



Final Defective Blocks Working Group Position

Donegal Family
Representatives

Our Final DBWG Position

- ❑ This document outlines the final, informed position of the Donegal Family representatives on the Defective Blocks Working Group (DBWG)
- ❑ This document is informed by:
 - ❑ Extensive knowledge of the issues facing families affected by the Defective Blocks Scandal in Co. Donegal
 - ❑ Significant research and understanding of the Defective Blocks Scheme and its inadequacies
 - ❑ Significant concerns with the IS465 through liaising with families, local authority, Engineers Ireland and IS465 engineers
 - ❑ Discussions of the Defective Blocks Working Group from June 2021-present
 - ❑ An understanding of the Pyrite (2013) scheme and its workings afforded by expertise from the Housing Agency meetings
 - ❑ Society of Chartered Surveyors (SCSI) costings for rebuilds in parallel with independent and local/regional QS expertise
 - ❑ Data provided by Donegal County Council on existing applications to the scheme

Homeowner Requirements/Issues

- ❑ 100% Redress
- ❑ Homeowner Assurances
- ❑ Property Exclusions
- ❑ Testing & Delays
- ❑ Local Authority Administration
- ❑ Special Provisions
- ❑ IS465 Protocol
- ❑ SEAI Grants
- ❑ Public Inquiry



100% Redress

Description

- ❑ 100% Redress of all costs to fix our homes in line with 2013 Pyrite Remediation Scheme.
- ❑ Families cannot be expected to contribute 10% or VAT (we paid this on our first build) towards the cost of fixing our homes
- ❑ Transition to a 100% oversight model led by Housing Agency for Homeowners unable to oversee their own projects.
- ❑ Retrospective payment to cover the costs of all works undertaken by homeowners up until now

Rationale

- ❑ Utilising the Society of Chartered Surveyors Ireland (SCSI) construction costs calculator with allowances for:
 - ❑ Mica project specific additional costs.
 - ❑ Provisions for reuse of fixtures.
 - ❑ Economies of Scale & Exclusion of “Betterment” costs.
- ❑ Costs inclusive of accommodation, engineering & lab testing costs, septic tanks where applicable, fixed fittings where damaged, removal of fixed fittings where reusable, groundworks & utility connections.

100% Redress

* Reuse accommodated through 60% reduction in PC SUM allocation in SCSi calculator

** Economies of scale represented through a 1% reduction for every 215sq.ft above 1615sq.ft

*** “Betterment” calculated at 2% reduction of total build cost.

**** Scheme should be updated annually to reflect April updates to the SCSi calculator

Detached Property Size (sq.ft)	True Cost	Scheme contribution (%)	Houses in this size category (%)
1700	€272,415	91%	19%
2000	€309,144	80%	10%
2500	€367,808	67%	31%
3000	€423,283	58%	23%
3500	€475,569	52%	12%
4000	€524,666	47%	4%
>4000			1%

100% Redress

Notably:

Minister O' Brien's assertion that 'the existing scheme is working for the majority of affected families' can clearly be seen to be untrue.

Based on our figures and up-to-date submissions at DCC, only 19% of affected families live in homes where the DBS covers the proposed 90% of the overall costs and these are homes of 1700sqft or less.

As these figures show, the overwhelming majority of homes are in the 2500-3000sqft range (54%) where there is a significant shortfall (where the DBS **only covers 58-67%** of overall costs).

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>4000			1%

Homeowner Assurances

IS465 Certification

- ❑ No certification of remediation is currently embedded within the IS465 Standard (unlike Pyrite (2013)). Both engineers & families are gravely concerned this exposes them professionally and personally to future issues emerging with the home.
- ❑ This needs to be rectified as a matter of urgency to facilitate a guarantee of works completed in order that properties can have insurance and future financing opportunities reinstated.

Government Guarantee

- ❑ A Government guarantee is mandatory, possibly in the form of a 40yr bond, inclusive of Opt 1 thru 5 remediation categories, to cover homeowners in the event their properties experience future structural deterioration due to deleterious materials within the property.
- ❑ **A Government Bond, accompanied by a quality certification in IS465 will help restore asset value and provide lenders & insurance companies alike, the reassurances they need to engage with these homeowners.**

Property Exclusions

Residential Properties

- Its is widely accepted principal private residential properties should be remediated as a priority.
- All affected properties (rental and second homes) need immediate inclusion as these properties are also housing families.
- Failure to include these properties will exponentially & negatively impact on an already dysfunctional rental sector in the region.
- Donegal County Council have voiced concerns in terms of impact on their own social housing lists.

