



An Bord Réitigh um Pírit
Pyrite Resolution Board

Pyrite Resolution Board

Annual Report 2023

To the Minister of Housing, Local Government and Heritage

In accordance with Section 9(4) of the Pyrite Resolution Act 2013, the Pyrite Resolution Board herewith presents its Annual Report for the year ending 31 December 2023

Mandate

The Pyrite Resolution Board (PRB) was established by the Minister for Housing, Local Government and Heritage, following the commencement of the Pyrite Resolution Act 2013 on 10 January 2014, to make a scheme for the remediation of damage to certain dwellings caused by pyritic heave and to direct and oversee the effective implementation of a programme of remediation works for affected dwellings. The Pyrite Remediation Scheme (the Scheme) constitutes the framework for the application of the provisions contained in the Act. The Scheme was made by the Board on 12 February 2014 with amendments made to the Scheme in February 2015, July 2019, October 2020, and April and October 2022.

Mission Statement

To procure the remediation of certain dwellings with damage caused by pyritic heave of hardcore under floor slabs in a fair, efficient, transparent and cost effective manner.

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Statement of the Chairperson

In accordance with section 9(4) of the *Pyrite Resolution Act 2013*, I am pleased to submit to the Minister of Housing, Local Government and Heritage this Report on the performance by the Pyrite Resolution Board (PRB) of its functions under the Act during the year 2023. This is the PRB's tenth Annual Report since it was first established on a statutory basis in January 2014.

The Pyrite Resolution Act 2013 makes provision for an Exchequer-funded scheme to facilitate the remediation of houses and apartments suffering significant damage, due to pyritic heave of floors, where the owners have no other practicable options for redress. The Act mandated the PRB to draw up a Scheme for the remediation of significant pyritic damage to dwellings, to accept applications from affected homeowners and to direct and oversee the implementation of a pyrite remediation programme.

The Act sets out the respective functions of the PRB and the Housing Agency. Under the Act, the responsibility for the testing of dwellings and the execution of remediation works is assigned to the Housing Agency. Also, in accordance with the Act, the Exchequer funding provided for pyrite remediation purposes (including the expenses of the PRB) are routed through the Housing Agency and the audited Financial Statements relating to such funds are contained in the Housing Agency's Annual Report. I am pleased to say that the two bodies continue to work together efficiently and effectively.

In 2023, the Board consisted of the following members:

- Mr John O'Connor (appointed an ordinary Board Member on the 28th July 2022 and Chairperson on the 28th March 2023);
- Ms. Lydia Bunni (appointed to the Board in September 2020, Lydia declined a second term and stepped down from the Board at the end of her term on 1st September 2023);

- Mr. Kevin McCrave (appointed to the Board in September 2020, Kevin accepted a second term with Board commencing September 2023);
- Ms Karen Dillon (appointed to the Board on 28th July 2022);
- Mr Pierce O'Donnell (appointed to the Board on 28th July 2022); and
- Mr John Tiernan (appointed to the Board on 2nd September 2022).

Each year, the PRB carries out a customer satisfaction survey with homeowners whose homes have been remediated recently. The homeowners survey that was carried out in July and August 2023 showed high satisfaction rates with regard to the guidance provided on the PRB website, overall process of pyrite remediation, assistance provided by administrative staff, project managers, consultant engineers and contractors.

There were 113 applications received in 2023. The total number of applications received to the 31st of December is 3,302 of which 2,846 were approved for inclusion in the Scheme. Of this figure, 2,750 dwellings were remediated and works contracts were in place for a further 48 dwellings. A total of 223 remediated dwellings were returned to homeowners before the end of the year. Expenditure under the Scheme in 2023 generally matched the financial allocation made available by the Department of Housing, Local Government and Heritage.

The PRB and the Housing Agency are acutely aware at all times of the difficulties and disruption endured by homeowners whose homes have been damaged by pyrite. We have set out to provide a service that is sympathetic and transparent and that will, ultimately, restore properly habitable homes to them in the shortest time possible. Our aim is to work in close engagement with homeowners. With a few exceptions, it has generally been possible to hand back completed houses to homeowners within the targeted 12-week timeframe.

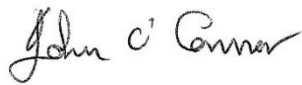
The Board has two management and administrative staff assigned from the Housing Agency and a small number of staff assigned from the Department of Housing, Local

Government and Heritage. The Housing Agency provides technical, administrative, ICT and legal services to the Board through a number of Housing Agency Staff that are assigned to pyrite remediation activities.

I wish to thank each of my fellow Board Members for their commitment and contribution to the work of the PRB during the year. I also wish to thank Lydia Bunni who served one term as a Board Member from September 2020 to September 2023. A special thanks also to Tony O'Brien who served on the Audit and Risk Committee.

I wish to thank Ms Linda Magee for her diligent work as Board Secretary and I also thank Mr Enda Gordon for his contribution to the PRB Audit and Risk Committee. In particular, I would like to pay tribute to Martin Lynch, General Manager and thank him for his ongoing commitment and contribution. I am also grateful to the Chairperson, the Board, the Chief Executive and staff of the Housing Agency for their constructive cooperation.

