

**HOUSING, SOCIAL & BUILDING SERVICES DIRECTORATE
STIÚRTHÓIREACT NA SEIRBHÍSÍ TITHÍOCHTA, SÓISIALTA AGUS
FOIRGNÍOCHTA**

Draft Budgeted Expenditure: €14,000,800

Draft Budgeted Income: €11,021,100

The following pages set out the above as per each Relevant Programme Group.

Programme Group 1

HOUSING AND BUILDING TITHÍOCHT AGUS FOIRGNÍOCHT

Draft Budgeted Expenditure: €10,374,500
Draft Budgeted Income: €10,205,100
(Pages 1-3 of Blue Pages)

REVENUE ACCOUNT - OPERATIONS

2005 again witnessed a high level of activity with direct housing assistance having been provided to over one thousand (1,000) individuals/families which represents a significant contribution to the accommodation and well being of the people of Donegal.

The types of assistance provided ranged from a combination of allocation of tenancies under the Council's own Social Housing Programme and the Voluntary Housing Programme, the provision of assistance in the form of loans under the reconstruction loans scheme, the purchase/erection, shared ownership, tenant purchase and caravan loans and affordable housing loans schemes and the provision of grant assistance through the Disabled Persons and Essential Repairs Schemes.

Other activities during the year included the completion of the revitalisation/regeneration of a 13 No. Local Authority Housing Estates under the Peace II Programme; the completion of the Local Authority Housing Estate Enhancement Scheme in the CLÁR areas and the continuation of the Central Heating Installation Programme in local authority houses.

During the year, a comprehensive housing needs assessment was carried out which will guide the capital construction programme over the coming years. The current make-up of the need has raised a number of key policy considerations for the Council in the context of how it is proposed to meet that need and these matters are presently being considered by the Housing/Building Strategic Policy Committee.

The Budget now sought will enable the Council to meet the 2006 component of an overall programme of works as set out in the 5 Year Action Plan for Social & Affordable Housing 2004 - 2008.

ANNUAL MAINTENANCE PROGRAMME

Donegal County Council has 2,230 rented houses in over 170 individual Housing Estates. There are in addition 817 individual houses provided as specific instance/rural cottages or in some cases individual houses purchased within Estates. The latter cases are generally where the Local Authority bought back houses from its "own" Estates. The age of the stock ranges from 1953 to the present day with many of the Estates being constructed in a number of separate phases.

In relation to the annual maintenance of the existing stock, the proposed Draft Budget of €1,743,600 represents an increase of €222,500 on the 2005 adopted Budget. This will be utilised for a combination of emergency repairs, pre-letting repairs of casual vacancies and planned maintenance. An amount of €60,000 is also included to upgrade a number of estates to enable subsequent responsibility for maintenance to be taken over by Roads/Water Division. The monies set aside for planned maintenance/upgrading of estates in 2005 is being used to complement the allocation for remedial works as set out later in this report and a similar approach will be taken in 2006. While expenditure per unit on maintenance is still at a low level vis a vis other major Housing Authorities, the increase is continuing the trend in recent years of providing additional finance for maintenance of rented stock.

The table below sets out, by Electoral Area and the category, the current housing stock which the Council maintains.

ELECTORAL AREA	SCHEME HOUSES	S.I. HOUSES
INISHOWEN	437	143
DONEGAL	407	148
GLENTIES	326	264
LETTERKENNY	443	87
MILFORD	253	93
STRANORLAR	364	82
TOTAL	2230	817

As in previous years, 30% of the 2006 Draft Budget under this heading is to be specifically ring fenced for the repair of casual vacancies/upgrading of housing stock.

It is believed that in this way, the remainder of the money has and will be safeguarded and facilitates a more planned spending of the money and proper management/control thereof.

CENTRAL HEATING PROGRAMME

The 5 Year Action Plan for Social and Affordable Housing had identified 887 local authority rented houses as being without central heating (all houses post 1994 are centrally heated). In 2004 an allocation of €250,000 (i.e. €200,000 Department grant and €50,000 from the Council's own resources) enabled the provision of heating in 42 dwellings.

In 2005 an allocation of €972,500 (€778,000 Department grant plus €194,500 own resources) enabled the provision of heating in a further 164 dwellings.

A programme of works to the value of €1m is again proposed for 2006 which will require a Council contribution of €200,000 and provision is made in the Draft Budget 2006 for same.

This will deliver approximately another 142 houses with locations to be agreed on confirmation of allocation. Delivery of central heating to all houses will be achieved in 5/7 years subject to Department grant and own resources availability.

PEACE II PROGRAMME - REVITALISATION OF PUBLIC HOUSING SCHEMES - PHASE III:

Total funding of €492,000 has been secured by the Council to-date under Measures 3.3 & 3.4 of the Peace II Programme which has facilitated the revitalisation/regeneration of a total of 23 No. Local Authority housing schemes throughout the county (12 schemes were allocated funding under the 2002/03 Phase I Programme with 13 schemes receiving funding under the 2004/05 Phase II Programme). All of these works have now been completed.

An application seeking further funding of €347,000 to carry out works at the following 18 No. schemes under Phase III of the Programme was submitted to the Donegal-led Peace II Task Force on the 30th November, 2005 and a decision on same is expected in the New Year:

Inishowen E.A.: Craig Pk., Muff; Convent Rd., Carndonagh & Seaview Cottages, Glengad.

