



## CONSTRUCTION DEFECTS ALLIANCE

### Apartment Defects Campaign Update, 15 September 2020 – PLEASE SHARE

#### Government to set up Working Group to Examine Defects

The Minister for Housing, Darragh O'Brien TD, has announced in an interview with yesterday's Irish Times (<https://www.irishtimes.com/news/ireland/irish-news/defective-celtic-tiger-homes-to-be-focus-of-new-working-group-1.4354041>) that he is going to set up a Working Group to examine potential solutions – including financial solutions – for owners of homes with Celtic Tiger-era defects. The Working Group will include people who have experienced defects in its membership.

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## Working group to examine defective homes

#### JACK HORGAN-JONES

Minister for Housing Darragh O'Brien has said he is "absolutely committed" to setting up a working group to examine potential solutions for owners of homes affected by the legacy of shoddy Celtic Tiger building practices.

Mr O'Brien told The Irish Times he would be open to examining low-cost loans, a remediation scheme or tax breaks to repair defects if they were recommended by the group.

The working group will in-

clude departmental officials and those whose homes have been affected by fire-safety and other issues. In addition to examining financial solutions, it will seek to establish how widespread the issues are.

It has been estimated by advocacy groups that some 92,000 apartments in the State could be affected by these defects, which have led in some instances to blocks being evacuated, and often leave unsuspecting homeowners with bills of tens of thousands of euro to make their properties safe.

"I'm absolutely committed to doing it," Mr O'Brien said. He has asked senior officials to draw up terms of reference for the working group, having met affected homeowners since his appointment as Minister. However, any scheme to help property owners would require approval from the Government, his spokeswoman said.

The Programme for Government commits the Coalition to examining options for those affected to access low-cost, long-term finance.

A Department of Finance

analysis this year suggests that "direct expenditure would be a more equitable way to assist all affected persons as not all individuals would pay sufficient tax" to benefit from a tax break.

#### Building defects

The State has traditionally been reticent to offer assistance to those affected by building defects, wary of the potential for an open-ended liability to emerge for the exchequer.

The Department of Housing is understood to be wary of repeating the experience of the

State-funded pyrite remediation scheme, which cost tens of millions for repairs to homes, at an average cost of €70,000.

Eoghan Murphy, Mr O'Brien's predecessor, had argued it was not possible for the State to take on responsibility or liability for all legacy issues of defective buildings.

A spokesman for the Construction Defects Alliance, representing affected homeowners, said if some of the working group's hearings were open to the public it could encourage more people to come forward.

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Minister Darragh O'Brien expanded on his thinking in an interview with RTÉ's Drivetime programme yesterday (<https://www.rte.ie/radio/radioplayer/html5/#/radio1/11233303>) last night -- it comes up at 1:10:30.

The Construction Defects Alliance – along with the Apartment Owners' Network – will be meeting with the Minister before the end of the month and we look forward to engaging with him on the detail of this proposed process.