
Section 48 Development Contribution Scheme 2016-2020 - Indexation Increase

Section 48 of the Planning & Development Act, 2000, as amended, enables a Planning Authority, when granting planning permission under Section 34 of the Act, to attach conditions requiring the payment of a contribution in respect of public infrastructure and facilities benefiting the development of the administrative area of the Planning Authority. This relates to public infrastructure and facilities that are provided, or that it is intended will be provided, by or on behalf of the Local Authority. Section 48 (2) specifies that the basis for the determination of the contribution shall be set out in a Development Contribution Scheme which shall state the basis for determining the contributions to be paid in respect of public infrastructure and facilities which are provided or are to be provided by a Local Authority.

The current Dublin City Council Section 48 Development Contribution Scheme 2016-2020 provides that consideration may be given to applying indexation to the rates of contribution effective from 1st January 2018 having regard to the Society of Chartered Surveyors of Ireland Construction Tender Price Index (SCSI Index). Dublin City Council approved the SCSI Tender Price Indexation rate of 7.2% be applied to the industrial/commercial development levy rate with effect from the 1st January 2019.

Given the high cost of infrastructure with costs continuing to rise it would be prudent for Dublin City Council to apply a 6.6% increase from the 1st January 2020 in line with the SCSI index. This would result in an increase from €86.40 to €92.10 per square meter for residential development and an increase from €75.10 to €80.00 for industrial/commercial development. However given the shortage of affordable residential development it is imperative that the City Council does not take any action that could impede the development of residential accommodation. Accordingly I recommend that the 6.6% increase be applied to the industrial/commercial development levy rate only as set out below:

Dublin City	Residential	Industrial/Commercial
Sn 48 Levy Rates 01.01.2020	€86.40	€80.00

As this is a reserved function the approval of the elected members is required and subject to this approval a notice will be published advising members of the public of the increase to be effective from 1st January 2020.

Resolution:

“That Dublin City Council hereby approve the SCSI Tender Price Indexation rate of 6.6% is applied to the industrial/commercial development levy rate under the Section 48 Development Contribution Scheme 2016-2020 with effect from the 1st January 2020”.

Richard Shakespeare
Assistant Chief Executive
23rd October 2020