

Public Accounts Committee: Vote 25

Department of the Environment, Heritage and Local Government

Statement by Geraldine Tallon, Accounting Officer concerning a Special Report by the Comptroller and Auditor General on Ballymun Regeneration

1 May 2008

Chairman, I would like to thank the Committee for the opportunity to meet with you today in relation to the Special Report prepared by the Comptroller and Auditor General on the regeneration of Ballymun . I would also like to thank the Comptroller and Auditor General and his team for the extensive examination of the project which they have undertaken and presented in this special report.

In essence, the report points to significant achievements in the last decade since the publication of the Masterplan for the new Ballymun in March 1998. It also highlights lessons to be learned from the experience to date that can be applied to the remainder of the Ballymun project and more widely in other regeneration projects across the State. It also identifies a number of risks to be managed in order to ensure that the transformation of Ballymun to a sustainable community is to be successfully completed.

At the outset, it is worth reminding ourselves of the situation which existed in Ballymun some 10 years ago and which the regeneration programme has sought to address.

- In the thirty years since the Ballymun estate was constructed, no private housing had been built in the area and no further private investment had been made in the town after the original shopping centre and industrial estate were completed, and these facilities were themselves in serious decline.
- Ballymun was not the choice of many households seeking to be housed by Dublin City Council; at times in the 1990s there were hundreds of vacant flats in Ballymun because people simply did not want to be housed there. This is telling in itself;
- Community facilities in Ballymun either did not exist or were of poor quality;
- Facilities that were available were not accessible to all;
- No market existed for land or property in Ballymun; and

- Dublin City Council had to cope with the enormous maintenance costs constantly arising in relation to keeping the tower blocks in operation for residents.

It was clear, however, that the residents who had lived in Ballymun over the years had built up a strong affinity with the area and despite all the downsides in the surrounding area, there was a strong community spirit.

In the mid-1990s, Dublin City Council were examining the future viability of the existing housing structures in Ballymun and various possibilities were examined as to whether the flats could be renovated as they stood. The conclusion reached was that this was not a viable solution for both financial reasons and in the interest of long-term sustainability. The decision to demolish the flats and replace them with low rise housing was agreed by Government.

The Ballymun Masterplan was drawn up to set out a framework vision for transforming a run down area and rebuilding a new, vibrant, sustainable Ballymun. The framework Master Plan envisaged the physical regeneration being completed within eight years. Having regard to the complexities of demolishing structures and rebuilding houses contemporaneously in a living community of over 16,000 people, this task proved to be more demanding than originally envisaged. There were a variety of reasons behind this.

That said, it is also evident that very considerable progress has been made in the achievement of the Masterplan's objectives. In that context, I wish to acknowledge the work which all those involved in Ballymun Regeneration Limited have been doing in delivering on this major regeneration programme, under the leadership of Managing Director, Ciaran Murray and the Board of BRL.

Among the key provisions of the Masterplan was a commitment to "delivering quality homes with a good social mix". The evidence is there for everyone to see that the quality of design and layout of the new houses is extremely impressive. A snapshot of the present position in Ballymun shows that;

- 6 of the landmark 7 towers are now demolished. In total, close to half of the 2,800 flats are either already demolished or under contract to be demolished in 2008. Indeed 2008 is scheduled to see the largest programme of demolitions.
- Over 1,300 new replacement local authority homes have been completed and occupied and a further 466 homes are under construction. Together with the 230 replacement houses projected to start this year, this means that by year end, some 87% of the programme of replacement homes will be completed or under construction.

- In addition to these replacement homes, over 1,300 new private homes and almost 100 voluntary and cooperative homes have been built to date under the regeneration programme.

The result of this level of construction is that Ballymun is now evolving into a mixed tenure community, moving from a cycle of dependency to a sustainable community in its own right. The ultimate aim is to achieve a much stronger housing tenure mix, in stark contrast to the situation which existed in 1998 where home ownership in the Ballymun area was running at only 20%, and that was largely a product of the tenant purchase of former local authority houses. The demolition of the remaining flats will free up sites for the construction of additional private housing and further community and recreational facilities, in line with the objectives of the tenure diversity strategy.

