

DÁIL ÉIREANN

AN COISTE UM CHUNTAIS PHOIBLÍ

COMMITTEE OF PUBLIC ACCOUNTS

Déardaoin, 19 Meitheamh 2025

Thursday, 19 June 2025

The Committee met at 9.30 a.m.

MEMBERS PRESENT:

Deputy Catherine Ardagh,	Deputy Aidan Farrelly,
Deputy Cathy Bennett,	Deputy James Geoghegan,
Deputy Grace Boland,	Deputy Eoghan Kenny,
Deputy Joanna Byrne,	Deputy Paul McAuliffe,
Deputy Catherine Connolly,	Deputy Séamus McGrath,
Deputy Albert Dolan,	Deputy Joe Neville.

DEPUTY JOHN BRADY IN THE CHAIR.

The committee met in private session until 10.17 a.m.

Mr. Seamus McCarthy (*An tArd Reachtaire Cuntas agus Ciste*) called and examined.

Business of Committee

An Cathaoirleach: I welcome the members to the committee. I wish to remind all of those in attendance to ensure that their mobile phones are on silent mode or switched off. Before we proceed, I have a few housekeeping matters to go through. I remind members of the constitutional requirement that in order to participate in public meetings they must be physically present within the confines of the Leinster House complex. Members of the committee attending remotely must do so from within the precincts of Leinster House. Members are further reminded of the long-standing parliamentary practice and ruling of the Cathaoirleach to the effect that they should not comment on, criticise or make charges against a person outside the House or an official by name or in such a way as to make him or her identifiable. Members are also reminded of the provisions within Standing Order 226 that the committee shall refrain from enquiring into the merits of a policy or policies of the Government or a Minister of the Government, or the merits of the objectives of such policies.

We are joined by the Comptroller and Auditor General, Mr. Seamus McCarthy, who is a permanent witness to the committee. He is accompanied by audit manager at the Office of the Comptroller and Auditor General, Mr. Mahin Fitzpatrick.

The public business before us is as follows: accounts and financial statements, correspondence, work programme and any other business. We will then suspend for five minutes while the witnesses take their seats. We will begin our session with the Department of housing at approximately 10.30 a.m. A total of three sets of accounts and financial statements were laid between 9 June and 13 June 2025. They are due to be considered today. I ask Mr. McCarthy to introduce these before opening the floor to members.

Mr. Seamus McCarthy: First, we have the Travellers' Protection Fund, travel agents and tourism operators bond financial statements for 2024. They received a clear audit opinion.

Second, the National Asset Management Agency accounts for 2024 received a clear audit opinion.

Finally, the Credit Institutions Resolution Fund for 2024 received a clear audit opinion

An Cathaoirleach: Are those accounts agreed? Agreed.

Do we agree to note the listing of accounts and financial statements? Agreed. The listing of accounts and financial statements will be published as part of our minutes. Correspondence between 5 June and 12 June was issued to members in advance. We had some discussion on category B items at our private session. I am not sure whether members want to discuss any of those items any further. There was correspondence from the CEO of Louth and Meath Education and Training Board. Do members wish to discuss that item further?

Deputy Paul McAuliffe: I propose we write to SOLAS to get further information on that correspondence.

An Cathaoirleach: Is that agreed? Agreed. We will consider category C items. No. R0136

is correspondence from the Peter McVerry Trust, which was due to be called in for today's meeting. A number of members have flagged this. I call Deputy Connolly and then Deputy McAuliffe.

Deputy Catherine Connolly: The letter to us is really contemptuous. I say that reluctantly. It is very important that we get accountability. Departmental officials will be before us today. We should have representatives from the board of the Peter McVerry Trust before us today, but we do not. Its accounts are also due. It would be opportune to go back to the trust to ask what the status of its 2023 accounts is, which are very late now. This is 2025. What is the status of its 2024 accounts? They are nowhere if the 2023 accounts are not ready. The board should come before us when those accounts are ready.

Deputy Paul McAuliffe: Like Deputy Connolly, I am very reluctant to say what I am about to say. The Peter McVerry Trust has done, and continues to do, huge amounts of good work, but there is no doubt that when an organisation is the subject of an inspection report, significant amounts of public controversy and, on top of that, the injection of €15 million of public money, there is an obligation on it to communicate that and to come before the Oireachtas. The correspondence the trust provided to us stated that its board appreciates the financial support and oversight arrangements, but the ultimate oversight arrangement in the Oireachtas is the Committee of Public Accounts. I do not believe the Peter McVerry Trust has assisted its own staff, the people who provide donations to it or the Members of this House by not turning up today. In my view, we should exhaust all possible options to have the Peter McVerry Trust before us. I hope we could write to the board today to encourage its representatives to come to a meeting of the Committee of Public Accounts and to outline the options we have in regard to compellability and remit.

There is a difference between the trust's public comments on this matter and the letter. Its public comments indicate that it is waiting for the 2023 accounts, but its letter does not reference that in any way. I have to say I have grave difficulty with that. In public, it is alluding that it is willing to come before us but there is no mention of that in front of us. It is a very serious matter when an organisation does not come before the Committee of Public Accounts, whether it is under our direct remit or not. This concerns €50 million or more. We should get answers on it.

An Cathaoirleach: Absolutely.

Deputy James Geoghegan: I am willing to give the Peter McVerry Trust the benefit of the doubt regarding what it has put in its correspondence and its sincerely held view that it has nothing further to add to our inquiries. However, we have several questions that we want it to answer on foot of the reports that have been published and the work the Comptroller and Auditor General has done. We are using this forum in public session to appeal to the good sense of those who are part of the new governance structures that are now within the Peter McVerry Trust to come before the committee.

I am a former Dublin City Council councillor, as is Deputy McAuliffe. I served on its homelessness subcommittee for five years. I fully recognise that the Peter McVerry Trust, almost alone, is delivering the Housing First programme, but that does not in any way obfuscate or overcome the serious financial irregularities and governance structure failings that been identified in the reports. Most of the public who are watching or listening want to have confidence and trust in the Peter McVerry Trust, but are aghast at the idea that an entity that receives so much money from the taxpayer essentially will not come before the committee of the Oireach-

tas that accounts for the taxpayer. I urge it to reconsider this decision. As Deputy McAuliffe said, it gave a different explanation to the media from what was given in the letter. We are simply asking for the trust to come before this Oireachtas committee at the earliest possible opportunity. We will make that date available.

Deputy Joe Neville: I am very surprised that we have reached this juncture. Peter McVerry and the trust have done a lot of good work over the years. They have called out where there has been inaction from the Government side on homelessness. This was the trust's opportunity to stand over the work it has done over the years but, unfortunately, it has decided not to come in. That leads one to conclude that, at present, it is not able to stand over what it has been doing. It is to be hoped it is getting its numbers together because, as yet, it has not been able to furnish the 2023 accounts. As anybody listening knows, the 2023 accounts should have been in this time last year. They should have been furnished by July 2024. It is a year late with this set of accounts. Once again, that draws severe questions over these sets of accounts and the financial management that is taking place.

People might ask why the committee is pushing so hard on the Peter McVerry Trust. Ultimately, we are pushing hard on the Department of housing. All of us here, even those of us on the Government benches, are giving money to the Department of housing. The money is going to certain places and ultimately we are not sure how that money is being spent. It is difficult to do housing and social housing but we are giving funding to a lot of different bodies to deliver that housing. If how we are doing it and how those groups are doing their business are drawn into question, that ultimately poses serious questions for everyone involved and puts in question the whole format and basis of how we spend that money. We have to ask the Peter McVerry Trust to come in because ultimately it is State money. Questions might be put to us about why a group such as the trust has to come in. Ultimately, it is because it is spending State money. The next phase of spending through the Department of housing is relevant in this context. Money goes from the Department to the trust and, ultimately, groups such as that have to manage it well. The trust should and has to come in. A really strong message has to go out from all of us in this room that it has to come in to explain itself. As I said, it puts the whole process in question and undermines the good work that not only the trust is doing but other bodies like it might be doing.

Deputy Cathy Bennett: I agree with everybody who has spoken that it is totally unacceptable that the Peter McVerry Trust did not come before us today. There is an onus on the Department, the Government and the Minister to ensure that governance is carried out for all charitable organisations that receive money from their Departments. The 2023 accounts have to come before us. The Peter McVerry Trust will have to come before us at that stage as well. It is very disappointing that it has not come here today to let us question it on what has gone on. The Department, the Government and the Minister should be putting in governance structures to ensure that charitable organisations are held accountable.

Deputy Séamus McGrath: I reiterate what everyone has said. The thrust of the letter we received indicating that the trust is not willing to come before us is totally unacceptable. We need to implore it to come before us. We are talking about a significant amount of public money. I agree with Deputy Neville that there is a wider issue with the public money put into housing bodies. The Peter McVerry Trust is the one in the spotlight at the moment but a significant amount of our expenditure is directed through housing bodies. We need to explore this further in respect of the Peter McVerry Trust but there is a wider issue we need to look at as well.

Deputy Albert Dolan: I acknowledge the correspondence from the Grangegorman repre-

sentatives. I thank them for that. I raised the travel expenses a few weeks ago, and I appreciate their correspondence, which has clearly explained it all.

That the Peter McVerry Trust thinks it does not have an obligation to come before us is wholly disheartening. In 2020, its total income was €56.45 million, of which €29.96 million came from the State. In 2021, it received €53 million, of which €38 million was from the State. In 2022, its income was approximately €61 million. There is no guarantee of what the State figure was, but it might have been above €40 million. For the trust to say it does not feel it has an obligation to be before us is a complete and utter joke. I propose we write to the organisation again and adamantly request that its representatives comes before us in good faith and answers the questions we have. If it is the case of a new governance structure, let us ask them what happened under the previous one, what they have learned and how can we ensure it sets out on its intended purpose, namely, to provide housing for the most vulnerable in our society and to support doing that job.

An Cathaoirleach: I fully agree with members. There is a real level of dissatisfaction and anger among members, myself included. There have been attempts over the past year to get representatives of the Peter McVerry Trust to appear before the Oireachtas joint committee on housing. Different arguments had been given as to why they could not or would not appear before the committee. We have the ultimate responsibility in terms of oversight and governance as to how taxpayers' money is spent. Members have given figures regarding the huge sums of money received by the Peter McVerry Trust via the Exchequer. There needs to be accountability.

I propose that we write immediately to the Peter McVerry Trust imploring it to come in at the earliest opportunity and that we will be examining what options are open to us in terms of extending our remit. I propose that we engage with the Committee on Standing Orders and Dáil Reform to explore what options are open to us at this point. As members said, it is deeply unsatisfactory and disheartening when an organisation such as the Peter McVerry Trust does not actually take cognisance of the last word in its name: "trust". Public trust is at the foremost here. People cannot have trust in how public money is being spent and the governance around that. That is deeply concerning. Is it agreed that we follow that course of action? Agreed. Are there any other actions relating to the correspondence that members wish to propose? No.

The committee has agreed its work programme until the summer recess. Next week on 26 June, An Garda Síochána and the Commissioner will appear before the committee. On 3 July, Children's Health Ireland and NTPF will come in. On 10 July, the Department of public expenditure and reform with representation from the NSSO will appear before the committee. On 17 July, HIQA and the Department will appear before us. Is that agreed? Agreed. Are there any other items committee members wish to discuss? No.

That concludes our consideration of the correspondence this week. We will suspend briefly and resume with our engagement with the Department of Housing, Local Government and Heritage. Go raibh maith agaibh.

Sitting suspended at 10.34 a.m. and resumed at 10.39 a.m.

2023 Report of the Comptroller and Auditor General and Appropriation Accounts

Vote 34 - Housing, Local Government and Heritage

Report on the Accounts of the Public Services 2023

Chapter 2 - Central Government Funding of Local Authorities

Chapter 11 - Exceptional State Funding of the Peter McVerry Trust

Chapter 12 - Local Infrastructure Housing Activation Fund

Local Government Fund - Account 2023

Mr. Graham Doyle (*Secretary General of the Department of Housing, Local Government and Heritage*) called and examined.

An Cathaoirleach: This morning we will engage with the Department of Housing, Local Government and Heritage to discuss its appropriation accounts for 2023. We welcome the following officials from the Department of Housing, Local Government and Heritage: Mr. Graham Doyle, Secretary General; Mr. Fintan Towey, assistant secretary of the water division; Ms Caroline Timmons, assistant secretary of the housing policy and standards division; Mr. David Kelly, assistant secretary of the homelessness, rental and social inclusion division; Mr. Paul Benson, assistant secretary of the social housing delivery division; and Mr. Paul Hogan, assistant secretary of the planning division. Finally, we are also joined by a representative from the Department of Public Expenditure, National Development Plan Delivery and Reform, Ms Jenny Connors, principal officer, housing Vote. They are all very welcome here this morning.

I wish to explain some limitations to parliamentary privilege and the practices of the Houses as regards references witnesses may make to other persons in their evidence. The evidence of witnesses physically present or who give evidence from within the parliamentary precincts, is protected pursuant to both the Constitution and statute by absolute privilege. This means they have an absolute defence against any defamation action for anything said at the meeting. Witnesses are, however, expected not to abuse this privilege and it is my duty as Cathaoirleach to ensure this privilege is not abused. Therefore, if their statements are potentially defamatory regarding an identifiable person or entity, they will be directed to discontinue their remarks. It is imperative any such direction is complied with.

Witnesses are also reminded of the long-standing parliamentary practice that they should not criticise or make charges against any person or entity by name or in such a way to make him, her or it identifiable or otherwise engage in speech that may be regarded as damaging to the good name of the person or entity. If their statements are potentially defamatory regarding an identifiable person or entity, they will be directed to discontinue their remarks. It is impera-

tive that they comply with any such direction.

I ask Mr. Seamus McCarthy, Comptroller and Auditor General, to make his opening remarks.

Mr. Seamus McCarthy: The 2023 appropriation account for Vote 34 records gross expenditure of €6.663 billion. This was up from €5.63 billion in 2022, representing an increase of 18% year-on-year.

Expenditure from the Vote is presented under six programme headings. The largest by value are the housing programme, the water services programme and the programme to support the operations of local government. Together these account for 94% of the gross expenditure under the Vote. The remaining three programmes relate to the building and infrastructure planning system, including the funding of planning-related bodies, Met Éireann and built and natural heritage, including the National Parks and Wildlife Service, NPWS. The funding provided for the Vote included €340 million of unspent capital funding carried over from 2022. A Supplementary Estimate late in 2023 provided an additional net €153 million for the Vote. The surplus of the amount provided over the net amount applied in the year was €155.3 million. Of this, €141 million in unspent 2023 capital allocations was carried over to 2024. The balance of €14.3 million was liable for surrender back to the Exchequer.

The Local Government Fund is managed by the Department separately from the Vote. The fund is mainly comprised of the proceeds of the local property tax, LPT, and a transfer from the Vote. In 2023, LPT receipts into the fund amounted to €558 million. The transfer to the fund from the Vote amounted to €520 million. This was up by €133 million, or 34%, year-on-year. This increase was to cover certain additional supports to local authorities due to rising energy costs. The fund expenditure in 2023 amounted to €989 million, the bulk of which was accounted for by transfers to local authorities. At the end of December 2023, the fund's reserves stood at just over €293 million. I issued clear audit opinions on both the Vote and the fund accounts.

Turning to the report matters before the committee today, local authorities receive a sizeable portion of their annual funding from a wide range of central government Departments and agencies. Each year, my office prepares a report that presents an overview of the amounts and purposes of the funding provided from central government sources to local authorities, as set out in chapter 2. In 2023, aggregate funding from central government to local authorities amounted to almost €6.73 billion. This was a net increase of approximately €750 million on the 2022 level of funding. The primary sources of funding in 2023 were the Departments of Housing, Local Government and Heritage, and Transport. Together, these accounted for approximately 92% of the transfers.

Chapter 11 reviews the events which gave rise to the need in late 2023 for the allocation from Vote 34 of exceptional funding of €15 million for the Peter McVerry Trust. This is an approved housing body, AHB, and charity that provides housing and other supports to a substantial number of people in a network of accommodation settings. In the normal way, the Department provides funding for homelessness services in the Dublin region to the Dublin Region Homeless Executive, DRHE, in line with an agreed profile over the budgeted year. In turn, under agreements between the executive and service providers, the executive provides both recurrent funding and capital funding for new developments to a range of service providers.

The examination found the executive provided several advances of planned funding to the trust between March and September 2023 without the Department's approval. Because of cash

flow issues in the trust, Government approval was granted in November 2023 for the payment of up to an additional €15 million to the trust. Around the same time, the Department approved the advancing of €2 million of normal funding to the trust but the executive paid advances totalling €5.3 million. That is €3.3 million more than was provided. Although generally a condition of the provision of advances of funding, approval from the Department of Public Expenditure was not obtained for any of the advance funding provided to the trust in 2023.

The examination also considered the Department's monitoring of the conditions attached to the exceptional funding. One of those conditions was the provision by the trust of a restructuring and rationalisation plan. While the trust submitted a plan as requested, the Department stated it did not consider it within its remit to assess the likely efficacy of the proposed changes. The arrangements did not provide for such an assessment to be undertaken. The examination concluded that the Department should have greater oversight of the controls used by DRHE. The Department should also ensure it obtains relevant evidence of the trust's compliance with all the conditions attached to the exceptional funding.

The Local Infrastructure Housing Activation Fund, LIHAF, was initiated as a scheme in 2016. It was intended to address the issue of housing supply by removing infrastructure blockages through investment in projects such as new access roads or provision of water or drainage systems. Chapter 12 of my report examines the progress made in completing LIHAF projects and the fund's impact on housing development. Some 30 projects proposed by local authorities with an aggregate projected cost of €196 million were approved by the Department for LIHAF support. The Department committed to providing funding of €147 million, or 75% of the cost, with the remaining 25% to be funded by the sponsor local authorities from their own capital resources. The approved projects were mainly roads-related and were to be completed by the end of 2021. They were expected to support the delivery of almost 20,000 housing units on the sites serviced by the new infrastructure. The examination found that six of the projects were not proceeding. In effect, this reduced the target housing delivery under the scheme to just over 16,000 units.

Funding from the Department for the remaining 24 projects was expected to amount to €197 million, compared to the original commitment of €147 million for 30 projects. At the end of 2023, two years after the target completion date, 12 projects had been completed, eight were still in progress and four had not commenced. The housing output achieved on the sites served by LIHAF projects was approximately 6,400 housing units at the end of 2023. This was just 40% of the reduced target. Consequently, the expected acceleration of housing delivery does not appear to have been achieved under the scheme.

The Accounting Officer may be able to provide a further update on the output of the scheme.

An Cathaoirleach: I thank Mr. McCarthy. We will now move to the opening statements of our other witnesses as set out in the letter of invitation. They will have five minutes. I ask Mr. Graham Doyle to make his opening statement on behalf of the Department of Housing, Local Government and Heritage.

Mr. Graham Doyle: I thank the Chairman. I speak this morning as the Accounting Officer to assist the committee in the examining of the appropriation account of 2023 for Vote 34 and its chapters. The Chairman has introduced my colleagues. Together, we look forward to discussing the expenditure and activity of the Department in 2023 and we have provided an advance briefing for the meeting. As our time is limited, I do not propose to mention every area of expenditure in the opening statement but will touch on some key areas briefly.

I will start by welcoming the work of the Comptroller and Auditor General on the appropriation account for the Local Government Fund and also on the chapters to be examined over the course of this morning.

At the outset, I would like to mention the scale and breadth of the activities of the Department, which now has eleven divisions and deals with a number of priorities under the programme for Government. While housing is the most high profile of our responsibilities, this Department has a diverse range of other responsibilities and a wide remit across a number of additional areas including water, local government, electoral reform, planning, Met Éireann and heritage. The focus and commitment of staff working in the Department, and indeed across more than 20 bodies under our aegis, together with local authority partners and stakeholders, is very significant.

Total gross expenditure in respect of the Department's strategic programmes reached €6.8 billion in 2023. Exchequer expenditure of €6.3 billion was supplemented by capital carryover from 2022 of €340 million plus €168 million from local property tax receipts, which was used by certain local authorities to fund a range of housing programmes. The Exchequer funding element comprised €2.9 billion in current expenditure and €3.6 billion in capital expenditure, including capital carryover.

During 2023, positive indicators emerged in terms of the critical objective of increasing overall housing supply. The number of new homes delivered during 2023 overall reached 32,695, an increase of 10% on delivery in 2022 and exceeding Housing for All's 2023 target of 29,000.

By the end of 2023, the pipeline for future growth was also strong, with 32,800 new homes commencing construction in 2023. Planning permission was granted for 41,000 new homes in 2023, an increase of approximately 20% on the previous year. Furthermore, by the end of the year, the Land Development Agency had existing planning permission for over 5,000 affordable homes on State-owned or State-acquired land, with many projects already under construction and others at an advanced planning stage. While these indicators demonstrated a strong year-on-year upward trajectory, at a broader level we continue to see major challenges around increased demand, increased costs and complex issues around unlocking supply at the pace and scale required. This will remain an area of acute focus for the Department.