Donegal E.A.: Drumrooske, Donegal Town; St.Patrick's Tce., Pettigo & Termon Villas, Pettigo.

Glenties E.A.: Drumaghy Park, Ardara & St. Mary's Close, Stranacorkra, Derrybeg.

Letterkenny E.A.: Ard Baithin, St. Johnston; Glendale Drive, Letterkenny & Ard na Ri/Fair Green Hill, Long Lane & &.

Milford E.A.: Skeog Cottages, Churchill; Lr. Mount Marian, Milford; Umlagh, Carrigart & Largan Riach, Downings.

Stranorlar E.A.: Ard McCool, Stranorlar; Liscooley Villas & Doneyloop H/S.

Works carried out to-date have contributed to the upgrading of the selected estates by the improvement of their amenities and physical appearances. Specific works carried out have included the provision of picnic areas, sand pits, hard surface play/kick about areas, level tarmac areas with kerb surrounds, boundary fences and gates, the tidying-up of schemes including removal of weeds and rubbish, clearing of overgrown areas and landscaping.

Works funded under the Peace II Programme to-date and in 2006 will generally complement the Town and Village Renewal Programme.

ESTATE MANAGEMENT

During the year funding was secured under the Housing Management Initiative Grant Scheme 2005 for the continued employment of 3 No. Tenant Liaison Officers.

The Tenant Liaison Officers had originally been appointed in October, 2004 on a 1 year contract initially but these have now been extended and their contracts will expire on the 30th September 2006. The Tenant Liaison Officers had originally been employed at specific schemes in 4 electoral areas but with the extension of their contracts their remit has been extended to cover all local authority estates in 2 Electoral Areas each.

The main purpose of the Housing Management Initiative Scheme, introduced in 1995, is to provide assistance to local authorities for new projects, other than routine maintenance, which allows them to improve the quality of their housing management service. The terms of the scheme provide that up to 90% of approved staffing projects and up to 50% in the case of approved general

housing management initiatives, of the expenditure incurred by authorities on approved projects is recouped by the Department.

Among the duties of the Tenant Liaison Officers was the development, preparation and drafting of a Tenant's Handbook - a draft of which has now been approved by the Council and will be published in the New Year - and of an Anti-Social Behaviour Policy which will be presented in due course to the Housing SPC and subsequently the Council for ratification and adoption.

Provision has been made in the Draft Budget 2006 for the continued employment of the 3 No. Tenant Liaison Officers until the expiration of their contracts in September 2006 by which time it is proposed to mainstream the works under the current management structure.

The total provision for estate management initiatives in 2006 is €220,100 which requires a Council contribution of €83,000 compared to €129,100 which was provided in 2005.

HOMELESSNESS

A Homeless Action Plan was drawn up in consultation with the Health Service Executive and a direct input from the Homeless Forum (made up of representatives from the various fora in Donegal). The government has engaged consultants to review its own homeless strategy and it is anticipated that the Council will be required to review its own local action plan during 2006.

In relation to the outreach service, commenced in August 2003, and having regard to the success of the outreach worker currently located in the St. Colmcille Hostel in Letterkenny, approval was obtained from the Department of the Environment, Heritage & Local Government for the continuation of this service for a further year.

Having regard to the number of voluntary projects being supported by the Council throughout the County the demand for Sheltered Accommodation is largely being met through that source.

€175,000 is provided in the Draft Budget 2006 under this heading - 90% of which is recoupable from the Department of the Environment, Heritage & Local Government.

REGISTRATION OF PRIVATE RENTED DWELLINGS

Up until August, 2004 landlords were obliged to register all private rented properties with and pay a registration fee to the Local Authority.

The Residential Tenancies Act, 2004, enacted in July, 2004 transferred the registration function including payment of registration fees to the newly established Private Residential Tenancies Board (PRTB) with effect from 1st September 2004 rather than with the local authority as heretofore.

However under the Act, arrangements were made to provide funding to local authorities to take account of registration fee income foregone due to the introduction of the new system of registration with the PRTB under the Act.

The Council has recently received a contribution of €11,115 from the PRTB in respect of 2005 which is related to the number of tenancies registered in the Council's functional area.

The Council will continue to work with the PRTB in relation to registrations and a contribution of €13,900 from the PRTB is estimated in 2006.

The Council continues to be responsible for the enforcement of the 1993 Standards and Rent Books Regulations.

RENTAL ACCOMMODATION SCHEME

In addition to the traditional role of meeting the needs of applicants on the housing waiting list, the Council now also have a responsibility of meeting the long term needs of persons in receipt of rent supplement, whether they are on the waiting list or not. This is generally seen as persons in receipt of rent supplement for 18 months plus, at which time they are in effect to be transferred to the Council.

Under the scheme, the concept originally envisaged was that the Council would enter into leases with the owners of properties and rent them to persons in receipt of rent supplement for more than eighteen months. From an analysis carried out of properties in Letterkenny, it was considered that only a very limited number of the properties in respect of which rent supplement was being paid, would be suitable for acquisition by the Council. In many cases there was not a balance struck between the applicant and the type of accommodation with, for example, single applicants or applicants with one child, being accommodated in 3/4 bedroom houses.

