



**NOTIFICATION TO ATTEND MEETING OF THE HOUSING SPC
TO BE HELD IN THE
ON WEDNESDAY 10 FEBRUARY 2021 AT 11.00 AM**

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AGENDA

WEDNESDAY 10 FEBRUARY 2021

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1	Minutes of meeting dated Wednesday 13th January and matters arising	5 - 10
2	Chairpersons Business	
	i) Correspondence No Correspondence received	
	ii) Oscar Traynor Rd Alternative Plan Report	11 - 22
3	Update on Working Groups	
	i) Rent Review Working Group Verbal Update	
	ii) Public Housing Working Group Verbal Update	
	iii) Services for Senior Citizens Working Group Verbal Update	
4	Report on Construction Costs - DCC New Build	23 - 26

5 Potential EU Funding Opportunities Housing and Community

Verbal Update

6 Lord Mayor's Taskforce on Homelessness

Verbal Update

7 Motion in the names of Cllrs James Geoghegan & Colm O'Rourke

That the Housing SPC shall write to the Minister for Housing;

- asking him to deliver on his commitment made in the Irish Examiner on the 25th of January 2021 to honour Dublin City Council's request of an increase of the Serviced Sites Fund from €50,000.00 to €100,000.00 per unit;
- requesting him to implement the recommendations of the Society of Chartered Surveyors Ireland to undertake a Public building cost review and introduce a standardised construction cost reporting process; and
calling on him to establish the Commission on Housing to help drive down construction costs and increase affordability

8 Motion in the names of Ard-Mhéara Hazel Chu & Cllr Alison Gilliland Cllr Janet Horner, Cllr. James Geoghegan, Cllr Daithi Doolin and Cllr Kevin Donoghue

The Housing SPC recognises the progressive work carried out by the Lord Mayor's Taskforce on Homeless and the recommendations it has presented. To build on the work of the Taskforce, the Housing SPC recommends that a Special Committee on Homeless be established as a sub-committee of the Housing SPC to

- *support and provide information, views, advice or reports to the Dublin Regional Homeless Executive (DRHE) in relation to homelessness and the operation and implementation of the Homeless Action Plan in Dublin and specifically to Dublin City.*
- *study, analyse, and make recommendations to any DRAFT Homelessness action Plan prepared by the DRHE.*
- *serve as a forum for consultation and sharing of information and data from the DRHE*
- *review progress on the Homeless Action Plan and support the DRHE in addressing any barriers to implementation of the plan, whilst having regard to the statutory obligations of the DRHE and its statutory management group.*
- *work with the DRHE in pursuing actions where necessary from relevant Government departments and in pursuing a whole of Government approval to the often complex needs of homeless persons.*
- *engage regularly with the various other statutory and non-statutory bodies that are involved in different aspects of homelessness in Dublin.*
- *invite the Approved Bodies to present and take questions at meetings of this special committee*
- *develop strong working relationships with Councillors and the Executives of the other three Dublin Local Authorities.*

The Housing SPC agrees that this sub-committee should consist of the Lord Mayor, the Chairperson of the Housing SPC and a representative from each

political party/grouping, that management of the DRHE including the Director and other senior staff will report into this special committee and will attend all meetings, that meetings be held in camera unless otherwise agreed by the Committee and that the Committee report to the Housing SPC on a bi-monthly basis.

9

AOB

Housing SPC Minutes

HOUSING STRATEGIC POLICY COMMITTEE MEETING

WEDNESDAY 13TH JANUARY 2021

ATTENDANCE

COUNCILLORS

Mary Callaghan

Ard-Mhéara Hazel Chu

Donna Cooney

Máire Devine

Kevin Donoghue

Daithí Doolan

Pat Dunne

James Geoghegan

Alison Gilliland - Chairperson

Tina MacVeigh

Eimear McCormack

Cieran Perry

Colm O'Rourke

Other Councillors in attendance

Cllrs John Lyons, Naoise Ó'Muire, Keith Connolly,
Mannix Flynn & Patricia Roe

EXTERNAL MEMBERS

Pat Greene – DSC

Karen Murphy - ICSH

Claire McManus - JFOC

Mike Allen – Focus Ireland

Mick O'Reilly - ICTU

Mike Allen - FI

Aine Wellard - VVI

Apologies

Cllr Briega MacOscar

Dublin City Council Officials

Brendan Kenny, Assistant Chief Executive

David Dinnigan, Executive Manager

Deirdre Scully, Deputy City Planner

Mary Flynn, Director DRHE

Bob Jordan, National Director of Housing First

Christy McLoughlin, Administrator

1. Minutes of meeting dated Wednesday 9th December

Agreed : Minutes Agreed

Matters arising: It was noted that Cllr Naoise O'Muirí's name was omitted from the Minutes

2. Chairperson's Business

- i. Correspondence

Agreed : Correspondence from the Minister of Housing, Local Government and Heritage regarding provision of emergency accommodation for those finding themselves without accommodation was Noted

