



Housing SPC Motion – 14th April 2021 Terms of Reference for External Audit.

The following two Notices of Motion were approved by the Housing Strategic Committee (SPC) on the 14th April 2021: “That Dublin City Council directs the Chief Executive to undertake an immediate external audit on exact construction costs paid by the local authority in the delivery of social housing. This external audit, should include, but not be limited to, the schemes referred in the report on Construction Costs published by Dublin City Council on 31st December 2020. This urgent requirement comes following the publication of the Society of Chartered Surveyors Ireland report on the 26th of January 2021 and news reports over the weekend that senior executives at Dublin City Council have raised concerns about the "premium price" it has been charged by private contractors for social housing.

That Dublin City Council also directs the Chief Executive to undertake an evaluation of the efficiency and effectiveness of the 4 stage approval process and of the tendering protocols and practices with regard to housing project design, costs – including impact of extended timelines caused by current procedures, the timely delivery of housing, duplication of work across DCC, the Department of Housing, Local Government and Heritage and the Department of Public Expenditure and Reform, flexibility to react to/accommodate local needs and the quality of design/build. That this evaluation would make recommendation on how current processes, protocols and legislation could be changed to afford both accountability and effective efficient delivery of high quality sustainable communities”.

The following are the draft terms of reference for the commissioning of reports on these two Motions:

(1)

- Examine the costs as contained with Dublin City Council’s report on Construction Costs dated 31st December 2020.
- Examine the costs as contained within the Chartered Surveyors of Ireland report-‘The Real Cost of Apartment Delivery’ dated 26th January 2021.
- Examine the Chartered Surveyors of Ireland report on the ‘Real Cost of New Housing Delivery’ dated 4th July 2020.
- Discuss issues with nominated representatives from Dublin City Council including Councillors to gather further insights as appropriate.
- Provide a comparison and relevant analysis of the costs contained within the three reports as mentioned above.
- Outline findings in relation to any differences arising in the three reports.
- Provide a benchmarking analysis of market norms and trends regarding housing construction costs.
- Deliver commentary in response to the ‘premium price’ statement contained within the above motion.

- Deliver a clear analysis of the differences between Local Authority construction costs and those in the private housing sector and why those differences exist.

(2)

- Carry out a comprehensive review of all the steps involved in bringing a site/land (In DCC ownership) from initial planning /feasibility stage right through to handover of the constructed homes to the tenant.
- Examine impact of procedures and protocols that lead to delays in getting to construction stage.
- Examine the exact time-periods that result from the necessary adherence to Public Procurement rules and procedures including the time-periods spent on the administration and management of the various Public Procurement procedures (Consultants and Building Contractors) e.g. preparing briefs, assessment of tenders etc.
- Examine the time and procedures/process involved in bringing proposals to Part 8 Planning.
- Examine the impact cause by the strong resistance and opposition from Local Communities to the development of social housing in their area.
- Review perceived duplication of work on the development of housing schemes between across DCC, the Department of Housing and in certain situations the Department of Public Expenditure and Reform, the flexibility to react to/accommodate local needs and the quality of design/build.
- Make recommendation on how current processes, protocols and legislation could be changed to afford both accountability and effective efficient delivery of high quality sustainable communities.