In the area of social and affordable housing, almost 12,000 new social homes were delivered through social housing build, acquisition and leasing programmes in 2023. The launch of the new secure tenancy affordable rental investment scheme, STAR, also provided a new vehicle to invest up to €750 million in the delivery of over 4,000 cost-rental homes.

Along with new homes, initiatives to make homes more affordable, like the first home scheme and help-to-buy, also had a real impact. Existing vacant and derelict homes were also brought back into use, with just over 3,000 vacant property refurbishment grant applications approved during the year. Close to 2,500 couples and individuals availed of the first-home scheme and 7,266 couples and individuals availed of the help-to-buy scheme. Overall, over 4,000 affordable housing options were delivered in 2023 across the range of affordable housing schemes, an increase of 128% on the previous year, highlighting the significant progress achieved in relation to developing and expanding the affordable pipeline. Affordable housing schemes are now operating at scale and the affordable housing programme has continued to be expanded and developed by all delivery partners.

Urgent delivery of social and affordable homes is not just about numbers and statistics. We are keenly aware of the impact that social and affordable housing provision has on the households and families who receive the keys to their homes. This urgency is also felt by our many delivery partners across the local authority and approved housing body sector. We continue to work proactively with all of our key stakeholders to create the conditions that facilitate increased housing supply across the country.

Addressing homelessness remains one of the most acute priorities of the Government and this Department. In 2023, funding of in excess of €317 million was provided to local authorities towards the provision of homelessness services. This funding ensured there was sufficient accommodation for those who needed it and the continuation of prevention and tenancy sustainment measures, including essential outreach services and on the ongoing provision of Housing First. At the end of 2023, the total number of people being supported in homelessness emergency accommodation was 13,318. This represented a 14.5% year-on-year increase, totalling 1,686 people. There was a total of 6,848 adult exits and preventions from homelessness in 2023, a 25% increase on 2022 figures. This increase in preventions and exits was aided by the tenant in situ scheme. In 2023, an additional 320 tenancies were recorded nationwide under the Housing First national implementation plan. This brought the total number of tenancies to 560 under the current plan, exceeding the two-year target.

Overall, planning reform was a key focus in 2023, with the Planning and Development Bill published in November 2023 and completed last year. In light of the growing demands on planning authorities, in October 2023, the Department confirmed approval for the filling of an initial 100 posts in the local authority planning service and approval was also granted for additional resources in An Bord Pleanála.

Moving to water, water services continue to undergo a significant period of reform in the delivery of services. In 2023, the Department continued to work closely with stakeholders including Uisce Éireann, the Environmental Protection Agency, the Commission for Regulation of Utilities and local authorities. The framework for future delivery of water services provides the basis for Uisce Éireann to work with local authorities to complete the integration of public water services. Local authorities will cease involvement in the direct provision of water services from December 2026.

The Government's voted Exchequer investment in Uisce Éireann is substantial under the NDP. Over €1.6 billion was spent by Uisce Éireann in 2023 to service existing schemes and deliver new water infrastructure and investment. This investment in public water services is vital to maintain and enhance infrastructure, safeguard public health, ensure environmental compliance by adequately treating wastewater and support the delivery of housing and other economic activity. Uisce Éireann delivered a record level of capital investment of over €1 billion in 2023, mainly driven by mains rehab and above-ground capital programmes. The Government is delivering a sustainable funding path to further enhance the ongoing significant improvements in our public water and wastewater services and this level of investment will continue under the NDP. To conclude on water, I wish to mention the almost €62 million that was provided in 2023 for the rural water scheme. Certainty for priority investment has been put in place through a multi-annual capital programme aimed at improving the reliability and efficiency of rural water services infrastructure.

As I said at the outset, the brevity of my statement does not facilitate lengthy discussion on all activities, and I have not gone into detail on the activities during 2023 in local government, heritage and Met Éireann where considerable, valued work was undertaken, supported

by significant Exchequer investment. However, I and my colleagues will of course be happy to discuss these areas with the committee during this morning's session.

In conclusion, I again note the ongoing co-operation of all stakeholders involved in the delivery of a work programme of the scale undertaken by this Department. The Department, its agencies and our partners for delivery, including the local authorities, NGOs and AHBs, continue to be acutely focused on achieving the best for the public.

An Cathaoirleach: I thank Mr. Doyle. I will now open the floor to members. The lead speaker today is Deputy McAuliffe, who will have 15 minutes for questions and answers. All other members will have ten minutes. We will take a ten- to 15-minute break at around 12 noon and will then resume the session. I will allow members back in for a second round of questions if time permits later. I open the floor to Deputy McAuliffe.

Deputy Paul McAuliffe: Go raibh maith agat a Chathaoirligh. I welcome the witnesses. Mr. Doyle is correct that there is a large scale and breadth to the work of the Department. Unfortunately for him, I am also a member of the committee on housing so I will reserve some of my question for the next time he appears there. I will focus on the financial issues this morning. The previous committee on housing and Committee of Public Accounts had sought to have further details about what was known as the "bailout" of the Peter McVerry Trust. On two occasions previously, both the Peter McVerry Trust and the Department said they were not in a position to appear before the Oireachtas because they were waiting for the outcomes of the investigation reports that were taking place. When did the Department first become aware of the financial issues that took place in the Peter McVerry Trust?

Mr. Graham Doyle: It was in July 2023.

Deputy Paul McAuliffe: Would that have been through the regional executive?

Mr. Graham Doyle: Yes, it would have been from the regional executive.

Deputy Paul McAuliffe: Obviously, the committee has highlighted the good work being done by the Peter McVerry Trust on the ground and there was an obligation on the Department to ensure it continued. The Comptroller and Auditor General, however, has made some strong points concerning the advancing of funds without, in some cases, the necessary approval from the Department of public expenditure and reform or Mr. Doyle's own Department in the case of the Dublin Region Homeless Executive. I ask Mr. Doyle to comment on this matter.

Mr. Graham Doyle: Yes, there is a circular from 2014 requiring that we do not issue advanced funding or that it is approved. In the case of the funding the Department chose to advance in this case, which amounted to €2 million, the urgency of the situation was extremely acute at that time. Up to 2,000 people were in receipt of homeless services of various types, including Housing First, from the Peter McVerry Trust at that point. There was a significant number of staff, around 500 people, but I do not have the exact number, and there were potential losses of staff and services. There was the potential for this to impact greatly on vulnerable members of the public availing of those services. In light of the urgency, that €2 million was advanced. It was funding the trust would get in any event. We absolutely acknowledge that, as the Comptroller and Auditor General pointed out, it was not in compliance with the circular. I apologise for that, but I stand over it in the sense of the urgency of the situation and the need to protect those services.

Deputy Paul McAuliffe: Maybe I am confused. Is it correct that the total amount advanced

by the executive was €5.3 million?

Mr. Graham Doyle: There was a further-----

Deputy Paul McAuliffe: In excess of the €2 million?

Mr. Graham Doyle: Yes, which was not-----

Deputy Paul McAuliffe: There was no approval for the €2 million and the ultimate amount paid was €5.3 million.

Mr. Graham Doyle: Yes. A protocol - also mentioned by the Comptroller and Auditor General in his report - is in place for how funding is distributed. We have updated this protocol to take account of-----

Deputy Paul McAuliffe: The question is how we got to a situation where, in very changing circumstances, a decision by the Department to issue €2 million resulted in the executive distributing €5.3 million. This is a fairly significant difference.

Mr. Graham Doyle: I think the piece the executive had provided was prior to the Department's €2 million. When we became aware of that particular situation, the urgency of the matter required that additional €2 million on top of the €3.3 million.

Deputy Paul McAuliffe: Are we talking cash flow here?

Mr. Graham Doyle: We are talking cash flow. This was money the trust would have been due in any event under the service level agreements.

Deputy Paul McAuliffe: I suppose the question we have now, and I am sure the Comptroller and Auditor General has the same question, concerns the fact that the financial situation of the Peter McVerry Trust at that point was still very uncertain. Is that correct?

Mr. Graham Doyle: Yes, it was.

Deputy Paul McAuliffe: I refer to the idea, then, of us committing more than €5 million in advance of knowing what other legacies or debts existed in the organisation. I appreciate it was a difficult situation for the Department to keep the ship moving forward, but this was a great deal of money to put into an organisation at a time when we did not know where the financial structure stood.

Mr. Graham Doyle: Again, at that point in time and in a fast-moving situation, as the Deputy said, we tried to assess as much information as could be available to us while working with the DRHE in trying to ascertain as much as we could the extent of the issues.

Deputy Paul McAuliffe: Consideration was never given to creating a new vehicle separate from the trust to continue the services.

Mr. Graham Doyle: We looked at a number of options at the time in terms of how serious the trust's cash flow situation was. We felt that was the only action we could take at the time to protect those services.

Deputy Paul McAuliffe: Ultimately, the Government provided over €15 million in funding. Again, this all falls into the area of the funding of projects. In the reports I have read, I have not seen any evidence of misappropriation or of money going missing, which is a blunt

way of putting it. Is this Mr. Doyle's assessment of it too?

Mr. Graham Doyle: Yes. The €15 million was provided under a plan. As the Comptroller and Auditor General has pointed out, the conditions were multiple. There were 32 of them. We worked with the oversight group. We put an oversight group in place and we put a governance structure in place-----

Deputy Paul McAuliffe: I suppose the broader point is that €15 million of public money has been extended to an organisation. I ask Mr. Doyle to comment on the decision of representatives of the Peter McVerry Trust not to attend this meeting and be beside him here answering these questions. Mr. Doyle must feel like that is a little bit ungrateful when the organisation his Department took fairly significant steps to fund - in some cases, as outlined, being forced to breach the circular - and ultimately provided with €15 million to provide services, has decided not to be here today.

Mr. Graham Doyle: It is not for me to make that sort of judgement. I am an Accounting Officer and a Secretary General of a Government Department. We provide funding for the public good. The matter of whether representatives of the trust come to the committee meeting today is a matter for them. They have some changes in their structure, they have some-----

Deputy Paul McAuliffe: One of the things the representatives referenced was that - incidentally, they did not make this known to us in their correspondence but said it publicly - they may come before us following the publication of the trust's 2023 accounts. As pointed out previously, the 2023 accounts should have been filed long before now. Is this correct?

Mr. Graham Doyle: Yes, that is correct.

Deputy Paul McAuliffe: In terms of the oversight arrangements in place, it appears to be a concern that the 2023 accounts have not yet been filed. Have the oversight arrangements identified why this is the case?

Mr. Graham Doyle: Yes. There was an issue around one of the conditions in the funding agreement concerning the fixed-asset register and reconciling it to allow a full review of the financial position to be undertaken. That work is near completion and we are now seeing some of its outputs in terms of the work of the oversight group and the work being done with the trust itself. My understanding is that on the back of that the published accounts will be-----

Deputy Paul McAuliffe: I presume the purchase of a hotel for €6.24 million will be included on that fixed-assets register. Is this correct?

Mr. Graham Doyle: I presume that property is included.

Deputy Paul McAuliffe: The article in *The Irish Times* on 29 May highlighted the purchase of the hotel for €6.24 million. It also highlighted its vacancy or non-use since 2022. Given the scale of where we are, it does not feel like there was any urgency or emergency in this regard. Has the Department challenged the trust in any way on this matter?

Mr. Graham Doyle: We have tried to work through this issue. I believe that property was originally to be used for emergency accommodation. The understanding was that planning was in place for that. Some planning issues arose in relation to it. I understand the council and others are now working to look at how that property can be used for social housing.

Deputy Paul McAuliffe: Ultimately, it is an asset of the Peter McVerry Trust.

Mr. Graham Doyle: Yes. Now, in terms of the-----

Deputy Paul McAuliffe: How was the €6.24 million funded?

Mr. Graham Doyle: I believe some of the funding for that came from our Department.

Deputy Paul McAuliffe: That would have been in advance of the difficulties being-----

Mr. Graham Doyle: Yes.

Deputy Paul McAuliffe: The Department funded the purchase of a hotel. I know from the work the Department and the DRHE do that they are really struggling to provide additional space. Notwithstanding the huge efforts I am sure are going on around the financial arrangements of the trust, it is questionable that a building would lie empty for all that time since 2022.

Mr. Graham Doyle: Yes. We are unhappy with it and are working through it in terms of the ultimate use of that building for, hopefully, social housing. It is the intention under the capital assistance scheme, CAS, programme.

Deputy Paul McAuliffe: That conversation and the previous ones we had highlight a governance and accountability issue here when the length of the supply line for funding is very long. There is the Department, the DRHE, the approved housing bodies and in some cases the city council has a role too. I think the relevant chapter has three recommendations. Can Mr. Doyle tell me where they stand?

Mr. Graham Doyle: All have been accepted and all are implemented.

Deputy Paul McAuliffe: All have been implemented at this stage.

Mr. Graham Doyle: Yes.

Deputy Paul McAuliffe: Okay. I have a short amount of time and I want to touch on two other areas. I am sure my colleagues will continue the line of questioning regarding the Peter McVerry Trust. I was interested in the Local Government Fund. The property tax revenue contributes to that Local Government Fund. It currently stands, in 2023, at €293 million of a reserve. Is that correct?

Mr. Graham Doyle: In the reserves, yes. That was at the end of 2023.

Deputy Paul McAuliffe: Initially, in 2018, it stood at just over €80 million. Is there a reason it is now more than three times the size of its original reserve?

Mr. Graham Doyle: The reserves and how they are used get discussed with the Department of public expenditure at budget time, in any event. We have done a review of that. There is a new protocol in place for how those reserves will be used. They get built up because the allocations under the Local Government Fund are done in advance. When property tax comes in, arrears are paid and there are also LPT payments in advance. Some of these ultimately result in reserves in the fund and it is a matter of discussion between ourselves and the Department of public expenditure as to how these funds are used. The existing funds-----

Deputy Paul McAuliffe: Given how cash-strapped-----

Mr. Graham Doyle: -----have now come down since.

Deputy Paul McAuliffe: I was going to ask Mr. Doyle that. What is the 2024 figure, in approximate terms?

Mr. Graham Doyle: Apologies, I had that figure yesterday in my hand. One of my colleagues will get that for me.

Deputy Paul McAuliffe: Okay. It is good to see the money being put to good use. That is what it is for. Part of the difficulty we have is that some of the self-funding local authorities were allowed to keep 100% of their local property tax but in essence that means absolutely nothing. They do not keep 100% of it because they lose out in other ways. It is galling to see a figure of even €200 million, if it has dropped. The idea that €300 million could be sitting there when a local authority and people in Dublin city are paying their local property tax and do not get to keep it all because of the self-funding cap on top of that. Those self-funding caps have to be addressed. It is a policy matter and I do not expect Mr. Doyle to comment on it but they have to be addressed. It is galling that there is €293 million sitting in a fund when we are looking at other ways to fund, for example, the Dublin city task force and so on.

Mr. Graham Doyle: To answer the Deputy's previous question, and I apologise that I did not have those figures to hand, it was €264 million at the end of 2024 and there is a plan for that. It is LPT prepaid of €78,000, €85 million for the water transformation, €33 million for local property equalisation costs and €3.5 million towards miscellaneous costs, which will leave €33 million in the fund in 2026. All of that is under discussion with the Department of public expenditure in that context.

Deputy Paul McAuliffe: Not to jump around but there was one question I forgot to ask in regard to the Peter McVerry Trust. On top of the €15 million, there appears to now be €1.5 million that is paid to a consultancy agency in regard to the preparation of financial accounts and so on. That was a new item to me. Will Mr. Doyle detail the nature of it?

Mr. Graham Doyle: The professional services firm involved has been providing a range of supports to the Peter McVerry Trust in terms of its restructuring, reporting back to the oversight group and, more recently, although we have ceased paying, supporting its finance function.

Deputy Paul McAuliffe: Why is that function not being done in-house in the Department?

Mr. Graham Doyle: This is very specialist financial advice.

Deputy Paul McAuliffe: In the normal course of the Peter McVerry Trust running its organisation, it would not require €1.5 million. If it had been doing that from the start, we would not have needed it. I cannot understand why we would need to spend a further €1.5 million to assist the oversight body.

Mr. Graham Doyle: This was very much about the financial situation it was in at that point. This was work the consultancy firm was doing to stabilise the trust's cash flows, to assess where it was, to work through the business plan, etc. This was very specialist restructuring financial advice.

Deputy Paul McAuliffe: As a final comment, while other moneys we have talked about are advancing money that would be used for housing or delivery of services and so on, this is money that is a direct result of the problems that were caused and that is significant.

Mr. Graham Doyle: In trying to stabilise the situation, that work was absolutely essential.

Deputy Paul McAuliffe: I am just saying this has not been a cost-free exercise in terms of-----

Mr. Graham Doyle: No, absolutely not.

An Cathaoirleach: I thank Deputy McAuliffe. The C and AG wants to make a brief comment.

Mr. Seamus McCarthy: To go back to the point about the advances, my records indicate that the Department approved an advance of €2 million from the 2024 funding on 9 November 2023. There was a further advance of 2024 funding on 22 December 2023.

Mr. Graham Doyle: Sorry, it was this sequence I got wrong.

Mr. Seamus McCarthy: There had been earlier advances of €3 million. It is a difficult matter to follow but, for the record, the Department approved €2 million to be advanced and the total that was advanced was €5.3 million.

An Cathaoirleach: I thank Mr. McCarthy. Does Mr. Doyle wish to comment on that?

Mr. Graham Doyle: The amount the Comptroller and Auditor General has just referred to was referenced in the Government decision, if I am correct. I will check that.

An Cathaoirleach: Thanks Mr. Doyle. Deputy Séamus McGrath is our next speaker.

Deputy Séamus McGrath: I thank everybody for being here this morning. Going to the opening statement and the issue of housing delivery, in 2023, 32,695 units were delivered. That was 13% above target. I want to get a handle on how the Department manages its resources in terms of its forecasting, its budgeting and so on. Will the witnesses outline briefly, given that I have less time than Deputy McAuliffe, the key indicators the Department uses in its forecasting of housing delivery?

Mr. Graham Doyle: Is that overall housing delivery in the economy?

Deputy Séamus McGrath: Overall housing delivery, yes.

Mr. Graham Doyle: There is a range of public sources in terms of forecasts, the commencement figures and CSO data. There is a huge range of indicators out there. We can see our own social and affordable housing programmes, etc., and all of that goes to considering where we are with output.

Deputy Séamus McGrath: Regarding this year, the Central Bank has now downgraded its forecast. Will Mr. Doyle comment on that? Does he agree with the Central Bank's forecasting?

Mr. Graham Doyle: There is a range of forecasts out there. Regarding the main people who provide forecasts, they range from 32,000 to 35,000. I saw that report from the Central Bank this morning. They are the range of forecasts that are out there. As a Department, we do not forecast ourselves. We have figures we work to in looking at what is out there and available from those who do forecast in the market.

Deputy Séamus McGrath: Is Mr. Doyle in a position to give an indication of where the Department sees figures landing this year?

Mr. Graham Doyle: I can only refer to the forecasts that are there. I can tell the Deputy

what they are, if he likes.

Deputy Séamus McGrath: Does the Department itself have a view? People will find it extraordinary that the Department does not have a view on what the housing delivery is likely to be.

Mr. Graham Doyle: We have never put out a forecast ourselves. It is just not something we have done. We look at the range of forecasts that are there in the market.

Deputy Séamus McGrath: Turning to what is within the Department's control, in terms of approval of social and affordable cost rental schemes across the board from local authorities and housing bodies, the delays within the Department to approve schemes have been referred to a number of times. At this point, how many schemes are fully ready to proceed but awaiting approval from the Department across all the different deliveries, that is, the social, affordable and cost rental from local authorities and housing bodies? How many schemes are awaiting approval?

Mr. Graham Doyle: I will bring in my colleague who is the head of social housing delivery to may make some more general comments on that as well.

Mr. Paul Benson: I will make some general comments on approvals and funding. We have built a very significant pipeline with local authorities and AHBs. That pipeline is expensive. There have been significant construction costs due to inflation. We are working within NDP envelopes and that NDP, as the Deputy knows, is up for review in 2026. At this point, we have to be cautious about what we approve for future years. I expect, with the conclusion of the NDP in July 2025, we will be in a strong position financially to deal with everything we have on our desks. At the moment we are still approving projects. I know there has been a narrative to the contrary. We are approving social and affordable housing projects across cost rental, direct local authority builds and AHB builds. There are projects with us that we are still considering for funding approval. They are more complex and bigger. Many of them are in the big urban areas. They are apartment blocks, which take more time-----

Deputy Séamus McGrath: I am sorry for interrupting but we are caught for time. What quantity of units are we talking about for which approval is awaited at present?

Mr. Paul Benson: At the moment, there is nothing on the social housing investment programme with local authority own-build that is ready to go and is waiting for approval.. There are projects with us that are subject to further information requests or are being assessed by our technical advisers. There are a couple of projects on my desk from the cost rental equity loan side, but they are awaiting funding to be approved on the CALF side or an application to come in from the AHBs. A project cannot proceed unless both are approved because if they are in the same development, the contractor requires them both in order to proceed. Those two are waiting but not because of any delay in funding. On the CALF side, we have 12 applications that are through the final stages now. We are working our way through-----

Deputy Séamus McGrath: Is Mr. Benson confident that the Department has sufficient funding this year to approve the schemes that it deems appropriate to approve?