The process envisaged is quite complex and after the period of the lease the Council still have the responsibility for the tenant, while the owner may not wish to continue the lease. In addition, there is no asset being acquired with the result that the tenant would have no opportunity to purchase the accommodation.

In the initial stages of implementing the R.A.S it is considered that the Council should meet the needs of those applicants through its existing policy of build and buy and this is the recommended approach. In this way, the R.A.S. need would also be met through the social housing programme, although the funding source would be different. By taking this approach, the R.A.S scheme would be fulfilling its purpose as an alternative housing option to having applicants simply continue to reside in rented accommodation with no opportunity to purchase. The Council are in the process of making a submission to the Department of the Environment, Heritage & Local Government in the overall context of the Rental Accommodation Scheme and it is recommended to the Members that the build and buy approach as outlined above should be included as a key means of implementing the scheme. In a number of the R.A.S cases, there is very low rent being charged which may raise issues for the Council in the context of it being able to use its rent supplement monies to acquire the property and this is an additional matter which will require further discussion with the Department. The concept, however, of the Council acquiring the units as well as entering into leases is seen as the best way forward in the context of using the R.A.S as an alternative accommodation option although this will require Department approval before the Council can initiate this process. There will of course be a limited number of cases where the build and buy approach will not be suitable and alternative proposals will have to be considered in those cases.

There is provision for persons in properties, which were provided through the voluntary housing scheme, and who are in receipt of rent supplement, where they will also transfer to the Local Authorities. In these cases, it is an administrative change whereby the Council will now pay the voluntary body as opposed to the Department. As a result, these persons will be able to remain in their existing accommodation with no need for the Council to become involved in acquiring these properties or alternatives. It is expected that agreements will have been completed before the end of 2005 in respect of over 50 such persons in voluntary accommodation, thereby enabling them to transfer from the DFSA to Donegal County Council.

This initiative is financed by transfers from the Department of Social and Family Affairs. The initiative is fully recoupable to the Council.

It is anticipated that at least a further 50 units will be secured under this initiative in 2006.

RENTAL INCOME

The budget for rental income for 2005 was €4.820m.

During 2005 a new Differential Rent Scheme was introduced as part of the normal annual review of rents based on up to date incomes. The new scheme in conjunction with buoyancy from increased income as well as new lettings in 2006 will realise an extra rental income which has been estimated at €0.787m bringing the total estimated income to €5.607m. This increased income is being targeted towards the maintenance of the existing stock as outlined above.

Pursuit of arrears on rent/purchase annuities has been ongoing in 2005 and will be a major focus again in 2006. During 2005 revenue collection districts were re-aligned with the existing electoral area structure thereby enabling a more managed approach to collection of monies. Discussions are at an advanced stage with suppliers of new technology to update the existing hand-held terminals used by collectors to facilitate a more complete history of payment records being available to collectors on an up-to-date basis.

TRAVELLER ACCOMMODATION

Following on from the Judicial Review proceedings, taken against this Council in the High Court, the County Manager, in February 2001, identified seventeen temporary/emergency halting sites for 42 Indigenous Traveller families in various locations around the County. There are currently five of these sites being occupied, two of which are Transient sites.

The Council adopted a new Traveller Accommodation Programme for the period 2005-2008 on 29th March 2005. 47 No. families were identified as in need of permanent accommodation during the duration of the said programme. At the end of November, 2005, 15 No. families identified in the Programme have been accommodated. It is also worth noting that all 47 families have opted for housing, 42 for standard scheme housing and a further 5 for Group Housing.

During the duration of the last Traveller Accommodation Programme 2000-2004, significant progress had been made in relation to accommodation of Traveller families throughout the County, which has alleviated the need for many of the temporary Emergency sites and in this respect, the County Manager closed a number of the temporary Emergency sites in May 2005.

In relation to permanent Traveller Accommodation, the Council is at an advanced stage in progressing two permanent transient halting sites in the County. These sites have been through the various stages of an agreed strategy, identified in Section 7 of the new Programme, for the provision of permanent Traveller Accommodation and are at present included for consideration as part of the Draft County Development Plan. In line with the said strategy, the Council is also advancing a number of other options to facilitate Permanent Traveller Accommodation.

Provision of €195,000 has been made in the Draft Budget 2006 to maintain these sites to a high standard, and for the employment of a caretaker for same. 75% of the caretaker's salary is recoupable from the Department of the Environment, Heritage and Local Government. A percentage of Management & Maintenance costs are also recoupable

EMERGENCY REPLACEMENT OF CARAVANS FOR TRAVELLERS

Provision of €30,000 is being made in the Draft Budget 2006 for the Emergency replacement of caravans for Travellers, of which 50% is recoupable from the D.O.E.H.L.G. Caravans are replaced following emergency situations such as storm, flood or fire.

LOANS FOR THE PURCHASE OF CARAVANS BY TRAVELLERS

This scheme has been in operation for over three years. The Council has been able to reduce this provision as a large majority of indigenous Travellers have availed of this scheme to date, and also due to the large number of Traveller families accommodated in standard scheme housing. The Council pays 10% of the purchase price of the caravan as a first time buyers grant, the applicant pays 10% also, and a loan of 80% of the purchase is then provided. The Council's 10% is recoupable from the D.O.E.H.L.G.

