

# **CCMA Opening Statement to the Joint Oireachtas Committee on Housing, Local Government and Heritage on Defective Concrete Block Scheme Regulations and Review of IS 465**

**July 2023**

Chairman, members of the committee, my name is Kevin Kelly, Chief Executive, Mayo County Council and Chair of the County and City Management Association (CCMA) Committee on Housing, Building and Land Use.

I am accompanied here today by Liam Ward, Director of Services, Donegal County Council.

Firstly, on behalf of the CCMA, I would like to thank the committee for its invitation to contribute to the discussions regarding the Defective Concrete Block Scheme regulations and review of IS 465.

The distress that defective concrete blocks have caused to property owners, primarily in Counties Donegal and Mayo to date, is widespread and palpable. This longstanding issue has impacted thousands of homes, consequently affecting families and indeed entire communities.

The Defective Concrete Blocks Grant Scheme, enacted on January 31, 2020 was exclusively aimed at mitigating the problem in counties Donegal and Mayo but the complexities inherent in the situation and the untested aspects of the scheme resulted in slower than anticipated progress. Appendix 1 sets out the position in respect of applications in both Donegal and Mayo.

In response to this issue, Donegal County Council and Mayo County Council established local committees comprised of Councillors, action group members, homeowners and council executive members. These committees have been engaged in extensive discussions to facilitate greater understanding and to address the multi-faceted complexities associated with this issue and its resolution.

In Mayo the Committee is made up of 7 Councillors, members of the Council Executive and impacted concrete block homeowners. The Committee which meets regularly is chaired by the Cathaoirleach of Mayo County Council's Housing Strategic Policy Committee. The Committee has discussed changes and has

provided feedback to the DHLGH on the new enhanced Defective Concrete Block Grant Scheme.

In Donegal, the Defective Concrete Block Committee was established as a formal Committee of Council. There are 12 Elected Members on this Committee, nominated by plenary Council. The Donegal Mica Action Group are invited to the meetings and have participated in same. There have been 12 meetings of the Committee to date and the Committee has discussed a wide range of issues pertaining to the remediation of houses.

It is anticipated that there are in the region of 6,000 affected homes in Donegal and a further 800 affected in Mayo with Clare and Limerick now being added and therefore the commencement of the enhanced Defective Concrete Blocks Scheme is to be welcomed.

As we advance the implementation of the new regulations, it is crucial that the functions of local authorities and The Housing Agency are streamlined as much as possible. While the FAQ's and Ministerial Guidelines set out the steps in some detail, issues will undoubtedly emerge during implementation and we must collectively work to resolve these issues quickly.

The Enhanced Scheme does not have the benefit of learnings from the previous scheme as regards later stages in the process (e.g. Remedial Works Plan and Payment Stage) due to the limited number of applications that have reached those later stages and we must be prepared for issues that will need to be addressed.

In this regard the establishment of an Implementation Steering Group made up of officials from the relevant local authorities, the Department, the Housing Agency and the Homeowner's Liaison Officer to ensure the successful roll-out of the enhanced scheme will be beneficial. The Minister has acknowledged that the Scheme will evolve and that given the complex nature of the scheme it will be important to keep the operation of the regulations and guidelines under review. The Implementation Steering Group will be tasked with working through issues as they arise and to make recommendations to the Minister if further changes to the regulations or guidelines are needed.

The setting up of an engineering team within the Housing Agency (supported by consultants) to focus and deal with engineering aspects of the Enhanced Scheme is a positive step to address some of the challenges within the existing Scheme and is welcomed. This provides for a single engineering decision maker for each application, on the eligibility of the dwelling, the appropriate remediation option and grant amount. It remains to be seen if further recourse to the Housing Agency will be required at later stages in the process such as if there is any deviation by the homeowner from the agreed remediation plan.

Obtaining the Government grant and the payment of the actual monies must be streamlined and timely in order to build confidence and to get through the workload. The quick turnaround of monies to builders and suppliers will help maintain essential cash flow and retain those builders and suppliers in the market-place. However, the spending of this level of public funds must also stand up to audit and normal public scrutiny and the required oversight and certifications will be required at the necessary intervals by the responsible and accountable professionals.

The professional engineering services for the Enhanced Scheme will be provided by the Housing Agency and its consultant engineering firms on behalf of the State. The professional engineering/architectural services for the Homeowner will be provided by the Homeowners private engineer. It has been outlined that the Act requires designated Local Authorities to carry out a series of administrative checks only and at no stage does an Authority have to make any adjudication in relation to already certified engineering decisions and therefore the role of the local authority is clear in this regard and it is important that all understand the reliance that will be placed on the engineers certifications.

However, despite local authority reliance on the appropriate certification by the relevant professionals there are still a number of actions to be undertaken by local authorities within their role and responsibilities and the capacity of local authorities to deal with the workload arising will need to be kept under review in the coming months.

There will be a requirement to have extra liaison personnel in place to deal with issues quickly and to maintain a good level of communications with affected homeowners. These liaison roles need to be additional to the staff administering the repair/reconstruction works. The appointment of Community Facilitators through local Leader Development companies working closely alongside local authority personnel dedicated to resolving issues swiftly and maintaining effective communication with homeowners is beneficial but needs to be kept under review having regard to the workloads that may evolve.