Mr. Paul Benson: The Deputy will be aware that we received an additional €715 million earlier this year. That was because the Government recognises that there are funding challenges arising from the last NDP. Last year we dealt with that funding shortfall by way of a Supplementary Estimate, as the Deputy is probably aware. This year the Government has given us an

extra €715 million. We made the Government aware that additional funding will be required but it is not required immediately. It will be required later in the year so that we can meet commitments-----

Deputy Séamus McGrath: Okay. No scheme is waiting for approval and there is no funding issue at present.

Mr. Paul Benson: No, there is nothing.

Deputy Séamus McGrath: There is nothing that is not being approved because of funding.

Mr. Paul Benson: No, we are approving stuff every day. A couple of projects are held up for other reasons but not to do with funding.

Deputy Séamus McGrath: Okay. I thank Mr. Benson. In the 2023 accounts, there was a significant underspend of €255 million in the local authority housing expenditure. We have an acute housing crisis now. We had one in 2023. People will find it difficult to understand how €255 million was not spent. Can we have some commentary on that?

Mr. Graham Doyle: In a multiannual funding programme, funding gets carried forward to future years. The spend in the following year was exceptionally strong. We spent about €1 billion over and above the overall housing capital allocation in 2024. When you look at the two years together, you can see how funding from one year feeds into the next year in a case where a carryover was required.

Deputy Séamus McGrath: There was a rollover, okay. Under energy efficiency, there was an underspend of €10 million. I know that when I was a member of a local authority, we were always anxious for extra funding in that area. I wonder how €10 million was left unspent in that year.

Mr. Graham Doyle: It relates to the number of projects that came through from the local authority sector that year. Very significant funding is available for that scheme. I am trying to find my notes on it. I believe that approximately 2,250 retrofits were carried out in that year. The intention would have been to do something a bit higher than that. The target was closer to 3,000 that year. The uptake has since improved.

Deputy Séamus McGrath: I appreciate that. Under affordable housing, in the 2023 figures we budgeted for €90 million and we spent €20 million. That is a huge disparity. I have for a long time advocated affordable housing and it is disappointing to see that level of underspend. Why did that happen?

Mr. Graham Doyle: I completely recognise those comments. Those affordable schemes were very much in their infancy at that point in time. A range of very new schemes had been developed, all to do different things. It was critical to try to build a pipeline under those schemes. We built that pipeline with delivery in the following year. The delivery since then has been very strong. I am happy to take the Deputy through the figures if he wishes.

Deputy Séamus McGrath: Our spend on homelessness in 2023 was €317 million. That just brings me to the current situation with the tenant in situ scheme, which has effectively stalled throughout the country from what I can see because of budgeting issues. How is it viewed that not purchasing a house under the tenant in situ scheme is better value for money than putting someone into homeless accommodation? How do we make that calculation?

Mr. Graham Doyle: We have applied very significant funding to the tenant in situ scheme in the past two years and indeed in terms of housing acquisitions for this year. We have secured additional funding to bring the budget up to €325 million for that. A purchase under the tenant in situ scheme is a response that the local authority can use in certain circumstances. We have continued to support that. The Minister has secured additional funding this year to support it. If the Deputy would like any details on the numbers, I have them here. Mr. Benson has them as well.

Deputy Séamus McGrath: Would Mr. Doyle accept there are tenant in situ applications not progressing in many local authorities because of funding constraints?

Mr. Graham Doyle: My understanding is that only about 25% of the funding we have provided has been drawn down-----

Deputy Séamus McGrath: I think that is just a timing issue.

Mr. Graham Doyle: -----by local authorities this year.

Deputy Séamus McGrath: I have seen the letters people are getting saying the scheme is not progressing because of funding.

Mr. Graham Doyle: There is always going to be a limit to funding. We have to negotiate-----

Deputy Séamus McGrath: That is my point. From a value for money point of view, how is it better to put people into homeless accommodation than to purchase the houses they are in, which we can get at market value?

Mr. Graham Doyle: The whole purpose of the scheme is to try to prevent homelessness. That is what the scheme has been about.

Deputy Séamus McGrath: I am sorry for rushing Mr. Doyle, but I would like to ask a final question. It relates to the spend on designing housing schemes. Essentially, we uniquely design every housing scheme across the country. Why are we not moving to more standard designs where we have a range of templates that we can use? I am sure our spend on design is quite high. Why are we doing that? Why does every scheme have to be unique?

Mr. Graham Doyle: We absolutely are moving to such an approach. We have been doing so. We have a new design manual in place - it is not quite new anymore - that we are strongly encouraging. It has been made all but mandatory in local authority schemes in terms of the layouts of houses provided for different sets of circumstances. There is a very detailed manual. It supports modern methods of construction. There are all kinds of benefits to it. It gets local authorities through the process much faster if they use it. I am very happy to talk about it but I know time is limited.

Deputy Séamus McGrath: That is good to hear. I thank Mr. Doyle.

Deputy Joe Neville: I thank the officials for coming in this morning. I will cover a range of topics because they did likewise in their opening statement. I want to jump in. I might jump around so bear with me.

Why are different county councils funded so differently? I see the expenditure per head. My own county of Kildare receives the lowest level of funding per head of population. Why is

that the case when other county councils and other areas are funded so significantly differently?

Mr. Graham Doyle: Does the Deputy mean in terms of overall Government grant programmes?

Deputy Joe Neville: No, I mean Government funding for local authorities. In County Kildare, the spend per head of population is €715. That is the equivalent annual spend per person under the council budget. The equivalent spend in Dublin City Council is €1,900, which is the highest. The second highest is County Leitrim, at €1,256. I wanted to show the variances. Kildare is consistently the lowest. I think County Galway is one of the lowest as well. Why is that the case, especially given that these are areas of rising population? Why are some counties treated differently in their funding from the Department on the local government side?

Mr. Graham Doyle: The funding to local authorities comes from a very wide range of public bodies. I know the bulk of funding, including transport-----

Deputy Joe Neville: Most of it comes from the Department. My colleague, Deputy McAuliffe, made the point earlier that people pay their property tax. Obviously it is capped but the more money you get, the more you lose out in other Government funding. The Department of Housing, Local Government and Heritage consistently gives less money to Kildare County Council per head of population. As our population has increased, we have actually lost out significantly. That reduces our services and our ability to put the services in place for our communities. That needs to be changed from the Department. I would be delighted if the Department could look at it for next year. From the council's perspective, we have been pushing to get that in place. It is unfair and it needs to be looked at properly. In fairness, it was raised earlier.

Mr. Graham Doyle: The bulk of our funding comes through our housing programme, which is very much project specific in terms of my own Department.

Deputy Joe Neville: Is that from the local government point of view?

Mr. Graham Doyle: Sorry is the Deputy talking about local government funding?

Deputy Joe Neville: Yes, local government funding, Local authority full funding for the council to spend in Kildare is way lower than anywhere else. The funding we get is way lower than anywhere else per head of population. Our population is increasing. Unfortunately, we are punishing the places that are able to build the houses and where the population is coming. I have seen that.

Mr. Graham Doyle: In terms of the baseline review of the Local Government Fund in 2023, with 100% of local property tax retained locally, there are some cases where people are generating beyond the baseline and contributing to other services, but that changed.

Deputy Joe Neville: It still punished the same counties. Kildare is still the lowest, along with County Galway. That is why I also mentioned Galway. It makes no sense as to why that is the case. It is important to raise the matter here because what is happening is unfair. Certain counties are not getting the services they require. Kildare is putting the houses in place, we have seen that in the numbers, but it is not getting funding from the Department.

I will move on to LIHAF. I am aware of one scheme where funding was put in place for a LIHAF relief road in Maynooth. Is LIHAF still open? Is the money still available to be drawn down. It was mentioned by Mr. Doyle earlier.

Mr. Graham Doyle: There is capital in place under our capital plans for those projects that have not been completed. The intention is to unlock further housing around those. If the project to which the Deputy refers is in the LIHAF programme, there will be funding available as it project progresses.

Deputy Joe Neville: Will more funding be put in place? If the funding was granted ten years ago, will more funding be put in place in certain cases?

Mr. Graham Doyle: The funding of local infrastructure for housing is a very important part of our plans under the NDP. We are seeking additional funding under the NDP in that context.

Deputy Joe Neville: Is it the same for the URDF, which also comes under the Department's remit?

Mr. Graham Doyle: Yes.

Deputy Joe Neville: There are some developments, such as that relating to the second bridge in Celbridge, that are open for housing. That is to unlock housing too, but there is no sign of any funding coming through from the second stream to deliver it. Do we know when further funding will be put in place for projects of that sort?

Mr. Graham Doyle: Sorry, is that a project that is already funded under-----

Deputy Joe Neville: Is is part funded under the URDF.

Mr. Graham Doyle: Yes.

Deputy Joe Neville: So we will get more funding in place for that.

Mr. Paul Hogan: There is a funding allocation of €10.2 million for that project.

Deputy Joe Neville: When is the next one coming? That was a few years ago. We need more.

Mr. Paul Hogan: It is still being discussed with the local authority.

Deputy Joe Neville: The money is required.

Mr. Graham Doyle: The matched funding requirement is at least 25% for URDF projects. However, that is still very much a live project. The future allocation for that sort of project will be determined as part of the NDP process.

Deputy Joe Neville: I was told that was outside the scope of the NDP by the Department of Transport. We need some clarification from the latter on how that fits in with the Department of housing. I was at a meeting of the infrastructure committee last week, but I can tie that up.

Returning to the Peter McVerry Trust, given the scale of the public funding provided, has the Department conducted a full review of how its internal risk assessment of groups like that as to how funding is allocated?

Mr. Graham Doyle: Yes, we have carried out a review of the section 10 funding we provide. That review is substantially complete. It will be completed very soon.

Deputy Joe Neville: Will we get a copy of that review?

Mr. Graham Doyle: I suppose it was an internal review by the Department, but I do not see why not.

Deputy Joe Neville: Great. How many groups or housing bodies like the Peter McVerry Trust does the Department give funding to for housing?

Mr. Graham Doyle: In terms of homeless services or AHBs generally?

Deputy Joe Neville: AHBs and homeless services. Equivalents of the Peter McVerry Trust at any scale.

Mr. Graham Doyle: To take AHBs first, there are hundreds of AHBs registered with the regulator, many of which are no longer active or are not particularly active. About six AHBs do the bulk of housing units. That is roughly the figure, depending on where one draws the line. There are very large operators in the AHB sector.

Deputy Joe Neville: Going back to the Peter McVerry-----

Mr. Graham Doyle: We are actively funding over 20, but the bulk of activity is-----

Deputy Joe Neville: What were the highest and lowest spends on those in 2023? What was the highest amount the Department gave to a single group and what was the lowest? What was the scale? Is it from €10 million a year up to €200 million? What is it roughly?

Mr. Graham Doyle: I do not have the figures, but I would be happy to get them for the Deputy. The scale of spend with AHBs has increased significantly in recent years as our capital budget has increased and as the delivery of social and affordable homes has advanced. The scale is significant.

Deputy Joe Neville: On Deputy McGrath's point, I would have heard things anecdotally about funding for housing bodies. We hear it is slow to be released and is drying up. I hate to ask about this again. The only reason I am doing so is because I have also heard that they are short of cash.

Mr. Graham Doyle: We have released quite a lot of funding recently in project approvals in respect of cost-rental and social homes. We did need additional funding. We got additional funding for the projects that were available. The delivery of cost-rental housing has rocketed in recent years. Last year, we had a budget of about €110 million for CREL projects. We spent, with supplementary funding, four times that at about €435 million. This year, our budget for CREL is €595 million. That funding has hugely increased over that time as delivery has increased.

Deputy Joe Neville: Irish Water has looked for an extra €2 billion over the next four years. Mr. Doyle mentioned Irish Water and the €10.2 billion. For any extra increase in housing, it will need a further €2 billion. Will it get that?

Mr. Graham Doyle: The future funding of Irish Water is a key matter in the NDP discussions.

Deputy Joe Neville: That will come out in the NDP. Is that still planned for July?

Mr. Graham Doyle: My colleague from the Department of public expenditure may take that question.

Ms Jenny Connors: Yes, we are currently in an engagement process on the NDP. The plan is for the middle of July.

Deputy Joe Neville: We obviously need more affordable housing. Who sets the prices for affordable housing? We have a really strange situation in Kildare. Recently, local authority houses were put up for sale as affordable houses. They are valued at €365,000 but people who apply for the local authority home loan are capped at buying houses valued below €360,000. Someone can only use a local authority home loan as long as they are buying a house for €360,000 or less. Bizarrely, affordable houses in Kildare are being priced at €365,000. As a result, people cannot use the local authority home loan for affordable housing. How can this strange situation be resolved?

Mr. Graham Doyle: There is an absolute cap on the local authority home loan. Sorry, there are different tiers. I understand that is being reviewed.

Deputy Joe Neville: I have raised this with the Minister, but can we get it increased? If the cap is set so low that people cannot use these loans in order to meet affordable house prices in Kildare, that makes no sense.

Mr. Graham Doyle: We have completed that review, and it is either with the Minister or about to go to him.

Deputy Joe Neville: Thank you.

Deputy Catherine Connolly: I fully agree with Mr. Doyle on the scale of the work the Department does. I appreciate that work. It is huge and represents the public service at its best if it is done to a standard. I will be very constructively critical about the vision that is there, the targets being achieved and the reality on the ground.

I will begin with the Peter McVerry Trust. I hope it will see sense and come before us. I have before me a chapter from the Comptroller and Auditor General, a section 47 inspector's report and reports that were requested by the voluntary housing associations and the Charities Regulator. All those reports relate to an entity that was pushed into a position of providing homeless accommodation because the State did not do it. We all praised it in the past, but is it not the case that we have a debacle on our hands now in respect of the lack of oversight and monitoring? That is what is happening. In the opening statement or some of the documentation we got they talked about 2,000 clients. I think in one of these reports they talk about 19,000. The AHB in 2022 reported supporting 19,000 people, was active in 28 local authorities and so on. Over a period of four or five years, more than €100 million was given. Does Mr. Graham or one of his colleagues have an up-to-date figure? I will not waste time on it.

Mr. Graham Doyle: Someone will get it for the Deputy.

Deputy Catherine Connolly: It is €140 million or €145 million.

Mr. Graham Doyle: Significant Government funding across a range of Government agencies over the course of a number of years.

Deputy Catherine Connolly: It was going into that.

Mr. Graham Doyle: Yes.

Deputy Catherine Connolly: We are talking about the additional exceptional funding,

when they got into trouble, of €15 million. Is that right? That was given and the Secretary General has admitted that the checks and balances did not work. Is that right? I mean, the money was given. The Comptroller and Auditor General has clearly outlined a number of times that advances were given and only once the Department was notified and gave permission.

Mr. Graham Doyle: That was around the time that the trust was in that crisis, yes.

Deputy Catherine Connolly: I heard the Secretary General's explanation. There were other times when there was no reason for that, by the Department.

Mr. Graham Doyle: I do not think there were other times when there was no reason, Deputy.

Deputy Catherine Connolly: Was there a number of advances given without permission?

Mr. Graham Doyle: It was around that particular-----

Deputy Catherine Connolly: All of those?

Mr. Graham Doyle: -----moment in time, yes.

Deputy Catherine Connolly: Let me be specific. It was advanced and on each occasion the Department was aware of that and gave permission or not?

Mr. Graham Doyle: No. Around that time, I think, there was an advance paid that we were not aware of but when we were asked for permission, at a time of extreme emergency, we gave permission. That was for that €2 million figure.

Deputy Catherine Connolly: Did the Department give permission for anything else of that before time?

Mr. Graham Doyle: No, that was really about getting the time necessary to come up with the plan to resolve the issues in the trust and to ensure that services could continue for members of the public.

Deputy Catherine Connolly: Would the Secretary General accept there is a major problem in terms of what has been highlighted in all of these reports on the McVerry Trust?

Mr. Graham Doyle: We have taken this hugely seriously, Deputy, in terms of the issue.

Deputy Catherine Connolly: Would the Secretary General accept that there is a major problem in terms of there being a lack of oversight either by the board, the homeless executive forum or the Department?

Mr. Graham Doyle: There are a number of regulatory processes that are still under way, Deputy. I do not want to comment on-----

Deputy Catherine Connolly: I understand. I was a member of this committee for five years and I am back again for another sentence. I have read all about the practices and procedures but they repeatedly fail. I praise the Department for its work but the regulatory processes exist on paper but continuously fail.

Mr. Graham Doyle: We had put in place an AHB regulator. That was in its early stages at that point in time.

Deputy Catherine Connolly: Yes.

Mr. Graham Doyle: We have taken a huge number of steps around dealing with the governance issues. The oversight group has done really strong work to try to bring the trust back on to a footing. Ultimately, what this is about for us is making sure that those services are provided to the public.

Deputy Catherine Connolly: Ultimately, for me it is about accountability and that this debacle should not happen. Of course, this raises the question of whether it will arise with other approved housing bodies or entities. The governance has utterly failed and right up to today, that entity has flatly refused to come before us. Even with a new chair who has immense experience of public accountability, that entity has refused to come before us today. Does that not augur badly? Plus nothing has been learned.

Mr. Graham Doyle: I gave an answer to Deputy McAuliffe.

Deputy Catherine Connolly: The Secretary General cannot comment.

Mr. Graham Doyle: I am here to deal with the questions from our side.

Deputy Catherine Connolly: The Comptroller and Auditor General set out three recommendations. Earlier the Secretary General said they had all been complied with. Is that correct?

Mr. Graham Doyle: Yes, my understanding is that we have.

Deputy Catherine Connolly: Will we go through them a little bit just to see? The first recommendation is:

The protocol ... should be strengthened in relation to the Department's oversight of the grant funding provided. The protocol should detail how compliance with the requirements ... is exercised, and implement a formalised structure around spot checking.

So there was spot checking but there was no formalised structure around that. Is that now in place?

Mr. Graham Doyle: Yes, there is spot checking. I am a chartered accountant by profession.

Deputy Catherine Connolly: Has it been formalised?

Mr. Graham Doyle: It has been formalised, yes. It is a useful control. It was not in the original protocol; it is now.

Deputy Catherine Connolly: Thank you but I am watching the clock.

Mr. Graham Doyle: Sorry.

Deputy Catherine Connolly: We have read all of these documents and I am only trying to find out things. I am no expert and I am taking the expertise from over there, and from this document and the recommendations. There was a spot check in place. It was not formalised. The Comptroller and Auditor General has asked for it to be formalised.

Mr. Graham Doyle: Yes, it has been.

Deputy Catherine Connolly: The Department actually did a spot check on one occasion in respect of this matter. Is that right?

Mr. Graham Doyle: Yes, there was some spot checking.

Deputy Catherine Connolly: There was one spot check.

Mr. Graham Doyle: There was an instance where a spot check could not be carried out. The intention had been to follow it up in the following month and it was not, which was pointed out in the-----

Deputy Catherine Connolly: It was not followed up so there was a failure. A spot check was carried out and I think the Department took it on face value when the Dublin Region Homeless Executive forum said it had no invoices for the first quarter and it was intended that the Department would go back again but that did not happen. So that was a mistake. Could that happen again where the Dublin Region Homeless Executive forum would say, sorry, it is the first quarter? Has that been sorted out? I mean if the Department turned up in the first quarter of next year.

Mr. Graham Doyle: We now have a protocol for carrying out spot checks as part of our controls.

Deputy Catherine Connolly: So the Secretary General does not anticipate it would happen again.

Mr. Graham Doyle: No, I do not think so.

Deputy Catherine Connolly: Let us move on to discussing recommendation 2. The timeline for implementation of the first recommendation was quarter 1 of 2025. Is that now in place? Simply, are the three recommendations in place?

Mr. Graham Doyle: Recommendation 1, yes. As for recommendation 2, yes it is in place.

Deputy Catherine Connolly: Recommendation 1 is in place.

Mr. Graham Doyle: Yes.

Deputy Catherine Connolly: Recommendation 2 states “The Department should put in place procedures to ensure compliance with circular ... in respect of pre-funding.” Is that in place?

Mr. Graham Doyle: Yes, it is.

Deputy Catherine Connolly: The strategic review has not been published yet. Has it not been completed?

Mr. Graham Doyle: We have carried out the strategic review. It is near completion. That was a recommendation.

Deputy Catherine Connolly: Will the Secretary General come back to us whether it is going to be published or not?

Mr. Graham Doyle: Sure.

Deputy Catherine Connolly: It is that recommendation 2 will be implemented or is implemented?

Mr. Graham Doyle: Is implemented.

Deputy Catherine Connolly: What about recommendation 3?

Mr. Graham Doyle: This is the ongoing process with the oversight group.

Deputy Catherine Connolly: This is very important as “There are 32 conditions attached to the funding, 29 of which the Trust has responsibility to deliver.” We do not know if the trust is implementing those. They are not before us. They have not come before us. Does the Secretary General know if the trust is implementing the 29 conditions?

Mr. Graham Doyle: Those conditions are being implemented.

Deputy Catherine Connolly: Yes.

Mr. Graham Doyle: We have the oversight group in place ensuring that those conditions are being implemented.

