

MINUTES OF MEETING OF LIMERICK CITY AND COUNTY COUNCIL HOME AND SOCIAL DEVELOPMENT SPC

A meeting of Limerick City and County Council, Home and Social Development Strategic Policy Committee was held on **the 22nd of October** by Cisco WebEx.

In Attendance: An Cathaoirleach, Cllr. Michael Murphy

SPC Members Present: Cllr. Sharon Benson, Cllr. James Collins
Cllr. Sean Hartigan, Cllr. Stephen Keary, Cllr. Sarah Kiely, Cllr. Fergus Kilcoyne
Cllr. Joe Leddin, Cllr. Tom Ruddle, Cllr. Conor Sheehan, Cllr. Brigid Teefy, Cllr. Mike Donegan,
Cllr. Catherine Slattery, Mr. P.J O'Grady, Ms. Dee Ryan, Cllr Eddie Ryan, Ms. Tracey McElligott, Ms. Una Byrnes, Ms. Anne Cronin

In Attendance: Ms. Aoife Duke, Director of Service, Housing Development
Ms. Sarah Newell, A/Senior Executive Planner, Housing Development
Mr. Rory Culhane, A/Assistant Staff Officer, Housing Development
Ms. Jeannine Butler, Clerical Officer, Housing Development
Mr. Eoin Lehane, Clerical Officer, Housing Development
Mr. Seamus Hanrahan, A/Director of Service, Capital Investment
Ms. Astrid Coughlan, Assistant Planner, Housing Development
Ms. Ciara Farrell, Administrative Officer, Regeneration
Mr. Cathal Quaid, Administrative Officer, Operations & Maintenance
Mr. David E. Leahy, A/Senior Executive Engineer, Service Operations
Mr. Sean McGlynn, A/Senior Executive Officer, Design & Delievry

Apologies:, Cllr. John Costelloe, Cllr. Adam Teskey, Mr. Michael McNamara

Welcome by Chairperson – Cllr. Michael Murphy

Chair opens up meeting and welcomes the new members – Tracey McElligott, Anne Cronin and Una Byrnes.

Item 1: Confirm minutes from meeting held on September 22nd 2020

Proposed: Cllr. Stephen Keary

Seconded: Cllr. Sarah Kiely

Item 2: Matters arising from the Minutes

No matters arising from previous meeting.

Item 3: Policy Documents Following Update

- A. Adare Pilot for Affordable Sites
- B. Private Downsizing Scheme

Ms. Newell noted that the policies were endorsed by the SPC members at the last SPC meeting.

The policies are to go to Management Team meeting on the 9th November and then the documents will be brought to the LCCC Council meeting in December 2020 or February 2021.

Ms. Newell noted that if there are changes to the scheme of allocations in terms of financial contribution relating to the Private Downsizing scheme they will be brought to the Council meeting.

Cllr. Keary asked Ms. Newell will LCCC be proceeding with the competition for eligibility for sites and affordable houses. Ms. Newell noted that we need to change the scheme of priorities to allow for that – that is to be amended and brought to the December or February LCCC Council meeting.

Item 4: Expressions of Interest for AHBs

Ms. Newell outlined that we are looking at AHB's to be involved in delivering mixed tenure on LCCC land.

The next step is implementing Expressions of Interest on potential sites that LCCC have to look for AHB involvement.

Ms. Newell currently working on draft EOI document that has eight key steps identifying the sites by using maps, the current zoning, the profile of need in particular district and requirement for the mix which is key under the tenure mix proposals.

EOI to be issued on e-Tenders to all AHB's and there is to be a four week deadline to return EOI's.

LCCC will assess the information possibly with an external body (i.e. The Housing Agency) and they will form part of the assessment panel.

Selection will be based on certain criteria:

1. Criteria relating to past performance of an AHB
2. Financial capacity
3. Housing management experience
4. Proposals that ABH have to sites – tenure mix, feasibility etc...

Ms. Newell went on to say the next step is that we will look for their funding capacity – do they have an approved borrower status with the HFA? How do they see the funding model being undertaken, through CAS or CALF?

When selected and LCCC are satisfied that the brief is met in the EOI, we look for a disposal to the AHB and then they apply for planning permission subject to a grant which gives LCCC security.

Ms. Newell mentioned that LCCC are looking at three potential sites to do as a first tranche.

This scheme will be advertised through e-Tenders, the ICSH and Limerick.ie.

