



Comhairle Cathrach
Bhaile Átha Cliath
Dublin City Council

Report to Housing SPC

Date: Wednesday 19th January 2022

Item No. 3iii

Construction Cost Analysis Update

Update for Housing SPC on Motion approved on 14th April 2021

Background

The following Motion was approved by the Housing SPC on 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.

Terms of Reference

Draft Terms of Reference were agreed that, utilising available market information and identifying the impact on market forces of political and economic events (Brexit, material inflation etc.) the review will, inter alia:

- Analyse costs associated with the construction of apartments in Dublin City;
- Compare costs of construction of houses and low-rise apartments with high developments;
- Examine current methodologies and highlight where efficiencies could be achieved; and
- Provide a comprehensive assessment of reference material.

The author(s) of this report will consult with nominated representatives from Dublin City Council and the Housing SPC Committee to gather further insights as appropriate.

Update

The Housing Department has procured the services of **Dr Seán Ó'Riordáin and Associates** to undertake this Audit. Seán Ó'Riordáin is one of Ireland's leading public policy contributors across all levels of economic and local development. He has extensive experience preparing reviews for the local government sector, and national departments in Ireland and internationally.

Sean will be working with Dr Ronan Lyons who has many years of experience in analysing the property market. Ronan is an Assistant Professor of Economics at Trinity College Dublin and his area of expertise include long-run housing markets and sustainable and behavioural aspects of real estate markets.

Ó'Riordáin and Associates Ltd. will draw upon reference material (as per the ToR) and consult with academic and industry experts including those of on the Public Policy Advisors Network whose membership is drawn from policy specialists including the leading external policy contributors to public policy development in Ireland.

Consultation & Communication

The authors will arrange to meet with the members of the Housing SPC to seek their views and update the Committee on progress. The format of this engagement will be communicated by the authors to the members.

A report on progress will be circulated to the members for the January SPC meeting.

It is anticipated that the Review will be completed by the end of March 2022.