Deputy Catherine Connolly: Let me outline what was meant by the Comptroller and Auditor General.

Mr. Graham Doyle: These were the conditions we set, Deputy. These are 32 conditions that we set.

Deputy Catherine Connolly: That is lovely but spot checks were set before and they did not work.

Mr. Graham Doyle: That is different.

Deputy Catherine Connolly: No, it is the same.

Mr. Graham Doyle: I understand.

Deputy Catherine Connolly: Recommendation 3 states “The Department should, where possible, seek relevant evidence of the Trust’s compliance with all current funding conditions”. There were 32 conditions and a lot of them did not have targets or times. A restructuring plan was recommended and that came but there were no dates and no implementation plan or set of actions. Has that changed?

Mr. Graham Doyle: A lot of those recommendations will be ongoing throughout the process of complying with the conditions for the funding. It is all being overseen by the oversight group with monthly reports, that is, with regularly reporting around all of this.

Deputy Catherine Connolly: Let me park that for a moment because I have spent more than I wanted on this and the McVerry Trust should be before us. I am not reassured about the conditions. I hear what the Secretary General is saying but I am not reassured and will keep a close eye on the matter.

On housing generally, how many people are homeless at the moment?

An Cathaoirleach: I advise that the Deputy has only one minute left.

Deputy Catherine Connolly: I realise that.

Mr. Graham Doyle: It is 15,000 plus, Deputy.

Deputy Catherine Connolly: The Department’s mission is to provide housing sustainably

for social cohesion and social integration. Is the Department achieving that with 15,000 homeless?

Mr. Graham Doyle: The key thing that we need to do in terms of homelessness is clearly to provide as much social housing as we possibly can.

Deputy Catherine Connolly: Let me discuss the task force in Galway. As the Department has a seat on the task force, it would be very aware of it.

Mr. Graham Doyle: We are aware of it.

Deputy Catherine Connolly: Aware that we are utterly failing. Does the Secretary General accept the view of the new chairman who has told us that we are going absolutely in the wrong direction to achieve our targets, and there has been utter failure in the Galway task force that has existed since 2019? Is the Secretary General fully aware of that?

Mr. Graham Doyle: We have taken an interventionist approach in terms of setting up and working with the task force.

Deputy Catherine Connolly: The task force was set up in 2019. By December 16, they are finally asking the question what are the obstacles. One of the major obstacles is infrastructure. Only one. Policies is also an obstacle. It took them five years under the remit of two different chairs to set up and ask what were the obstacles. The Department has a seat on the task force. I follow that closely and the figures are all going in the wrong direction. I do not want to be parochial. Housing is absolutely the most pressing need but Galway is a pressing example of targets being set by the Department and council but not being met. There was also underfunding. Funding was not used for retrofit and many other things. This issue raises many questions and I would like to get the opportunity to ask them.

An Cathaoirleach: I hope the Deputy will get an opportunity to ask her questions later.

Deputy Joanna Byrne: I will probably be a little different from some of my colleagues who have already contributed. I want to discuss the collapse of the public-private partnerships, PPPs. We all know of a bundle of PPPs, involving almost 500 social homes in Dublin city, Wicklow, Kildare and Sligo, was opened for tender two years ago. I think it was around nine months ago that the preferred bidder was notified and started to prepare to go on site, hiring staff, ordering materials and undertaking site-enabling works. I believe that full construction was due to commence in two weeks' time and two weeks ago, out of the blue, the Minister, Deputy James Browne, wrote to the PPP Co. project board collapsing the bid. This has effectively put the delivery of these homes and other homes in the forthcoming bundles 4 and 5 at risk. What I cannot really understand is that if the bundle was so bad that Government could not proceed with it, why it did not inform the bidders of this fact nine months ago. There is a real possibility of litigation here. It is understood that upwards of €8 million has been spent by the developers between procurement, architectural design and site-readying works. Not only is it causing lengthy delays in the delivery of much-needed homes, it will also potentially impact 1,400 jobs. We are in the midst of a housing crisis and this will significantly impact the much-needed delivery of homes that the witnesses have been speaking about throughout the meeting. Will the Secretary General explain why the plug was pulled on this at the eleventh hour?

Mr. Graham Doyle: It was decided by the Minister not to proceed to contract award because the costs were considered too high in this case. The intention now is to seek to deliver those homes by an alternative funding route, but under the PPP model the cost was considered

to be too high.

Deputy Joanna Byrne: Okay, has Mr. Doyle or the Minister met the councils involved and the PPP Co. board?

Mr. Graham Doyle: My colleague, Mr. Paul Benson, has been handling this situation.

Mr. Paul Benson: Yes, I can confirm that the Department met the local authorities and discussed the matter. We have not met the consortium, although it has written to the National Development Finance Agency, NDFA, expressing its concern and looking for a meeting. We obviously have sight of that and a response is being prepared. It has not yet been decided whether a meeting will take place or not, but the request is in and is being considered.

Deputy Joanna Byrne: Do the witnesses understand the position the contractors are in with 1,400 employees across a range of cohorts being affected by this? I would urge that the meeting be considered and all avenues are explored to resolve this so that any potential litigation does not add further delays. What is the proposal to resolve this and get these homes built as a matter of urgency? Is Mr. Doyle at liberty to declare that at this stage?

Mr. Graham Doyle: We are not at liberty to say, but the options are under our other delivery mechanisms. For example, we could do a design-and-build project. This PPP included design, building, financing, maintenance and operation.

Deputy Joanna Byrne: So that would be the construction element of the PPP proceeding to get the homes built and the management would be by the councils.

Mr. Graham Doyle: Yes, it would be a more traditional delivery mechanism.

Deputy Joanna Byrne: Does Mr. Doyle have the figures for how many delivery pipelines that have been approved are potentially affected by this?

Mr. Graham Doyle: Does the Deputy mean how many homes have been affected?

Deputy Joanna Byrne: Yes.

Mr. Graham Doyle: The figure is 486.

Deputy Joanna Byrne: No, that is just in this bundle, but we know there is a bundle 4 and a bundle 5 to come. Are there any more after that?

Mr. Graham Doyle: We are not in a position at this point to comment on what this means for bundle 4 or bundle 5, but if the Deputy wants to know the figures, I have them here. It will be 685 under bundle 4 and just over 1,100 on bundle 5.

Deputy Joanna Byrne: Is it the case that Mr. Doyle cannot comment on whether these are also affected at this stage?

Mr. Graham Doyle: No, we cannot.

Deputy Joanna Byrne: We are talking about potentially 2,000 homes.

Mr. Graham Doyle: The NDFA carries out the PPP programme. We are in discussions with the NDFA on what this means, going forward.

Deputy Joanna Byrne: I thank Mr. Doyle.

I want to come back to the issue of the Peter McVerry Trust. I did not comment on this earlier because I was hoping to get into it at this stage of the meeting. I agree completely with my colleagues. It is totally unacceptable that the trust refused to come before the committee today. It almost went bankrupt last summer. From what I can see, the core issue was the use of capital funding to subsidise day-to-day running costs and the trust has been very vocal in that regard. However, running up a liability of €20 million is outrageous. While we have questions to pose to the trust, it is not here today. I have no doubt that the committee will actively pursue the trust. We have all been united in our calls for representatives of the trust to come in here. The Department and the Government also have questions to answer, especially in the way deficit funding, competitive tendering and departmental oversight created the context in which the Peter McVerry Trust could behave in the way it did. It is my understanding that issues regarding the deficit-funding model were highlighted by other homeless service providers to the Department, going back as far as 2020. Where was the departmental oversight as the Peter McVerry Trust was racking up the liabilities that almost bankrupted it? It is pretty evident that there was no oversight to the extent that was required.

Mr. Graham Doyle: The Department distributes its funding through the local authorities and they procure the services. They engage in the contracts, the service-level agreements and the tendering for those services. In terms of our funding model, we operate with the local authorities on this. Mr. Kelly will come in on this.

Mr. David Kelly: Regarding the Deputy's comments on oversight, one of the issues looked at by the Department, in light of this, was a review of the funding arrangements. As the Secretary General said, our payments are funnelled through local authorities. They organise homeless services on a regional basis. We have a management group in each region and a consultative committee, which includes the local authorities and other State agencies. Those groups are responsible for deciding how local authorities need to deliver emergency services, homeless services and service-related health supports.

I will go back to some of the issues the Deputy referred to that have become prominent in some of the discourse after the issues at the Peter McVerry Trust. It became apparent that some NGOs were including fundraising income in tender costs. One of the things we have looked at with the CCMA - the review was led by the CCMA but the Department participated - was to change that procedure so that the State would fully fund all services and not require local approved housing bodies, AHB, to provide supplementary income. That will improve the situation.

We have made a couple of other changes which I think are really important and they have been approved by the Minister recently. The first one is to look at the overhead costs faced by AHBs. To manage its services effectively, each AHB needs an overhead of finance function and an oversight function and as we see at the Peter McVerry Trust, ensuring compliance with regulations, for example. That overhead cost will be increased. It was 5% under the old arrangements and it will be increased to support the central functions of AHBs. It will ensure that they operate effectively and that they are managed effectively.

Another one of the main things we will do is fund maintenance. Previously, one of the concerns raised by AHBs was that the funding arrangements in place with local authorities did not allow for repairs or maintenance to be done on emergency accommodation. It is obviously really important that these facilities are maintained to provide quality emergency accommodation and that they meet all the safety requirements. With this review, we are looking at a number of changes but three of the key ones are ensuring that we fully fund services. We never required

AHBs to fund, but the nature of some of the arrangements in place-----

Deputy Joanna Byrne: Does Mr. Kelly accept it played a part?

Mr. David Kelly: The direct funding relationships were with the local authorities, rather than the Department and we funded the local authorities, so we were not directly involved in negotiations. Leaving that aside, the issue was, as the Deputy mentioned, that some fundraising income was supplementing State funding. Under the revised arrangements, we will fully fund the cost of the contract and the cost of service provision. We will provide an improved overhead cost and improved funding to support the maintenance of facilities.

Deputy Joanna Byrne: In the part of the review by the CCMA in relation to tendering, was it noted that perhaps there were glaringly obvious undercuts in some tenders? For example, if there are five tenders and three of them are sitting at one bar and two of them are sitting drastically, 25% to 40%, lower, there is an issue. Has it been noted and cited in the report that this needs to be included in the oversight going forward?

Mr. David Kelly: In regard to procurement and the nature of any public money, local authority expenditure or Exchequer expenditure, there is an onus to get value for money. Some organisations will provide different services for different costs. However, during the work of the oversight group, it became very apparent that the Peter McVerry Trust was not being reimbursed for the actual costs, whether through underbidding or not realising the full costs of the service. That is probably one of the issues. We do not know the extent to which this was happening but following the review, we think it is prudent to make sure that we fully fund services.

An Cathaoirleach: As it has just gone 12 o'clock, I propose that we take a short break.

Sitting suspended at 12.01 p.m. and resumed at 12.14 p.m.

An Cathaoirleach: The next speaker is Deputy Eoghan Kenny.

Deputy Eoghan Kenny: My first question is on the tenant in situ scheme. Is that scheme still operational?

Mr. Graham Doyle: It is, yes.

Deputy Eoghan Kenny: How many staff within the Department are working on the scheme?

Mr. Graham Doyle: We do not split it like that. There is a whole range of programmes across the social housing programme. There is a team to which different elements are allocated. There is a broad team and pockets of them work together so I could not give the Deputy an exact figure. A lot of on-the-ground work on that is done at local authority level.

Deputy Eoghan Kenny: Yes, I understand. Mr Doyle will appreciate that I am from Cork - indeed there are two members here from Cork - and there have been serious difficulties with the tenant in situ scheme there. I have a query on the allocation given to Cork city and county for the 2024-25. Does Mr. Doyle have that figure to hand?

Mr. Graham Doyle: My colleague, Mr. Benson, has been engaging with Cork directly. I have the figures here, as does he.

Mr. Paul Benson: Cork City Council's allocation was €20 million for this year and Cork County Council's allocation was €15 million.

Deputy Eoghan Kenny: How many properties does that align to?

Mr. Paul Benson: It will depend on the acquisitions costs but generally the acquisitions costs are averaging €300,000, so we are getting just over three per €1 million.

Deputy Eoghan Kenny: Is there an expected output for the remaining part of 2025 and into 2026?

Mr. Paul Benson: In relation to Cork city, to clarify, we have engaged with Cork City Council. We met with the council to go through its commitments-----

Deputy Eoghan Kenny: When was that?

Mr. Paul Benson: It was five or six weeks ago. There is a process going on with Cork city to work through the commitments it has, what it carried forward from 2024 and how it will continue the scheme in 2025. I am confident we are going to get to a satisfactory solution there.

Deputy Eoghan Kenny: I am sure Mr. Benson is quite aware that the CEO made a statement to the effect that the council had “insufficient funding” to adequately cover current commitments from 2024 into 2025 and that its acquisitions programme had “ceased”. Given that the Department made contact with the council six weeks ago, has that programme recommenced?

Mr. Paul Benson: The council is going through a process with us.

Deputy Eoghan Kenny: Is it going to recommence?

Mr. Paul Benson: My view is that the scheme is not closed. It is not closed across the country-----

Deputy Eoghan Kenny: So, in terms of the 33 properties the council has said it is going to buy, will 33 families each get a house? Will the funding be made available for that?

Mr. Paul Benson: In relation to the carryover, at that meeting five or six weeks ago we made commitments that those properties should be dealt with. Commitments were made and they should be dealt with so we expect that will happen. We have also asked Cork City Council to carry out two or three exercises that will create headroom within its allocation to allow it to proceed with further acquisitions.

Deputy Eoghan Kenny: Is there a commitment for further funding to get those 33 houses over the line this year?

Mr. Paul Benson: It is not a commitment for further funding. It is a commitment to actually go through a process with us to try to get underneath those figures.

Deputy Eoghan Kenny: I do not understand. What does Mr. Benson mean by “a process”? If no extra funding is going to be allocated, the houses will not be acquired.

Mr. Paul Benson: Quite a number of properties that Cork City Council has acquired can be reclassified.

Deputy Eoghan Kenny: What about those 33 houses in particular to which the council made a commitment?

Mr. Paul Benson: The council was given a commitment that it should proceed with those

acquisitions.

Deputy Eoghan Kenny: Therefore there will be extra funding to proceed. Is that correct?

Mr. Paul Benson: If the council needs extra funding, that may be available because the Department has held back continuously but we have to complete the exercise first and see exactly what the financial commitment will be when the exercise is finished.

Deputy Eoghan Kenny: The CEO of Cork City Council said that the programme would cease because of insufficient funding. If Mr. Benson is saying that the engagement and the process has recommenced, then insufficient funding would no longer be a problem. Is that the case?

Mr. Paul Benson: We have asked Cork City Council to confirm that the scheme remains in situ and-----

Deputy Eoghan Kenny: What has the council said?

Mr. Paul Benson: -----to process applications. The position is that even if the council was to undertake to carry out commitments this year, it is probable that quite a number of those will not complete this year. Conveyancing would not be completed and funding would not be required, so it is going to take a level of commitment from Cork City Council and other local authorities to projects that will not need funding until 2026. It is not necessarily the case that the funding will be provided in 2025 for a lot of the acquisitions that will happen in the latter part of this year. In that sense, it should be proceeding with the scheme.

Deputy Eoghan Kenny: Can we say that those 33 houses that were committed to will be bought by Cork City Council in 2025?

Mr. Paul Benson: That would be a decision for Cork City Council but the Department's position is clear. The council is authorised and has permission to go ahead and acquire those properties.

Deputy Eoghan Kenny: The Taoiseach said last month that the Department of housing would engage with Cork City Council on this. Engagement has taken place. Does the council now have the authority and the funding available to buy those 33 properties?

Mr. Paul Benson: I believe it has. I spoke to the director of housing in Cork city only last week and when the council concludes that process, it will find that it is in a position to conclude those purchases.

Deputy Eoghan Kenny: That is very positive to hear.

We are having serious difficulty in County Cork with water and wastewater connections. Does the Department agree that the delayed delivery of housing is due to the availability of water and wastewater connections?

Mr. Graham Doyle: When we talk about delayed housing delivery, are we talking about the overall level of housing delivery or in terms of local authorities?

Deputy Eoghan Kenny: Overall housing delivery.

Mr. Graham Doyle: One of the factors is the need to have water connections available. Up to recently, the level of connection to water was very strong. The statistics were very high in

terms of the response levels from Uisce Éireann. That has dropped with the demand that is now there for connections. It is one of a number of factors in terms of the overall delivery of houses.

Deputy Eoghan Kenny: In my constituency of Cork North-Central we have a small village called Carrignavar. Mr. Doyle might be aware of it. A new special school with 80 places cannot go ahead because of the lack of a wastewater connection. Ten houses have been lying idle since 2009 that Cork City Council wants to buy but cannot buy because there is no wastewater connection. Mr. Doyle will appreciate the fact that because the wastewater treatment plant there is full, it is stopping the progress of the acquisition of social homes and the opening of a special school. That is a serious issue.

Mr. Graham Doyle: I cannot comment on a specific issue without looking at the specific circumstances. We know that the capital funding for the roll-out of water connections and the physical work to allow for it is one of a number of key parts for the delivery of housing.

Deputy Eoghan Kenny: I have another couple of points to raise. Does Mr. Doyle believe 41,000 new builds is a viable target for 2025?

Mr. Graham Doyle: The challenges for this year have been acknowledged by the Minister.

Deputy Eoghan Kenny: Does Mr. Doyle himself believe the delivery of 41,000 new builds is viable?

Mr. Graham Doyle: As I outlined in response to Deputy McGrath, we can see all of the various forecasts from those who engage in forecasting, which suggest-----

Deputy Eoghan Kenny: Forecasting and targets are essential. Prior to the general election in November, does Mr. Doyle remember when the former Minister for housing was informed that we were not on course to meet the housing targets for 2024?

Mr. Graham Doyle: The Minister for housing would have been aware of the various forecasts that were out there from various players at that particular point in time and formed a view based on them.

Deputy Eoghan Kenny: When did the Department of housing realise it would not make its targets for 2024?

Mr. Graham Doyle: In terms of the target number for 2024, the overall number was about 10% shy of that. The delivery was over the target in the previous two years.

Deputy Eoghan Kenny: Could Mr. Doyle put a timeframe on it, in respect of which month the Minister became aware that we were not going to meet our targets?

Mr. Graham Doyle: I do not know when the Minister would or would not have formed that view.

Deputy Eoghan Kenny: When would the Department have been aware?

Mr. Graham Doyle: We did not put forward that information. Freedom of information requests have been made in relation to the information that was provided, and it has been made public. The end of year – the final quarter – is a key part of when housing is delivered. The Department worked on the basis of its analysis. The Minister would have been aware of the projections that were out there.

Deputy Eoghan Kenny: I want to touch very briefly on homelessness services. Every single week we have people calling to the constituency offices looking for emergency accommodation. I am sure everybody here will say the same. They cannot access it. How did the Department envisage that the cost of homelessness services would be less in 2023 than in 2022? In 2022, a total of €242 million was given to homelessness services. In 2023, it was €215 million. It beggars belief.

Mr. Graham Doyle: We engage in a budget negotiation every year.

Deputy Eoghan Kenny: Does Mr. Doyle appreciate the fact that when people present as homeless to local authorities, they must deny people emergency accommodation because there is no access to it?

Mr. Graham Doyle: There is no question of that. The homeless services have been given supplementary funding in repeated years. The Minister for public expenditure made very clear his commitment to homeless services.

Deputy Eoghan Kenny: I can tell Mr. Doyle that there is not one single emergency accommodation bed available in the whole of Cork city or county. That is a fact. If someone presents as homeless to Cork County Council today, he or she would not have the opportunity to avail of emergency accommodation. That is what I am told when I ring the housing section in Cork County Council. A number of people who come to my office have told me that.

Mr. Graham Doyle: The difficult task for the homeless executives in each case is sourcing homeless accommodation. I am more familiar with the DRHE's work than with the situation in Cork, although my colleague will be. I know the efforts those organisations put in trying to source accommodation.

Deputy Eoghan Kenny: Absolutely, they do.

Mr. Graham Doyle: Funding has not been denied for any of that, despite the budget to which the Deputy referred.

The Minister for public expenditure made clear to us repeatedly at budget time in recent years his commitment to funding homeless services. The spend was well above the budget figure. The money was provided.

Deputy James Geoghegan: I thank all the witnesses who were invited here today for attending. They were invited to discuss the accounts but we were hoping to have a particular focus on the Peter McVerry Trust issues. Unfortunately, that organisation elected not to appear today. I want to focus my initial questions on that issue.

Could the Secretary General outline how much of the homeless service's budget goes to the Dublin Region Homeless Executive? I think it is about 75%.

Mr. Graham Doyle: I was going to say 70% but the Deputy may be correct with 75%.

Deputy James Geoghegan: So 70% of all funding for homeless services from the Department of housing goes to the Dublin Region Homeless Executive. Prior to the Peter McVerry Trust issues that have arisen, was the DRHE treated in the exact same way structurally, from a departmental and governance perspective, as all of the other regional homeless executives?

Mr. Graham Doyle: I am not sure what Deputy Geoghegan means by "treated the same

way”.