ASYLUM SEEKERS

The Council has continued to play its role in relation to the renting of temporary accommodation for Asylum Seekers and provision of €769,000 is again being made in the Draft Budget 2006. There are 3 centres currently in operation in the county for the accommodation of Asylum Seekers located at Donegal, Bundoran and Moville. All costs under this heading are 100% recoupable from the Reception and Integration Agency of the Department of Justice, Equality & Law Reform.

Programme Group 5

**ENVIRONMENT PROTECTION
COSAINN NA TIMPEALLACHTA**

Draft Budgeted Expenditure: €19,000

Draft Budgeted Income: € Nil

(Pages 14-16 of Blue Pages)

COMPETITION FOR BEST KEPT HOUSING SCHEMES

The Draft Budget for 2006 includes a provision of €13,000 for the competition for the best kept housing schemes.

Programme Group 6

RECREATION & AMENITY CAITHEAMH AIMSIRE AGUS TAINTNEAMHACHT

Draft Budgeted Expenditure: €6,000
Draft Budgeted Income: € Nil
(Pages 17-19 of Blue Pages)

DERELICT SITES/BUILDINGS

Provision of €12,000 in Programme Groups 5 & 6 is again provided in the Draft Budget 2006 to deal with the issue of Derelict Buildings /Derelict Sites in line with decisions by the Council to address this issue. A data bank of derelict sites has been assembled and some premises have been registered. In addition some derelict sites/buildings have been acquired and redeveloped for housing e.g. Lifford, Killygordon, Ramelton, Milford etc.

Following a decision of the members during the year to address priority areas including Ballyshannon a comprehensive audit of all derelict sites/buildings in Ballyshannon was carried out during the year and an action plan to deal with the premises is being formulated between the Housing/Building and Planning Section with assistance from Community & Enterprise. Information is currently being assembled with regard to the status and ownership of each premises with a view to following up with each owner/occupier their intentions for the property and the constraints on the property within the Town Plan/Regulations as well as advice on the removal of dereliction, any assistance under conservation grants etc. The possibility of introducing a levy on derelict property in accordance with the Derelict Sites Legislation can also be considered in the event that our efforts to get agreement are not successful. It is also intended to address towns/villages in each Electoral Area with high levels of dereliction on the basis of processes which will be developed in Ballyshannon.

**MISCELLANEOUS
ÉAGSÚIL**

Draft Budgeted Expenditure: €3,601,300
Draft Budgeted Income: €816,000
(Pages 23-27 of Blue Pages)

MAINTENANCE OF COURTHOUSES

Provision of €54,000 has been made under this heading in the Draft Budget 2006 compared to €109,000 in Budget 2005. There are 6 Courthouses being used in the county at present located at Letterkenny, Buncrana, Carndonagh, Donegal, Glenties and Ballyshannon. Court sittings are also held at 2 rented venues at Dungloe and Falcarragh.

The reduced provision in the Draft Budget 2006 is due to the fact that the Letterkenny Courthouse Caretaker's employment has now been transferred from the Council to the Courts Service. In addition, as a result of the opening of the new courthouse at Ballyshannon, with the caretaking responsibilities resting with the Courts Service, the previously rented venue is no longer required.

Responsibility for the maintenance of Buncrana and Donegal Courthouses has been transferred to the Office of Public Works although the Council is still responsible for payment of Caretakers wages in these cases. Responsibility for the maintenance of Carndonagh and Glenties Courthouses remains with the Council.

All expenditure incurred under this heading - maintenance costs, caretakers' wages and rental etc is 100% recoupable.

BUILDING CONTROL AND FACILITIES MAINTENANCE

Building Control

The submission of Commencement Notices is available at each Public Service Centre and the administration of Building Control register is centrally located in Letterkenny PSC allowing for the registration of valid commencement notices. Information is readily available through the computerised system for telephone and counter queries.

The DEHLG recommended targets for inspections are being reached through inspections by engineering staff. To date this year 1,993 valid Commencement Notices have been registered with the fees received amounting to €121,440 and it is estimated that the outturn for Income under this heading will be €136,000 in 2005. The number of valid Commencement Notices for 2004 was 2,374 and 2003 was 1,979. Invalid Commencement notices received numbered 468. The high level of invalid submissions has been addressed by issuing an explanatory sheet to improve notice completions. Enforcement of the Building Control regulations is being advanced with the preparation of a proposed enforcement procedure and Council's Legal team is reviewing this.

Facilities Maintenance

Facilities maintenance continues to strive to maintain a clean, attractive, healthy, and safe environment for all staff, and customers. Facilities Management is designed to support Donegal Local Authority's public service mission by providing quality and cost effective maintenance services in all buildings. Facilities Maintenance provides response and planned maintenance to maintain the effective operation of all services.

The Facilities Maintenance team comprises of a Senior Executive Engineer, Clerical Officer, Senior Supervisor and Building Facility Supervisors in each office provided. Experienced maintenance personnel back this up. The commitment to problem solving is evident through the varied issues and concerns dealt with successfully throughout the year. The operation of Facilities Maintenance protects Council assets specifically physical within financial boundaries. Facilities Maintenance co-ordinates the resources necessary to purchase, maintain, and protect the systems, equipment and infrastructure of our buildings.