It is noted that if an application is deemed invalid by the local authority then it shall refuse it. While it is clear that the application can be rectified and resubmitted without undue delay a refusal at this point in the process (even if temporary) may be difficult for the homeowner and a pragmatic approach may be required to address minor deficiencies in the application without a refusal.

It is noted that there is a provision for the extension of the period for carrying out the works by up to 24 weeks due to exceptional circumstances beyond the control of the

applicant and it is important that there is a clear and consistent approach across local authorities in this regard.

The homeowner is required to have their building construction professional provide a Certificate of Compliance with the planning permission for the existing dwelling. While it is clear that local authorities are entitled and expected to rely on such certification the provision of same to be difficult for agents given that many developments may contain some modifications and queries may arise in respect of compliance or substantial compliance.

The funding for both storage and temporary accommodation, as part of the enhanced scheme is positive for homeowners but significant challenges may remain in securing temporary accommodation within a limited rental market.

The extent of the Construction work required in addressing this issue in addition to existing housing construction activity may exceed the current resource availability in some areas and will require careful monitoring at a central level in order to support delivery across the affected Counties. In an ideal world this additional guaranteed work over a period of time may attract people with relevant skills to remain in, or return to, a particular area but this remains to be seen.

Given the level of funds that may be administered under the scheme a streamlined and efficient process for local authorities to receive re-imburement for any financial outlay without delay is essential and the CCMA supports any digitalisation of the application and processing systems to ensure speedy processing and communications thereby reducing confusion and delays.

The Act suggests that development consisting of the completion of an approved remediation option shall be exempted where, on its completion, it is not inconsistent with, or materially different from, the appearance and character of the relevant dwelling in respect of which the approved remediation option is to be or has been completed. This planning exemption is described as “like for like” and the guidance deals with issues around planning, building control, foundations etc. This is an area that the Implementation Steering Group may need to examine to ensure that the limits of the flexibility that appears to be intended by the Scheme is correctly understood by homeowners and their agents in the context of planning law generally and in particular what deviations from the current building will attract the requirement for a planning application.

It was of concern that until now the Scheme did not include social houses impacted by defective concrete blocks but it is noted that the Department have signalled the introduction of a scheme to exchequer fund Local Authority and Approved Housing

Body owned social homes which have been damaged by defective concrete blocks and this is welcomed.

The CCMA supports the initiative by Government in tasking the National Standards Authority of Ireland (NSAI) with a crucial role of reviewing the current IS 465 standards - supported by the interagency Defective Concrete Blocks – Technical Matters Steering Group.

## **Conclusion**

In conclusion, the remediation of property damage due to defective concrete blocks is a significant task. It necessitates a concerted effort across government, local authorities, the Housing Agency and homeowners. With the right steps, including streamlining processes; and clearly defined responsibilities; we can address this issue efficiently. The CCMA's objective remains to deliver prompt and beneficial outcomes for the homeowners affected by this crisis.

\*\*\*End of Opening Statement\*\*\*

## APPENDIX 1

Figures correct up to 20/06/2023

Online Registrations to the current Scheme	2,084
--	-------

Stage 1 Confirmation of Eligibility and Remedial Option on the current 90/10 scheme	
Applications Received	1286
Applications Pending	441
Applications Approved	843
Applications Refused	0
Applications Withdrawn	2

Stage 2 Grant Approval Amount on the Current 90/10 Scheme	
Applications Received	156
Applications Pending	62
Applications Approved	94
Applications Refused	0
Value of Approvals (100%)	€17,217,530

Stage 3 Payment Instalments (90% Payable Value of Max Grant Approval)		
	Number	
Details of Payment Requests Paid:	No. of Applicants	Value of Payment
Stage 1 Engineers Fees	1024	€5,403,402
Essential Immediate Works	1	€1,532
Remedial Works	74	€7,588,871
Emergency Ancillary grant* 100% payment applies	28	€555,205
<b>Totals Payments Paid</b>		<b>€13,549,010</b>

Figures Correct up to 20/06/2023

Online Registrations to the current Scheme

**Stage 1 Confirmation of Eligibility and Remedial Option on the current 90/10 scheme**

Applications Received	333
Applications Pending	13
Applications Approved	317
Applications Refused	1
Applications Withdrawn	2

**Stage 2 Grant Approval Amount on the Current 90/10 Scheme**

Applications Received	94
Applications Pending	5
Applications Approved	89
Applications Refused	0
Value of Approvals (100%)	€22,390,395

**Stage 3 Payment Instalments (90% Payable Value of Max Grant Approval)**

	Number	
Details of Payment Requests Paid:	No. of Applicants	Value of Payment
Stage 1 Engineers Fees	282	€1,694,074
Essential Immediate Works	0	0
Remedial Works	94	€4,876,429
Emergency Ancillary grant* 100% payment applies	0	0
<b>Totals Payments Paid</b>	<b>376</b>	<b>€6,570,503</b>