Finally, I thank the Minister for Housing, Local Government and Heritage, Mr. Darragh O'Brien, T.D. and the Ministers of State, Peter Burke T.D., Malcolm Noonan T.D., Kieran O'Donnell T.D. and their officials in the Department for their on-going interest and support for the PRB and its activities.



Mr John O'Connor
Chairperson

Statement of General Manager

The year 2023 was another challenging year for the Pyrite Remediation Scheme. The continued rollout of the scheme was impacted significantly by an increase in construction price inflation due to post pandemic supply chain issues, labour shortages and an energy crisis as a direct impact of the ongoing war in Ukraine. Having held consistent over the previous 6 years of the Scheme, tender prices have seen a notable increase in the average remediation cost per dwelling. However, the Pyrite Remediation Scheme has still managed to maintain a level of momentum and the operation of the Scheme has continued to deliver upon the 'Housing for All' objectives Section 5.5.3 *'ensuring remediation funds are drawn down and property owners are appropriately supported'*.

The total number of applications for remediation received under the Pyrite Remediation Scheme (the Scheme), as per the Pyrite Resolution Act 2013 (the Act), up to the end of 2023 was 3,302 in total. Of those, 113 applications for remediation were received during 2023 compared to a total of 127 received in 2022. This decrease in applications is most likely a trend in the Scheme reaching maturity and entering the wind down / completion stage. New applications received have come predominantly from developments where remediation work has or is about to commence. A total of 223 dwellings were remediated in 2023 bringing an overall total for the scheme to 2,750 remediations to the end of 2023.

The original geographical scope of the Scheme was limited to the areas identified in the Pyrite Panel report of June 2012, i.e. the counties of Meath, Kildare and Offaly and the administrative areas of Fingal County Council and Dublin City Council. Since then, the Scheme has been amended on three separate occasions to widen its geographical scope to also include the administrative areas of South Dublin County Council and Dun Laoghaire-Rathdown County Councils in 2015, Limerick City and Limerick County Council in 2020 and Westmeath County Council in 2022.

On two other occasions Section 12 of the Scheme, which relates to the payment of costs to Scheme participants, has also been amended following a review of the costs associated with alternative accommodation and storage. Following the last review in March 2022 the Board made a recommendation to the Minister to amend Section 12 by increasing the amount payable for vouched alternative accommodation costs by €500 per month (including VAT) subject to an overall limit of €6,000 (including VAT) per dwelling for the duration of the remediation works. This amendment was approved by the Minister and came into effect on the 27th October 2022.

On a high level, the Pyrite Remediation Scheme is implemented as follows. Staff of the PRB consider the eligibility of the applications received. In accordance with the Assessment & Verification Process, the Housing Agency makes a recommendation to the PRB as to whether or not a dwelling should be included in the Pyrite Remediation Scheme. Once a dwelling is included in the Scheme, the Housing Agency implements the remediation process and undertakes the procurement of professional services and the remediation contracts. Refer to section 5 in the Board Members' Report for a detailed explanation of the various steps in the process.

Individual applications when approved are grouped into projects in order to secure maximum efficiencies consistent with the need to ensure that the works are not unnecessarily prolonged for the homeowners. The Pyrite Remediation Scheme makes provision for the ordering and prioritisation of works. The PRB and the Housing Agency have put in place procedures for the creation of an orderly schedule of projects to be progressed up to and through the construction phase. Procedures are also in place for dealing with cases of particular urgency or hardship on a priority basis. The scheme operates in an open, transparent and objective manner.

To ensure value for money, framework panels have been set up for building professionals and for building contractors. Contracts for individual projects are subject to tendering from these panels. In general, projects have proceeded very satisfactorily with the great majority coming in on time, within projected budgets and with works

completed to a high standard. The average all in cost of remediation in 2023 was approximately €95,500 per dwelling. There can be significant variation in costs, with one-off houses in general more expensive due to their larger ground floor area.

The process of programming, surveying damage, specification of works, tendering and awarding of works contracts, scheduling of works, vacation of dwellings, commencement and completion of works and reoccupation of dwellings progressed satisfactorily over the year.

Payments to applicants for vouched costs for building condition assessments, removal and storage costs have also been made in accordance with the terms of the Scheme. These costs are monitored on an ongoing basis by the Board.

The PRB and the Housing Agency have in place Governance and Procedural Arrangements for the Pyrite Resolution Board and Housing Agency in relation to the remediation of dwellings under the Pyrite Remediation Scheme, having regard to the assignment of functional responsibilities in the Pyrite Resolution Act. The successful operation of the Scheme requires a high degree of cooperation between the Boards, management and staff of the two bodies. Informal and formal collaboration is required at all levels to ensure the smooth, efficient and effective delivery of the remediation programme. Early consultation leading to agreed solutions is encouraged and expected.