The new Public Service Centres at Donegal Town, Dungloe, Milford, Carndonagh and Letterkenny are included in addition to the portfolio of existing buildings in Lifford. Progress is continuing in relation to Fire Safety with the provision of on-site fire safety training and fire drills at all locations.

Access for people with disabilities is to be improved through a range of improvements including automatic doors to allow easier direct access to services within each building including the County House.

Disposal of Assets:

As previously advised, as part of the Council's strategy to deal with significant Capital debt a number of properties have been identified which are surplus to requirements at this time for disposal. The Council has agreed the following land/property disposals:

- Lands adjacent to the Diamond Car Park, Donegal Town
- Land at Dooballagh
- Former Town Council building at Bundoran
- Former Area Roads Office Gweedore

Significant progress has been made with getting vacant possession of the former Council Area Office and Depot at the Pearse Road, Letterkenny. It is planned that this property will be offered to the market mid 2006.

CAPITAL ACCOUNT AND ASSET FORMATION

HOUSING CONSTRUCTION CAPITAL PROGRAMME

HOUSING NEED

The 2005 Housing Needs Assessment indicated that there were 2,205 persons in need of direct assistance as at 15th June, 2005. The Assessment, which forms the basis of the Council's demand for new units, shows a significant change in the make up of the list as to a number of years previously. The most significant change is in relation to the number of one person households now requiring accommodation (42%). As already outlined in this report, in addition to the traditional role of meeting the needs of applicants on the housing waiting list, the Council now also have a responsibility of meeting the long term needs of persons in receipt of rent supplement, whether they are on the waiting list or not. These matters raise the need for a number of key policy considerations and decision to be taken by the Council which are presently being considered by the Housing SPC. The increase in the number of separated applicants or divorced applicants comprising 16% of the list is a further trend which has significant implications in terms of how the Council meets that need.

The matter is being considered from a number of perspectives as follows:

- Make up of need
- Type of accommodation to be provided
- Acquisition of units.
- Prioritisation/allocation of units.
- Rent levels.
- Maintenance of units.
- Sale of units.

The following table sets out the make up of the need from the perspective of marital status of the applicant and the family composition.

STATUS	LEVEL
Single	50.29%
Lone parent	16.34%
Separated	13.15%
Married	12.00%
Co habiting	2.96%
Divorced	2.96%
Widowed	2.11%
Other	0.19%
	100.00%

SIZE OF APPLICATION UNIT	LEVEL
1 adult	42.60%
1 adult + 1 child	26.68%
1 adult + 2 children	8.84%
2 adults	5.69%
1 adult + 3 children or 3+	4.54%
2 adult + 1 child	3.73%
2 adult + 2 children	3.58%
2 adult + 3 children or 3+	3.58%
3 adult	0.38%
3 adult +	0.38%
	100.00%

There has been a shift in the make up of the need in relation to the number of one person households which comprise 42% of the waiting list with two person households making up a further 26%.

Traditionally the Council have been providing a majority of three/four bedroom houses with a number of two bed units also provided. In early years, one-bed senior citizen dwellings were built although the senior citizens needs in later years have been met from the two-bed stock of bungalow type. It is no longer practical or indeed viable for the Council to be continuing to provide a majority of three-bed units given the make up of the housing need. This is particularly important in the larger urban centres where there is a huge demand and land is at a premium. The key consideration for the Council is to ensure that the type of housing being provided is targeted to match the needs of the persons on the waiting list.

Given the significant change in the composition of the waiting list, there is a need for the Council to look at the type of two-bed units that it is providing. Traditionally the two-bed units have been of the bungalow type and this is no longer seen as viable particularly for the single applicants. There is the need for the Council to look more to an 'apartment' type 2 bed unit and there are a number of available options in this category. These can generally be categorised into 3 groupings - 2 bed single storey bungalow type; 2 bed, 2 storey semi-detached and a 2 bed, 2 up/2 down type unit.

2004 - 2008 HOUSING CAPITAL BUILDING PROGRAMME

This new 5 year multi Annual Programme was launched by the Department in early 2004 and required each Local Authority to submit a 5 year Housing Action Plan by end of May, 2004. In late 2004 the DOEHLG agreed to the Council's action plan which allocated 1,300 starts to the Council over the five year period. Of these 1,300 starts, 200 will be set aside for SI Rural Cottages leaving a balance of 1,100 scheme houses. To date approx 750 scheme starts have been identified throughout the six electoral areas and are either under construction or at various stages of procurement. The remaining 350 starts have yet to be identified and will form the housing programmes for 2007 and 2008. At the end of October 2005 there were 228 houses under construction which still represents a high level of construction activity. The Housing Construction Section drew down approximately €28m which is €2 million in excess of its capital allocation of €26 million. On the construction side the following Scheme houses were under construction in 2005.