Deputy James Geoghegan: In terms of oversight, accounting and reporting obligations.

Mr. Graham Doyle: Yes.

Deputy James Geoghegan: So there was never any distinction drawn between them. How many regional homeless executives are there in Ireland?

Mr. Graham Doyle: There are nine.

Deputy James Geoghegan: There are nine. Eight regional homeless executives cumulatively represent 30% of all of the funding and one represents 70% or 75% of overall funding. With the benefit of hindsight, was it appropriate that an entity that was getting so much money from the Department in terms of governance, oversight and reporting was treated the exact same as a smaller regional homeless executive that would not be getting hundreds of millions of euro every single year from the Department?

Mr. Graham Doyle: There is a governance structure in place to deal with the distribution of funding, whether they are smaller or larger amounts. Naturally, the engagement with the DRHE would probably be far and beyond in terms of the volume of work the entity undertakes, but if one has controls in place, one has controls in place, regardless.

Deputy James Geoghegan: Am I right in saying that on foot of what happened in the Peter McVerry Trust, changes have taken place in terms of governance and oversight, as it relates to the DRHE at least?

Mr. Graham Doyle: Yes.

Deputy James Geoghegan: Is that the same in respect of the eight other regional homeless executives? Has that changed standard been applied to those other regional homeless executives?

Mr. Graham Doyle: The main changes are in the protocol governing the funding distribution and as far as I am aware, the protocol is the same across the various regional homeless executives.

Deputy James Geoghegan: Why have those changes been made?

Mr. Graham Doyle: We were happy to take and move forward with the recommendations in the Comptroller and Auditor General’s report and the changes have been made in accordance with it, and the work we have done through the oversight group on the Peter McVerry Trust.

Deputy James Geoghegan: With the benefit of hindsight, does Mr. Doyle think that if the current structures he now has in place that some of the issues that arose in the Peter McVerry Trust might have emerged sooner or would have landed on the Department’s desk a little bit quicker, had those governance structures been in place?

Mr. Graham Doyle: There are strong overall governance structures in place. The Peter McVerry Trust is a company limited by guarantee under the Companies Act. It is a registered charity. There is a Charities Regulator. It is an AHB and there is an AHB regulator, although that regulator was probably in its early stages at that particular time. There is an overall regulatory structure in place even at that very high level. The changes we have made recently are

particularly in response to the Comptroller and Auditor General's report in terms of the actions we took when we found ourselves dealing with a particularly urgent situation which threatened service provision to the public. Those changes were very much directed at what happened at that particular point in time and us trying to respond to that situation.

Deputy James Geoghegan: It is really on a go-forward basis dealing with what has taken place in the wake of the issues.

Mr. Graham Doyle: That is why we have reviewed the section 10 funding and how we provide and govern that. That is the report that I referred to which will be completed relatively shortly.

Deputy James Geoghegan: Does Mr. Doyle have a sense of the direction of travel the report is going to recommend to the Department?

Mr. Graham Doyle: Mr. Kelly will try to answer that.

Mr. David Kelly: To go back, the situation in the trust is probably quite unique. At the time we made the decision around emergency funding, two regulatory investigations were under way. We now have the findings of those investigations, which have unearthed fairly significant failings in governance and financial management and issues around the oversight of the board. We have engaged with a lot of the other organisations, obviously. We have satisfied ourselves that they have all done a check on their own governance arrangements and are satisfied these types of risks do not exist. As the Secretary General mentioned, AHBRA was in its early days. The lessons learned from this investigation will inform the future development of that organisation. It has done a really strong job in identifying some of the issues.

One of the other issues when we talk about our oversight is that we do not get involved in the day to day or into the books. One of the things that we have done to try to satisfy ourselves that governance failures are being addressed is to work with the regulators and to look at the robustness of the oversight. We have an oversight group and we ensure the trust is complying with conditions. To go beyond that and to look at some of the more forensic examination, AHBRA has put consultants in to work with the trust to ensure compliance is being met. We have a dedicated company in there working directly with the trust, looking at the procedures and processes and making sure that they comply with AHBRA and the charities issues identified in the regulatory report. The structures we have put in place can give us some comfort that there is robust analysis of the failings and that steps are being taken to address them.

Deputy James Geoghegan: While I accept the point about the operations and that the Department cannot be expected to oversee what is happening on a day-to-day basis, the public might have concern about Mr. Kelly's point that this was a unique situation. The Peter McVerry Trust was, and hopefully in the future will be again, one of the most trusted brands out there for all the service it has given to support some of the most vulnerable people in Ireland, mostly in Dublin city. There is a concern that we are giving hundreds of millions of euro to other entities and essentially relying on those entities to be sufficiently robust from a governance standpoint. Where is the accountability from the taxpayer point of view? To use one example I am familiar with, the DRHE has some exceptionally hardworking people whose primary motivation is to ensure everyone in Dublin city has a bed to sleep in and that where they are sleeping, whether that is in emergency accommodation or otherwise, is of sufficient and appropriate standard and quality. It gets the money granted from the Department and gives it out. It too relies on the governance structures, etc., of these entities.

This is not the first time governance issues have arisen in homeless charities. Much more serious issues have arisen in other homeless charities. This question may be for the Secretary General. How do we assure the public that the hundreds of millions of euro which are being filtered through these homeless executives down to approved housing bodies or NGO entities are being spent appropriately and correctly and are going where we want them to go to support our most vulnerable?

Mr. Graham Doyle: In the first instance, the value of the services provided by that organisation, and indeed all of these organisations, is huge in the context of the services people need provided to them. In respect of the situation that arose in this case, a lot of it seems to have arisen as a result of some of its practices and how some pricing was done. There are a range of issues. I need to choose my words carefully because some of the processes are ongoing. It is incredibly important, from a State perspective, that we put a governance structure in place insofar as we can as funders. As the Deputy said, we cannot go down right into the day-to-day operations of any entity. The State has regulatory bodies in place such as the Charities Regulator and the AHB regulator. There is compliance under the Companies Act as well as audits and local government audit services. NOAC does work around all the services with which local government engage. There is a whole suite of governance. Short of going down and being on the ground, you do what you can at an overall governance level to set standards and processes that you can put in place. When something goes wrong, you have to learn whatever lessons you can from it and try to incorporate those. That is the nature of trying to govern and control public expenditure or indeed just how any entity operates in the economy.

Deputy Albert Dolan: I thank everyone from the Department for housing and all the representatives for being with us here today. I have a few questions I will run through. I will appreciate their support in answering and getting through them quickly because the time goes quickly. First, and it is something that was raised earlier, Galway County Council is incredibly underfunded, similar to what Deputy Neville said about Kildare. A few years ago, Galway County Council received a presentation from Dr. Gerard Turley and Mr. Stephen McNena in which they proposed a new way of doing the equalisation model. Essentially what happens now is that the local property tax is sent back up to the Department to a central fund where it is equalised and separated out. The reality is that it is not very equal. It is not serving the constituents in Galway. Some counties are disproportionately benefitting compared with other counties. It is not an equal system on a *per capita* basis anyway. Maybe that is not the right way, either. Has any consideration been given at a Department level to a new way of funding local authorities?

Mr. Graham Doyle: A review of the Local Government Fund is carried out every five years. The most recent changes took place in 2024. A variety of stakeholders are involved in that review in each case, from the local authorities themselves to councillors, NOAC and others, as far as I am aware. That is an opportunity to look at how the system operates. Some changes were brought forward the last time around. They were brought to the Minister and approved. That review is the opportunity to look at those issues.

Deputy Albert Dolan: I appreciate that. While I know there was an increase in baseline funding for local authorities across the board in recent years, which was welcomed, as the Secretary General might know, it just did not go the full distance. A lot of local authorities are carrying out workforce plans. I see this across other State agencies as well. Does he think the carrying out of workforce plans and ultimately massively increasing staff head counts is producing greater synergies and results across our local authority network? I have a massive concern that

we are hiring people for the sake of it as opposed to hiring with purpose.

Mr. Graham Doyle: I very much hope that is not the case and I would not imagine it is, not to argue with the Deputy. We have a unit within the Department that works with the local authorities around the resourcing needs. It does some very good work. It is very important to us. Local government provides about 1,100 different services. We counted them I believe. That is a joke by the way; we did not actually count them. Just to show the scale of what local government does, 1,100 services is the accepted kind of thing. It is really important it has the resourcing, whether it is in planning, in trying to bring forward its own builds and housing units. The staffing itself is a matter for the local authority chief executives and how that works but we do work with them around the sanctioning and all of that as well.

Deputy Albert Dolan: I appreciate that. The next thing I want to move on to is something I have been pursuing over the last few months across all Departments around public procurement. Essentially, I have been trying to establish whether every single Ministry can tell me right now how many contracts they have and are they on, under or over budget. Unfortunately, the Department of housing was not able to answer the three questions I put on these. I will be asking for the same report I would have got from other Departments from the Department of housing. Essentially, the answer I got was that the information sought was not readily available and its compilation would involve a disproportionate amount of time and work. I got the same answer on three separate parliamentary questions raised to the Ministry. I understand it is a very complex task and it might take a lot of time but the problem is if the Department is not able to tell us how many contracts it has and how much money is in them, then I definitely do not know. Therefore, it is vital that all Departments and Ministries are able to say how many contracts they have and how many are on, under, or over tender. This is not an exercise to say the Department is over budget on a few things. Of course the Department is over budget on a few things. We all know that but the key is if it is being tracked.

Mr. Graham Doyle: On compliance for procurement, which the Comptroller and Auditor General audits, we generally have had very strong compliance around procurement. This is not to say there has not been an issue raised on occasion. This Department is vast, as I know the Deputy understands. The number of engagements we have and people have on our behalf really is vast. Our record in procurement has been strong in terms of audit and that is what the audit is there for. Genuinely, I was not aware of that response to the parliamentary questions but I can understand it. I would say to the Deputy that it was not given lightly or in any flippant way.

Deputy Albert Dolan: No, and it is important for me to add context as well. The response did go on to tell me to contact the individual agencies under the aegis of the Department but, as Mr. Doyle can imagine, I might not have the resources in my office to do that whereas the Custom House might. However, I was able to get this information from other Departments. This can be done and it is probably a fruitful exercise for the Department as well as it is for the wider public. I will move on to my next question because I will be caught for time otherwise. Apologies, also on the public procurement, I have no doubt the Department's compliance with public procurement is good and well audited but what happens after the procurement? What measures does it have in place to track progress on projects and track costs as they happen? How does it manage that centrally? Is it managed centrally or does it leave it to the bodies underneath?

Mr. Graham Doyle: It depends on what the Deputy is talking about. With the breadth of the Department, there is everything from working with the local authority to deliver a bridge versus working with the local authority to deliver a suite of houses. It depends on the issue. We have teams across the Department that work on each expenditure-----

Deputy Albert Dolan: Is it not tracked centrally?

Mr. Graham Doyle: We have various housing teams, for example. Each of those housing teams will engage with the local authority or the AHB, whoever it is, as they are working through those projects. It is not that there is a central procurement in the Department. It is done at programme level across the Department.

Deputy Albert Dolan: I thank Mr. Doyle. What is the average per unit cost of delivering social housing in 2023 compared to 2020 and what does Mr. Doyle feels are the primary cost drivers behind the increases? I understand there is obviously inflation in materials and labour, etc. but what is really driving this? Are regulations getting in the way of housing delivery?

Mr. Graham Doyle: Mr. Benson will provide indicative figures in a moment. As to what has been driving it, we put Housing for All in place back in 2021. The number of headwinds that hit after that were enormous in terms of fallout post Covid and all of that. Inflation and rampant construction and materials inflation have been obvious factors which everyone has commented on. Another factor that often gets missed is the enormous increase in interest rates and what that has meant for the provision of housing, for the financing of housing for developers out there and for AHBs. A lot of our schemes under the cost-rental and affordability model had to be revised because when interest rates moved to the extent they did, many of those models did not work for some of those providers anymore. Those have been some of the really key drivers of cost.

Deputy Albert Dolan: Okay, thanks. Does Mr. Benson have figures?

Mr. Paul Benson: Yes, I can share figures with the Deputy. I would issue a word of caution with average costs because they are average.

Deputy Albert Dolan: Galway would be different from Dublin.

Mr. Paul Benson: Yes. The size of schemes can affect average costs. We have about eight different delivery streams. They vary from something like a local authority Part 5 which is just under €300,000 in 2024 to a local authority construction project which was €340,000 and at turnkey which was €372,000. CALF construction, which is what the AHBs do, is €421,000. That is really because often they are doing apartments in Dublin city and other places which are a lot more expensive. They do vary. There is a considerable variation there and costs have risen significantly. We are all aware of the construction cost inflation.

Deputy Albert Dolan: Is there a particular appetite among AHBs to take apartments?

Mr. Graham Doyle: I suppose a lot of their schemes, particularly cost rental, have been built around an apartment model. We talk about the housing market a lot. I often feel we should be talking about a housing market and an apartment market and we do this within the Department. If you look over the last number of years and at what happened last year with output, and we talked about output numbers earlier on, houses increased but apartments fell. Therefore, if you look at both and track them on a graph, you will see housing continued to increase last year; it was the apartment piece that started to fall.

Deputy Albert Dolan: Thank you. I have one last question on modular units. There is a huge opportunity for the country to deliver rapid-build modular units at scale. We have the companies, the capacity and the ability to build homes in factories and land them on-site with services on public land. Why did modular-unit costings jump from €200,000 to €442,000? The

witnesses can correct me if my figures are wrong but it just seems like it ran away from the Department.

Mr. Graham Doyle: I am not sure of those figures but I will say we have not been seeing cost savings across the board in the wider market. Modular construction is not cheaper yet. It is quicker and it is better for a lot of reasons but it is not quite cheaper yet. It is hoped that in the future we will see economies of scale in modular construction or modern methods of construction, as we prefer to term it, but there is very much an initiative right across government now to try to build that industry in Ireland.

Deputy Albert Dolan: Is the Department overspecing them?

Mr. Graham Doyle: We have tried to be very clear through our design models and our design manual on what is required in a social house, for example. We have done a huge amount of work which is more friendly, for want of a better word, towards the use of modern methods of construction as well because there are standardised housing types.

Deputy Albert Dolan: I thank the witnesses for their time.

Deputy Catherine Ardagh: I thank all the witnesses for coming in today and for answering our questions. I am going to go back over the tenant in situ scheme. I know some of that ground has already been covered. We know that in 2023, there was an underspend of about €255 million generally for local authority housing. We know also that Dublin City Council gets 70% to 75% of the homeless budget and the majority of the homeless people are catered for in the city, yet, when it came to tenant in situ, we got 30% of the tenant in situ budget. Obviously, we know the narrative around tenant in situ is that it is used to prevent homelessness and it was doing that very effectively in Dublin. It also had the double benefit of increasing local authority housing stock. Where did that change of heart in the Department come from? Anecdotally, it came from the ether in the Department of housing that the tenant in situ scheme did not represent value for money and that it was effectively being shut down. I cannot see how it is not value for money. Inflationary measures do not really affect it. You are not dealing with increases or decreases in VAT or the costs of construction. It was a really good way of increasing the social housing stock. Where in the Department did the idea to gut the tenant in situ scheme come from?

Mr. Graham Doyle: If the Deputy will forgive me, I do not accept that the tenant in situ scheme is being gutted. That is not happening at all. As a Department, we have focused as much as we possibly can on the construction of new homes, new supply and all of that. In the past five years, we have added 50,000 houses to the social housing stock in the country. Some 6,000 to 7,000 of those came through acquisition. The rest have come through building by local authorities and AHBs and own-build schemes. A certain amount has also come through leasing, which also involves new builds. The tenant in situ scheme is a matter of Government policy.

On the view within the Department, Departments will always have views and will always provide advice but the tenant in situ scheme is a matter of Government policy. The Government is determined to deliver on it so we are delivering on it within the context of the funding that can be made available for it.

Deputy Catherine Ardagh: What is the Department's view or advice on the scheme? What advice has it given the Minister on it or what view has it shared with him?

Mr. Graham Doyle: We believe the scheme has potentially strong value in the context of

preventing homelessness in certain cases. It is not how the Deputy characterised it before. I can understand that but it is not a fair characterisation of where we are coming from. We are trying to strike a balance between the overall funding available and the pressure to deliver new supply in cases where acquisition is entirely appropriate.

Deputy Catherine Ardagh: Was any research done on it within the Department? Is there a cost-benefit analysis that could be shared with the committee?

Mr. Graham Doyle: I am not sure. I will come back to the Deputy on that.

Deputy Catherine Ardagh: My colleague Deputy Connolly mentioned the underspend on energy efficiency and retrofitting. We are on the road to a just transition. What were the reasons for the lower than expected number of claims by local authorities in respect of energy efficiency in social housing? Why was the budget not drawn down?

Mr. Graham Doyle: Does Mr. Benson want to take that question? I have figures I can give the Deputy if she would like but he has a better sense of the reasoning.

Mr. Paul Benson: I will address that. Between 2013 and 2021, local authorities were engaged in shallow retrofit, which is effectively attic and wall insulation. In 2021, there was a commitment to upgrade to a higher standard of energy retrofit to try to get properties to a B2 rating to tie in with a Government commitment to have 500,000 houses reach that B2 rating by 2030. Of that figure, local authorities were to do 36,500. It required significant upskilling of local authority staff to get involved in that programme, to understand what needed to be done and to survey properties. The programme was a little slower to take off than we would have liked but to do more than 2,000 properties in 2021 from a standing start was still significant. Local authorities are now at a stage where they can do 2,500 comfortably. They may be able to do 3,000 this year depending on how things go and what kind of funding is available. It is just a question of building that skill set and that capacity within the local authorities to spend the money that is available. They are now in that process and we are in a good place.

Deputy Catherine Ardagh: Was the target of a B2 rating too high? Were there repercussions if a retrofit was started that then did not meet the rating?

Mr. Paul Benson: It is a matter of Government policy that the properties being funded reach the B2 standard. Local authorities have to meet that standard if they want to access the funding scheme. That comfort level is Government policy and must be met.

Mr. Graham Doyle: I do not want to use up the Deputy's time but there was a full spend in 2024 so it has improved considerably. There are probably more than 35,000 properties in the local authority stock that already meet the B2 standard. That is the number I have in front of me but I believe it is an old number. Some 75,000 - those in the midlands bring it up to 80,000 - have had a shallow retrofit done previously. Everything we build now is of such a high standard from an energy perspective that the number meeting that higher energy rating - the 35,000 or whatever the bigger number is now - will increase.

Deputy Catherine Ardagh: I have two more questions. I will address Irish Water first and then fire services. On Uisce Éireann, we hear from across the country, although probably less so in Dublin, that there are difficulties in accessing water treatment plants or water supply, which is delaying house development. While this is quite a broad question, with regard to the Department's role in overseeing Uisce Éireann, can it make any more direct interventions? Obviously, the Department cannot get involved in day-to-day cases but there is a real feeling

that more needs to be done to push these projects forward.

Mr. Graham Doyle: There has been a lot of public discussion about the housing activation office. One of the things this is very much about is coalescing all of the different measures State entities take to activate housing supply, whether with regard to energy, water or access roads. It is about becoming more interventionist than ever before to coalesce all of the State's activities on some of the key sites that will deliver large numbers of houses over the coming years. That is one piece.

On our interaction with Uisce Éireann, we have worked with it quite a lot with regard to its focus on and interaction with housing. It has put specific teams in place to work with developers and so on. There has been a lot of work on that. I could talk for longer but I do not want to use up the Deputy's time.

Deputy Catherine Ardagh: With regard to fire and emergency services, there was a €9 million overspend in 2023 and associated costs reported in respect of a workplace relations matter. Will Mr. Doyle give us details of that matter?

Mr. Graham Doyle: It has to do with the retained fire service and pay awards made as the result of an engagement with the local authorities, as the employer and represented by the Local Government Management Agency, resulting in an agreement at the WRC that had to be funded and paid for. That is the reason for that.

Deputy Catherine Ardagh: It is just an award.

Mr. Graham Doyle: It is remuneration.

Deputy Catherine Ardagh: Are any legal costs included in that?

Mr. Graham Doyle: No, it is just an increase in remuneration.

Deputy Grace Boland: I thank the witnesses for attending and for providing the Department's opening statement although it would have been better if we had received it a bit earlier. I received it late yesterday. It was my understanding that the Department was asked to submit it by last Friday. Is there a good reason we did not receive it?

Mr. Graham Doyle: My understanding is that opening statements are provided 24 hours in advance, which is what I think and hope we did.

An Cathaoirleach: In our letter, we explicitly asked that it would be furnished before Friday of last week.

Mr. Graham Doyle: I am sorry if that was the case. Did that not refer to the briefing material?

An Cathaoirleach: It also included the opening statement.

Mr. Graham Doyle: Is that a change from how it was before?

An Cathaoirleach: It is standard.

Mr. Graham Doyle: I am sorry. I always thought it was 24 hours in advance. I apologise.