In June 2014, an agreement was signed regarding HomeBond's contribution towards technical and project management services, under the direction and supervision of the Pyrite Resolution Board and the Housing Agency, to the value of €2 million. The Supplemental Agreement with HomeBond dated 4th December 2015 for dealing with structural defects not related to pyritic heave will also contribute to part of the cost of construction works in some cases. It is acknowledged that HomeBond's contribution towards the testing and remediation programme has been an integral and effective part of the process.

The legislation provides that the PRB may recover from any party with a liability, and the capacity, all or part of the costs associated with remediating a dwelling under the Scheme. It is a condition of eligibility under the Scheme that the Applicant gives his/her consent to the institution by the PRB of legal proceedings relating to loss arising from the act or default of any person that causes significant pyritic damage to the dwelling. There were no legal cases undertaken in this regard during 2023.

While the PRB does not consider the initiation of legal proceeding to be a practicable option for all homeowners, it takes action, where considered appropriate, to pursue builders and/or developers for a contribution towards the costs of the works.

In addition to such contributions, where a dwelling has been included in the Scheme but the work has not commenced and the scheme participant receives a payment other than under the Scheme, as a condition for continued inclusion in the Scheme, the Scheme participant is required to pay the amount received to the PRB within a specified time period. No contributions in this regard were received during 2023.

The need for constant review of communications is recognised by both the PRB and the Housing Agency. A dedicated contact email address is in place for members of the Oireachtas. Members of the public can contact the Board by telephone or email, details of which along with all aspects of the scheme, are displayed on the PRB website.

The Scheme is reviewed on an ongoing basis with feedback from applicants, issues raised via the complaint's procedure, appeals received, representations from public representatives and through engagement with the Department of Housing, Local Government and Heritage, contractors, legal advisers, auditors and others.



Martin Lynch

General Manager

Board Members' Report

The members of the Pyrite Resolution Board present their Annual Report for the year ended 31 December 2023.

1. Principal Activities

The *Pyrite Resolution Act 2013* provides for the making of a Pyrite Remediation Scheme (the Scheme), for certain dwellings affected by pyrite. The Scheme was made by the Board following the approval of the Minister. The Board also directs and oversees the implementation of the Pyrite Remediation Scheme in accordance with the terms of the scheme.

In broad terms:

- The Pyrite Resolution Board (PRB) accepts and validates applications under the Scheme and oversees the implementation of the pyrite remediation programme for approved dwellings. The scale of the programme is determined by the availability of funding and other factors.
- The Housing Agency, subject to the direction of PRB, remediates approved dwellings affected by pyrite and implements the Pyrite Remediation Scheme. The Housing Agency also assesses and makes recommendations to the PRB on applications from homeowners for inclusion in the Scheme.

2. The Board Membership

The following table sets out the board membership during 2023.

Board Member	Organisation	Appointment Term
John O'Connor	Chartered Engineer	Appointed ordinary Board member 28 th July 2022 then Chairperson from 28 th March 2023.
Lydia Bunni	Practising Barrister	Appointed ordinary Board member 2 nd September 2020 to 1 st September 2023. Stepped down 1 st September 2023
Kevin McCrave	Practising Barrister	Appointed ordinary Board member 2 nd September 2020 to 1 st September 2023. Reappointed 2 nd September 2023 2023 to 1 st September 2026.
Karen Dillon	Fellow Chartered Accountant	Appointed ordinary Board member 28 th July 2022.
Pierce O'Donnell	Chartered Engineer	Appointed ordinary Board member 28 th July 2022.
John Tiernan	Chartered Engineer	Appointed ordinary Board member 2 nd September 2022.

3. Board Meeting Attendance, Remuneration and Expenses

The Board normally meets at monthly intervals (excluding August) to conduct business. A total of 11 Board Meetings were held in 2023. In addition to Board meetings all Board Members also attend Audit and Risk Committee meetings, 5 of which were held throughout 2023. The table below shows the schedule of attendance, fees and expenses in 2023.

Board Member	Board meetings due to attend	Board meetings attended	Audit & Risk (5 meetings)	Fees 2023 €	Expenses 2023 €
John O'Connor	11	11	5	€8978	0
Lydia Bunni*	7	2	5	€800	0
Kevin McCrave	11	10	5	€1800	0
Karen Dillon	11	11	5	€2000	0
Pierce O'Donnell	11	11	5	€2000	0
John Tiernan	11	10	5	€1600	0
Alec Flood (ARC Member only)	0	0	4	0	0

**Lydia Bunni received a €200 payment in December 2023 in lieu of a missed payment for Jul 2022.*

Alec Flood also attends the Housing Agency's Audit Committee Meetings on behalf of the Pyrite Resolution Board.

The Board and its staff comply in all respects with the circulars issued by the Department of Public Expenditure and Reform in relation to travel and subsistence allowances.

The General Manager was paid at the Senior Engineer rate of the Local Authority Pay Scale. His remuneration has been approved by the Department of Housing, Local Government and Heritage and the Department of Public Expenditure and Reform.