ELECTORAL AREA	LOCATION
Inishowen.	Buncrana (30), Carndonagh (30), Moville (29), Clonmany (9), Malin (10), Redcastle (1) and Greencastle (4). Carndonagh (18)
Letterkenny	Raphoe (17) and Letterkenny (6 incl 4 affordable).
Milford	Ramelton (17), Milford (12), Tamney (10), Kerrykeel (4), Rathmullan (18)
Glenties	Glenties (32), Ardara (20), Dungloe (17), Annagary (9), Gortahork (9), Fintown (2), Meenanillar (13), Doochary (5)
Donegal	Donegal (31), Laghey (6), Frosses (6), Killybegs (9), Bruckless (18), Ballyshannon (7), Donegal (16)
Stranorlar	Cloghan (2), Ballybofey (47 incl 8 affordable), Ballybofey (7)

There were 340 completions in 2005 including SI Cottages and individual purchases. The following schemes were completed in 2005:

ELECTORAL AREA	LOCATION
Inishowen	Carndonagh (30), Bunrana (30), Malin (10), Clonmany (9), Greencastle (4), Redcastle (1)
Glenties	Glenties (32), Ardara (20), Dungloe (17), Annagry (9), Meenaniller, Derrybeg (13), Gortahork (9), Fintown (2)
Donegal	Bruckles (18), Killybegs (9), Laghey (6), Ballyshannon (7).
Letterkenny	Raphoe (17), Letterkenny (6 incl 4 affordable)
Milford	Ramelton (17), Milford (8), Milford (4), Taqmney (10).
Stranorlar	Cloghan (2), Ballybofey (7)

It is anticipated that the current high levels of activity in Housing Construction will continue in 2006 with the following schemes scheduled to begin or continue under construction.

ELECTORAL AREA	LOCATION
Inishowen	Carndonagh (18), Moville (29), Bunrana (47), Malin (10), Greencastle (2), Bridgend (10), Carrigans (8), Moville (27), Greencastle (10), Inch(4), Redcastle (2), Ballyliffen (2), and Bunrana (20).
Glenties	Dungloe (8), Lettermacaward (13), Burtonport (22), Dungloe1 (20), dungloe2 (20), Fintown (12), Gweedore (10).
Donegal	Frosses (6), Bruckless (6), Killybegs (9), Donegal (31), Carrick (10), Donegal (16), Dunkineely (10), Glenclomcille (15), Kilcar (12), Ballyshannon (20).
Letterkenny	Manorcunningham (37 incl. 8 affordable), St. Johnston (30), Ballindrait (4), Raphoe (12).
Milford	Rathmullan (18), Kerrykeel (4), Milford (28), Ramelton (32),
Stranorlar	Ballybofey (47 inc.8 affordable), Stranorlar(39), Castlefinn (7), Castlefinn (6).

There were 47 SI's completed in 2004 and tenders for 42 SI's were received in 2005 and it is intended to progress another 40 SI's to tender and construction in 2006.

A large portion of the current capital programme is being designed 'in house' by the Council's own architects and utilising the Council's own landbank. In this regard the Council is continually seeking suitable landbank throughout the county for housing development and in 2005 landbank was acquired in the following towns, Greencastle, Glencolmcille, Kilcar, Carrick, and St. Johnston. It is anticipated that more landbank will be acquired in 2006 in the areas of highest need. The current programme represents a significant challenge to the Council's Housing Construction Section to meet the targets set out. The outcome of the Housing Needs Assessment in March 2005 indicated an overall decrease in the numbers on the housing waiting lists and also a significant change in the demographics of same. There are now a large proportion of single adult households with no dependents on the list and the Council will have to consider the type of units it will have to procure to meet this changing profile of need rather than the traditional 3 bedroom and 2 bedroom units it currently provides.

CLÁR LOCAL AUTHORITY HOUSING ESTATE ENHANCEMENT SCHEME

Towards the end of 2003 the Council secured funding of €84,000 to undertake a Local Authority Estate Enhancement Scheme in CLÁR areas. Under the Scheme Donegal County Council contributed €40,000 (from Internal Capital Receipts), CLÁR contributed €40,000 with the balance being made up of a 5% local contribution of €4,000. This allocation enabled the Council to carry out works in 2004 at one scheme in each of the Inishowen, Glenties, Milford and Stranorlar Electoral Areas and at 3 No. schemes in the Glenties EA (each area receiving the same allocation). There are no CLÁR areas in the Letterkenny Electoral Area.

Earlier this year the Council lodged a further application for funding with the Department of Community, Rural and Gaeltacht Affairs and the Department of the Environment, Heritage & Local Government to continue the Scheme and a second round of funding of €710,000 has now been allocated.

The second phase of the Scheme runs from September 2005 to August 2007 and the allocation consists of a contribution of €337,250 by Donegal County Council (again to be funded from Internal Capital receipts); a contribution of €337,250 by CLÁR and a 5% local contribution of €35,500 and covers the entire list of eligible proposals in CLÁR areas for which funding was sought.

The type of projects covered under the scheme includes landscaping, paving, play/amenity areas, development of open spaces, seating areas, lighting, boundary walls etc.

Discussions with the residents in the estates have commenced to agree the works to be undertaken and also deal with the question of the local contribution of 5% of the estimate that will have to be paid locally. It is anticipated that works on a number of the schemes will commence in the New Year.

REMEDIAL WORKS/REGENERATION OF RUNDOWN ESTATES

In the Action Plan for Social and Affordable Housing 2004-2008, the Council indicated that remedial works would form an important aspect of the programme.