3. Update on Working Groups

Chairperson provided an update on the three working groups

- i. Rent Review Working Group – this Group will meet on an intermittent basis to review the implementation of rent arrears recommendations made by the Group
- ii. Public Housing Working Group – this Group will meet to discuss the draft anti-social behaviour policy
- iii. Services for Senior Citizens Working Group – this Group met on two occasions in December. Cllr Mary Freehill was elected Chairperson. It discussed the 2014 - 2019 Age Friendly Strategy with a view to drafting a new Strategy. In the context of the Dublin City Development Plan process, it also discussed planning related matters from the perspective of the senior citizens

Agreed : Updates Noted

6. Pre-Draft Consultation of the Dublin City Development Plan

Deirdre Scully, Dublin City Council Deputy City Planner, made a presentation to the Committee on the housing issues pertaining to the drafting of the new Dublin City Development Plan

The following considerations were raised;

- How developing infill site can be made more viable
- Strategic Housing Developments (SHD's)
- Research & evidence as a base for future policy
- Department of Housing, Local Government & Heritage engagement
- Community Gain
- How Living Over Shop could be realised through the Development Plan.
- The de-legitimising of the status of the Development Plan by national legislation
- Residential planning for population predictions
- Different apartment standards between Development Plan and national legislation for example dual aspect requirements
- Market distortion
- Environmental costs vs environmental values to support sustainability in future housing delivery
- Historical cultural assets, protection and opportunities
- 'Green' grants as a possible intervention
- Planning application assessment
- Planning for remote working
- Planning to meet social housing targets
- Land availability to meet social housing targets
- Housing Needs Assessment

Agreed : Agenda Point 6 to move up agenda

4. Housing Management Update

iv. Report on Housing Supply

The following considerations were raised;

- Covid 19 social housing construction derogation clarification
- Impact of construction constraints including difficulties with workforce remobilisation
- Implications of Brexit on the construction supply chain
- Covid health & safety on sites
- Dublin City Council (DCC) Sites update including Gullistan Terrace, Poolbeg, St Anne's Court & Connaught St developments.
- Acquisitions
- Statistical queries re Report

Agreed : Report Noted

ii. Report on Homelessness

Members expressed their condolences to families of deceased homeless persons

The following considerations were raised;

- Direct Provision
- Covid Impact
- Dry Hostels/Secure Hostels
- Homeless figures breakdown
- Homeless demographic
- Family support teams
- Interpersonal issues experienced by those who are homeless
- Housing First programme update
- Stakeholder engagement
- HSE & DRHE collaboration
- Analysis of causes of/reasons for homeless

Agreed : Analysis/research detail on causes of/reasons for single and couple presentations to be included in future SPC report.

7. Lord Mayor's Taskforce on Homelessness

Ard-mhéara Hazel Chu updated members and thanked participants for their involvement.

The following considerations were raised at a meeting between the Minister of Housing, Local Government and Heritage and the Taskforce members in late December:

- Stakeholder Engagement
- Outreach Services
- Key Workers
- Mental Health
- Addiction Provisions
- Legislative Amendments - Evictions

Agreed : Update Noted

5. Potential EU Funding Opportunities Housing and Community

Agreed : Agreed to defer to February meeting

8. Report on Construction Costs – DCC New Build

Agreed : Agreed to defer to February meeting

9. Motion in the names of Cllrs James Geoghegan & Colm O'Rourke

Agreed : Agreed to defer to February meeting

10.AOB

The following considerations were raised;

- Oscar Traynor Road Development/Tender
- Sherriff St Site – Part V price

Cllr. Alison Gilliland
CHAIRPERSON

OSCAR TRAYNOR LANDS

ALTERNATIVE DEVELOPMENT PROPOSAL

January 2021

This report has been prepared in response to following motion passed at the Dublin City Council meeting on Monday 16th November 2020 with a view to drafting a proposal for a new plan for developing the Oscar Traynor Rd site.

In the event of the rejection of Report 310/2020 Dublin City Council requires the drafting of a new plan that would see Dublin City Council lead the design and oversee the development of public housing on the site. That this new plan would draw on our learnings from the development of St.Michael's Estate and our engagement with the EIB for funding and would also seek full support from the Department of Housing. That this new plan would be drafted in collaboration with the Public Housing Working Group of the Housing SPC and would appropriately engage with the Oscar Traynor Lands Consultative Forum. To this end we call on An tArd Mheara to seek an urgent meeting with the Minister for Housing, the CEO, Housing Manager, the Chairperson of the Housing SPC and Group Leaders to discuss putting this approach in place for the Oscar Traynor land.