Board Secretary

In August 2023, Linda Magee left the role of Board Secretary. For the remainder of 2023 the duties of the Board Secretary were carried out on an ad-hoc basis by Nicole Kelly until a permanent replacement is appointed in 2024.

The day-to-day management and administration of the PRB's functions are delegated to the General Manager, supported by staff assigned from the Department of Housing, Local Government and Heritage and the Housing Agency.

Secretarial, administrative, ICT, legal services and other services are provided to the Board by or through the Housing Agency.

The *Governance and Procedural Arrangements for the Pyrite Resolution Board and Housing Agency* document formalises the arrangements between the PRB and the Housing Agency and sets out the arrangements agreed between the two bodies in relation to the remediation of dwellings under the Scheme having regard to the assignment of functional responsibilities in the *Pyrite Resolution Act 2013*.

4. Functions of the Board

Section 9 of the *Pyrite Resolution Act 2013* sets out the functions of the Pyrite Resolution Board. The principal functions are summarised below:

- (a) The making of a scheme of pyrite remediation under Section 13;
- (b) The receipt and determination of applications under the Scheme;
- (c) Direction and oversight of the implementation of the Pyrite Remediation Scheme;
- (d) Approval of budgets for the Scheme under Section 23 of the Act;
- (e) Determining appeals under Section 27 of the Act;
- (f) Providing information in relation to pyrite and significant pyritic damage.

At the end of every 3-month period, the Board provides the Minister with a report outlining progress with regard to the implementation of the Pyrite Remediation Scheme in accordance with Section 9(5) of the Act.

5. Responsibilities of the Board

The Board has adopted a schedule of the functions and business of the Pyrite Resolution Board that are reserved for decisions by the Board itself in accordance with the document entitled *Matters Reserved for Board Decision*. This ensures that the Board manages the direction and control of the strategic actions and other activities of the PRB.

The Board oversees the Pyrite Remediation Scheme, which operates as follows:

- **Stage 1: Application & Validation**, the PRB considers the validity of the application from the homeowner. The validation process essentially has two elements to it:
 - i. Assessment of applications for compliance with the eligibility criteria (including assessment of ‘practicable alternative options’).
 - ii. An audit of the Building Condition Assessment (BCA) to ensure that the dwellings have the requisite level of damage.

At the end of this stage, the applicant is notified of the decision to refer the application to the Housing Agency for the Assessment, Verification Recommendation Process or of the decision to refuse the application. A refusal may be appealed.

- **Stage 2: Assessment, Verification and Recommendation Process**, which is undertaken by the Housing Agency, establishes that the damage recorded in the Building Condition Assessment is attributable to pyritic heave. Damage Verification, i.e. confirmation of damage attributable to pyritic heave, may be based on an individual dwelling or associated dwellings. Associated dwellings may thus be verified on the basis of comparable damage and/or earlier tests with similar results.

- The Housing Agency has established a methodology in relation to a testing programme for cases where earlier test results are not available. HomeBond organise testing on behalf of the Housing Agency as required. The testing of the hardcore material is in accordance with *I.S. 398-1:2017 Reactive pyrite in sub-floor hardcore material Part 1: Testing and categorisation protocol*.
- The Housing Agency furnishes the PRB with a recommendation and the reasons for the inclusion of a dwelling into the Scheme, or its exclusion from the Scheme, and the applicant is notified of the PRB's decision. A decision to exclude a dwelling from the Scheme may be appealed.
- If the dwelling is included in the Scheme, the applicant is referred to as a 'scheme participant' thereafter. A Scheme Participant may then recoup the vouched cost of the Building Condition Assessment Report, subject to a maximum limit of €500 (including VAT). The Scheme Participant is contacted regarding the arrangements for the recoupment at this stage.
- **Stage 3: Remedial Works Plan:** After Stage 2 the application then moves into Stage 3: Remedial Works Plan. After seeking tenders, the Housing Agency appoints an engineer from the *Framework Agreement for Construction Design Professional Services (Chartered Engineer, Architect, Building Surveyor) for Pyrite Remediation Scheme* (a panel of Design Professionals already qualified to carry out this type of work) to prepare a remedial works plan and specification for the remediation of the dwelling. The Scheme Participant is consulted in relation to the remedial works plan.
- **Stage 4: Tendering and Tender Analysis:** Once the documentation prepared by the engineer in Stage 3 is complete, the application moves to Stage 4: Tendering and Tender Analysis. The tender for the Remedial Works Contract is issued to the *Framework Agreement for Works Contractor for Remediation of Dwellings affected by Pyrite Damage under the Pyrite Remediation Scheme* (a panel of Contractors

already qualified to carry out this type of work) for return in 4-5 weeks. The Scheme Participants are sent the Homeowner's Agreement at this stage.