Deputy Grace Boland: We should make it clear to all witnesses, particularly Departments,

that is the standard because it was very late to receive it. The crisis in the Peter McVerry Trust did not arise overnight. This has really exposed a failure of oversight as much as a failure of governance. When millions of euros of public money are involved, we need real-time financial checks, independent audits and proper board standards, not just trust and hope. I have listened to the Secretary General here today and, from what I have heard, he and his Department are absolving themselves of all responsibility for the improper spending of millions of euros of public money provided by the Department. Is that the case?

Mr. Graham Doyle: I do not think I have done that at all.

Deputy Grace Boland: I have heard Mr. Doyle blame the Charities Regulator-----

Mr. Graham Doyle: I certainly did not blame the charity-----

Deputy Grace Boland: I have heard him blame the AHB regulator.

Mr. Graham Doyle: I am sorry, but I certainly did not blame the Charities Regulator. I just said that is part of the structure of governance that is there.

Deputy Grace Boland: Perhaps Mr. Doyle would tell me what he is taking responsibility for. Can he give me confidence that those issues have been addressed?

Mr. Graham Doyle: There is a structure in place for the section 10 funding we provide through the Dublin Region Homeless Executive, DRHE, and others in terms of homeless services in the county. We must come and account for that, which is what I am here to do. We have processes and structures in place. They have been audited. We have responded to the report of the Comptroller and Auditor General. We accepted the findings and implemented changes. That is the nature of working through those issues when they arise and we have done that. I have not sought to blame anybody and I really hope it has not come across like that.

Deputy Grace Boland: That was certainly my take-away from Mr. Doyle's earlier comments. Can he give confirmation that there are not similar issues in the other AHBs, six large and over 20 in total, that the Department is actively funding at the moment?

Mr. Graham Doyle: The nature of any form of business or government involves risk. You try to mitigate that risk by having controls, a regulatory environment and a governance regime. That is all you can do. You cannot guarantee that a problem will not arise. I do not think I am in a position to give that assurance to the Deputy. I do not think anybody is.

Deputy Grace Boland: The Department needs to ensure that early-warning signs, and there would have been some in this case, are being reacted to more quickly and are being addressed. I do not feel that happened in this case. Is Mr. Doyle confident that the measures the Department has taken and the steps that have been put in place will highlight early-warning signs?

Mr. Graham Doyle: We have taken a range of steps. We have also taken the advice of others. There are further lessons to be taken from this. Mr. Kelly referred to a process that is being undergone through the AHB regulator at the moment. Undoubtedly, there will be further lessons from that process and we will take them on board. That is the nature of accountability. You must learn from an issue, accept when a problem occurs, put in changes and move forward. That is what we have tried to do.

Deputy Grace Boland: As Mr. Doyle acknowledged, the AHB regulator is in its infancy.

Mr. Graham Doyle: That is not so much the case anymore. It has learnt a lot from this process. Back when this issue occurred, which was two years ago, the regulator had only been in place for a relatively short time.

Deputy Grace Boland: Does it have the support and funding it needs to ensure that public money is being spent wisely and effectively, and we are doing everything we can to mitigate issues such as this arising again?

Mr. Graham Doyle: We engage with the regulator about resourcing and all of those issues. That is the nature of what we do with any body that is under our aegis. A regulator is obviously independent but we engage with it on the resourcing piece.

Deputy Grace Boland: I am also going to be a little parochial and talk about the tenant in situ scheme. There has been an underspend of local authority spending in the amount of €225 million, as my colleague mentioned earlier, yet the tenant in situ scheme in Dublin Fingal, the area I represent, is effectively closed for 2025. A total of €20 million was allocated for second-hand purchases. Some 65 properties have been purchased to date and eight are sale agreed. That means Fingal County Council cannot commit or even entertain the tenant in situ scheme for any other tenants who have received notices of termination and are at serious risk of homelessness. It is a real issue. Fingal has one of the longest housing lists in the country. I am getting queries every day from tenants who are terrified and from landlords who are leaving the market and worried about their tenants. They want to ensure their tenants are looked after. To be fair to Fingal County Council, it has no more money to allocate. It cannot entertain even a conversation about the tenant in situ scheme for the rest of 2025. Is there anything I can say to these people?

Mr. Paul Benson: I thank the Deputy. I need to make the point that the tenant in situ scheme is a last resort for local authorities to prevent families who have received notices of termination from a private landlord falling into homelessness. It is not the only option available to local authorities. They have numerous options in such situations. They can speak to the landlords, try to find alternative private rental accommodation or try to find a casual vacancy in their own housing stocks, and they always have casual vacancies. They are building a significant number of houses and there are tenancies in those. AHBs have properties.

Deputy Grace Boland: With respect, Mr. Benson-----

Mr. Paul Benson: Those are all options that local authorities are exercising every day of the week. That is the first port of call.

Deputy Grace Boland: The waiting time on the housing list in Fingal is longer than ten years.

Mr. Paul Benson: Pardon?

Deputy Grace Boland: People on the housing list in Fingal are waiting for over ten years. The list is extraordinarily long and there are no alternative options. People are at serious threat of homelessness when they receive a notice of termination. The tenant in situ scheme really did help an awful lot of people in Fingal. I have nothing to say to people because the scheme is effectively closed.

Mr. Paul Benson: The Deputy will have heard the evidence I gave earlier. The scheme should not be closed. Funding is available. Fingal County Council has drawn down just over

50% of its funding to date. It had a significant carryover into 2025 from 2024. I do not understand why it is not prepared to have a similar carryover into 2026 from 2025. That is the inevitable timeline on acquisitions.

Deputy Grace Boland: The council is telling me that the funding has all been allocated. Does the Department talk to the councils about this issue?

Mr. Paul Benson: Yes.

Deputy Grace Boland: Can we get an answer? A few of us have raised this as a real issue. Mr. Benson is saying one thing and the local authorities are saying another. Where is the truth?

Mr. Paul Benson: We have given local authorities comfort that there is a Government commitment to second-hand acquisitions and the tenant in situ scheme, and that there will be funding in 2026, 2027 and 2028. It is natural if you begin discussions with a landlord at this time of year or in the coming weeks and months that the conveyancing will not happen in 2025. It could be 2026 before that conveyancing completes and funding is required. The issue of funding is only one aspect of it. If they want to pursue the option of the acquisition of a property, local authorities must be prepared to enter that acquisition with the expectation that it will take three, four, six or nine months, in some cases, to complete conveyance and the funding will not be required in 2025. It will be 2026 before it is required and there will be funding available to meet the requirement.

Deputy Grace Boland: Has the Department given the local authorities an indication of how much funding will be available?

Mr. Paul Benson: We have not, but we have said we do not expect it will be hugely different from what they have for 2025. As I mentioned earlier, the NDP review is ongoing. Until such time as we have clarity on what the funding will be for the Department for that period, we cannot give local authorities full certainty. However, there is clarity at least.

Deputy Grace Boland: To be fair to the local authorities, that means they are very limited in the number of tenants they can entertain, even if we are talking about closing a sale next year, because they do not know the exact amount they are going to be funded. The minute tenants hear that they might be in for the tenant in situ scheme, it gives them hope. They are absolutely relying on it. To be fair, the local authorities have to be careful about how they entertain such requests.

Mr. Paul Benson: I fully understand that but I would make the point that in 2025, we started the year with €60 million for acquisitions. We have €325 million this year. I expect it will be something similar next year, but who knows? We will see how the NDP works out. There was no issue with making commitments in 2024 to be carried into 2025 even though the funding envelope for the entire country contained only €60 million. Those are the conversations we are having with local authorities about the need to understand that the funding they are looking for is not needed in 2025 but will probably be needed in 2026 to complete those conveyances. The scheme should be open and operational. We are engaging with local authorities to try to overcome difficulties, misunderstandings or concerns about future funding and commitments, and honouring the commitments into which they enter. I appreciate and accept that there are issues in the implementation but we will get them sorted.

Deputy Grace Boland: Is the Department writing to all local authorities on that basis so that it is clear?

Mr. Paul Benson: No, we are discussing it with them individually.

Deputy Grace Boland: Would it not be better to write to them all so that it is clear?

Mr. Paul Benson: No. There are different issues in each local authority area. They are all different.

Deputy Grace Boland: That is clear.

Deputy Cathy Bennett: I welcome the witnesses and thank them for coming. I am not sure if they are aware, but there was a protest outside Leinster House this week by the Raise the Roof campaign. They were protesting because people in this country cannot get houses as a result of the cost of housing. At the protest, the Irish Congress of Trade Unions stated housing is “the greatest political failure of our time”. I feel sorry for the witnesses for having to come before the committee and go through all the questions to find out what is going wrong. I really cannot understand it myself. Is it through the Department or the Minister? Will Mr. Doyle enlighten me as to what the issue is? Who does the buck stop with? Who takes responsibility? Is it the Secretary General or the Minister?

Mr. Graham Doyle: The huge challenge regarding housing is not just in Ireland but is particularly strong here. A myriad of things has created that issue-----

Deputy Cathy Bennett: Who has the ultimate responsibility? Is it the Secretary General or the Minister?

Mr. Graham Doyle: In terms of a single person with responsibility for an overall appraising-----

Deputy Cathy Bennett: Who is at the top of the ladder?

Mr. Graham Doyle: The Government creates or tries to create the conditions for an industry to move forward or whatever. The Government has been taking a number of actions over a long number of years to try to improve the situation in housing-----

Deputy Cathy Bennett: It is not working. A total of 15,400 people are homeless. Is it working? No. It is not working for me. I will move on from that. Mr. Doyle did not give me a straight answer and say whether he, the Department or the Minister is responsible. Will Mr. Doyle give me a “Yes” or “No” on that? Is it him or is it the Minister who has the ultimate responsibility?

Mr. Graham Doyle: We all have certain responsibilities which we can define. I am not sure the Deputy’s question is a fair one. She might forgive me for saying that, but she is asking which individual is responsible for the housing crisis.

Deputy Cathy Bennett: There has to be somebody at the top of the ladder who has responsibility and complete oversight and is supposed to look at where the money is being spent. There are still 15,400 people who are homeless. Who has that ultimate responsibility?

Mr. Graham Doyle: People have varying responsibilities across government within the-----

Deputy Cathy Bennett: Mr. Doyle is over everybody.

Mr. Graham Doyle: We all have a range of responsibilities to try to address the situation that is there. Everybody takes those responsibilities very seriously.

Deputy Cathy Bennett: Okay. I will move on to the Peter McVerry Trust. At the end of September 2024, the Department estimated that €1.56 million was spent in professional fees. How much more has been paid out in professional fees to date?

Mr. Graham Doyle: I think that the total is €1.8 million.

Deputy Cathy Bennett: That is on top of the €5.8 million that was overspent.

Mr. Graham Doyle: Expert advice was required at that point to stabilise the situation that was there. We chose to fund that advice-----

Deputy Cathy Bennett: How many people work in the Department?

Mr. Graham Doyle: We are talking about an extremely specialised advice-----

Deputy Cathy Bennett: How many people work in the Department?

Mr. Graham Doyle: Some 1,800 people.

Deputy Cathy Bennett: That is okay. I thank Mr. Doyle.

In March, it was reported that up to 5,000 social and affordable houses were being held up because of Government funding issues. The Department of housing ceased signing off on cost-rental schemes in August 2024 and social housing schemes in October. What was the basis of this decision to increase the length of time it takes for sign off from six to eight weeks to months and months?

Mr. Graham Doyle: It was not a decision to increase the time to sign off. We recently received additional funding in the order of €720 million in the current year to fund additional social housing and additional-----

Deputy Cathy Bennett: The Department did not increase the length of time.

Mr. Graham Doyle: The Deputy asked where the decision was.

Deputy Cathy Bennett: The decision was made to increase the length of time it takes to sign off from six to eight weeks to months. I have an article on the topic in front of me as well.

Mr. Graham Doyle: There was no decision to increase the length of time that I am aware of.

Deputy Cathy Bennett: Who would make a decision such as that? Would that be Mr. Doyle or the Minister?

Mr. Graham Doyle: There is a process, obviously, for signing off on housing. We try to move through that process very quickly. There was a need for additional funding. This year, we got additional funding and signed off on a huge number of projects in the wake of that.

Deputy Cathy Bennett: That is okay. Mr. Doyle said earlier that the Department has no forecast for the year. It has no specific targets.

Mr. Graham Doyle: We have targets such as social housing targets and affordable housing targets. We have-----

Deputy Cathy Bennett: Will the Department meet the targets?

Mr. Graham Doyle: The targets are always stretch targets. In social housing, for example, we endeavour to get as close to those targets as we possibly can or exceed them if we can. The number of social homes delivered under those schemes in recent years has not quite reached the target, but it has generally been around-----

Deputy Cathy Bennett: It is not going to meet the target. The Central Bank-----

Mr. Graham Doyle: It has generally been approximately 90% of those targets.

Deputy Cathy Bennett: The figures being quoted to us regarding targets are not real figures-----

Mr. Graham Doyle: I am not saying that at all. Targets are absolutely necessary to drive performance within any business or anything one seeks to achieve-----

Deputy Cathy Bennett: The Department does not have to achieve them, however. They are just there for-----

Mr. Graham Doyle: No, we have to do everything we can to try to get to those targets or exceed them.

Deputy Cathy Bennett: The Department will not reach them this year, next year or the year after.

Mr. Graham Doyle: If the Deputy is talking about the overall housing target for this year of 41,000-----

Deputy Cathy Bennett: Before the general election, 40,000 was the target but that was never met.

Mr. Graham Doyle: That was not the target.

Deputy Cathy Bennett: What was the target?

Mr. Graham Doyle: Last year, the target was 33,000 homes for the country as a whole.

Deputy Cathy Bennett: That is interesting; I thought the then Minister quoted 40,000 at the time.

Mr. Graham Doyle: At the time, the then Minister expressed the view, based on forecasts out there from a range of commentators, that the figure could be in the high 30,000s, perhaps as many as 40,000. That was not the target. It has been quoted sometimes as the target but the target for last year was 33,000.

Deputy Cathy Bennett: For next year, the Minister is saying he will do 50,000 but the Department's target is different. There are two different targets between the Department and the Minister.

Mr. Graham Doyle: No. I do not think that is fair or what I am saying at all. There are targets under Housing for All-----

Deputy Cathy Bennett: That is what we are hearing in the Chamber that there is a different target.

Mr. Graham Doyle: The targets have been clearly set out under the Government's housing

plan.

Deputy Cathy Bennett: Maybe the Department could send us its targets in order that we know what targets it has. The Minister goes into the Chamber and tells us a different number. It would be helpful and would make it clear for me what the target is.

Mr. Graham Doyle: I am not sure that we are talking about different numbers at all, but I am happy to come back to the Deputy.

Deputy Cathy Bennett: On the rent pressure zone, RPZ, legislation, when was the first time consideration was given to students regarding the RPZ legislation that was brought before the Houses this week? There was no mention of students in the rent pressure zone legislation and it is worrying. Will somebody from the Department enlighten me on that? Is there any mention of students? Does anybody care about-----

Mr. Graham Doyle: Mr. Kelly has been dealing with the rent pressure zone legislation.

Deputy Cathy Bennett: ----- the students and the accommodation they need?

Mr. David Kelly: I thank the Deputy. Following the announcement last week, the Minister announced that he would be engaging with the Minister, Deputy Lawless, regarding the arrangements for students. The fact that specific arrangements for student accommodation were being considered was in the memorandum that went to Government and was part of the Government's deliberations. There are intentions to look at specific arrangements to stop the resetting of rents in student accommodation every year. There is engagement-----

Deputy Cathy Bennett: Nothing was done before the legislation-----

Mr. David Kelly: I might clarify that. The specific arrangements provided to the Government were that arrangements regarding student-specific accommodation were being considered to protect students. The details of these arrangements were being progressed by the two Ministers.

Deputy Cathy Bennett: The Departments did not bother publishing them though.

Mr. David Kelly: They have not been finalised yet. We have been engaging with the Department on an official level. The Ministers are due to meet. It is something that has been in progress since before the proposals were considered by the Government.

Deputy Cathy Bennett: That is okay. My last questions relate to the housing tsar the Minister wanted to hire for a salary of €500,000. Does the Secretary General feel there was a need for a housing tsar? What was the reason? What would a housing tsar's job be?

Mr. Graham Doyle: I presume the Deputy is referring to some comments that were quoted in the media recently.

Deputy Cathy Bennett: A salary of €500,000 or €440,000 was quoted as a payment for somebody who worked in housing.

Mr. Graham Doyle: Nobody was setting a salary level at that level. An existing public servant was potentially coming on a secondment arrangement, which is now not happening. To go back to the issue, my comments were to clarify what the Minister is seeking to do. The word "tsar" has taken over the discussion somewhat. My comments were in a very particular context

around that. I am 100% supportive of what is happening with the housing activation office and what the Minister intends to do with it. It is-----

Deputy Cathy Bennett: What is happening?

Mr. Graham Doyle: This is an intervention at site level to look at the various services that need to be provided to activate key sites right across government, whether they are water, energy, access roads, etc., working with local authorities and the energy providers and having people on secondment into the office who can engage with their parent companies. It is about delivering housing at scale and getting bang for buck. While that includes value for money, I mean more in terms of the number of houses that can be delivered quickly.

Deputy Cathy Bennett: Will Mr. Doyle answer me, yes or no, whether that person is still going to be employed.

Mr. Graham Doyle: Is a person still going to be employed? We are already building a team. There will be a head of that office-----

Deputy Cathy Bennett: So, that person is going to be employed still.

Mr. Graham Doyle: There will be a person in charge of that office, yes.

Deputy Cathy Bennett: I thank the witnesses for answering my questions.

An Cathaoirleach: I have a few questions now. Like other members, I welcome the witnesses to the committee and thank them. To start off, would Mr. Doyle agree that we are in the midst of a housing emergency?

Mr. Graham Doyle: We have been referring to the huge challenges in housing in a number of ways, but-----

An Cathaoirleach: Would Mr. Doyle agree that we are in a housing emergency? It is a simple yes-no question.

Mr. Graham Doyle: We are treating the situation as a crisis. We are dealing with the challenges being put to us by the Government as a Department to try to deliver upon. That is what we are trying to do.

An Cathaoirleach: Are we in the midst of a housing crisis as opposed to a housing emergency?

Mr. Graham Doyle: Do we really need to do that, Chairman, if you do not mind?

An Cathaoirleach: I am just asking the question.

Mr. Graham Doyle: Is that not a political point, Chairman?

An Cathaoirleach: No. I am looking at the approach from the Department and the Government in terms of the response to what many others in the State and I see as a housing emergency. I just want to analyse the Department's response to what is a housing emergency. When I see underspend across a number of sectors within the Department, I question whether the approach being taken by the Department equates to the actions necessary to deal with a housing emergency, so-----

Mr. Graham Doyle: Sorry. The Cathaoirleach referred to an underspend on housing last year. We spent €1 billion more than was allocated to us at the start of the year, which we got through a Supplementary Estimate, so I do not think it is fair-----

An Cathaoirleach: Okay. There are a number of areas and I will touch on-----

Mr. Graham Doyle: I know there are variances but I do not think it is fair to say we are underspending.

An Cathaoirleach: Targets are critical. We are dealing with housing. It is not a business. This is people's lives and people's welfare-----

Mr. Graham Doyle: Absolutely. I made that point in my opening statement.

An Cathaoirleach: -----we are dealing with, so targets are important. What are the targets for housing delivery for 2030?

Mr. Graham Doyle: To get to 60,000 by 2030.

An Cathaoirleach: So, in excess of 300,000 houses by 2030.

Mr. Graham Doyle: Yes.

An Cathaoirleach: The Minister has stated today that the targets for 2025 are unrealistic. Is that a view shared by Mr. Doyle as Secretary General?

Mr. Graham Doyle: If we look at the forecasts for housing delivery across the country for 2025 that have been put out by the four or five key commentators on this, none of them is saying that it is going to be 41,000. That is for sure.

An Cathaoirleach: It is unrealistic. Does Mr Doyle think it is unrealistic to meet the overall target of in excess of 300,000 by 2030?

Mr. Graham Doyle: We are engaging with the Government on Government policy and policy change that would accelerate delivery towards those upper numbers. There is no doubting it is a huge challenge. It obviously is.

An Cathaoirleach: As regards the decision to pull the plug on the public-private partnership bundle 3, which has a direct and immediate impact on the delivery of nearly 500 social housing units, some in my constituency of Wicklow, with 106 units in Blessington that were essentially shovel ready. When did what is, I believe, being described as a value for money review commence?

Mr. Graham Doyle: May Mr. Benson deal with that? He has been dealing with the PPP programme.

Mr. Paul Benson: That process commenced in what was probably the past three months.

An Cathaoirleach: Did that bundle go through a financial appraisal process?

Mr. Paul Benson: As the Cathaoirleach knows, the NDFA is responsible for delivery of the PPP programme and it follows the guidance that is set out by the Department of public expenditure and reform as to how that programme is run. There are value for money tests along the way and there is a public sector benchmark. All of that is done. When a project gets through

that process, there is a preferred tender and it comes to the Department. Then we carry out-----

An Cathaoirleach: It went through a number of processes-----

Mr. Paul Benson: Yes.

An Cathaoirleach: -----and those were all agreed on. Hence, it went to tender and contracts were signed with-----

Mr. Paul Benson: No.

An Cathaoirleach: Contracts were not signed.

