

15th June 2022

Committee Secretariat
Committee of Public Accounts
Leinster House
Dublin 2

Ref: S0872 PAC33

Dear Ms. Cremin,

I refer to your letter date 8th June 2022 and I set out below my responses to the matters raised.

Q. Further detail regarding the breakdown by country and the wide variation in the average construction costs for HBFI funded properties, and whether the reference to site costs includes land costs (pg. 52).

The construction cost on a particular site will vary significantly depending on a number of factors, including but not limited to:

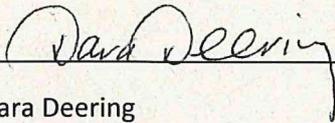
- The site cost (**note: site costs refers to the land purchase cost**)
- The nature of the development (e.g. house versus apartment, greenfield versus brownfield)
- The mix and design specifics of the units under construction (e.g. size of units, detached/semi-detached/terrace, site amenities etc)
- Infrastructure costs for site and other site-specific costs

In relation to the table provided to the Committee with the average construction cost for HBFI-funded properties by county, it is important to note that some counties have only a limited number of approved schemes and the average cost for that county will be based on the specifics (examples of which are set out above) of those schemes, rather than reflective of higher development costs in that county generally.

Taking the specific example of Waterford (as queried by Deputy Murphy):

- The average cost is based on just two developments
- The larger of the two developments consists entirely of larger 3- and 4-bedroom houses and, as this is the first phase in this development, has various infrastructure-related costs included in the total, which drives up the average construction costs.

Your sincerely



Dara Deering

Chief Executive Officer

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