

October 2011

Stakeholders' Code of Practice

Between the Representative Bodies Dealing with Unfinished Housing Developments



Comhshaol, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government



1. Overview

This code of practice will act as a framework for specific co-ordinated and integrated actions between key stakeholders addressing the issues that have arisen in relation to the unfinished housing developments. The code is a response to and complements the report of the Advisory Group on Unfinished Housing Developments submitted to the Minister of State for Housing and Planning, Mr Willie Penrose T.D. in June 2011.

2. Code of Practice Stakeholders'

This code represents agreement on specific protocols of engagement and action between representative bodies of the key stakeholders in the process of resolving unfinished housing developments including:

- Builders/Developers (as represented by the Construction Industry Federation and the Irish Home Builder's Association);
- The Banks and Financial Institutions (as represented by the Irish Banking Federation);
- The National Assets Management Agency (NAMA)
- Residents as represented by Irish Rural Link;
- Local Authorities as represented by the City and County Managers' Association; and
- The Department of Environment, Community and Local Government and the Housing Agency.

Each of the stakeholders above have important roles to play in addressing the issues involved in unfinished housing developments and are committed to performing such roles as outlined in this code.

3. Communication, Collaboration and Cooperation

As key stakeholders, we recognise that clear lines of communication are essential. Problems that have arisen on unfinished housing developments will be dealt with progressively, centred around the sharing of information that promote collaboration and cooperation while respecting existing confidentiality and data protection restrictions.

Information that is available on the public record, including information that can be obtained from legal searches, should be made available on request from appropriate designated officials. Any other information shall be shared where there is the consent of the relevant parties and in particular, the developer.

4. Context

As stakeholders, we recognise that as of 2011, there were approximately 2,066 unfinished housing developments captured in the Department's National Housing Development Survey and some of these have significant completion issues outstanding.

We also recognise that some developments are more problematic than others and agree that action should be prioritised focusing initially on partly occupied developments with serious public safety and compliance issues.

We agree that the basis for such prioritised action should be the categorisation of developments conducted by local authorities and coordinated by the Department.

5. Key Roles and Responsibilities

5.1 Builders and/or Developers recognise and accept their responsibilities to comply with statutory planning, building control, environmental and safety codes and will work proactively with the other stakeholders in resolving the problems that have arisen. In particular, developers will:

- (a) Work with local authorities, financial institutions, NAMA and residents in preparing Site Resolution Plans for problematic sites in accordance with the templates laid out in the report of the Advisory Group;
- (b) Maintain contact with the other key stakeholders, specifically local residents and occupants, the management company, the local authority, and others and respond to correspondence promptly and to provide an indication of any extended timeframe if required, and to the best of their ability;
- (c) Work with stakeholders in identifying the best long-term solution for developments in terms of their configuration, use of vacant buildings and ownership in a way that is in the best interests of residents.

5.2 Banks/Financial Institutions and the National Asset Management Agency (NAMA) and their agents such as

receivers and liquidators recognise the value of working with other stakeholders in seeking the recovery of loans within the overall context of the need to stabilise the banking sector.

Therefore, they will:

- (a) Draw up and implement procedures for dealing with unfinished developments including procedures for liaising and sharing information with local authorities.
- (b) Communicate with the relevant local authority with respect to specific unfinished housing developments, where the developer consents to the information exchange or it is in the interest of the lender to protect its security.
- (c) Where appropriate, encourage developers, builders and/or receivers to prepare proposals to deal with the urgent public safety issues identified on their sites and/or Site Resolution Plans.
- (d) Assess the funding of Site Resolution Plans on a case by case basis so as to enhance the marketability and to protect the security of the site.
- (e) Ensure that reasonable requests for relevant information from other key stakeholders are processed promptly and to provide an indication of any extended timeframe required (subject to confidentiality rules).
- (f) Cooperate with local authorities in ensuring compliance with the terms of the relevant planning permission in relation to financial securities for the satisfactory completion of the public infrastructure, including either the release of the relevant security or the exploration of equivalent mechanisms.

5.3 Residents are recognised by all stakeholders to be central to the process of resolving the problems that have arisen. In particular:

- (a) Residents living in, or affected by, unfinished housing developments play a central role through their Residents' Committee in conjunction with the Unfinished Housing Development Team in their Local Authority area, in the process of devising and implementing any plans for the management and ultimate resolution of unfinished housing developments.
- (b) Residents will organise themselves into a local residents' committee (if there is not already one established

in the area) and they will meet with and have direct communication with other stakeholders;

- (c) Residents shall be informed by their local authority on actions on their development, including meeting with the relevant officials from the local authority's unfinished housing development team.

5.4 Local Authorities will through their individual Unfinished Housing Development Teams:

- (a) Assess and monitor the developments in their area, liaising with the National Coordination Committee.
- (b) Ensure that at least one staff member shall be assigned with specific responsibility for dealing with enquiries in relation to unfinished housing developments.
- (c) Maintain records and a database of unfinished housing developments and their categorisation (1-4).
- (d) Put in place management information systems to capture information on its handling of individual cases of unfinished housing developments.
- (e) Provide guidance and input to developers in identifying the best ways to resolve problematic sites.
- (f) Communicate and provide information to residents locally.
- (g) Communicate any specific plans and proposals that a local authority might have (for an unfinished housing development) with the relevant financial institution/s (where known) and/or NAMA as may be appropriate.
- (h) Provide information that is available on the planning files, Part V status, any enforcement or other notices served, action being taking in relation to development bonds or action undertaken in accordance with the Local Government (Sanitary Services) Act, 1964 (dealing with safety issues and dangerous places).
- (i) Respect the confidentiality of any information provided.
- (j) Keep the Department of Environment, Community and Local Government abreast of progress, emerging best practice and/or local and pilot initiatives that may be of interest to others.
- (k) Harness the County Development Boards, and their local knowledge of local community development companies and bodies working under the LEADER Programme, to assist in providing support to local communities and/or explore possibilities to access community development funding as part of the overall resolution process of

problematic sites.

- (l) Ensure that reasonable requests for relevant information from other key stakeholders are processed promptly and to provide an indication of any extended timeframe required.

5.5 The Department, together with the **Housing Agency** will:

- (a) continue to drive overall national efforts through the National Coordination Committee on Unfinished Housing Developments, which meets regularly, is chaired by the Minister Willie Penrose T.D., Minister for Housing and Planning and is comprised of representatives from the Department, the Housing Agency, NAMA, local authorities, banks, developers and residents.
- (b) Continue to support local authority actions in remedying issues on unfinished housing developments, such as the allocation of initial funding in 2011 to tackle public safety issues that have arisen on certain sites.
- (c) Regularly update the National Unfinished Housing Development Survey.
- (d) Review and update the relevant legislation, starting with the Derelict Sites Act later in 2011.
- (e) Support forums and means by which innovative ideas on how to tackle the issues that have arisen with unfinished housing developments.



Comhshaoil, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government