- **Stage 5: Decision to Contract:** The Housing Agency reports to the PRB on the tenders received for the Remedial Works Contract and recommends a Works Contractor for the award of the contract. The PRB issues approval to proceed with awarding the Contract, or otherwise, following consideration of the overall budget and programme.
- **Stage 6: Dwelling Remediation:** The contractor remediates the dwelling in accordance with the remediation contract and *I.S. 398-2: 2013: Reactive pyrite in the sub-floor hardcore material – Part 2: Methodology for remediation works* under the supervision of the engineer appointed by the Housing Agency.
- **Certification:** On completion, the works are certified in accordance with *I.S. 398-2: 2013: Reactive pyrite in the sub-floor hardcore material – Part 2: Methodology for remediation works* and claims for the payment of vouched costs (storage/accommodation) incurred by the Scheme Participant, which satisfy the conditions of the scheme, will be approved for payment when the works are completed and certified.
- **Stage 7: Retention Period:** The engineer will assess defects associated with the remedial works, which are notified to the Housing Agency in writing by the Scheme Participant within a period of 11 months from the date of the Certificate of Remediation. The Housing Agency agrees to repair any defects, which arise within this period, as a result of the Remedial Works only.
- **Stage 8: Application Closure:** The application is considered closed after the retention period of 11 months or once the particular defects, if any, are repaired.

- A Project Manager liaises between a Scheme Participant and the Housing Agency, the engineer and the contractor to enable the remediation works to be planned and carried out as economically and efficiently as possible.

Payment of Costs

The Scheme covers the cost of remediation works and associated professional costs. In addition, the following costs incurred by the applicant may be recovered under the Scheme:

- The vouched cost (including VAT) of procuring the initial Building Condition Assessment from a competent person, subject to an overall maximum limit of €500, provided the dwelling is approved for inclusion in the Scheme following the Verification Process;
- The vouched costs for the temporary removal, storage and return of furniture, household appliances and effects in order to facilitate the remediation, subject to an upper limit of €2,500 (including VAT);
- The vouched costs for alternative accommodation of the household in order to facilitate the remediation, subject to an upper limit of €6,000 (including VAT).
- The Pyrite Resolution Board permits that the temporary removal and storage allowance can be combined with the alternative accommodation allowance to cover accommodation cost only up to a maximum limit of €8,500 (including VAT) in cases where the scheme participant satisfies the Housing Agency in advance that suitable rental accommodation cannot be obtained for €6,000 or less.

Guide for Scheme Participants

The Housing Agency has issued a guide to provide further information to applicants, referred to as Scheme Participants, whose dwellings have been included in the Pyrite Remediation Scheme. This guide is also published on the PRB's website.

Construction Design Professionals and Contractors

The Housing Agency carried out a public procurement process in 2022, to establish Framework Agreements for Construction Design Professionals. The framework for the 4 engineering firms on the Framework Panel for Construction Design Professionals commenced on 6th June 2022 for 2 years, with an option to extend for a further two-year period. Three of the four consultants were awarded contracts from mini-competitions in 2023.

The Housing Agency conducted a public procurement process in 2022, to establish Framework Agreements for Works Contractors to carry out the remediation works. The framework for the 5 contracting companies on the Framework Panel commenced on 4th July 2022 for 24 months, with provision to extend for two further 12-month terms. Four of the five contractors were awarded contracts from mini-competitions in 2023.

6. Code of Conduct, Disclosure and Ethics

A Code of Business Conduct is in place for the Board Members, General Manager and staff from the Department of Housing, Local Government and Heritage and the Housing Agency involved in the implementation of the Scheme. The Code of Conduct provides the framework against which the business of the Pyrite Resolution Board can be run in a legal and ethical manner while upholding the values of the Board. Staff also comply with Departmental Guidelines with respect to business conduct. Board Members comply with the obligations imposed by the *Ethics in Public Office Act 1995* and the *Standards in Public Office Act 2001* through a Declaration of Interest at the beginning of each Board Meeting. All Board members and Pyrite Resolution Board Staff were asked to complete

an Annual Statement of Interest and return it to their respective officers in 2023.

The Pyrite Resolution Board has a Protected Disclosures Policy and Procedure in place which applies to all workers of the Pyrite Resolution Board including contractors, consultants, Board staff, former employees and interns/trainees. During 2023, the Pyrite Resolution Board received no protected disclosure reports.

7. Services provided by HomeBond

Technical and Project Management Services

In June 2014, an agreement was signed between the Chairperson of the Pyrite Resolution Board and the Chairperson of HomeBond regarding HomeBond's contribution towards technical and project management services relating to the implementation of the Pyrite Remediation Scheme, under the direction and supervision of the Pyrite Resolution Board, to the value of €2 million. This agreement is being implemented to the satisfaction of the Board.

The HomeBond Supplemental Agreement

A Supplemental Agreement with HomeBond dated 4th December 2015 deals with structural defects not related to pyritic heave which are identified prior to, or during, the course of pyrite remediation works and that affect the structural stability of the dwelling. The structural defects not related to pyritic heave will be remedied before they are covered over during the works. In such cases, HomeBond will, under the Supplemental Agreement, make an appropriate contribution towards the cost of such structural works.