Agreement was reached locally in relation to the schemes/houses to be targeted and an assessment was carried out to determine the works necessary to bring the units up to present day standards. A formal application was lodged with the Department of the Environment, Heritage & Local Government on 17th May, 2005 for funding for the various schemes which involved works on 150 No. dwellings in 30 Council housing estates and 25 No. S.I. cottages at various locations throughout the county. The total cost of the programme was estimated at €2.46m.

Following much discussion with officials, the Department indicated that they would be willing to consider funding towards this programme of works on a prioritised basis and asked the Council to nominate the most urgent scheme based on each of the 6 No Electoral Areas. The estimated cost of the 6 No. schemes was €728,823.

Approval has now been received to carry out the remedial works as submitted to a value of €642,935 to be funded from the Council's surplus internal capital receipts. The Department has indicated that the balance of the estimated cost of €85,888 should be funded under the Council's Planned Maintenance Programme (i.e. for replacement of bathrooms/kitchens).

Sufficient monies were provided in Budget 2005 in anticipation of such a programme of works being carried out and similar monies are also being sought in the Draft Budget 2006 for a continuation of the programme.

Arrangements will be put in place in the New Year in relation to having the programme of works initiated on the schemes/units as approved as follows:

Electoral Area	Scheme	Cost
Inishowen	Bonemaine Old Scheme, Bridgend	€106,500
Donegal	Housing Scheme, Laghey	€ 25,500
Glenties	Tory Island Housing Scheme	€ 60,723
Letterkenny	St. Eunan's Tce, Raphoe	€258,900
Milford	Rural Cottages	€113,500
Stranorlar	Curragh, Killygordon	€163,700
Total		€728,823

ASSISTANCE TO PERSONS HOUSING THEMSELVES

Loans:

The following table sets out details of the number of applications received in respect of loans in 2001-2005:

	Purchase / Construction	Shared Ownership
2001	48	50
2002	38	36
2003	67	67
2004	66	85
2005 (to 30/11/2005)	77	68

The Council will continue to promote the various loan schemes which are available.

AFFORDABLE HOUSING

The Council recognises the importance of the Affordable Housing Scheme as a mechanism to enable lower income families who would not necessarily qualify for social housing but who would be unable to obtain a dwelling in the open market, to acquire their own homes. 4 Affordable Schemes (43 units) have been delivered to date at Downings, Donegal Town and Letterkenny (2 schemes).

In the case of the 1999 Affordable Scheme, this Council envisages that this will be applied in Electoral Areas where there are no lands zoned under the housing strategy. Schemes will not be progressing under the Part V arrangements in those areas.

During 2005, Guidelines for the implementation of Part V were agreed which formalises the basis for discussions with developers. As a result of this new process, more Part V units are coming on stream with a further 24 units nearing completion.

The Draft Budget provision for 2006 provides for the delivery of a further 45 no. units.

DISABLED PERSONS/ ESSENTIAL REPAIRS GRANTS

Donegal County Council carried out a detailed review of its policies in relation to the Disabled Persons and Essential Repairs Grants Scheme in 2002. Under the Disabled Persons Grant Scheme, works which are considered to be necessary in the context of the provision of better accommodation for a person with a disability are covered with standard costings also in place based on the level and standard of accommodation which is deemed necessary.

The policy which is in place meets the following objectives -

- Maintains the discretion of the Council in terms of what works are covered under the scheme.
- Has regard to and is in general accordance with the spirit of the Department Guidelines in relation to the provision of assistance under the scheme.
- Ensures that the grant remains a targeted grant for the provision of suitable accommodation for persons with a disability.
- Ensures that the funds available for grants will meet the accommodation needs of the most needy in the most appropriate manner.
- The scheme will meet its primary purpose to assist the carrying out of works which are reasonably necessary for the purpose of rendering a house more suitable for the accommodation of a person with a disability and the ongoing need to obtain best possible value for money.

The Essential Repairs Grant Scheme is designed to specifically meet the needs of the elderly population whereas at the same time ensuring that the most essential elements of repairs are carried out. Again standard costings are in place and through this mechanism the Council ensures that the monies are being spent on the essential repairs which are necessary. The scheme which is in place, in relation to works qualification, grant levels, coupled with applicants eligibility, maintains the key focus of the grant in that it is a targeted grant at meeting the needs of the most needy and the monies go towards covering the most essential repairs.

During 2005, the standard costings were revised to take account of the increased cost in the construction industry.

It is anticipated that over €3m will be spent requiring €1m of own resources. The Council has spent in excess of €22m on these grants over the past six years representing the highest spend by any Local Authority outside of the Dublin area. The Draft Budget proposed for 2006 will sustain an increased spend on grants in 2006 to mainly take account of the increased costings. In addition to making a direct revenue provision to fund the Council's contribution on the grants to be paid in 2006, provision is also made in the Draft Budget 2006 for loan charges of €794,500 to repay loans of €10m raised in the past to fund the scheme.

The Department of the Environment and Local Government recoup to the Local Authority 2/3 of the amount of the Grant (full amount for local authority rented dwellings) up to a maximum of €13,546.67 in respect of Disabled Persons Grants and €6,353.33 in respect of Essential Repair Grants.

