

For release: 12 noon, Thursday, 13 February 2025

DISAPPOINTMENT AT DELAYS TO INTERIM REMEDIATION SCHEME 'PATHFINDER PROJECTS' DUE TO REQUIREMENT TO RE-TENDER FOR CONTRACTORS

Guarantees sought that State will cover costs incurred due to re-tendering requirement

Alliance retains confidence in Housing Agency's administration of apartment defects schemes

The Construction Defects Alliance has expressed disappointment and frustration at delays in finalising grants for two 'pathfinder projects' under the Government's Interim Remediation Scheme due to a new requirement to publicly tender for contractors to undertake defects remediation works.

This morning, The Housing Agency (https://www.housingagency.ie/news-events/statement-important-update-interim-remediation-scheme-fire-safety-defects-apartments) wrote to all scheme applicants informing them of the need to re-tender. As a result, the Alliance has written this morning to the Minister for Housing, James Browne TD, departmental officials and The Housing Agency seeking guarantees that the costs incurred by owners' management companies (OMCs) due to the requirement to re-tender will be covered quickly by the State.

The Construction Defects Alliance's spokesperson, Pat Montague, explained that the OMCs in the two 'pathfinder projects' in question – who acted in good faith and fully in accordance with guidance from The Housing Agency – had already tendered for and sought to appoint contractors. They are now being required to publicly re-tender for contractors.

"Three months ago, two of the four Interim Remediation Scheme 'pathfinder projects' in Dublin got approval letters – for €11 million and €2 million respectively as part of the interim scheme processes. It was expected that the monies would issue before Christmas so that these works could commence early in 2025.

"However, the Alliance has been informed by The Housing Agency that the four 'pathfinder projects' will now have to tender publicly for contractors to undertake the defects remediation works. This will mean additional delays of at least two to three months in getting critical fire safety works underway for the two pathfinder projects that received approval letters last November. It will also impose additional expenses for some of the OMCs concerned as three of the four 'pathfinders' had already tendered for and sought to appoint contractors in line with The Housing Agency's original guidance."

Pat Montague said that many other Interim Remediation Scheme applicant OMCs – who have appointed competent professionals to conduct fire safety risk assessments – are being advised today to pause such works while the Department of Housing and The Housing Agency await further legal advice as to whether the appointment of those professionals have to be re-tendered too.

"While we're awaiting clarity on this issue, we have this morning written to the Minister for Housing, his officials and The Housing Agency for guarantees in writing that the additional costs incurred by OMCs due to the new tendering requirement will be fully and quickly covered by the State. They have – at the very least – a moral obligation to do so as the applicants acted in good faith, on foot of strong encouragement by Government ministers and in line with guidance from The Housing Agency."

Pat Montague said that while the delays and additional costs are both disappointing and frustrating, they do vindicate the reasons why the Construction Defects Alliance agreed with Government to take a 'pathfinder approach' to the Interim Remediation Scheme.

"One of the key reasons behind the 'pathfinder approach' was to identify obstacles and issues that would need to be addressed before the scheme is opened up to all applicants and potential applicants. On this basis, the fact that the pathfinders are experiencing delays due to tendering issues should help prevent similar delays for the applicant OMCs following on from the four pathfinder projects," Mr Montague concluded.

Notes for Editors

- The Interim Remediation Scheme was opened to applications on 11 December 2023 and is under the administration of The Housing Agency.
- Its purpose is to provide an acceptable level of fire safety in apartment and duplex complexes while they are awaiting full remediation of defects.
- So far, nearly 200 OMCs have submitted applications for funding to The Housing Agency under this scheme covering almost 19,000 apartments and duplexes.
- Competent professionals are registered architects, engineers or surveyors.
- Contractors are hired to carry out the actual defects remediation works under the supervision of a competent professional.

FOR FURTHER INFORMATION, CONTACT:

Pat Montague 087-2549123