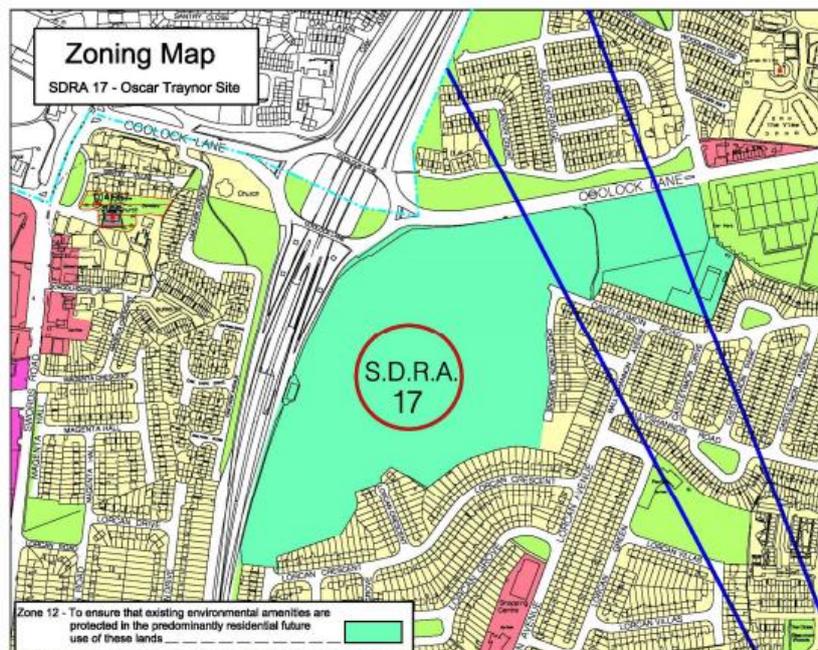
All Parties/Groups were represented as follows in the drafting of this report: Cllr. Deirdre Heney (FF), Cllr. Donna Cooney (GP), Cllr. Declan Flanagan, (FG), Cllr. Dermot Lacey (Lab), Cllr. Cieran Perry (Ind Group), Cllr. Michael MacDonncha (SF), Cllr. Patricia Roe (SD) and Cllr. Tina MacVeigh (PBP). Discussions were convened by the Lord Mayor, Cllr Hazel Chu and chaired by Cllr Alison Gilliland, Chairperson of the Housing SPC.

SITE HISTORY

The site at Oscar Traynor Road (total area 17.2 ha) is a designated Strategic Development and Regeneration Area. It is 'located to the south-east of the junction of Oscar Traynor Road and the M1 interchange. It is relatively flat and currently undeveloped. The overall vision for this site is the creation of a new residential quarter supported by neighbourhood facilities and parks, creating an attractive tree lined setting, and which integrates and complements the surrounding residential area.

The overall objectives for this site are as follows:

- The creation of a primarily residential quarter with a mixture of unit types and tenures to provide for much needed housing in the city in accordance with the core strategy and complemented with retail units serving a local need.
- The provision of retirement housing is particularly sought adjoining new local services.
- To support the increased provision of senior citizens homes on the Oscar Traynor site.
- Higher densities will be sought to the northern and western edges of the site with heights of 4 to 6 storeys being generally appropriate, scaling down to the east and south where the site adjoins existing 2-storey residential housing.
- Heights of up to 6 storeys will be considered in the north-west corner of the site as slender land-mark features.
- The provision of a high quality distinctive park(s) set within amongst tree-lined avenues and streets is required.
- High levels of permeability throughout the site integrating with existing residential streets to the east and south where feasible.
- The creation of a neighbourhood centre to Oscar Traynor Road with local retail provision and a possible hotel use, forming a distinctive place-making element and the main entrance to the overall site.' (Dublin City Development Plan 2016 – 2021)



Dublin City Development Plan 2016 – 2022 extract from Zoning Map, Zone 12

The site has been in the long-term ownership of the Council. It was previously held as religious institutional lands until the 1970's. The site was intended to be used for road widening and providing a site compound for the Dublin Port Tunnel construction project. Following the completion of the tunnel project in January 2007 the Council brought forward development proposals, following a competitive process, the site was to have been developed under a public-private partnership. However, that proposal was abandoned in 2008 following the economic downturn.

It is a vacant green field site covered in scrub vegetation bounding: the M1 motorway / Port Tunnel entrance to the west, R104 Coolock Lane (Oscar Traynor Road) to the north, astro park football pitches and Gaelscoil Cholmcille to the north-east, the front of two storey houses along Castletimon Gardens to the east, and the rear of two storey houses which front onto Lorcan Crescent to the south. In 2015, it was considered that the building sector had recovered sufficiently for developers to have the capacity to develop out this site to the Council's requirements. The unencumbered land is valued under the Vacant Sites Register at around €44 million.

A report was presented to, and approved by both the Housing and Planning Strategic Policy Committees and subsequently by the full City Council in January 2017 as follows:

- The lands would be offered to the market with an indicative site layout
- Use private finance to eliminate / mitigate the planning and financial risk to the Council.
- Promote mixed tenure and income mix to ensure long term sustainability.

All this became known as the City Council's Housing Land Initiative and included two other sites at O Devaney Gardens and St Michael's Estate*.