Other Exclusions

- ❑ Commercial, Community, & Farm Buildings need to be allowed access to the scheme when residential housing has been remediated.
- ❑ These categories of buildings were also constructed in good faith, were bought and paid for as well as contributing the requisite VAT receipts to the public purse. These buildings are the lifeblood of our communities and are the only source of income for many affected families and must not be left behind.
- ❑ Post Jan 2020 purchases in good faith - post Jan 2020 purchases in good faith should be covered under the scheme (agreed more relevant to Mayo than Donegal where awareness was higher in Donegal).



Testing & Delays

- ❑ The majority of mica/pyrite victims are not in a position to gain entry to the scheme due to the prohibitive costs at stage 1 & stage 2 (approx 15k) of the DBS application process.
- ❑ This issue needs urgent attention and a solution must be found where homeowners do not have to pay these exorbitant up-front costs to gain entry. **Often the most disadvantaged families are left powerless.**
- ❑ Centralisation of testing locally should be implemented and overseen by the assigned public authority. An opportunity to exploit facilities at Letterkenny Institute of Technology should be given urgent consideration to expedite the testing process.
- ❑ Efficiencies need to be identified & agreed for testing semi-detached/multi dwelling estates with an objective or expediting timeframes and reducing overall cost to the state.

Testing & Delays

- ❑ An approach to rebuilding multi-dwelling estates must be examined in detail.
- ❑ Planning applications, where applicable, need to be afforded a fast track to approval where the existing footprint of the property remains unchanged.
- ❑ Associated costs drafting new house plans including planning permission fees and commencement notice fees *for demolish/rebuild option to be covered.
- ❑ Dept. of Housing – Standard on new blocks. Families need assurance that new blocks are ‘fit for purpose’ through some new certification process



Local Authority Administration

- ❑ A formal and detailed explanation is required, with supporting evidence from DCC and MCC, when a decision is taken that is not in line with the engineer's recommendation to demolish.
- ❑ Assurance that adequately trained personnel has been planned and budgeted for by DCC/MCC and will be enhanced as demand for the scheme is ramped up.
- ❑ A maximum time limit must be set and monitored through KPIs for each stage of the application process.
- ❑ The existing payment process requires streamlining into a smooth and equitable online payment process of the grant in stages. The final proposed payment of 25% puts a significant financial pressure on contractors and will discourage them from participation.
- ❑ Investigation into the administrative disparities between Mayo CC and Donegal CC with regards to option 1 under the scheme.
- ❑ Traceability of blocks - Implement a similar process as 'farm to fork' to clearly enable tracing of blocks to the manufacturer.



Special Provisions

Requirements

- ❑ Homes which are condemned by an engineer and in danger of catastrophic failure should be fast-tracked through ALL stages of the scheme.
- ❑ Support & priority for vulnerable homeowners to be given for the duration of the Application & Remedial works process.
- ❑ Provision within the scheme Support Services for families with special needs children and adults who must vacate their homes for the duration of remedial works. This is particularly important for children on the Autistic Spectrum who find change very challenging.
- ❑ Mental health support (walk in help as well as telephone support) for Mica/Pyrite affected families.
- ❑ Special consideration for rebuilds adjacent to existing properties where space available - saving costs for temporary accommodation

Issues

- ❑ The Dept. of Housing has indicated approval for two facilitators for Donegal. However, the local authority has not progressed recruitment.
- ❑ Families with members who have existing mental or physical disabilities, whose homes are modified to enhance their living conditions, need special consideration of their living requirements.
- ❑ Funding for existing mental health services should be enhanced to increase capacity sufficiently to cover the additional requirements associated with Mica/Pyrite families.

