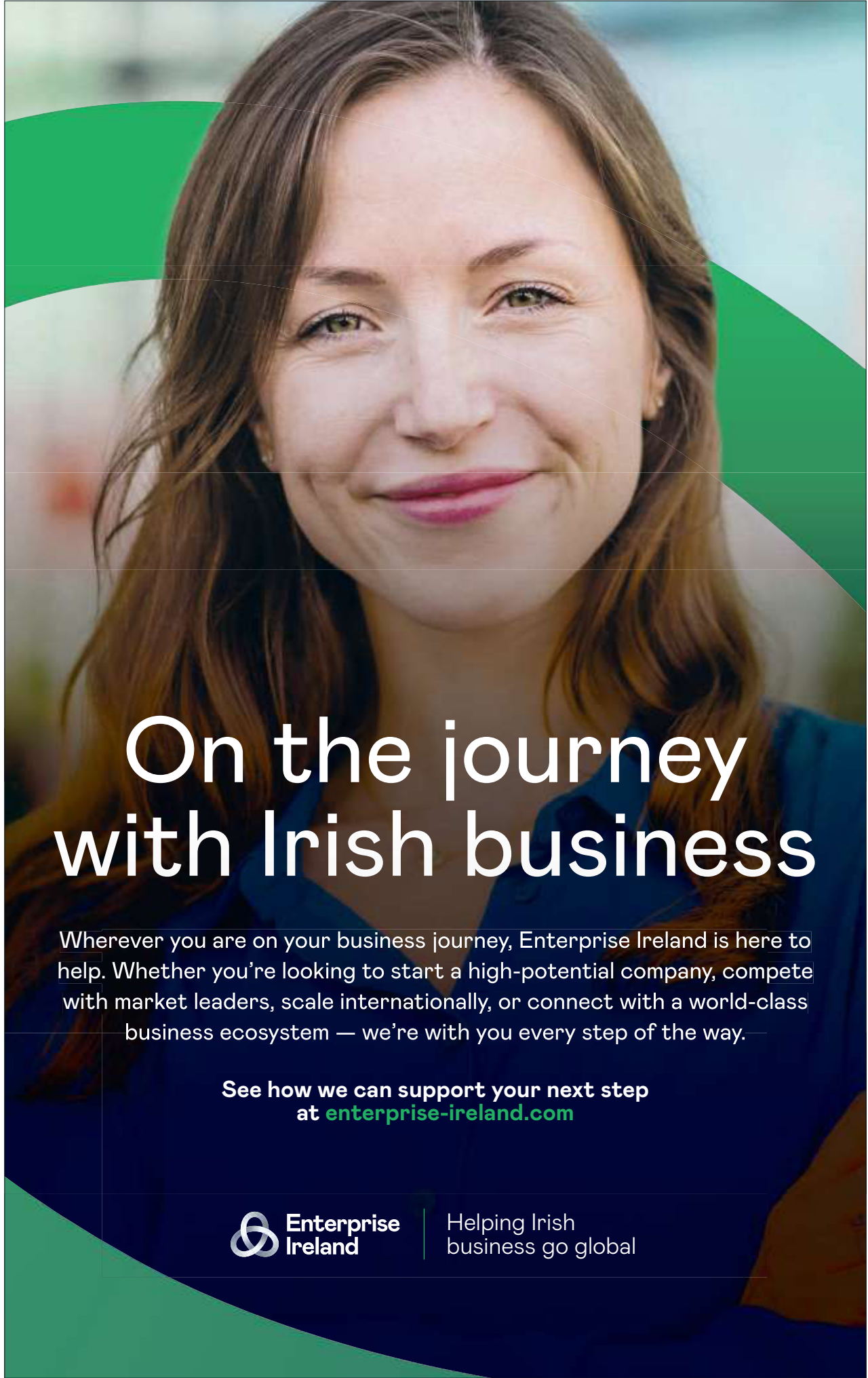
is needed. We need homes for families as well as single people that will serve people over the course of a lifetime. It doesn't matter whether that's apartments or houses, but tenure is extremely important. Home ownership is the backbone of our welfare system and people cannot afford to retire into a renting situation."

Virtually all of the apartments developed in Dublin since 2022 have been built to rent, something that has forced young families who wish to buy homes out to the midlands commuter belt, causing massive congestion on the roads as they commute to Dublin for work, he points out.

Aside from skills, access to sufficient zoned serviced land, as well as finance and an investor-friendly environment are other key considerations.

"Local authorities need to look at where they can zone more land for housing but there's no point in zoning land that doesn't have the roads or water infrastructure in place or where those vital elements can't be delivered in a relatively short space of time," says Howard.

Clear gaps exist in housing funding, especially for apartments. This was among the key reasons for the high-profile Irish state presence at the MI-PIM property investment conference in Cannes earlier this month, which featured a dedicated Irish pavilion for the first time. The large Irish delegation there sought to attract international capital such as pension funds and sovereign wealth funds by highlighting Ireland's overhauled planning system and stable regulatory environment as key selling points for long-term capital investment.



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