Mr. Paul Benson: No, contracts have not been signed. The preferred tender has been selected.

An Cathaoirleach: But no contracts were signed, despite the fact that work on the ground and procurement had commenced. No contracts had been signed despite the fact that site preparation work had commenced as recently as on the week of 5 June, when this bundle was pulled. No contracts were signed.

Mr. Paul Benson: The contract to execute the 486 homes and building was not signed. The process has been wound down, as the Chair is aware.

An Cathaoirleach: No contracts were signed.

Mr. Paul Benson: But there was a contract with the preferred tender, that is, design and build. He has to carry out site investigations due to his detailed design. That work will be done by the consortium, but the actual contract to build the units is a separate process. That requires approval from the Department of housing, which was the funder of it, to go ahead. The has been made - it is not to proceed.

An Cathaoirleach: What role did the Department of public expenditure and reform have in this review process?

Ms Jenny Connors: Mr. Benson has outlined the process that was taking place at the end of last year. The Department of public expenditure has a role in just the general policy framework. I am pretty sure that went through the normal process. Outside of that, the Department of public expenditure's role is in the overall allocation to another Department, not the specific management of projects and schemes. That is really as far as the process is-----

An Cathaoirleach: The Department of public expenditure and reform was aware that this review process had initiated. Was there input into that process from the Department of public expenditure and reform?

Ms Jenny Connors: Just in terms of the framework and the policy.

An Cathaoirleach: Ultimately, the Minister took a decision on 5 June to terminate that bundle. Is the Department of public expenditure aware that considerable amounts of money has been spent on this bundle by the consortium as-----

Mr. Graham Doyle: Yes, we are aware that the consortium has noted that it has a significant spend on its tendering for these units.

An Cathaoirleach: Regarding the value for money review, colleagues in my party and I have always said that PPPs do not deliver any value for money. In some regards, Departments and Ministers have been slow in coming to that position, but the timing of this was horrendous, given the fact that work on these units was due to commence. Regarding bundles 4 and 5 - I believe there were to be up to seven bundles - is there a similar review process or does this decision effectively kill off the remainder of the bundles using this particular model?

Mr. Paul Benson: The decision that has been taken is not to proceed with bundle 3 and to review bundles 4 to 7 to see if they can deliver the type of value that would be required. That process will commence with various stakeholders.

An Cathaoirleach: The potential to look at a new design and build framework or model was alluded to. That work has now commenced. It was alluded to at, I believe, a council meeting in Dublin last week that the overall process had now been put back by at least a year. Can we have a timeframe in which we will actually see work on these up to 500 units, including the 106 in Wicklow? When will work commence?

Mr. Graham Doyle: We are very anxious to get these units delivered as quickly as possible. That is the work going on now to try to see how these units can be delivered.

An Cathaoirleach: When will work commence?

Mr. Graham Doyle: I cannot answer that today, I am afraid. That is exactly the work-----

An Cathaoirleach: In respect of a project on which work had essentially commenced and on which the plug was pulled, we have no timeframe for the commencement or delivery of these units and the knock-on consequences for the other bundles despite the fact that we are in a housing crisis.

Mr. Graham Doyle: That is exactly what we are trying to work through now.

An Cathaoirleach: That is deeply disappointing, not just for me, as a Member of the Oireachtas, but more importantly, for the people who critically and badly need those units.

Mr. Paul Benson: To clarify, we have said, as a Department, that these units will be delivered but we all have to respect the fact that we are in a process at the moment. As the Cathaoirleach himself said, it is only two weeks since the decision was made. There is a timeline and a process around PPPs where the consortium can exercise rights to challenge decisions and everything else. We have to respect that process and let it take its course. At the same time, we are discussing with the various local authorities how they might bring them forward. There are options available to them. We are in a much better place in terms of the upskilling that is happening in local authorities. It would be wrong to start speculating on times or periods, given the process that has to take place.

An Cathaoirleach: I certainly will not speculate in terms of potential litigation. I am sure that is factored into the decision-making process within the Department as to whether there is the potential. I will not stray into that field at the moment because that could potentially further delay any delivery of those badly needed units.

I want to touch on an IT-related issue which, unfortunately, we have seen become prevalent across a number of Departments in recent times. I want to touch on the Residential Tenancies Board and an issue that has been flagged by the Comptroller and Auditor General going back

over a number of years. It concerns an opinion on the financial statements from 2023 by the Comptroller and Auditor General relating to an online tenancy registration system that the RTB had sought to use back in 2021, I believe. Is Mr. Doyle aware of that?

Mr. Graham Doyle: This relates to the registration system at that point in time. I do not have the details with me. Perhaps Mr. Kelly can help.

Mr. David Kelly: There were issues with the registration system at the time. There is a new chief executive there who has been working very hard with the team to make sure that all of the IT systems are fit for purpose.

An Cathaoirleach: Regarding the IT system that it sought to introduce, does Mr. Kelly know what the initial cost of that was?

Mr. David Kelly: I have the figure here somewhere but I do not have it to hand.

An Cathaoirleach: The starting cost was €3.3 million. Do we know what the final cost of that IT system was?

Mr. David Kelly: I do not have it to hand.

An Cathaoirleach: The final cost was €8.5 million, so it was more than double the initial cost, or a 150% increase, which is extraordinary. In a situation like that, what governance or oversight did the Department have of that particular issue?

Mr. Graham Doyle: That issue goes back a number of years. It was a very live issue at that point in time. Mr. Kelly's predecessor as assistant secretary in that area was dealing with this. Would the Cathaoirleach mind if I came back to him on it?

An Cathaoirleach: It goes back a number of years but it was highlighted again in the accounts for 2023 by the Comptroller and Auditor General. In the last quarter of 2023, there were still outstanding issues and there are still issues in terms of the full implementation of that IT system. I would be interested to see what control or oversight, if any, the Department had in relation to that.

I want to ask a follow-up question.

Mr. David Kelly: I might come in briefly on that point. The RTB has put a lot of focus on the governance of IT systems. The board has a subcommittee looking specifically at IT. The Department's head of IT is represented on that committee so we are giving it very strong support. The board also brought in specific expertise as part of recruitment to the board last year relating to IT. It is something the board is very conscious of. The board wants to make sure the IT systems are fit for purpose for the public, both tenants and landlords. I know it is a real priority for the chief executive who took over last year.

An Cathaoirleach: I would appreciate any information the Department has on it. An overspend of €5.3 million is an extraordinary amount of money.

I have a final question regarding IT. Are there any other bodies, such as approved housing bodies or anything like that, where there would be similar issues, either currently or in recent years, in terms of the implementation of IT systems?

Mr. Graham Doyle: No. Where it comes to the local authorities, for example, I know there

is very strong peer review of IT systems from within and outside the sector. In my experience, the governance has been strong around IT.

An Cathaoirleach: Would Mr. Doyle be aware of an approved housing body – I am not going to name it here - that over the last number of years experienced serious difficulties in terms of an IT system that resulted in it having to buy its way out of a contract, which cost in excess of €250,000? Is that an issue Mr. Doyle is aware of?

Mr. Graham Doyle: I am not aware of it but I would imagine it is an issue for the particular entity itself, the AHB. I am not personally aware of it.

An Cathaoirleach: Mr. Doyle might have a look because the approved housing bodies are in receipt of an enormous amount of public funding. I am sure issues such as that are ultimately paid via public funds. I would ask Mr. Doyle to have a look to see if there are any issues in terms of IT systems or issues flagged with the Department regarding the introduction and implementation of systems such as that.

Mr. Graham Doyle: If any issues have been raised with us, certainly, but I am not aware of any. We will certainly check.

An Cathaoirleach: I am conscious of the time and I know members have other questions. If they do not mind, I ask the witnesses to hold on for another while so we can have a supplementary round of perhaps three minutes per member. Is that acceptable?

Mr. Graham Doyle: That is fine. I am conscious that at least one of my team is due at a Cabinet committee.

An Cathaoirleach: That is fine, and if any of the witnesses need a comfort break or anything like that, feel free to avail of the opportunity.

Mr. Graham Doyle: One of my team is due at a Cabinet committee and another is due at a meeting with the Attorney General. I hope the Chair does not mind those colleagues leaving. That is no disrespect to the committee.

An Cathaoirleach: That is appreciated. I call Deputy McGrath.

Deputy Séamus McGrath: I will go back to the overall spending situation. With the additional €700 million-plus allocated this year, what does that bring the total spend on housing to? A figure that has been bandied about is €6.8 billion. Is that correct?

Mr. Graham Doyle: Sometimes the figure that is used is an amalgam of the amount of funding the LDA has plus the Housing Finance Agency-----

Deputy Séamus McGrath: That is the total figure.

Mr. Graham Doyle: That is the total figure. I have it here. I will ask Mr. Benson to answer while I search for it.

Mr. Paul Benson: There is €3.8 billion for housing capital but that includes energy retrofit, voids and everything else. We have already spent €1.5 billion of that just on the build programme across the local authorities and AHBs this year, but there is still significant funding left.

Deputy Séamus McGrath: The witnesses mentioned earlier that schemes are not currently being delayed because of funding but also that additional funding will be required before the

end of the year. Can they estimate how much funding is required so we do not delay schemes being approved?

Mr. Paul Benson: I will clarify that as I do not want to have misled anybody by giving the wrong impression in terms of approvals. We have approved a huge number of projects in the last three weeks and that is effectively on the back of the €750 million extra that we got. We are prioritising projects for 2025 delivery in terms of approvals. We have some projects, a small number, that are not being progressed and are for 2027, 2028 and 2026 delivery. They are not on-site. They are within the system and being held up. They may be the ones that people talk about but they are very small in number. We are collating statistics so we can report on that, and we are happy to share them.

Deputy Séamus McGrath: They are currently being held up because of budgetary issues.

Mr. Paul Benson: Yes, additional funding will be required later in the year.

Deputy Séamus McGrath: Can Mr. Benson indicate how much additional funding will be needed before the end of the year?

Mr. Paul Benson: It is difficult. We are probably talking a few hundred million euro. It depends on what comes in to us in that period.

Deputy Séamus McGrath: I will turn to the Department of public expenditure on this one. I do not want to put the witnesses on the spot as I know they are not in a position to confirm this. Is there a recognition of the need for additional funding? Is there a willingness to look at that? Will the Department give any indicating or comfort that additional funding will be forthcoming?

Ms Jenny Connors: The Department is in the middle of quite an extensive engagement process around the NDP. That is due to finish, definitely, with a report by the end of July so we will have some clarity. There is engagement at ministerial and official levels on that. It will be over the next number of weeks so it will be done quite quickly and then we will have a better sight of what the period up to 2030 will look like.

Deputy Séamus McGrath: It will be in the context of the NDP.

Ms Jenny Connors: Exactly, and we have a €97 billion funding package to allocate across those sections.

Deputy Séamus McGrath: It will be across the various sections. Perfect. I will turn to voids and local authority vacant housing. Do we have an estimate of how many vacant council houses there are throughout the country?

Mr. Graham Doyle: The percentage has been decreasing over the past couple of years. It is generally approximately 2.8% as churn is happening. We encourage that those units be brought back into use as quickly as possible.

Deputy Séamus McGrath: What does that equate to in actual units?

Mr. Graham Doyle: Does Mr. Benson have the actual number there?

Mr. Paul Benson: It varies between 3,500 and 4,000, at that 2.8% range.

Deputy Séamus McGrath: There are between 3,500 and 4,000 vacant houses at this point

in time. I know they are vacant for different periods and so on. The witnesses can understand how it looks, when there are more than 15,000 people in emergency accommodation at a significant cost and there are more than 3,000 potentially vacant houses. There seems to be an issue with funding, again, to the local authorities. They argue they do not have sufficient funding. Surely, that has to be a priority.

Mr. Graham Doyle: Does Mr. Benson wish to answer that?

Mr. Paul Benson: The funding issue is put out there but as a Department we would say that very little work should be carried out between lettings - just the minimum required to bring the property to private letting standards. The big work that is being done at the moment which delays re-letting is not necessary at this point when a property is vacant. If the Department gives extra funding, that extra work will be done and that means extra works for contractors and extra time for the property to be done up.

Deputy Séamus McGrath: I understand that but having that number of houses vacant is an issue.

Mr. Paul Benson: We believe the €11,000 average spend been made available by the Department is more than adequate to cover pre-letting repairs in the vast majority of houses to bring them up to private rental standards.

Deputy Séamus McGrath: If we compare that with emergency accommodation costs, do we have a figure of how much it costs to keep an individual in emergency accommodation for 12 months? Do we have an estimate of that?

Mr. Graham Doyle: Yes, we do across the various ways we provide emergency accommodation.

Deputy Séamus McGrath: What is the estimate?

Mr. Graham Doyle: It is expensive. I know Mr. Kelly has some ranges of figures but, while he gets those, I point out that there will always be an element of vacancy within local authorities as they turn things.

Deputy Séamus McGrath: I understand that.

Mr. Graham Doyle: Our encouragement with the voids programmes, etc., is to try to do what is necessary quickly to get the properties back into use.

Deputy Séamus McGrath: I understand there will always be some vacancies.

Mr. Graham Doyle: There has been an bias sometimes to doing extensive works during that time which results in a longer period of vacancy. The Department's guidance is always that we seek to get these units back into use as quickly as possible.

Deputy Séamus McGrath: I think we all know of examples houses that have been vacant for well over 12 months.

Mr. Graham Doyle: I know, yes.

Deputy Séamus McGrath: When we are in a housing crisis or emergency, and the Minister has said he is treating it as an emergency, it is not acceptable that properties are lying vacant for that period. Can I get those figures? If Mr. Kelly is still looking for them I have a final ques-

tion on the 2023 accounts. Under “other services” there was an underspend of €15 million and that was explained as being due to the Cork events centre project, which is a project close to my heart. How much is budgeted for the Cork events centre for this year?

Mr. Graham Doyle: There is a procurement process to be worked through under the steering group on Cork. I am not sure whether we are expecting to have capital funding drawn down this year on this but the funding will be made available in the overall envelope when it is required.

Deputy Séamus McGrath: Can I get the figures on the cost of emergency accommodation?

Mr. David Kelly: There are a range of costs nationally, depending on the location and size of the facility. To give some examples, for a family hub, which might be family accommodation, it is an average of €57,000 per year nationally, so it is very expensive. Looking at single people in private emergency accommodation, it costs around €30,000 per year. The costs are very significant.

Deputy Séamus McGrath: I asked that in the context of vacant housing. With a cost of €50,000-plus to keep a family in emergency accommodation, it does not make sense that we do not put that money towards getting vacant housing back in use.

Deputy Catherine Connolly: Picking up on that point, I am a proud Galwegian and Galway is a disaster with regard to empty properties owned by the local authority. I spent 17 years as a local councillor and I followed this up. In my area alone there are two houses that have been vacant for longer than five years. I can think of an estate that has been empty for 15 years and I can see absolutely no reason for it. I will not waste my time. I am highlighting it and telling the witnesses about it. I have no idea why this is happening. These properties have not been vacant for one or two years. Somebody dies and then the house is left empty for more than five years. It is there and we have highlighted this point over and over.

I will make one or two general points and then ask very specific questions. It is no reflection on the witnesses, but it is very difficult to be here as, for me, the policies the Government is pursuing which the Department has to implement are simply not working. People in Galway are waiting for somewhere between 15 and 20 years for a house. I will take the opportunity to put it on the record. We have missed all of our targets. We have so many entities and schemes now that it is impossible to keep up with them. I tried to count the schemes and I cannot keep up with them.

One simple part of the solution is to resource the local authorities and allow public housing to be built on public land, full stop. That is an essential part of the solution. I feel there is an absolute snobbery or something else preventing that. Public housing has to be seen for what it is. The Housing Commission has set a target for the Department, or not the Department, for us, of 20% or thereabouts as essential. Will Mr. Doyle comment on that? He might not have time to do so. I just despair over and over.

Mr. Graham Doyle: In regard to the resourcing, the Deputy is absolutely correct. There has been a range of initiatives on the resourcing side. Over the past couple of years we have added approximately €260 million to the provision of social housing, €69 million and €100 million on the-----

Deputy Catherine Connolly: I appreciate that. I was going to come back to that. I appreciate efforts are being made but the crisis was created by not building social housing back

in 2009. I do not know where the mechanism was for the Department or the local authorities to come back and say not to do that as it would be an absolute disaster. Not alone did we stop building housing, the idiotic HAP scheme was brought in and we now cannot get rid of it overnight. It stated a person was adequately housed if he or she got a house in the private sector paid for with taxpayers' money and with rent tied to it. This is no reflection on the tenant. It is a reflection on the housing assistance payment policy that was brought in and was absolutely guaranteed to make the crisis worse.

How many planning vacancies are there at the moment throughout the country? Am I wrong to state it is 500 at any given time? Am I wrong?

Mr. Graham Doyle: It is not that they are vacancies. There is a plan to try to up-resource planning throughout the country up to 500. It is a phased approach.

Deputy Catherine Connolly: To have an effective planning system, we need to have people in place, is that right?

Mr. Graham Doyle: Yes.

Deputy Catherine Connolly: We need to deal with planning applications as they come in. I heard Mr. Sean O'Driscoll, a member of the infrastructure task force, speaking on many issues, one of which was objectors. In my experience, objectors have not caused the planning problems. The planning problems have been caused by lack of resourcing and failure to resource local authorities and An Bord Pleanála, not to mention the other problems An Bord Pleanála had in the context of various appointments. Problems have been created. Can Mr. Doyle tell me when the required number of people will be in position throughout the country, including in Galway, so we can have an efficient planning system?

Mr. Graham Doyle: As Mr. Hogan is leading on the resourcing of planning, I will let him respond.

Mr. Paul Hogan: In 2023, the priority was An Bord Pleanála, as it was-----

Deputy Catherine Connolly: I understand, honestly, but the Cathaoirleach will stop me in a minute. There is a level of vacancies. Will Mr. Hogan help me with what the target is and what year it is to be achieved by?

Mr. Paul Hogan: We have an action plan to-----

Deputy Catherine Connolly: What is the target and by what year?

Mr. Paul Hogan: The target is to increase the number of people working in planning - not just planners, but people working in environmental assessment and administration to support planners. The target-----

Deputy Catherine Connolly: When the planning Bill was going through the Dáil, the figures of 500 and 600 vacancies were used repeatedly by different groups who were making submissions.

Mr. Paul Hogan: We did a piece of work with the local government sector to identify what the future requirement would be. There are approximately 1,500 people working, or posts sanctioned, in planning departments across the country. It was identified that just over 500 additional people would be required in local government. We put a plan in place when we pub-

lished the planning Bill in October last year to work towards that. We are trying to fill roughly 100 posts per annum. The qualified people simply are not there.

Deputy Catherine Connolly: I understand. There is an absence of people for an effective planning system and local authority but there is a plan in place to sort that out.

Mr. Paul Hogan: Yes.

Deputy Catherine Connolly: Okay. My next question is in relation to inspections.

An Cathaoirleach: Keep it very brief.

Deputy Catherine Connolly: I will. Inspections are very low. The take-up of disability grants is very low. There is underspending in lots of programmes while there is an absolute housing crisis. There is not much one can do in a few minutes but it is a disaster.

Mr. Graham Doyle: I am happy to give the statistics but there is a huge amount of inspection going on. I can demonstrate that with stats.

Deputy Catherine Connolly: I am looking at pages 44 and 45. There is an underspend on inspections due to a lack of staff. I am looking at the Department's accounts.

Mr. Graham Doyle: The number of inspections has been exceptionally high in recent years. I can provide statistics on that. The adaptation grants-----

Deputy Catherine Connolly: Can I stick with what is before me? I see an underspend on the most basic thing we have, the inspections system. On pages 44 and 45, it tells me-----

An Cathaoirleach: Sorry, Deputy. We are over time.

Deputy Catherine Connolly: I know. Maybe we will reflect on how we do this.

Mr. Graham Doyle: I am sure this is of interest to the group. On housing adaptation grants, the budget last year was €75 million, which we exceeded and got additional funding for. This year it is €100 million. We have been trying to bring up those amounts.

Deputy Joanna Byrne: I will come back to the conversation around delays in the approval of social and affordable housing. Listening to Mr. Benson's response, you would think there was no issue with delays. Maybe there is not but statistics show that since August 2024 there has been a growing delay in social and affordable housing stage 1 approvals for local authorities and approved housing bodies. That is a fact. Turnaround times have gone from six to eight weeks, on average, to 12 to 24 weeks. That would suggest there is a problem. This is inevitably delaying the commencement and delivery of much-needed social and affordable homes, as has been referenced by colleagues. Can we cut it down to numbers? Can the Secretary General confirm the number of delayed applications awaiting stage 1 approval at this moment in time?

Mr. Graham Doyle: Mr. Hogan has answered on that in terms of the processes we are working through-----

Deputy Joanna Byrne: I am not asking about the processes. I want to get down to the bones of how many applications are outstanding and how many delayed units that translates into.

Mr. Graham Doyle: There are always units in the approval process. That has to be the

case. We are compiling data at the moment around this which we will-----

Deputy Joanna Byrne: Data does not help the people languishing on social housing waiting lists-----

Mr. Graham Doyle: No, but you have asked for data.