VOLUNTARY HOUSING

Significant progress has been made in the promotion of voluntary housing and, in particular, in relation to the provision of general needs housing under the Rental Subsidy Scheme. Accommodation has been provided at 36 Centres with a total of 578 units of accommodation provided.

There are presently some 156 No. units under construction and 275 No. units at an advanced stage of planning as follows:

(i) **Schemes in Construction**

Location	No. of Units
Stranorlar	36
Convoy	34
Carndonagh	56
Moville	30
Total:	156

(ii) Schemes in Planning (Advanced Stage):

Location	No. of Units
Ardara	29
Arranmore	21
Dungloe	37
Falcarragh	14
Letterkenny (Fortwell)	30
Letterkenny (Oldtown)	24
Letterkenny (Cheshire Homes)	6
Lifford	52
Muff	30
Newtoncunningham	32
Total:	275

A number of the units provided for the elderly/homeless/people with disabilities would have been provided in the context of the Capital Assistance Programme and would, therefore, be units of accommodation within an overall building.

The Council is continuing to vigorously pursue the promotion of voluntary housing under both Capital Assistance and the Rental Subsidy Scheme to help address the gap between Housing Need and Housing Provision with a further 90 units targeted for 2006.

THREE YEAR CAPITAL PROGRAMME 2006 - 2008 FOR HOUSING

1.1 LOCAL AUTHORITY HOUSING

House Construction/Acquisition:

2005: In 2005 it was estimated that the Housing Construction Capital Spend would be in the order of €24 million, the estimated out turn at the end of 2005 is €28 million.

2006: Between projects already under construction in 2005 that will carry over into 2006 and the projects scheduled to start as shown in the table in the previous section of this report there will be approx 700 units at various stages of construction throughout 2006. It is estimated that at an average cost of €135,000 per unit that the capital spend on these units will be €40.5 million. The capital spend on Rural Cottages for 2006 is estimated at €2,000,000. This amounts to an estimated capital spend of €42,500,000

2007: It is estimated that there will be 175 starts programmed for 2007 and it is likely that these will start on site in the second half of the year. At an average cost of €135,000 per unit this gives a capital cost of €23.625 million and given the time of year of the projected commencement on site this element of the programme will attract a capital spend in 2007 of €7 million. The carryover from the 2006 programme will be significant and will be the order of €27.55 million.

The capital spend on rural cottages for 2007 is estimated to be €2.50 million. This amounts to an estimated capital spend in 2007 of €37.05m

2008: It is estimated that there will be 175 starts programmed for 2008, the final year of the multiannual programme. As in 2007 the capital cost of this programme will be €23.625 million and these should commence in the first half of the year. The estimated expenditure on this element will be €14.0 million. The carryover spend from the 2007 programme will be approx. €18.0 million. The estimated capital spend on Rural Cottages in 2008 will be €2.5 million. This amounts to an estimated capital spend in 2008 of €34.50 million

Remedial Works/Regeneration (proposals as submitted to Department under Social & Affordable Action Plan):

2005: In 2005 it was estimated that 150 units @ €3.75m would benefit from our remedial works/regeneration programme. During 2005 an application was lodged with the Department for funding for 175 units. Approval has now been received to enable works to be carried out on 48 No. units at a total cost of €0.73m. These works will commence in 2006. In addition to the Remedial Works Programme, works under the Central Heating Programme were carried out on 164 units at a total cost €1.06m.

2006 - 200 units @ €5.00m

2007 - 250 units @ €6.25m

2008 - 250 units @ €6.24m

(This is fully recoupable)

Traveller Accommodation:

2005: In 2005, it was estimated that 20 bays + 7 units would be provided. The 20 bays related to permanent transient sites which have now been included for consideration as part of the Draft Co Development Plan. 15 traveller families have been housed in standard accommodation in 2005.

2006: 10 bays + 5 units - €1.085m

2007: 5 bays + 4 units - €0.823m

2008: 5 bays + 2 units - €0.6m

(This is fully recoupable)

The Capital cost of providing standard accommodation for travellers is included in the routine Construction Programme.

Voluntary Housing:

2005: In 2005 it was estimated that 50 units under CAS + 40 units under LSS would be provided. 60 units have been completed with a further 70 units nearing completion.

2006: 50 units under CAS + 40 units under LSS - €11.5m

2007: 50 units under CAS + 40 units under LSS - €11.5m

2008: 50 units under CAS + 40 units under LSS - €11.5m

1.2 ASSISTANCE TO PERSONS HOUSING THEMSELVES

2005: It was estimated that 100 loans (Standard, Shared Ownership & Affordable Loans) would be advanced in 2005. 133 such loans have been advanced to-date.

2006: 115 standard loans/Shared Ownership/Affordable Loans - €13.8m

2007: 115 standard loans/Shared Ownership/Affordable Loans - €14.95m

2008: 115 standard loans/Shared Ownership/Affordable Loans - €16m

1.3 ASSISTANCE TO PERSONS IMPROVING HOUSES

2005: It was estimated that 650 grants would be paid in 2005. 433 grants have been paid to the end of October, 2005 and the likely expenditure is €3m at end of the year.

2006: 650 grants - €4.5m

2007: 650 grants - €4.5m

2008: 650 grants - €4.5m

(two-thirds of this is recoupable)