At that time, the main principles of the Housing Land Initiative were:

- A tenure mix of 30% social, 50% private, and 20% affordable purchase housing.
- Social and Affordable units are to be sourced at construction cost.
- Procurement through Competitive Dialogue, which places tight control over the developments, via contractual Development Agreement.
- Reduction of exposure of DCC to the inherent Planning Risk (and costs) involved in developing the site.
- Site development costs and associated infrastructure to be borne mainly by the preferred bidder.
- No Local Authority borrowing to develop site resulting in adherence to EU spending rules.
- Land Ownership remains under DCC control until each phase is complete.

*subsequently, a revised plan for St Michael's Estate was adopted that allowed for 30% social housing and 70% cost rental units with the entire project being led by DCC. This project will be a useful reference for the development of the Oscar Traynor Lands.

In this report (https://www.dublincity.ie/sites/default/files/media/file-uploads/2018-10/Oscar_Traynor_Road_Site_SPC_-_New.pdf) an indicative plan and site layout was proposed with low to medium density in the southern part of the site adjacent to the existing two storey housing and commercial development with medium to higher density residential development on the northern and western boundaries of the site as illustrated in the figure below

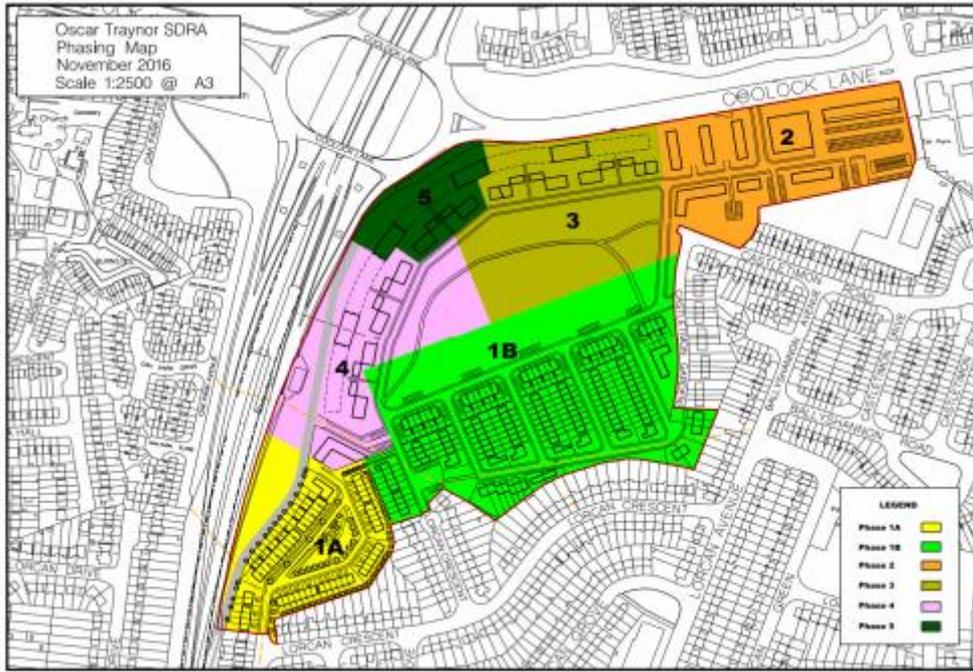


Figure 4: Phasing Map from Housing Land Initiative Report



Figure 6: Layout and Site Constraints Map from Housing Land Initiative Report

THE PROCUREMENT PROCESS

After an intensive analysis a decision was made that the Competitive Dialogue Procurement process was the most appropriate for this and the O`Devaney Gardens project. The Competitive Dialogue process involved the following key principles:

- Invitation, through a Pre-Qualifying Questionnaire (PQQ), for interested parties (developers etc.) to demonstrate that they are capable of delivering the project. These parties are assessed and shortlisted on the basis of the (mostly technical) information they submit.
- The shortlisted parties are then invited to submit their plan for the site (the Outline Submission) based on the Invitation to Participate in Dialogue (ITPD), which is essentially Dublin City Council's brief for the project - describing the project, the planning history, the site constraints, the financial requirements, City Council requirements etc.).
- The Shortlisted Parties then submit their development plans for the site (layout, heights, densities, materials, infrastructure etc.), a series of dialogue sessions between Dublin City Council's Project team and each of the developers' technical team ensues, at which the technical options are assessed and honed, after which a clearer understanding of the brief and solutions are arrived at.
- A final brief is drawn up (the Invitation to Submit Final Tender (ISFT)). The shortlisted parties submit their final tenders, the tenders are assessed and a preferred bidder is identified, a Development Agreement is drawn up and signed by both parties, thus ending the procurement process and allowing the project to progress to the next stage.

LOCAL CONSULTATION AND COMMUNITY ENGAGEMENT

A Community Forum was established to support local consultation and community engagement with regard to the development of the site. The members of the Community Forum comprised 2 representatives each from Lorcan Estate, Castletimon, Woodlawn/Aulden Grange and Santry Court Estates and Gaelscoil Cholmchille along with 4 local Councillors which reduced to 3 local Councillors post the 2019 local election when all surrounding estates joined to form part of the same local election ward.