A discussion took place around this:

- Cllr. Keary had a question about how LCCC proposed to get value for money through competitive tendering. Ms. Newell noted that the AHB's would be very conscious of funding models that they have undertaken with new build – two primary funding models that they receive from the HFA. Ms. Newell went on to say that, AHB's would be acutely aware of value for money and the Department's caps on new build for Limerick. Ms. Newell said that it is up to the HFA to allow borrowing to them and then up to the Department to approve the funding for CALF or CAS proposals and this is rigorously checked.
- Cllr. Keary queried whether there would be exceptional costs with these schemes and asked about the possibility of an overrun. Ms. Newell noted that the department view it that they have an all-in budget cap for construction and they have a separate cap for abnormals. Anything to do with water mains to connect up for Irish Water as is the case in Pallaskenry for example is seen as an abnormal costing. Ms. Newell went on to say that any abnormals would have to be agreed formally with the Department prior to approval. Cllr. Keary noted the importance of everything being assessed at the start to negate the possibility of abnormals and voiced his frustration with the Pallaskenry scheme. Ms. Newell said that the with experience and market costings, budgets could be set aside at the start for these abnormals in the future – hard to budget with Irish Water at the beginning of build.
- Cllr. Eddie Ryan asked Ms. Newell is there scope for anyone who is not an AHB to sign up to scheme. Ms. Newell said that they would have to sign up to the AHB code of regulation with the Housing Agency and an individual could build a property and then sell to an AHB, which would be a Turnkey. Ms. Newell feels that AHBs are best to deliver on cost rental, affordable rental, social and disability needs. An AHB has to prove that they have capacity and have approved borrowers' status with the HFA and that they have complied with the code – will form part of criteria. Ms. Newell noted that we would welcome county sites to be brought forward for scheme.
- Ms. McElligott queried the timeframe of AHB tendering and that there are concerns around delays with AHBs. Ms. Newell said that we will be looking at a small number

of sites for first tranche and it is a pilot to see if there is an appetite in the AHB sector for the sites that LCCC have. We can only tell from their performance if it can be done. Ms. Newell went on to say that one of the securities we have is that no disposal will take place until planning permission is granted – the onus is on the AHB to move quickly. Going forward, timelines could be laid down as conditions in the Section 183 disposal notice. Ms. Newell noted that LCCC are conscious of the delays with AHBs. Ms. McElligott asked can people purchase their homes under this scheme. Ms. Newell said that yes, they can under the New Build Incremental Purchase scheme and AHBs are allowed to do that as well. Ms. Newell noted that the way the scheme would work is that it is based on the income profile (€35-€45k) of the person and we would be looking favourably upon the areas of choice that the person was looking for. Ms. Newell said that we could stipulate that AHBs used the Incremental Purchase scheme as part of our criteria.

- Cllr. Benson asked would the developments under this scheme be handed over to AHBs instead of LCCC managing site. Ms. Newell said that these are sites that LCCC owned and they are separate to other sites.
- Cllr. Ruddle asked when are the AHBs paid. Ms. Newell said that LCCC would not be involved with any contract or payment. The agreement would be that we dispose of the land subject to planning permission and the criteria that we have laid down. The AHB has to go to the HFA to get their funding to ensure that they are borrowing enough money so that they are happy that they can deliver. That is drawn down in phases from the HFA. Ms. Newell went on to say we would always have nominations on those houses. Cllr. Ruddle asked how long the agreement would be with the AHB. Ms. Newell said that the land will be disposed but the nominations will be in perpetuity. Ms. Newell noted that with the future turnkeys we could look at starter affordable to get the mix in.

Item 5: Regeneration Update

Ms. Duke gave an update on Regeneration:

a) Social Intervention Fund

Social Intervention Fund is a fund that the Department supports on an annual basis - €4 million.

€3 million must meet social objectives and €1 million must meet economic objectives.

LCCC have the €4 million to grant to various organisations and projects in the remit of Limerick Regeneration areas. Once they meet the social and economic objectives, they will be grant funded.

In 2020, there were 203 applications received and they came in from 112 organisations. The amount applied for in the first round was €6,463,903. An independent assessment panel review applications and projects. Ms. Duke noted that it is a very detailed application process.

Where applications are not approved, we have a second round or appeals process.

The projects themselves must benefit Regeneration communities directly, they must have an additional source of funding – we do not want organisations solely relying on funding from Regeneration due to the nature of it ending in 2023. Organisations are required to demonstrate how they are seeking out alternative sources of funding.

