



To the Chairperson
And members of the
Central Area Committee

Report on Cabhrú/CHAS – Property at Berkeley Street, Dublin 7

Approved Housing Bodies are not-for-profit organisations that have a social purpose to provide for peoples housing needs by working in co-operation and partnership with the Government, Local Authorities, and other state agencies. In particular, Approved Housing Bodies work in partnership with Local Authorities to support the provision of housing and in many cases additional supports. The Government has recognised that AHB's are central to the meeting of Irelands social and affordable housing needs, with the Re-Building Ireland Strategy indicating that AHB's will deliver on one third of the 50,000 additional social housing units planned between 2018-2021.

AHB's are regulated by law through Section 6 of the Housing (Miscellaneous Provisions) Act 1992 that empowers the Minister for Housing to grant or refuse approved status for suitable organisations so they can work with Local Authorities to provide housing. AHB's are also regulated by the Housing Agency and even though this Code of Conduct is currently voluntary, no AHB can receive state funding without fully signing up to the code.

The necessary legislation to allow for full statutory regulation of the sector is at a very advanced stage and the Act is expected shortly. Approved Housing Bodies have delivered and have a very strong track-record of housing provision and management throughout the whole country and in Dublin City where they have delivered over 5,000 quality social housing units.

As AHB's are Charities they also fall under the governance rules of the National Charities Regulator. Local Authorities have a key role on the activities of AHB's by making available land and property where opportunities arise and we have 100% nomination rights (from our waiting lists) to all tenancies created by AHB's. Where 'red flags' or concerns/complaints arise Dublin City Council will certainly investigate them as far as possible.

The Catholic Housing Aid Society (CHAS) was established over 50 years ago. As a charity, the society has always been directed by a volunteer board and a small staff with some volunteer assistance. Its mission is to provide independent living for the elderly of Dublin.

Its main housing development is at Fr. Scully House on Gardiner Street/Greenville Street where they have 99 units following a comprehensive and successful refurbishment of the previous complex at this location.

They also developed 21 housing units at Ballinteer Drive, Dublin 16 in 1971 which was later re-built to accommodate 41 modern units in 2010.

In 1984, they acquired Fr. McSweeney House, Berkeley Street, Dublin 7 on a long term (99 years) lease from Dublin Corporation and they refurbished this property to provide 21 housing units for the elderly. Apart from a once-off grant of €71,592 at that time from Dublin Corporation (DCC), they did not receive any further public funds for this project. The various government funding schemes currently in place for Approved Housing Bodies (AHB's) were not in place at that time.

The relevant condition in the lease stated that "CHAS shall make available 5 flats for senior citizens from the City's housing waiting list and nominated by the Corporation." "Dublin Corporation (DCC) and Chas shall liaise regarding the selection of tenants for the remainder of the flats in the complex". This arrangement worked well right up to the end of 2016 when it was agreed that no more new tenancies would be created pending a full re-development of the property. Architects from CHAS first approached Dublin City Council in August 2014 when they presented an initial feasibility study for a proposed re-development of the property and ultimately they lodged a planning application for demolition and re-build with an additional 14 units (increase from 21 to 35) being proposed. Such a development was very much a welcome one for Dublin City Council.

Full planning permission for the re-development was granted in July 2019. This proposed development required a total de-tenanting of the property and the sourcing by CHAS of alternative and suitable accommodation for all existing residents in and this process had got underway in 2017/2018. CHAS sought and received funding approval for the proposed new development from Government through Dublin City Council's Housing Department (AHB unit). Such funding would not have been sufficient to cover the estimated full cost of the proposal, and CHAS would be required to borrow additional funding from a Financial Institution (Housing Finance Agency) to make up the difference.

While a long term lease (which they had on the property) is adequate to cater for Government/Local Authority funding for Approved Housing Bodies, financial institutions will normally insist on the property being held in Fee Simple (full ownership) before providing a loan. Therefore it was necessary to do a formal Section 183 disposal to Cabhrú (reserved function of Councillors) in order to convert their 99 year lease into full Fee Simple title.