A whole community consultation workshop took place in June 2019. This workshop was facilitated by Connect the Dots and discussed and recorded a wide variety of planning and development issues and concerns as follows:

- The Vision/Future Identity of the Site
- Accessibility, Permeability and Traffic
- Community Gain
- The Buildings – Look and Feel
- The Outdoors – Look and Feel
- Hopes and Concerns

A report on the workshop was published in July 2019 and the Community Forum remains an active part of the development process.

THE PREFERRED BIDDER

The preferred bidder chosen after the competitive dialogue tendering process was Glenveagh Living Limited and Glenveagh Homes Limited (jointly) (“Glenveagh”) and their scheme comprises approximately 853 units subject to planning, together with all associated infrastructure works, commercial units and parks.

The breakdown of residential units proposed was as follows:

UNIT TYPE	SOCIAL 30%	AFFORDABLE 20%	Private	Total
Studio	25	0	12	37
1 Bed	52	51	63	166
2 Bed	101	87	164	352
3 Bed	75	34	170	279
4 Bed	0	0	19	19
TOTAL	253	172	428	853
Total %	255.9	170.6	426.5	853
%	29.66	20.16	50.18	100

The social housing units would be allocated to those on the DCC social housing waiting list. The cost of the affordable units to purchasers would be subsidised by the Served Site Fund of €50,000 per unit as well as the forgoing of development levies. These units would be offered for sale under the anticipated Affordable Purchase Scheme. Those purchasing these units would qualify for a grant under the Rebuilding Ireland Home Loan Scheme. The anticipated price range of the affordable purchase units is as follows:

OSCAR TRAYNOR ROAD AFFORDABLE PURCHASE PRICE RANGE PER UNIT		
SIZE	PRICE RANGE *	NO. OF HOMES
1 BED	€230,000 – €260,000	51
2 BED	€250,000 - €300,000	87
3 BED	€270,000 – €320,000	34
TOTAL		172

*The figures in the above table include the Site Services Subsidy and the Grant under the Help to Buy Scheme.

The remaining 50% of units would be offered to private purchasers by Glenveagh.

Under the proposed agreement with the developer, prices will be set at 1st Jan 2019 prices and fixed until the end of 2024.

Glenveagh would be paid for the social and the affordable units, this payment would be at the construction cost detailed in the tender rather than open market value. The developer would also be responsible for the infrastructure on site, the development of the park, the play areas, community facilities, landscaping, design, planning, financing, and carrying any inflation risk on the 1 Jan 2019 fixed price, along with passing over a cash payment of €14 million to DCC.

Summary of the development:

- a) 253 social housing units
- b) 172 affordable purchase homes
- c) 428 developer units for private market sale

- d) 690sq.m. Childcare building including children’s secure play and education areas.
- e) Landmark Neighbourhood building providing
 - I. Local Retail 145sq.m.
 - II. Café/Restaurant 270sq.m.
 - III. Multi-Use/Dance Studio 360sq.m.
- f) Auditorium of 165sq.m.
- g) 833 car-parking spaces (760 residential spaces plus 73 public/visitor/retail spaces) in a mix of locations.
- h) A Central Park with a re-opened Naniken river at its heart connecting through the development providing a variety of green spaces for a range of different users such as the main park, pocket parks, private courtyards, nature trails along the perimeters and a community urban park.
- i) New cycleways along the Main Boulevard and through a “Green Cycle-Way” North to South connecting with adjoining Castletimon and Lorcan Estates

The proposed site master plan was as follows:



REJECTION OF THE FINAL PROPOSAL (REPORT 310/2020 and 311/2020)

The preferred bidder, Glenveagh, presented their proposal along with their schematic architectural design to the North Central Area Committee at its meeting on 21st September 2020 and to the Community Forum on 28th September. A series of questions were submitted for clarification and responses circulated to North Central Area Councillors and Community Forum members.

A final report, 311/2020 on the proposal was presented to the November DCC monthly meeting as was a proposal to dispose of the site to facilitate its development under the proposal, Report 310/2020.

The majority of the Councillors rejected both reports and the following motion was adopted by the majority of Councillors:

In the event of the rejection of Report 310/2020 Dublin City Council requires the drafting of a new plan that would see Dublin City Council lead the design and oversee the development of public housing on the site. That

this new plan would draw on our learnings from the development of St.Michael's Estate and our engagement with the EIB for funding and would also seek full support from the Department of Housing. That this new plan would be drafted in collaboration with the Public Housing Working Group of the Housing SPC and would appropriately engage with the Oscar Traynor Lands Consultative Forum. To this end we call on An tArd Mheara to seek an urgent meeting with the Minister for Housing, the CEO, Housing Manager, the Chairperson of the Housing SPC and Group Leaders to discuss putting this approach in place for the Oscar Traynor land.