Assessment panel met in July 2020 by Zoom due to COVID restrictions. 141 projects were approved for grant funding. These recommendations go to the DHLGH and they review the assessment panel findings and then they provide formal approvals for us to make payments to the organisations. These organisations get a tranche of funding first then they receive their final tranche based on detailed expenditure details and progress report which much show that they have adhered to the objectives.

16 organisations appealed totalling to €506,269.00, which is currently with the Department for approval. Ms. Duke noted that she hopes to have the Departments approval in a few weeks.

b) Update on Physical Projects in Regeneration

Ms. Duke will have detail on the physical projects in Jan 2021 – on the roads projects, three housing projects in the Moyross area and one in the Southside area (Churchfield)

Demolitions will take place in Regen areas. Thermal Upgrades will see significant upgrades to specific houses that are deemed to need it.

Ms. Duke would like to come back to the SPC with an annual plan in January 2021 across the four areas. A presentation will be done for each of the four areas.

Ms. Duke noted that there are regular meetings with the Regeneration Committee and updates will go to those members first but we will keep our SPC members up to date.

Item 6: Energy Efficiency Update – David Leahy

Mr. Leahy gave an update to the members on the Energy Efficiency project.

- **July 2019:** then Housing Minister Eoghan Murphy announces €25m investment in Local Authority homes. Limerick secures €2.69m, highest allocation outside of Dublin.
- **November 2019:** SSE appointed 'Obligated Party' following competitive qualitative tendering process
- **March 2020:** Icarus Properties Ltd appointed building contractor by SSE Airtricity following competitive tendering process

- **May 2020:** CE Order appointing SSE Airtricity for construction works under GCCC Minor Works contract
- **18/05/20:** Works starts in Collins Park in Abbeyfeale

At present, the project is approximately 80% complete with over 90 homes now substantially complete.

Grant aided energy efficiency work elements

- Installation of 150mm external wall insulation (EWI) or provision of internal wall dry lining – max grant €15,500
- Replacement of all external windows and doors – max grant €8,000
- Provision of 300mm attic insulation - €500
- Installation of Photovoltaic (PV) roof panels where applicable - €2,500
- Replacement of boilers (> 15 years old) with high efficiency gas boilers (max grant €2,000)
- Installation of air source heat pump – max grant €9,000

Mr. Leahy gave four examples of energy efficiency upgrades:

1. External Wall Insulation
2. Home Heating Systems
3. Positive Input Ventilation
4. Photovoltaic Roof Panels

Completed works in areas include – Abbeyfeale, Newcastle West, Askeaton and Patrickswell.

Project financial update

- €2.69m maximum allocation to LCCC following application in 2019
- Project currently nearing completion throughout city
- Project is on programme and on budget
- Project financial risk items encountered include;
 - Covid 19
 - Engineer instructions required
 - Poorer than expected conditions in some homes
- First claim for 60 houses just lodged with Department, second claim currently being prepared

For every €10 LCCC spend on energy related elements on the project, Grant Support of €7 is provided by Central Government

Expected benefits of the project for RESIDENTS

- Better **quality of living** for residents due to;
 - Improved thermal efficiency of home
 - Improved air quality
 - No handling of dirty solid fuel

- Reduced energy costs ('Watt watcher' to be installed on selected homes by SSE post project)
- **Safer** homes due to;
- Dangers from leaking flues\ boilers removed
- Improved fire safety from new smoke and carbon monoxide alarms
- Electrical check of all homes completed
- Increased security due to high quality windows & doors

Expected benefits of the project for LCCC

- Reduced maintenance requirements due to;
 - Less mould issues due to improved ventilation
 - Less roofing issues due to new fascia & soffits
 - High & expensive maintenance items like windows & doors eliminated
 - Heating issues eliminated
- Overall quality of housing stock is improved
- Contribution towards Limerick City & County Councils environmental commitments into the future
- Can build on our experience of using latest environmentally sustainable technologies in housing maintenance
- Increased asset value into the future
- Happier residents!