Deputy Joanna Byrne: -----the hidden homeless who have nowhere to live or those living in emergency accommodation. Data does not help them. I am trying to find out-----

Mr. Graham Doyle: I understand that, but you have asked me for data, which we are compiling at the moment.

Deputy Joanna Byrne: So you do not have the data. That is the answer I am looking for.

Mr. Graham Doyle: We are constantly going through it. It changes by the day in terms of what we are doing around social housing, affordable housing and the various streams including cost rental and affordable purchase. There is a huge programme of work and we are engaging with a range of players - 31 local authorities, all the AHB players, etc. There is a constant body of work around this.

Deputy Joanna Byrne: If there is a constant change in this work, that is bound to impact on the Department's pipeline deliveries, particularly in the short term for 2025 and 2026, and beyond from 2027 to 2030. If Mr. Doyle cannot tell us the numbers delayed in a specific category, how does he expect us to believe his pipeline delivery is accurate?

Mr. Graham Doyle: We have a strong pipeline of social and affordable housing that we continue to try to add to. Mr. Hogan has said we are seeking more money for later this year. As it stands, we have been working through the approvals that were there. We needed more money and received €720 million across social, affordable and tenant *in situ*. We have been issuing approvals based on that. We know more can be delivered with more money and we will work through that.

Deputy Joanna Byrne: If I may, I have one final question. I am down to 20 seconds.

An Cathaoirleach: In an attempt to be helpful, I ask Mr. Doyle if the Department could furnish us with the data on the number of social and affordable houses currently at stage 1, and what the average time is for progressing them. How long are they at stage 1?

Deputy Joanna Byrne: That is exactly what I was going to ask in my last question.

An Cathaoirleach: Can Mr. Doyle furnish the committee with that data?

Mr. Graham Doyle: Yes, we can furnish that.

Deputy Joanna Byrne: That would be very helpful.

Deputy Albert Dolan: I do not think anyone here was trying to blame anybody in the Peter McVerry Trust or any other organisation. The Peter McVerry Trust will have to look in the mirror and be accountable for the decisions made in the organisation.

On the wider piece around responsibility and accountability, it was rightly suggested that responsibility does not just lie with the Minister. He is not approving schemes or out laying blocks. He is not building the houses. We have to look at accountability more widely in the

Department. Where there are blockages, are those people being held accountable? If we have an issue with the ESB, the grid, Irish Water or planning, the individuals with those levels of responsibility need to be held to account more, either within the Department or in a forum like this. We can yield better results by letting those people know we want to hold them to the highest account and also want to celebrate them when they deliver more units and more housing and exceed targets.

I have two questions. The first is on public procurement. Does the Department maintain a contracts register, as other Departments do?

Mr. Graham Doyle: We do. Is there specific information the Deputy is looking for?

Deputy Albert Dolan: I do not want to be provided with it but if a contracts register is maintained, it might facilitate answering the parliamentary questions I mentioned earlier and might be the first port of call.

Mr. Seamus McCarthy: There is a difference between this Department's contracts register and others. In other Departments, the register is of all contracts that are currently in a payment process. In Mr. Doyle's Department, it is just new contracts that are included, as I recall. At least, that would be the situation for 2023. We are looking at 2024 at the moment.

Deputy Albert Dolan: Does the Comptroller and Auditor General believe the contracts register maintained by the Department of housing is adequate?

Mr. Seamus McCarthy: It could be better and more useful if it captured all contracts currently in payment.

Deputy Albert Dolan: That is something I did not know and now I do, so that is beneficial. Is it possible for the Department to have a contracts register that captures-----

Mr. Graham Doyle: I am aware of the parliamentary questions the Deputy mentioned now. We will see if there is a way we can be helpful in terms of what he is trying to get at.

Deputy Albert Dolan: I appreciate that. I move to my second question. I know Deputy Connolly is gone now but in Galway we have not wanted for resources behind the Galway city ring road. The only thing holding it up has been objectors. I want to highlight that point. Millions have been spent on planning, design and consultation. More planners will not get the ring road built. It will take a decision by An Bord Pleanála to go ahead with the project. Then the local authorities and stakeholders can step in and make sure the project is a success. It was suggested we did not have the resources or the planning and that objectors were not the problem, but objectors are the sole reason we are 20-plus years waiting to see even a shovel go in the ground for the ring road.

I made more statements than I asked questions but I thank the Cathaoirleach for the time and thank the witnesses for calling in today. We appreciate it.

Deputy Cathy Bennett: On the Peter McVerry Trust, the witnesses said they had learned from that. After what happened with the trust, there were supposed to be two directors from the Department of housing on the board there. Has that happened?

Mr. Graham Doyle: A decision was taken in the oversight group to wait until the regulatory processes had concluded and then to bring forward names to the Minister. There is a process under way to identify possible directors to be put to the Minister.

Deputy Cathy Bennett: In what year was that recommendation?

Mr. Graham Doyle: The recommendation was part of the original conditions we set. There was a decision taken that the appropriate time to do that was at the end of the regulatory process.

Deputy Cathy Bennett: That was not at the time it happened, in 2023.

Mr. Graham Doyle: We have an oversight group in place and the oversight group is carrying out the governance oversight of the fulfilment of all of the conditions of the additional actions the Peter McVerry Trust has included in its own business plan. That group is now in a position to recommend shortly to the Minister that he make those appointments.

Deputy Cathy Bennett: If the Department were learning, that would already be in place. It is two years later and it is still not in place.

Mr. Graham Doyle: A proactive decision was taken for good reasons.

Deputy Cathy Bennett: Did the Minister make that decision?

Mr. Graham Doyle: No, it was the oversight group.

Deputy Cathy Bennett: I note there were a few underspends and a few overspends. The expenditure in respect of An Bord Pleanála was €4 million higher than the Estimate provision that was in place. The Department stated that funding had been provided. Did it spend an additional €4 million with An Bord Pleanála?

Mr. Graham Doyle: We provided additional funding. Mr. Hogan might wish to come in.

Mr. Paul Hogan: That was provided at the end of the year to transfer money from another area, where there would have been an underspend, to address a particular issue that had arisen.

Deputy Cathy Bennett: There was €4 million in overspend on what had been estimated at the start of the year. What was that spent on?

Mr. Paul Hogan: It was used to cover legal costs, mainly.

Deputy Cathy Bennett: What were the legal costs for?

Mr. Paul Hogan: They were costs arising from judicial review of planning decisions. The level of expenditure for that had increased tenfold from 2012 to 2023 in An Bord Pleanála. That meant-----

Deputy Cathy Bennett: Had the Department not estimated that at the start of the year? Did it not know that expenditure was going to happen?

Mr. Paul Hogan: Obviously, legal costs take time to materialise. Of the legal costs discharged in 2023, only 36% of those costs were from the year before. They dragged on from previous years. It is quite difficult to predict how a case will go and what will then be liable.

Deputy Cathy Bennett: In Mr. Hogan's estimation, was the €4 million good value for money for the taxpayer?

Mr. Paul Hogan: The legal process has to be addressed. We have rules, under legislation and rules of court, that mean for planning judicial review cases, each side must bear its own costs. If someone challenges a decision of An Bord Pleanála, they have to pay for the cost of

defending the case.

Deputy Cathy Bennett: Regarding the affordable housing fund, €90 million was allocated to that in 2023 but only €20 million was spent. Loads of people would love to get their hands on affordable housing. Why was that money not allocated?

Mr. Graham Doyle: At that point in time, as I mentioned earlier, a lot of those new schemes on affordable housing were at an early stage and we were trying to build a pipeline. As a result, that funding was carried forward and was spent the following year. There was significant delivery in affordable housing.

Deputy Cathy Bennett: Was that allocated to councils?

Mr. Graham Doyle: Some affordable housing is done by local authorities. Some of it is done by the Land Development Agency. Some of it is done through approved housing bodies, AHBs.

Deputy Cathy Bennett: I am going to be a bit parochial now. In Monaghan, there are no affordable houses. They are coming on stream next year but there are none at the moment, which is completely ridiculous. I would like to get a breakdown of affordable houses around the country given that none are available in County Monaghan.

Mr. Graham Doyle: That is no problem. We will give the Deputy a breakdown. We publish it actually, but we can send it to the Deputy.

Deputy Cathy Bennett: I thank the witnesses for their answers.

An Cathaoirleach: I have a few concluding questions. I want to touch on fire and emergency services, which are a major issue across the board. Mr. Doyle mentioned the increasing expenditure last year because of HR issues, where retained firefighters had to go on strike, and I welcome the resolution of that particular issue. How many fire authorities do we have in the State?

Mr. Graham Doyle: In terms of how we count them, there are 31 local authorities. Is that what the Chair means?

An Cathaoirleach: There are 31 fire authorities, therefore. What oversight does the Department have of fire services?

Mr. Graham Doyle: The national directorate for fire and emergency management, NDFEM, provides overall policy guidance across those authorities, engages around policy and provides capital funding, etc. There are a range of activities the Department does in that regard.

An Cathaoirleach: How many chief fire officers do we have in the State?

Mr. Graham Doyle: My colleague Ms Quinn might know that off the top of her head. Is it per local authority?

An Cathaoirleach: I think the figure is 21 chief fire officers. Is that correct?

Mr. Graham Doyle: I thought there were more but I can confirm that for the Chair.

An Cathaoirleach: Mr. Doyle might confirm that figure and give the committee a note on it. Does he know that would compare with a country such as Scotland, which has a popula-

tion of around 5.7 million? In this State we have a population of 5.3 million. Does Mr. Doyle have any idea how that number of 21 chief fire officers would compare with a country such as Scotland?

Mr. Graham Doyle: I am sure my colleague who heads the NDFEM has these comparisons. I am afraid I do not have them today. I know the Chair is very familiar with the fire service.

An Cathaoirleach: Yes. There is one chief fire officer in Scotland, which has a larger population. The point I am making is related to value for money. Does Mr. Doyle think the duplication of roles and services across the State, in comparison with the likes of Scotland, is value for money? Is having that many fire authorities and that many chief fire officers value for money? The follow-on point is that the number of assistant chief fire officers in this State is between 40 and 60, in comparison with Scotland, which is between two and four, I think. Does Mr. Doyle think that is value for money?

Mr. Graham Doyle: Are we comparing like for like? We have the NDFEM, and my colleague who heads that up has exceptional knowledge in this area. Should we be comparing Scotland's role with his role, rather than at local fire officer level? I am not sure. I will have to discuss that with my colleague.

An Cathaoirleach: Who has oversight of procurement for the fire services? Is it the NDFEM or is it the local authority?

Mr. Graham Doyle: Local authorities procure on their own behalf. The Local Government Management Agency, LGMA, provides procurement advice to the individual local authorities.

An Cathaoirleach: The agency gives advice-----

Mr. Graham Doyle: Yes, but the local authority itself carries out its own procurement.

An Cathaoirleach: I will give the example of a fire authority in Wicklow, which procured a considerable amount of equipment in, I think, 2020. It cost tens, if not hundreds, of thousand of euro. That equipment has yet to be used. The latest correspondence I got from the chief fire officer in Wicklow said that, after I had highlighted this issue, they are awaiting guidance at a national level for the use of the equipment. That says to me there is a complete lack of oversight of procurement rules. This issue is replicated across the board, as far as I can see, in all local authorities, which seem to have their own independence regarding procurement of materials for the fire service. Is there no oversight from the Department? It is purely the LGMA accounting?

Mr. Graham Doyle: Procurement at local authority level is a matter for individual local authorities. As for the particular matter the Chair is talking about and whether it a procurement issue or a standards issue-----

An Cathaoirleach: It is probably both.

Mr. Graham Doyle: -----I am happy to look into it for the Chairman.

An Cathaoirleach: It is being looked into. Correspondence has been sent to the Minister and it has been looked into. I will follow it up. The issue is broader than a Wicklow perspective. It is right across the board. There is no uniformity in terms of approach in respect of training, procurement or any of these issues in any of the fire authorities. That is the real problem. I have long advocated for the establishment of a national fire authority that would have overall responsibility and control of training, procurement, etc. That is a matter for a different

committee, but I would appreciate any information or notes Mr. Doyle could furnish on it.

Earlier, I touched on underspending in several areas, including energy efficiency and retrofitting. Mr. Doyle referred to the rationale as to why there is underspending in terms of upscaling and the ability of local authorities to be able to deliver in this regard. There was an underspend of €10.1 million. Am I correct in stating that this was the amount for the retrofit programme for 2023?

Mr. Graham Doyle: Yes, I think that is correct.

An Cathaoirleach: Mr. Doyle mentioned that the 2024 target was met.

Mr. Graham Doyle: I am not sure whether the target was met in 2024, but certainly the level of output increased substantially.

An Cathaoirleach: The level of output.

Mr. Graham Doyle: Off the top of my head, I think it was 2,250 in 2023 and went up to 2,650 in 2024. It has increased.

An Cathaoirleach: In terms of the allocated funding, was there an underspend?

Mr. Graham Doyle: No. I think, if I am correct, there was full spending in 2024. We might have been a few hundred euro short.

An Cathaoirleach: That is an improvement, and it is welcome. However, that expenditure does not go far enough. Several members have been parochial, and I will be parochial too. The number of houses in County Wicklow retrofitted last year was approximately 100. That is nowhere near the level required. I am dealing with many local authority tenants who are experiencing real financial hardship in terms of energy poverty.

There are also the responsibilities we have in terms of reaching our climate objectives. I would be concerned in this regard. Again, this is a different debate to have with the Minister. However, I welcome that the 2024 targets have been met and that the money allocated has been spent.

On estate regeneration and refurbishment, I think there was also an underspend. Only €37.2 million out of a budget of €50 million was spent on estate regeneration and refurbishment. Again, I look at my constituency. A pilot project was rolled out several years ago in one estate, Ashlawn Court, in Bray. Only 18 of the 248 houses in that estate underwent regeneration. Any time I raise this issue, I am consistently told there is no funding to progress and complete that refurbishment. We know the benefits of and carrying out this work. Why is there underspending on this scale under this heading?

Mr. Graham Doyle: The €50 million allocated in 2023 concerned ongoing activity around several projects. The Cork city northwest quarter regeneration plan, the Limerick regeneration plan and the regeneration plans for Tralee in Kerry and Cranmore in Sligo were the four that accounted for the €37 million funding that year. Our estimate and our information at the start of the year – back at budget time – would have been that €50 million was required. The difference would have either been moved to another delivery stream or carried forward for future spending. We try to work with these regeneration projects and provide the funding for them as is required. There was underspending that year, however.

An Cathaoirleach: That is disappointing, given the necessity of the work involved. I referred to the example of a particular estate in that regard.

Deputy Connolly mentioned the staffing in the planning sections of local authorities, which is critically important. Again, from the perspective of County Wicklow, I have regular and on-going engagement with the housing staff of the county council there. They have told me that an application for 18 additional housing staff has been submitted. This requirement relates to several areas, including homelessness and a person to deal with disability issues. The council has no one dedicated to deal with that critical area in terms of housing. I refer also to social workers. In terms of an application like that for an increase in staff for local authorities under major pressure to deliver, would it go to the Department or to the Department of public expenditure and reform?

Mr. Graham Doyle: In terms of the overall level of funding, work was done with the CCMA several years ago to identify needs in the areas of social housing and affordable housing. We would then negotiate with the Department of public expenditure and reform to determine how much funding can be provided. We would then provide that funding to the local authorities based on an agreed level of resourcing within whatever that envelope is. That is how the process works. As a Department, we are very conscious of the need to have people who can deliver, especially if we are talking about own-build construction projects in local authorities. It is necessary to have people there to bring those projects forward and initiate them. As a result, we are back looking at this issue again. Mr. Benson has something to add.

Mr. Paul Benson: A working group has been established by the LGMA to look at staffing for housing services across the country. It is an add-on to what happened in 2021. Some 250 extra staff were provided in 2022 in the area of social housing. The requirement is again being looked at in light of the growth in and ambition of the targets and everything else. We are hoping the work will be concluded by the third quarter of this year to give us an idea of what the request is and if the skill mix is correct. It may not be numbers, but so many different skills.

An Cathaoirleach: What will happen at the conclusion of that work?

Mr. Paul Benson: I expect a submission will then come from the LGMA on behalf of all 31 local authorities regarding what they need to drive the build, acquisition and leasing programmes. There is other work to be done across all those other programmes the Cathaoirleach talked about, and that group will do that work too. It is about prioritising the build, acquisition and leasing aspect. Obviously, that would then be the subject of a discussion with the Department public expenditure and reform regarding funding those staff and getting them recruited. I am not aware of the submission the Cathaoirleach referred to in relation to Wicklow County Council. If it relates to social housing stock, I certainly have not seen it and am not aware of it being in. I would be interested if there is something in and I ask the Cathaoirleach to let me know.

An Cathaoirleach: I will certainly get further information and send it over.

Mr. Paul Benson: Please do. I thank the Cathaoirleach.

An Cathaoirleach: When I hear a local authority asking for additional staff to deal with homelessness and other areas, I appreciate the huge personal impact dealing with homeless families has on the staff of local authorities. It is tough and takes its toll. When there is a shortage of staff, however, it not only puts pressure on the delivery of the critical service in terms of

homelessness, it also puts staff under major additional pressure. I will get further information and I ask Mr. Benson to look into this matter as well.

I want to follow up on a topic Deputy McGrath raised. I refer to vacant local authority houses, boarded-up houses, voids, etc. Whatever they are called, these are houses that people experiencing extremely difficult situations are being deprived of. We have all the figures, and I will give them to the witnesses, for County Wicklow. There are 108 boarded-up houses in the county. When I say they are boarded up, I mean that they are literally boarded up. This puts an additional cost on the local authority because it has to hire the metal shutters that keep those houses boarded up, which is ludicrous. As we speak, there are 108 boarded-up houses in County Wicklow. Of those, six have been boarded up for more than five years.

When I speak to the staff in the county council - who do extraordinary work in terms of turning those units around and who have met all their targets - they tell me they are hamstrung regarding what they can do because of the allocation of funding from the Department. When I hear it is expected to turn around some of these units for an average of €11,000 and I look at the average cost in 2022 of €21,000, how can a figure as low as €11,000 be justified? Much of the housing stock that is being returned to use is 40, 50 or 60 years old. Bringing it up to the necessary standard will cost considerably more than that amount. How does Mr. Doyle justify such a low-----

Mr. Graham Doyle: It is an average, and it is in the context of quick turnarounds. The Deputy is talking about something that has been boarded up for a period and that requires a different level of investment. Such a property would not be subject to that €11,000. I am surprised to hear that funding would be an issue when it comes to vacancy because we are keen to see vacant units filled. We are providing a great deal of funding under our vacancy programmes outside local authority housing, so we certainly want to be doing it in local authority housing.

An Cathaoirleach: Is Mr. Doyle saying that funding should not be an issue for local authorities?

Mr. Graham Doyle: If there is a funding issue and people want to bring houses back into use, they should please talk to us.

An Cathaoirleach: I do not want to bring this back to Wicklow County Council all the time, but it is the local authority I am familiar with. It has put in numerous requests for additional funding to deal with the void housing stock it has. Unfortunately, that funding has not been forthcoming. It has had to curtail its programme to return these houses to housing stock. Is Mr. Doyle saying that when a request comes to the Department, it will be met?

Mr. Graham Doyle: I cannot say every funding request will be met. However, if there is vacant housing that can be brought back into use, I would expect us to hear about it and for us to find ways to work with the local authority to fund it. I am surprised to hear that. If funding is a problem-----

An Cathaoirleach: I am not using this platform to raise the matter for the first time. I raised it on the floor of the Dáil directly with the current Minister and his predecessor because there is a consistent failure to ensure that local authorities have proper funding. They have the staff and skill set to do the work, but they are being hamstrung by finances.

Mr. Graham Doyle: There are a variety of circumstances. A quick turnaround of a void, which is what we were talking about earlier, is something requiring a minimal spend of an

average of €11,000. We have been very much encouraging local authorities to do that in line with Deputy Séamus McGrath's comments. We have a range of programmes people can access around vacancy and dereliction, but we will always want to talk to local authorities if they are anxious to bring some of those units back into use.

An Cathaoirleach: Perhaps we could get a note on whether there have been requests from all the local authorities - it is my understanding that there have been - for additional funding for voids and on the average turnaround time for those voids in the context of getting people back into them.

I am conscious other members probably have questions. Deputy Catherine Connolly had a lot more questions to ask, but time did not allow it. If Mr. Doyle agrees, we might send on any supplementary questions to the Department to be followed up.

Mr. Graham Doyle: If the Committee on Public Accounts sends questions, we will always try to answer them.

An Cathaoirleach: That is brilliant. I thank Mr. Doyle. That concludes our engagement for today, he will be glad to hear. I thank him and his officials from the Department of Housing, Local Government and Heritage for attending. I also thank the official from the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation and the Comptroller and Auditor General and his staff for attending and assisting the committee.

We will adjourn until 9 a.m. on Thursday, 26 June 2025, when we will examine Vote 20 - An Garda Síochána, with the Garda Commissioner.

The witnesses withdrew.

The joint committee adjourned at 2.24 p.m. until 9.30 a.m. on Thursday, 26 June 2025.