ALTERNATIVE PLAN FOR THE OSCAR TRAYNOR RD SITE

The Lord Mayor wrote to the Minister for Housing, Local Government and Heritage, Darragh O'Brien, TD on 17 November 2020 seeking a meeting to discuss an alternative plan for the development of the site.

Two meetings were held with Group Leaders/their respective nominees to discuss and come to a consensus on the underpinning principles for developing the land and the tenure/income mix that should be developed.

Underpinning principles

As per the motion agreed by the majority of Councillors at the November 2020 meeting it is agreed that Dublin City Council takes the lead in all aspects of the development, particularly the design and planning application processes. This does not preclude co-operation and collaboration with external private professionals, including the tendering of specific aspects of the development process. Nor does it preclude Dublin City Council from engaging private contractors to carry out some of the work required to realise this development. For example, it is recognised that Dublin City Council does not have the capacity to build out the development and therefore it will tender for the construction of development. Dublin City Council is also open to partnering with like-minded not-for profit organisations to develop the lands.

It is envisaged that the development will be designed in line with the vision, policy and objectives of the Dublin City Development Plan to create a sustainable, 'integrated and family friendly' development that is 'attractive', 'well-landscaped, properly managed, pedestrian friendly and served by good public transport', that 'improves the quality and accessibility of existing community facilities', inclusive of those with disabilities and those in their senior years, and that 'sets a new standard in housing development' as envisaged by the local community during DCC consultation (Report July 2019). It should also meet the highest of environmental standards and afford the nurturing of onsite biodiversity.

Tenure/income mix

The site comprises of 100% public land and as such should provide maximum public housing benefit*.

Each Party/Group had differing views on the tenure/income mix – social housing, affordable/cost rental, private affordable purchase and private market value sale. However, most Parties/Groups agreed to make concessions and a majority consensus was arrived at as follows:

- Social housing: 40%

- Cost/Affordable rental: 40%
- Affordable Purchase: 20%

Social housing considerations

Area B has one of the longest waiting lists for social housing across Dublin City Council. The October 2020 statistics show 4,452 persons are on the housing waiting list for Area B and a further 3,868 on the transfer list. These figures include those waiting on older persons accommodation. To support a fair and proportionate approach to allocations across the development, the unit size mix should reflect this waiting list.

Area B Waiting List (October 2020)

October 2020 HOUSING Waiting List figures by Bedsize Req	
Bedsize Required	Area B
1 Bed	2631
2 Bed	1334
3 Bed	450
4 Bed	33
5 Bed	4
Grand Total	4452

October 2020 TRANSFER Waiting List figures by Bedsize Req	
Bedsize Required	Area B
1 Bed	1060
2 Bed	1877
3 Bed	850
4 Bed	75
5 Bed	6
Grand Total	3868

October 2020 COMBINED Waiting List figures by Bedsize Req	
Bedsize Required	Area B
1 Bed	3691
2 Bed	3211
3 Bed	1300
4 Bed	108
5 Bed	10
Grand Total	8320

With an ageing population, significant consideration should be paid to providing for more senior citizens in an inclusive rather than a segregated way. Such seniors should include those who wish to right-size, both those who are current social housing tenants and those who own their own home and wish to avail of the financial contribution scheme. At present there are 301 persons waiting for Older Persons' accommodation in Area B. These figures include 37 applications under the Financial Contribution scheme. On the transfer list there are 212 persons seeking Older Persons' accommodation

Signification consideration should also be given to providing for specific residential needs such as a refuge for those leaving domestic violence and those who need wrap around medical, health or supported residential care/accommodation. For example, collaboration with the following should be explored:

- The HSE runs 3 residential units for mental health in Area B (Daneswood, Maryfield and the The Grange). These generally look to Dublin City Council to provide units for transition into more independent living. The Housing Association for Integrated Living (HAIL) provides sheltered housing for those requiring ongoing mental health supports. At present there are 8 individuals currently identified on the Dublin City Council waiting list for such housing and associated support.
- Aoibhneas provides local refuge accommodation for women and children experiencing domestic abuse. At present they can only accommodate 10 families in their current facility and regularly have to turn away families in need. Covid19 has exposed and exacerbated the level of domestic violence and the need for a more proactive response to supports, particularly safe emergency accommodation that provides appropriate supports and services to allow families rebuild their lives.

The following conditions pertaining to the above income/tenure mix were agreed:

- All affordable purchase units are to be offered back to Dublin City Council if owners were to sell them
- To increase affordability of cost/affordable rental and affordable purchase units:
 - funding for all community infrastructure and amenities to be provided by central government/Dept Housing
 - the service site fund must be increased from current national level of €50,000 to a Dublin specific SSF rate of €100,000

The development should be tenure blind and designed in such a way that differing tenures are pepper-potted though out the various units. It is also agreed that consideration should be given to appropriate phasing of the construction process on the site.

