



Mr. Sam Keenan  
Committee Secretariat  
Committee of Public Accounts  
Leinster House  
Dublin 2

21 March 2023

Ref: S1246 PAC33

Dear Mr Keenan,

I refer to your letter dated 7 March 2023 regarding the request for information by the Committee arising from the meeting of the Committee on Thursday 19 January 2023.

Please find attached at Appendix A the detailed response.

If you have any questions on the attached please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Graham Doyle'. The signature is fluid and cursive, with the first name 'Graham' being more prominent than the last name 'Doyle'.

---

Graham Doyle  
Secretary General

[The Secretary General is a Designated Public Official under the Regulation of Lobbying Act, 2015](#)

Oifig an Ard-Rúnaí  
Office of the  
Secretary General

Teach an Chustaim, Baile Átha Cliath, D01 W6X0  
Custom House, Dublin, D01 W6X0  
T +353 1 888 2399 | F +353 1 874 0693  
[secretary-general@housing.gov.ie](mailto:secretary-general@housing.gov.ie)  
[www.gov.ie/housing](http://www.gov.ie/housing)



## Appendix A

### Response to PAC Letter of 7 March 2023 – Matters arising at PAC Meeting 19 January 2023

**Q1 - Of the funding schemes available to Approved Housing Bodies (AHBs), whose funds are being fully utilised and whose are not (pgs. 10-11)**

#### Department Response

Approved Housing Bodies (AHBs) are a key delivery partner for the provision of social and affordable housing. This Department does not administer funds directly to AHBs, rather funding is primarily provided to local authorities who, in turn, advance the funding to the AHBs. In respect of the Cost Rental Equity Loan (CREL), the Department provides the funding directly to the Housing Agency who administer the scheme and the Agency then advances the funds to the AHBs as projects are progressed.

The 2022 budget and expenditure position for the main AHB delivery schemes is as follows:

Housing Programme	2022 Budget €m	2022 Total Expenditure €m
Capital Assistance Scheme (CAS) <sup>1</sup>	168	180.7
Communal Facilities	0.5	0.08
Capital Advance Leasing Facility (CALF)	293.9	223.58
Cost Rental Equity Loan (CREL)	70	50.87
Capital Loan & Subsidy Scheme (CLSS) <sup>2</sup>	68	67.94

In addition to the main AHB funded schemes set out above, some additional funding is also provided to AHBs across a range of other housing programmes to support the delivery of housing and related supports. The position for 2022 is set out in the table below. Additionally, the Department provides funding to housing authorities towards the overall costs incurred in the provision of homeless accommodation. Financial

<sup>1</sup> The 2022 total CAS expenditure includes capital LPT of €12.7m.

<sup>2</sup> The vast majority of funding provided to local authorities under the CLSS scheme relates to the repayment of loan charges (principle and interest) to the Housing Finance Agency, in respect of loans advanced to AHBs for the delivery of new social housing under the CLSS. The balance of the funding provided to local authorities, and in turn to AHBs, is in respect of a management and maintenance allowance for the upkeep, by the AHBs, of the CLSS funded properties, in line with the terms of the scheme.



reports from each of the homeless regions, setting out expenditure on homeless services are published on the Department's website:

<https://www.gov.ie/en/collection/80ea8-homelessness-data/#local-authority-regional-financial-reports>

<b>Housing Programme</b>	<b>2022 Expenditure €m</b>
Mortgage to Rent (MTR)	6.68
Repair & Lease (RLS)	0.3
Social Housing Current Expenditure Programme (SHCEP)	251.74
Rental Accommodation Scheme (RAS)	15.31

The key performance metrics and annual targets for the full suite of housing programmes, including AHB funded schemes, is set out the annual Revised Estimates Volumes, which are available at the following link:

<https://www.gov.ie/en/collection/e20037-revised-estimates/>



**Q2 - The number of expressions of interest in the Croí Cónaithe scheme, a breakdown of approvals by local authority area and project size, whether the programme has been approved by the European Commission yet in terms of state aid, and if not, when a decision is expected (pgs. 19-20).**

**Department Response**

On 6th February 2023, formal notification was received from the Directorate General for Competition in the European Commission (DG COMPET) that it has deemed the Croí Cónaithe (Cities) scheme compatible with the internal market under Article 107 (3) (c) of the TFEU, i.e. aid to facilitate the development of certain economic activities and not contrary to the common interest. The decision letter was published on 28 February on the DG COMP website:

[https://ec.europa.eu/competition/elojade/isef/case\\_details.cfm?proc\\_code=3\\_SA\\_102927](https://ec.europa.eu/competition/elojade/isef/case_details.cfm?proc_code=3_SA_102927)

A total of 26 proposals were originally submitted by 16 different proposing entities for consideration under the Croí Cónaithe Cities Scheme. The final Stage 3 assessment phase (focusing on costs/legal due diligence on an open book basis) is underway on proposals from the first call, considering the potential delivery of 1,755 apartments. This involves 9 proposers (Developers) with 13 schemes to deliver 1,755 apartments in Dublin City (7 schemes), Cork City (3 schemes) and Limerick City (3 schemes).



**Q3 - How many of the units currently with AHBs were funded through the Capital Assistance Scheme, and has there been any change over the years that would make a difference when the houses that have been funded to date become “unencumbered”, including whether the State will have a greater involvement in such cases**

**Department Response**

Since the commencement of the Capital Assistance Scheme (CAS) funding programme it has supported the delivery of approximately 19,400 units of accommodation by the AHB Sector. Funding under this programme provides accommodation for priority categories of those in need of housing including older people, persons/families who are homeless and people with a disability.

In general a CAS housing unit becoming unencumbered does not alter its continued availability for social housing use and the pattern is that such housing units continue with the same tenants - if there is a change in tenancy, then the re-tenanting happens in cooperation with the local authority.

It is recognised that the costs of maintaining CAS funded properties as they age, including those that are past the period of their mortgage, is an issue for the AHB sector and accordingly, the Department currently has a cross-Divisional Working Group looking at the issues associated with unencumbered AHB housing units.

As part of its work, the Group is engaging with the AHB sector and other key stakeholders to identify approaches to support the long-term and sustainable approach to securing such AHB properties for continued public housing use.