A crucial commitment within the Masterplan centred on building “identifiable neighbourhoods with relevant community facilities”. The progress which has been made in delivering on this commitment is in marked contrast to the initial development of Ballymun in the 1960s. Recognising that sustainable communities are about more than just housing, strong emphasis has been placed on delivering the supporting community and economic infrastructure in tandem with the programme of new home construction. The new neighbourhood centres in Shangan, Coultry and Poppintree constitute real evidence of this. These will be joined by the Sillogue Centre currently

underway and the fifth neighbourhood centre due to commence construction shortly. These complement progress achieved in building new community facilities including the Axis Arts Centre, the Sports and Leisure Centre, the Civic Offices providing a range of public services and a soon to be completed new Garda Station and office for the Department of Social and Family Affairs.

In addition, significant progress has been achieved on delivering on the Masterplan aspiration of “well defined parks with appropriate recreation facilities”. Visitors to Ballymun cannot but be impressed at the quality of the two new district parks in Coultry and Balcurris. Coultry Park’s award in the Tidy Towns Competition is a clear reflection not just of the quality achieved in its design and development, but also the ongoing pride of the local community in their new facilities.

Apart from the residential sector, much has also been achieved on the wider programme of regeneration activities necessary to underpin the economic renewal of Ballymun. In particular, the regeneration programme has contributed significantly to the development of a land market in the area, generating revenues which Dublin City Council is re-investing in the regeneration programme. In addition, the successful attraction of IKEA to Ballymun is a significant achievement. This facility, currently under construction close to the M50, delivers on the Masterplan ambition of “delivering a flagship project of regional or national significance”. The opening of the IKEA store will bring much needed employment to the Ballymun area

and IKEA is working as a partner with BRL to champion employment opportunities for local residents.

Overall, the significant programme of public and private sector investment involved has delivered real progress on the Masterplan's objectives –

- To develop a vibrant town centre with a variety of commercial activity;
- To foster economic development with sustainable local employment opportunities; and
- To achieve effective local administration.

The Comptroller and Auditor General's Report addresses the significant increase in the projected expenditure on the regeneration project from that envisaged in the initial Government Decision in 1999. The report sets out clearly the factors behind this, with inflation accounting for over half of the additional costs. The remainder is attributable to variations from the original Masterplan, largely arising from the operating environment in Ballymun, as well as the provision of additional community and civic projects.

Much of the expenditure on additional community and civic projects is being met from the commitment of Dublin City Council to reinvest the proceeds of property and land sales in the regeneration project. In light of the Comptroller

and Auditor General's Report, and follow-up on the issues raised, including with BRL and Dublin City Council, the Minister will be bringing proposals to Government to reaffirm the commitment to the completion of the regeneration programme in Ballymun.

The Department, Dublin City Council and BRL are fully cognisant of the importance of achieving value for money from the State's investment in the regeneration of Ballymun. The Comptroller and Auditor General's report presents a useful opportunity to stand back and reflect on what has been achieved and on the lessons to be learned. My Department, working with both BRL and the Council, will be ensuring that the recommendations made by the Comptroller and Auditor General are fully implemented in taking forward the remainder of the project. Key issues in that context are the carrying out of a risk assessment of the remaining stages of the programme, including the wider economic and social elements, and steps to ensure that the major investment in the regeneration programme is adequately protected for the longer term.

Given the extent to which regeneration is a feature of the Government's housing policy statement *Delivering Homes, Sustaining Communities*, it is of vital importance that the lessons learned from Ballymun are applied more generally to other regeneration initiatives across the country. In line with new Government procedures, the Department has already updated its processes for initiating and approving regenerations projects in line with best practice for

managing capital projects. We will be ensuring that the Comptroller and Auditor General's report is brought to the attention of local authorities and relevant agencies in order to ensure that its recommendations are applied to regeneration programmes more generally. The preparation of this special report is particularly welcome at this time because the Department is very much focussed on balancing our housing construction programmes between new build and the regeneration of older housing for existing communities.

In conclusion, Chairman, I think it is worth noting that prior to the regeneration programme, 90% of traffic on the Main Street was simply passing through. Ten years on, Ballymun is moving from being a "through route" to a destination in its own right. The achievements to date, combined with the implementation of the recommendations set out in the Comptroller and Auditor General's Report, provide the basis for ensuring that the State secures value for money for its investment and that the residents and businesses in the area can grasp the opportunities denied to previous generations, yielding a strong, vibrant and, ultimately, sustainable Ballymun.