IS465 Protocol Issues

- ❑ Issues around the lack of certification/government assurances/issues with foundations have already been outlined in relation to IS465 and necessitates a change to the protocol
- ❑ Due to concerns raised by Engineers Ireland, IS465 should be adapted to include testing &, where necessary, remediation of Foundation Poured concrete & aggregate
- ❑ IS465 protocol was designed to address “The deleterious material in County Donegal [which] was primarily muscovite mica, while in County Mayo it was primarily reactive pyrite” (IS465:2018). The protocol does not take into account the impact of Pyrrhotite as a deleterious material which has also increasingly been found in the blocks of affected properties and as such undermines the remedial options outlined in the protocol
- ❑ Where the local authority has challenged the initial engineers submission to the scheme, there must be recourse to an independent appeals process and escalation to the Ombudsman

SEAI Grants

Requirement

- ❑ All homes under the scheme to be seamlessly upgraded under the SEAI Grant Scheme to fulfil our international obligation under the EU Paris agreement
- ❑ NOTE: SEAI approval has been approved for affected homeowners in late 2020. This was not an 'ask' of affected families during the DBWG and is not new or as a consequence of the talks.

Query?

- ❑ Clarity required if there is a legal requirement to adopt 2021 building regulations where a homeowner has changed the existing footprint of their property?

Public Inquiry

Requirement

- ❑ **Establishment of a public Inquiry into the issue of defective concrete blocks and make recommendations to the Minister, inclusive of:**
 - *how did this happen and who is accountable?*
 - *An apology for all homeowners for the devastating impact that this has had on their lives.*
 - *Compensation paid to all homeowners due to anxiety, stress, mental health deterioration, and inconvenience caused by this crisis.*
 - *An urgent review of DCC/MCC using the same defective blocks suppliers for Local Authority contracts INCLUDING the defective blocks scheme.*

Rationale

- ❑ Living in a property which has been deemed to be of questionable structural integrity; coupled with water ingress, mould, and progressively deteriorating cracking, has put immeasurable pressure and stress on families. Those accountable for this crisis need to be identified and brought to justice.
- ❑ Families require a state apology and compensation for the conditions they have been forced to endure for over a decade in most cases.
- ❑ The Expert Panel concluded “what” was the cause of the structural defects identified in Donegal. Its terms of reference did not address “who” was responsible.

Existing Gaps

- ❑ Family Representatives on the Defective Blocks Working Group (DBWG) from Donegal and Mayo submitted a paper on July 1st outlining a comprehensive list of the inadequacies of the existing scheme
- ❑ On July 22nd a position paper from the Department of Housing, Local Government and Heritage was sent to families addressing a SMALL number of these requirements
- ❑ A significant number of issues raised by Donegal and Mayo family representatives on July 1st remain unresponded to
- ❑ These significant disparities have been outlined in the 'Homeowners Position on the talks' excel spreadsheet

Our Final DBWG Position

- ❑ Donegal family representatives have engaged in good faith with the DBWG since June 2021-present
- ❑ We have found the engagement to be a little frustrating at times
- ❑ The talks have not been conducted in a spirit of trying to find a solution to the crisis for families
- ❑ Instead they have been a constant reiteration by DoH representatives that 'this cannot cost any more to the State'
- ❑ This process has been very disappointing and difficult for family representatives
- ❑ (as is evident from Mayo family representatives leaving the talks)
- ❑ It is important to remember, we are all affected homeowners and our homes are
- ❑ collapsing around us

Our Final DBWG Position

- ☐ The State failed in its obligation to protect us as its citizens through lack of effective governance and adherence to legislation that was already in place (both Irish legislation and EU directives)
- ☐ We have a mandate to deliver a fair scheme for ALL affected homeowners
- ☐ We must honour this mandate and this remains our final position
- ☐ We are happy to answer any further questions on this document
- ☐ We respectfully ask that you proceed to submission of the final paper to Minister O'Brien expediently
- ☐ Families MUST be allowed the opportunity to rebuild their homes and their lives with immediate effect

Thank You

Dr Eileen Doherty
Micheal Doherty
Joe Morgan
Ann Owens
Paddy Diver
Eamonn Jackson

Supported by:

Michael Carr, Chris Duddy, Bryan Margey, Catherine Duffy and Cllr Martin Mc Dermott (DCC) and all of the affected families who liaise with us on a regular basis.

Appendix

100% Redress (sq.m)

*** Reuse accommodated through 60% reduction in PC SUM allocation in SCSI calculator**

**** Economies of scale represented through a 1% reduction for every 20sq.m above 150sq.m**

***** “Betterment” calculated at 2% reduction of total build cost.**

Detached Property Size (sq.m)	True Cost	Scheme contribution (%)	Houses in this size category (%)
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