8. Procurement

The Board is satisfied that all national and EU requirements relating to public procurement have been complied with.

9. Strategy and Business Plan

The Pyrite Resolution Board's Strategy in relation to the pyrite remediation programme was approved by the Board in October 2021 and covers the period 2022 - 2024. The Pyrite Resolution Board's Business Plan was approved by the Board in October 2021 and also covers the period 2022 - 2024.

10. Review of the Business

Commentaries on performance during the year ended 31 December 2023, including information on recent events and future developments, are contained in the Chairperson's Report and the General Manager's Report.

11. Corporate Governance

The Board is committed to maintaining the highest standards of corporate governance. During 2023, the Board complied with the *Code of Practice for the Governance of State Bodies 2016* issued by the Department of Public Expenditure and Reform. The Code of Practice is designed to ensure that both commercial and non-commercial State bodies meet the highest standards of corporate governance. It provides a framework for the application of best practice and is intended to take account of developments in respect of oversight, reporting requirements and the appointment of Board members. The Code is based on the underlying principles of good governance: accountability, transparency, probity and a focus on the sustainable success of the organisation over the longer term.

In addition, the Board adhered to various other legislative requirements, such as the *Ethics in Public Office Act 1995*, *Standards in Public Office Act 2001*, the *Protected Disclosures Act 2014*, the *Freedom of Information Acts 1997, 2003 and 2014*, and the *Data Protection Act/GDPR*.

In 2023, the Board discussed the outcomes of the Board Self-assessment evaluation that was carried out in December 2022 and agreed on follow-up actions.

In November 2019, the Board adopted a Governance Programme. This Governance programme was also implemented in 2023. The Governance Programme is a structured approach to review the documents that together form the PRB's Governance Framework over the period of a year.

In 2023, the Board reviewed the following documents:

- Conflict of Interest Policy
- The 2022-2024 Oversight Agreement between the PRB & the DHLGH
- PRB Self Assessment Report
- Data Protection Policy
- Protected Disclosures Policy
- PRB Customer Charter
- PRB Complaints Procedure
- ARC Annual Review of Effectiveness of Internal Controls
- Risk Management Policy and Framework
- Internal Audit Charter

The following documents are also in place and up to date:

- Governance and Procedural Arrangements for the Pyrite Resolution Board and Housing Agency
- Matters Reserved for Board Decision
- Delegated Powers
- Confidentiality Policy

In this regard, the Board continues to work on its governance policies and procedures to identify any compliance issues that may arise.

12. Audit & Risk Committee

The Audit & Risk Committee assists the Board in fulfilling its oversight responsibilities and operates to the Board's approved Terms of Reference, which were reviewed and

updated in 2023. The Committee meets quarterly.

The members of the Audit & Risk Committee are:

- Karen Dillon (Chairperson, formally appointed 27th April 2023)
- Lydia Bunni (stepped down Sep 2023)
- Kevin McCrave
- Alec Flood (external member)
- John O'Connor
- Pierce O'Donnell
- John Tiernan

The Board has in place a risk management system that identifies the critical risks to which it is exposed and ensures that appropriate risk mitigation measures are taken and then provides assurance that the chosen responses are effective.

The Board has adopted a Risk Management Policy and Framework which is reviewed by the Board regularly on an annual basis.

The risks are reviewed by the Audit & Risk Committee and where relevant, proposals have been made to the Board regarding amendment and enhancement of the Risk Registers.

Activity Levels

The table below gives the status of applications at year end 2023. These figures comprise of the combined total from the launch date to year end 2023.

Status of Applications at Year End	Combined Total
In Validation Process	17
Validated and Awaiting Verification	32
Included in the Scheme	48
➤ Planning/Scheduling	26
➤ Tendering & Tendering Analysis	22
Remediation Works	48
Works Completed & Certified	2750
Closed	407
Total Applications	3302

The 407 figure is broken down as follows:

- 312 applications did not meet the eligibility criteria;
- 31 applications were duplicate applications;
- 15 applications were withdrawn by the applicants;
- 5 applications were closed on the basis of a change of ownership;
- 31 applicants did not provide a Building Condition Assessment;
- 6 applications related to dwellings that were remediated by third parties;
- 7 applications were closed because they were from developers and covered multiple apartments.

Before, During and after Remediation



During Remediation



After Remediation



Appeals to the Board

Appeals to the Board can arise following:

- The refusal of an application after Stage 1: Validation Process;
- The exclusion of a Dwelling from the Scheme after Stage 2: Assessment, Verification and Recommendation Process.

Appeals Procedure

The Board has prescribed procedures under Section 27 of the Pyrite Resolution Act 2013 for the hearing and determination of appeals against decisions made by Decision Makers appointed by the PRB, on applications for the inclusion of dwellings in the Scheme. These can be found in both the Submit an Application section and the Customer Care section on the Board's website.