Project challenges

- Working around Covid19
- Convincing tenants of merits of new systems
- Emotive issues associated with stoves, fireplaces
- Managing elderly tenants
- Dealing with social issues
- Working to tight timeframe
- Managing Contractors

A discussion took place around this:

- Cllr. Keary asked has the project come across a privately owned house in a series of LCCC owned terraced houses and if a problem like this was found, how was it solved. Cllr. Keary also asked about the spend around the project and was it good value for money. Mr. Leahy noted that the houses were chosen based on LCCC ownership so he did not come across a private house within a group of terraced houses but that can be dealt with by dry lining the dividing wall between the private and LA house. 120 houses with a total grant draw down so far of €2.69million and that given that it will eliminate response maintenance issues which may happen in the future.
- Cllr. Keary also asked what would happen if there is vandalism on the external upgrades fixtures. Cllr. Keary noted that it would be more appropriate to externally wrap a house if it was in a block of LA owned houses. Mr. Leahy said it the external insulation is robust and quite durable.

- Cllr. Hartigan asked could there be a possibility to include private residents in the project especially if their house is in the middle of a block of LA houses. Mr. Leahy said that from an engineering perspective it would be easier in that case for externally wrapping. Mr. Quaid noted that the Department is solely focused on funding social housing. The private resident could look to SEAI for funding. It would not be within the remit of the project to include a house in the contract scheme. Mr. Quaid said there would potentially be a significant delay with adding private houses to the project which could impact draw down of funds. Cllr. Keary asked could the private resident get funding from the SEAI themselves and negotiate with the contractor. Mr. Quaid said that we would require the private resident to get funding through the SEAI and get their own contractor in a limited timeframe which is not feasible.
- Ms. McElligott asked is there a liaison person for the families due to the technological aspect of the upgrades. Mr. Leahy noted Ms. McElligott's concern, he said that before the house is handed over to each contractor, they have an induction with each tenant and gives him or her a simple guide to how the system works. There is also a defect liability period for two years – a tenant can pick up the phone to the contractor with a problem. Mr. Quaid also noted that our response maintenance team also have been trained on the systems for maintenance issues outside the defects period.
- Mr. O'Grady thanked Mr. Leahy for presentation and said that the project is a huge uplift to the estates. He went on to ask, in places where an individual has refused to accept upgrades can they join the scheme the following year. Mr. Leahy said that he has tried to engage the people who did not want to be involved but if a similar scheme happens in the future that those tenants will want to sign up.
- Cllr. Teefy asked how 120 houses were selected and asked will the project be going on over a number of years. Mr. Leahy said that the selection of houses was based on a number of factors; one of the main ones was the BER rating and if there were a lot of previous issues in house etc... In relation to 2021 it depends on funding and resources.

Item 7: AOB

a. 2021 Work Programme

Ms. Duke appealed to members on direction we need to take in 2021 and is keen to ensure we keep the momentum going as a lot of policies have been endorsed by members.

Ms. Duke went on to say that housing delivery agenda items can be e-mailed to the team at any time. We can then create a briefing document with legislation, legal implications of proposal, cost, circulars etc... in relation to topic. Then we can bring formal policy back to SPC and expand on it.

Ms. Duke noted that we are more than happy to be guided by members about what we need to focus on.

A discussion took place around this:

- Mr. O Grady asked have we been able to reduce the number of voids in the county. Ms. Duke noted that in 2020 we have introduced the Single Point of Contact system

were any voids properties that came back into the system were recorded, inspected and categorized based on level of works required. They either went to Operations and Maintenance or applied for Voids funding if they needed extensive works. Ms. Duke noted that approx. 100 houses were turned around with an average of 1 to 2 houses turned around each week.

- Mr. Quaid noted that during the COVID-19 restrictions he was able to redirect his response maintenance crews in to vacant properties to turn around houses. He said this week alone 4 houses have been turned around. Mr. Quaid went on to say that we are on target for national average of tenancy vacancy and have 97% of our housing stock is tenanted.
- Ms. McElligott asked is there enough sustainment officers to ensure the upkeep and maintenance of houses are kept as a lot of money is going in to continued maintenance of LA properties. Ms. Duke noted that as part of the 2020 budget process LCCC injected a significant increase of staff assigned to particular areas and we are finding that they are building connections in these areas. Ms. Duke noted that it is something that our tenancy support services are keen to increase. We would look into more resources into 2021.
- Cllr. Hartigan asked for cost per house for the energy upgrades/thermal upgrades. Mr. Quaid said it does depend on quality of house and gave breakdown of associated costs per unit. Mr. Quaid also noted that cost of scaffolding and working at heights quite expensive.

END OF MEETING

The Chair thanked everyone for logging in and for their valuable contributions. He also thanked the members of the executive present.