* Given the lack of a definition of public housing, the Public Housing Working Group had agreed the following definition as part of its work:

'high quality sustainable housing for all citizens regardless of income that is rented from one's local authority or its nominees (for example AHBs) so as to affordably and securely provide for one's particular housing needs'

Commercial and retail

In addition to the general commercial and retail needs identified in the Housing Land Initiative, consideration should be given to including a work hub to support those who are either self-employed or those who are required to work from home and need office type support.

Accommodating Gaelscoil Cholmcille

Gaelscoil Cholmcille is currently a single stream primary gaelscoil situated adjacent to the Oscar Traynor Rd. site. It currently cannot meet the demand for school spaces and has expressed the intention to expand to at least a 2-stream school ie 2 class groupings of each class level. The land upon which it is situated belongs to the Department of Education. The building it currently occupies is a temporary one. Part of the school land is unused to allow for potential expansion. It is agreed that the development of this site should include the

accommodation a permanent building for and expansion of Gaelscoil Cholmcille to allow for the most appropriate location of the school.

Community Gain

To support the inclusion of the local community in the opportunities the development of the lands provides it is agreed that:

- a social clause be included in all construction and associated contracts to allow for the active consideration of employment and apprenticeship opportunities for those living in the local community
- amenities and facilities required to support a sustainable community and the integration of established and with the new community should be provided

FUNDING OF THE DEVELOPMENT

It is envisaged that the Department of Housing, Local Government and Heritage fund the social housing and affordable housing components on the site while Dublin City Council seek a loan to fund the cost/affordable rental component. It is also envisaged that the Department of Housing, Local Government and Heritage increase the Serviced Site Fund from €50,000 per unit to €100,000 to allow for greater affordability of both rent and purchase costs as well as providing funding for all community infrastructure and amenities.

However, it is essential that all funding sources should be fully explored particularly low interest, 30 – 40 year term loans that would reduce annual repayment costs, particularly relevant for reducing rent levels in the affordable/cost rental units. Funding sources, including collaborations and partnerships, that should be explored include:

- Housing Finance Agency
- European Investment Bank loan opportunities
- Ireland Strategic Investment Fund
- Credit Unions (<https://www.cuda.ie/blog/2020/08/30/cuda-partners-with-initiative-ireland-to-launch-new-housing-fund-backed-by-irish-credit-unions/>)
- Pension Funds
- The Urban Regeneration and Development Fund (URDF)
- Institutional investors seeking sustainable and socially responsible investments

Learning can be drawn from housing financing examples such as

- The German real-estate company Vonovia (NESC, *Housing Policy: Actions to Deliver Change*, 2020)
- The Housing Finance and Development Centre of Finland (Herne, R., *Housing Shock*, 2020)



Construction costs for direct-build Dublin City Council residential developments

In recent weeks, there has been a lot of focus including media reports on the cost of constructing residential units by Local Authorities particularly in Dublin City. Direct building by Local Authorities means putting the final design out to the market and a subsequent decision to select the Most Economically Advantageous Tender (MEAT).

When national data on average construction costs get published from time to time it often does not demonstrate the higher costs that prevail in a large urban area such as Dublin City. Over recent years as housing construction has ramped up throughout the country, there can be big variations depending on the date picked for the data analysis.

For example projects completed in the period 2016-2019 would have been tendered in the period 2014- 2017 at a time when construction costs were a good deal cheaper, and in the Dublin City context we were still building houses rather than apartments (Apartments are much more expensive). Indeed our level of new build was still quite low during that period (big emphasis on acquisitions at that time) in comparison to the following period of 2019 to 2022.

A further issue that can result in a misleading interpretation of data on construction costs is whether the data includes the totality of all-in costs. Examples of these costs are vat, professional fees, utilities etc. Sometimes vat is not included in data published that can distort the figures for comparison purposes.

In some situations, there could be expenditure, prior to going to tender on site clearance including demolition, de-contamination, security etc. on land owned by the Council and these would be regarded as sunken or legacy costs that also have to be recouped, as part of the construction project. In some cases, there may be additional claims for various reasons made against the Council by the contractor and these too will end up included in the all-in costs for a particular project.

All this, means that data on construction costs for Local Authority new build does require a reasonable level of interrogation and analysis to ensure that it does reflect the realistic position. That type of analysis and interrogation was clearly missing from some of the commentary around this issue in recent times.

In a reply to a Parliamentary Question from Deputy Richard Bruton (Number 297) dated 1st December 2020 the Department of Housing, Heritage and Local Government confirmed an average unit construction cost of **€383,609** for 6 projects in Dublin City that were approved after 1/1/2019.

This figure is broadly in line with what we have been quoting over recent months and consistent with the data outlined in the table below. However, it does not include Vat on construction and therefore this would bring the all-in up to **€435,396** per unit.

The table below shows detail on seven of our existing projects that are currently under construction and close to completion, the average unit all-in cost of the 461 units involved is **€429,271**. This average figure is brought down because of the lower build costs for the scheme of houses only.

