



7 October, 2022

Mr David Moloney  
Secretary General  
Department of Public Expenditure and Reform  
Government Buildings  
Upper Merrion Street  
Dublin 2  
D02 R583

Dear David,

As you will be aware, the Minister for Housing, Local Government and Heritage established a Working Group to examine defects in housing in February 2021. The group's terms of reference were focused on fire safety, structural safety and water ingress defects in purpose built apartment buildings, including duplexes, constructed between 1991 and 2013. In summary, the terms of reference required the Working Group to:

- estimate the scale of such buildings affected by these defects;
- establish the nature of such significant widespread defects;
- consider a means for categorising the seriousness of the defects and prioritising remedial action;
- suggest mechanisms for resolving defects;
- evaluate the cost of remediation; and
- pursue options regarding possible financial solutions to effect a resolution, in line with the Programme for Government commitment to identify options for those impacted by defects to access low-cost, long-term finance.

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The Group made recommendations in relation to the planning, prioritisation and resourcing of remediating defects, from the discovery of a defect through to certification of the remedial works. It identified approaches in relation to life safety protection, inspection and certification. Where necessary, to enable continued use of affected buildings, the Working Group recommended that interim measures should be carried out, pending the implementation of full remedial works.

The Working Group concluded that Owners' Management Companies (OMCs) should have a central role in the implementation of remedial works to apartments/duplexes. The recommendations and options in the report are based on this principle.

The Working Group considered four options for potential sources of financial supports that might be provided to affected parties - low-cost loans, industry levy, state-funded grants and taxation measures.

In addition, the Working Group presented four potential channels for deployment of the funding options - low-cost loans to OMCs, state-funded grants to OMCs, direct state intervention and retrospection.

The Minister received the report of the Working Group at the end of July and brought a Memorandum for Information to the Government meeting on September 27<sup>th</sup> to note the publication of the report [\*Defects in Apartments - Report of the Working Group to Examine Defects in Housing\*](#) and to note that the Minister was considering the report and that he would revert to Government with proposals to respond to the recommendations of the Report by the end of 2022.

In this regard, the Minister committed to the establishment of an inter-departmental and agency group, including both of our Departments, the Department of Finance, the Department of Justice, the Housing Agency, the Office of the Attorney General and the Local Authority Fire Service, to bring



forward specific proposals to Government by the end of the year including a timeframe for implementation. The terms of reference of this Group will be to:

- Consider the recommendations contained in the Defects Working Group report;
- Elaborate on the options for the potential sources of financial support and the potential channels for deployment contained in the Defects Working Group report;
- Propose delivery mechanisms for the deployment of funding.

The first meeting of this Inter-Departmental and Agency Working Group will take place in the Custom House on Tuesday, October 18<sup>th</sup> at 9:30 to be chaired by Feargal Ó Coigligh, Assistant Secretary, Housing Policy, Governance and Legislation Division. I would be grateful if you could nominate a representative from your Department to sit on this group by emailing [buildingstandards@housing.gov.ie](mailto:buildingstandards@housing.gov.ie) no later than Wednesday, October 12<sup>th</sup>. It is expected that this group will meet 3/4 times before the end of the year.

I look forward to your cooperation in this matter.

Yours sincerely,

A handwritten signature in black ink that reads "Graham Doyle". The signature is written in a cursive style.

Graham Doyle  
**Secretary General**