A total of 53 valid appeals have been submitted since the inception of the Scheme, 3 of which were received in 2023. The breakdown and outcome of these appeals is as follows:

Appeals Received in 2023		Outcome
2 No.	Stage 1 Refusals - the Building Condition Assessment recorded a DCR1	1 Appeal Upheld 1 Appeal Not Upheld
1 No.	Stage 1 Refusal - Applicant had previous dwelling included in the Scheme.	Appeal Upheld

Statement on Internal Control

Scope of Responsibility

On behalf of the Pyrite Resolution Board (PRB), I acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that material errors or irregularities are either prevented or detected in a timely way. The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the Pyrite Resolution Board for the year ended 31 December 2023.

Capacity to Handle Risk

The Pyrite Resolution Board has an Audit and Risk Committee (ARC) comprising six Board members and one external member with experience in financial accounting, one of whom is the Chairperson. The ARC met five times in 2023.

The Pyrite Resolution Board has also established an internal audit function which is provided by the Housing Agency. The internal audit function is adequately resourced and conducts a programme of work agreed with the ARC.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. All staff are expected to work within the Pyrite Resolution Board's risk management policies, to alert the General Manager on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

Risk and Control Framework

The Pyrite Resolution Board has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the greatest extent possible, to mitigate those risks. A risk register is in place which identifies the key risks facing the Pyrite Resolution Board and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the ARC on a quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

I confirm that a control environment containing the following elements is in place:

- procedures for all key business processes have been documented,
- Matters Reserved for Board Decision have been defined,
- systems aimed at ensuring the security of the information and communication technology systems.

Section 25 of the Pyrite Resolution Act 2013 provides that all monies received or expended under the Act shall be accounted for by the Housing Agency.

I confirm that:

- a Service Level Agreement (Governance and Procedural Arrangements Agreement) with the Housing Agency is in place;
- the PRB receives monthly reports on relevant matters from the management of the Housing Agency; and
- the Chairperson of the PRB Audit and Risk Committee is a member of the Housing Agency's Audit and Risk Committee, through which the PRB has access to relevant Housing Agency internal audit reviews and controls and also to the Housing Agency's external audit, which is carried out by the Comptroller and Auditor General.
- Any recommendations made by internal or external audits are considered by the ARC and implemented where appropriate.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. I confirm that the following ongoing monitoring system is in place:

- the Board regularly reviews periodic and annual performance along with the financial reports which indicate performance against budgets/forecasts.

Procurement

The PRB procurement function is provided by the Housing Agency.

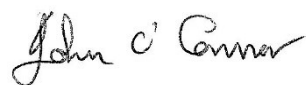
Review of Effectiveness

I confirm that the Pyrite Resolution Board has procedures to monitor the effectiveness of its risk management and control procedures. The Pyrite Resolution Board's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work and the General Manager within the Pyrite Resolution Board who is responsible for the development and maintenance of the internal control framework. I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2023.

Internal Control Issues

No major weaknesses in internal control were identified in relation to 2023 such as:

- Audits resulting in Limited or Unacceptable assurance;
- Instances of actual or attempted fraud.



John O'Connor
Chairperson
17th May 2024

Income & Expenditure

Section 25 of the Pyrite Resolution Act 2013 provides that all monies received or expended under the Act shall be accounted for by the Housing Agency. Such accounts must be submitted each year to the Minister by the Agency after audit by the Comptroller & Auditor General and laid before the House of the Oireachtas. Accordingly, this report does not contain financial statements in relation to receipts and expenditure in relation to pyrite remediation. These will be included in the Housing Agency's Annual Report and Accounts.

The financial reporting requirements of the Pyrite Resolution Board under the Code of Practice for the Governance of State Bodies 2016 are covered in the Housing Agency Annual Report.

A sum of €25 million was announced under Budget 2023 to fund the operation of the Pyrite Remediation Scheme this year. The budget was revised during 2023 to €21 million and 100% of this revised allocation was drawn down. The total expenditure on the pyrite remediation programme in 2023 amounted to €23,423,030. This included a figure of €720,100 for Pay & Admin Costs which are funded under the Housing Agency allocation.

Expenditure can be broken down as follows:

Pay & Admin Costs*	€720,100
Construction Design Managers	€697,335
Works Contractors	€20,516,695
Homeowner's Payments	€1,458,506
Legal & Professional	€10,294
Other Administration Costs	€20,100
Total Expenditure	€23,423,030

* Funded under the Housing Agency allocation.

The Housing Agency is not eligible to recoup VAT and therefore all amounts are inclusive of VAT.

Pay & Admin Costs

These represent staff salaries and other expenses, together with the expenses of the Members of the Pyrite Resolution Board. The Housing Agency receives specific funding from the Department of Housing, Local Government and Heritage to cover expenditure that it specifically incurs for the Pyrite Remediation Scheme.

Homeowner's payments

Homeowners who have been accepted into the scheme are entitled to

- (1) claim back a maximum of €500 for a Building Condition Assessment.
- (2) refunds for vouched alternative accommodation subject to a maximum limit of €6,000 (including VAT) per dwelling.
- (3) refunds for vouched costs for removal, storage and return of furniture & contents subject to a maximum limit of €2,500 (including VAT) per dwelling.