These facts on construction/all-in costs dispels the notion that it is cheaper for Dublin City Council to directly deliver the construction of social housing and it is important to note that none of the seven projects listed below include any land costs because in each case the land is wholly owned by Dublin City Council.

It is essential that different methods of delivering much needed housing are seriously considered, and used, including innovative partnerships with private developers, acquisitions, leasing etc.

For example, the O'Devaney Gardens project will deliver high quality social and affordable housing to the City Council for an average unit cost of **€390,000 (incl. Vat) which is significantly less expensive than those now being delivered directly by Dublin Council. The abandoned Oscar Traynor Road project would have delivered social and affordable housing at similar prices.**

We have a strong and experienced Costing Division in Dublin City Council that is headed up by Mark Bourke Chief Quantity Surveyor, which monitors and oversees all costs involved in the provision of housing by the City Council. Mark and his team will be continuing their analysis of unit costs into 2021 and will be revisiting all the data outlined in this report to provide ongoing commentary on the differences between public and private construction expenditure. We will share this analysis in the first instance with the DCC Housing Strategic Policy Committee. The following will be some of the issues included in this analysis:

- *Many of Dublin City Council's housing projects are in inner city locations, some in parts of the medieval city. They are often contiguous to existing buildings with restricted road or operational access. In other cases, they are part of a regeneration scheme of older flat blocks that require de-tenanting and demolition sometimes on a phased basis. This effectively means we can have a live building site within an existing community that brings its own challenges and costs.*
- *These particular inner city sites cannot be compared to green field sites in terms of construction difficulties, but green field sites in the suburbs do bring substantial costs around open space, community facilities, roads and other infrastructure. Apartments, particularly those with higher density and height are much more expensive than traditional houses mainly because of basements, structure and sub structure, lift cores, lifts, piling, cranage and car parking etc.*

- *Private developers on private sites, have to absorb land costs but have efficiencies not available to Dublin City Council such as long term relationships with sub-contractors etc. where multiple, sequential projects can be scheduled to negotiate down on price and embed efficiencies through scale and assurance on future projects. They certainly do not have to go through the very extensive process that a Local Authority has to go through in order to deliver a residential scheme.*
- *Every project for Dublin City Council is a new procurement event with no possibility of recurring work, except for where we bundle sites that has proved effective but this is not always possible. There is no workable procurement methodology for the City Council to negotiate on price with contractors. It is an open tender process.*
- *The current procurement process is also very limited on excluding bidders based on past performance. Many builders do not apply for public work contracts given their complexity and the level of oversight that the City Council carries out on sites. This often limits the field where increased competition might provide better prices. However, our rigorous oversight does ensure the highest quality and optimum compliance. The number of contractors competing for major DCC residential projects has reduced in recent years.*
- *The quality of our new builds does save money in terms of long-term maintenance/repairs and life cycle costs that are not evident in the unit prices often published. Private developments would often take a different approach as they are normally selling off the properties.*
- *We have to undergo very significant consultation at the pre-planning/design phase, often continuing during construction but this is essential, as opposition to social housing is the norm rather than exception that can lead to long delays and even legal challenges.*
- *It is essential in the Dublin City context that the focus is firmly on the provision/delivery of housing, and not so much on how it is done and who does it, relying on Direct Build will not on its own solve the existing and serious housing shortage in Dublin City. It is not just about high construction costs it is also about a rapidly decreasing supply of residential land in DCC ownership.*

Brendan Kenny
Deputy Chief Executive
30th December 2020

Social Housing Construction Unit Costs								
		Scheme 1	Scheme 2	Scheme 3	Scheme 4	Scheme 5	Scheme 6	Scheme 7
Dwelling types		Houses & Apts	Houses & Apts	Houses	Apts	Apts	Houses & Apts	Houses & Apts
Year	-	2018	2018	2018	2019	2019	2019	2019
No of Units	461	54	56	88	55	57	78	73
Construction Unit Cost (Tender)	€323,111 (Overall Average)	€372,842	€303,636	€215,316	€334,238	€351,814	€326,703	€357,230
Other Costs (Soft)	-							
Utilities/Levies	-	€5,850	€5,850	€5,850	€5,850	€5,850	€5,850	€5,850
Construction VAT @13.5%	-	€50,334	€40,991	€29,068	€45,122	€47,495	€44,105	€48,226
Professional/Design fees	-	€54,062	€44,027	€31,221	€48,464	€51,013	€47,372	€51,798
VAT on Design fees @21%	-	€11,353	€ 9,246	€ 6,556	€10,178	€10,713	€ 9,948	€10,878
Construction Unit All-in Cost	€429,271 (Overall Average)	€494,441	€403,750	€288,011	€443,852	€466,885	€433,978	€473,982

- The above figures do not include possible contractor claims, legal fees, or sunken/legacy costs on sites.
- The above figures do not include any land acquisition costs because the land in each case is owned by DCC.
- Scheme number 3 consisted of houses only.