In recent times CHAS changed their name of their organisation to Cabhrú.

Concerns Raised: A number of concerns have been raised over recent months in relation to the Berkeley Street proposal and we acknowledge and appreciate information provided to us by Councillor Mannix Flynn who approached management on these issues in the first instance and at various times since then.

The concerns are as follows:

- That Cabhrú were not dealing adequately or with sufficient sensitivity or flexibility with the elderly residents remaining in McSweeney House who needed to be re-housed from the property into suitable alternative accommodation. Cabhrú were fully responsible to 'look after' these residents. I personally intervened on this particular issue and I visited one of the tenants involved, spoke at length with him and listened to his concerns and his experience on interactions with Cabhrú. In the following days staff from our AHB unit met with the CEO of Cabhrú where our concerns and those of the tenants were strongly relayed. Their response was a positive one (they also confirmed in writing that all tenants re-housed would have the option of returning to the re-developed property at Berkeley Street in the future). We did not receive any further complaints from residents.
- That Cabhrú (without notifying DCC) had installed a number of students on short-term leases into some of the already vacated units in the property. On raising this particular concern with the CEO it was explained that the Board was aware of this action and that the rationale behind it was:
 - That the students would bring greater security and presence to the property where only a small number of the elderly residents were still in occupation.
 - That the income raised from the rents charged to students would be ring-fenced fully to pay for ongoing maintenance and upkeep of the property which was deteriorating, and to pay for costs involved in the sourcing of suitable alternative accommodation for the remaining residents. (Rental income from the property had been seriously diminished by the departure of most of the residents).
- A claim that the CEO or a member of his family had resided in one of the vacated units occasionally or for a period was strongly and consistently denied by the CEO.
- At a later stage there was a claim that the CEO had resided either occasionally or for a period at 74 Father Scully House (other Cabhrú property). This claim was strongly denied and rejected by the CEO. He explained that he did use this apartment as an administrative office for a short period of six weeks while works on the office/administrative facilities in the complex were being completed. We were informed that the board of Cabhrú had approved this action. The first tenant (couple) nominated by Dublin City Council signed up for 74 Fr. Scully House on the 1st June 2017 and this tenancy remained in place until December 2019. Prior to June 2017 this apartment and some others in the complex had not yet been allocated or nominations submitted (following on from the comprehensive re-development of the whole complex).
- That a close relative of the CEO had used 74 Fr. Scully House as a postal address connected with his company for a short period.

In order to bring finality and full clarity to ongoing concerns I personally met with the CEO and Chairperson of Cabhrú on 11th February 2020. At that meeting I strongly relayed our concerns and the need to dispel fully or indeed accept the various claims that were made over a significant period of time. I also confirmed that it would be necessary for the Board and CEO of Cabhrú to come in and present to members of the DCC Central Area Committee prior to bringing the Section 183 Disposal Proposal any further. On the Monday following this meeting we were informed by the Board that the Chief Executive had resigned with immediate effect at their Board Meeting on the previous Friday. The Board strongly indicated their willingness to co-operate fully with Dublin City Council and that they would fulfil all their outstanding responsibilities in relation to the Berkley Street Project particularly in relation to their remaining tenants.

In light of all this, management in Dublin City Council have made the following decisions;

- We have withdrawn Dublin City Council funding approval for the proposed redevelopment of the property at Berkley Street by Cabhrú.
- We will work closely with the Board of Cabhrú on their responsibilities in relation to the property at Berkley Street and in particular their remaining tenants.
- We have requested Cabhrú to surrender their lease of the property at Berkley Street back to Dublin City Council (with vacant possession) as soon as possible.
- We will move to re-develop the property ourselves in line with the Planning Permission granted for ultimate use by elderly persons from the council's waiting lists.

We have reported the situation to the AHB Regulator in the Housing Agency and I understand that the National Charities Regulator has initiated an investigation. The Board of Cabhrú have indicated that they will carry out a full investigation of all the issues and claims raised over the last two years, they will report back to Dublin City Council on their findings and their plans for the future.

Brendan Kenny
Deputy Chief Executive
10th March 2020