Contributions

There were no contributions received in 2023 under section 12 and section 20 of the Pyrite Resolution Act 2013.

Section 12 Contributions

In accordance with Section 12 of the Pyrite Resolution Act 2013, the PRB has continued to seek to recover from any party, with a liability, and capacity, all or part of the costs of remediating dwellings. No contributions in this regard were received during 2023.

Section 20 Contributions

In accordance with Section 20 of the Pyrite Resolution Act 2013, where a dwelling has been included in the Scheme but the work has not commenced and the scheme participant receives a payment other than under the Scheme, as a condition for continued inclusion in the Scheme, the Scheme participant is required to pay the amount received to the PRB within a specified time period. No contributions in this regard were received during 2023.

Contractual Commitments at Year End

Contractual commitments on 31 December 2023 since commencement of the Scheme are as follows:

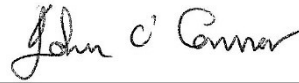
Construction Project Managers	€9,848,002
Works Contractors	€176,314,963

The Housing Agency submits budgets for its expenditure under the Act to the Board for approval. The Board may either approve the budget without modification or approve of the budget with such modifications as it thinks fit to make. Any departure from the budget as approved by the Board under this section may take place only with the prior approval of the Board. The Housing Agency reports on a regular basis to the PRB on actual and committed expenditure.

This report was approved by the Board and is signed on its behalf by



Martin Lynch
General Manager
17th May 2024



John O'Connor
Chairperson
17th May 2024

Appendix A - Applications Submitted in 2023 by County/Area

Local Authority	Applications	County/Area	Applications
Dublin City Council	1	Dublin	56
Fingal County Council	64	Balbriggan	37
Kildare County Council	24	Blackrock	1
Meath County Council	22	Donabate	6
Offaly County Council	1	Lusk	6
Dún Laoghaire-Rathdown Co. Co.	1	Oldtown	1
Grand Total	113	Portrane	1
		Rush	2
		Swords	2
		Dublin 15	10
		Hollystown	1
		Mulhuddart	8
		Ongar	1
		Kildare	24
		Kilcock	1
		Leixlip	22
		Maynooth	1
		Meath	22
		Ashbourne	9
		Dunboyne	6
		Dunshaughlin	5
		Enfield	1
		Kilcock	1
		Offaly	1
		Edenderry	1
		Grand Total	113

Appendix B - Applications Submitted from Launch Date to Year End

Local Authority	Applications
Dublin City Council	42
Fingal County Council	2165
Kildare County Council	149
Meath County Council	816
Offaly County Council	32
Dún Laoghaire-Rathdown Co. Council	47
Westmeath County Council	1
Limerick County Council	16
South Dublin County Council	34
Grand Total	3302

Stage	Applications
1. Application & Validation	17
2. Damage Assessment/Verification	32
3. Planning/Scheduling & RWP Preparation	26
4. Tendering & Tender Analysis	22
5. Decision to Contract	0
6. Dwelling Remediation	48
7. Retention Period – 12 Months	258
8. Application Closed	2899
Grand Total	3,302

County/Area	Applications
Dublin	1823
Balbriggan	644
Ballyboughal	6
Blackrock	2
Donabate	94
Garristown	2
Glenagery	2
Kinsealy	18
Lucan	22
Lusk	629
Malahide	6
Naul	2
Newcastle	13
Oldtown	2
Portmarnock	3
Portrane	1
Rush	305
Skerries	4
Sutton	2
Swords	66
Dublin 11	21
Cappagh	1
Finglas	2
Meakstown	18
Dublin 13	9
Balgriffin	8
Kilbarrack	1
Dublin 14	1
Churchtown	1
Dublin 15	327
Ashtown	9
Blanchardstown	26
Castleknock	37
Clonsilla	9
Hollystown	10
Mulhuddart	228
Ongar	8
Dublin 16	42
Ballinteer	42
Dublin 5	4
Harmonstown	1
Kilbarrack	1

Raheny	2
Dublin 6	1
Harolds Cross	1
Dublin 7	2
Cabra	1
Dublin	1
Dublin 8	9
Heytesbury Street	7
Merchants Quay	2
Dublin 9	49
Ballymun	1
Drumcondra	2
Glasnevin	1
Santry	45
Kildare	149
Donadea	1
Enfield	2
Kilcock	16
Leixlip	112
Maynooth	18
Limerick	16
Corbally	15
Rhebogue	1
Meath	816
Ashbourne	442
Ballivor	1
Clonalvy	1
Drumree	1
Dunboyne	192
Dunshaughlin	40
Enfield	99
Kilbride	1
Kilcock	3
Kilmessan	3
Kinnegad	1
Navan	8
Rathmolyon	5
Ratoath	4
Robinstown	1
Summerhill	12
The Ward	1
Trim	1

Offaly	32
Edenderry	32
Westmeath	1
Raharney	1
Grand Total	3302