

## **1. Introduction**

'Housing for All - a New Housing Plan for Ireland' is the government's housing plan to 2030. It is a multi-annual, multi-billion euro plan which aims to improve Ireland's housing system and deliver more homes for people with different housing needs.

It is an objective of Tipperary County Council (the Council) to create sustainable communities by encouraging a mix of mixed tenure (i.e. affordable and social) and mono tenure (i.e. affordable or social) housing.

The Council is seeking to increase the availability of affordable and social housing through various delivery mechanisms with home builders and housing developers.

Home builders and housing developers are being asked to consider offering properties with planning permission, where construction of the development or a phase of a development has not yet commenced, to the Council, with payment on completion, for affordable purposes.

Please note that the requirements under Part V of the Planning and Development Act 2000, as amended, will apply in the normal way to all proposals.

Joint venture arrangements that include an Approved Housing Body will be considered.

### **1.1 Affordable Housing Funding (AHF)**

#### **1.1.1 Affordable Purchase**

Where appropriate proposals for affordable or mixed tenure dwellings are received and considered acceptable, Tipperary County Council may seek Affordable Housing Funding (AHF) from the Department of Housing, Local Government and Heritage (DHLGH).

The Affordable Housing Fund (AHF) provides Exchequer funding support to local authorities to assist in meeting the cost of delivery of affordable homes via an equity share in the property. The AHF funding is dependent on several criteria and 3 funding limits. Please refer to the below table.

## Funding Limit Categorisation<sup>1</sup>

Scheme density	Funding limit
Dwellings in schemes with a net density of <b>over 50 dwellings per hectare</b> in cities designated under the National Planning Framework	€100,000
Dwellings in schemes with a net density of <b>over 35 dwellings and under 50 dwellings per hectare</b> in all urban areas	€75,000
Dwellings in schemes with a net density of <b>less than 35 dwellings per hectare</b>	€50,000

The AHF funding must achieve a minimum 15% discount on open market values of comparable new build properties for affordable purchase, with the benefit of the applied for AHF funding taken into account.

### Example

Local Authority Affordable Housing		
1	Cost of Provision (all-in costs) <sup>2</sup>	€300,000
2	Affordable Housing Funding (AHF)	€50,000
3	Purchaser contribution (i.e. Mortgage and deposit)	€250,000
	Discount available	16.7%

<sup>1</sup> Depending on the nature of the constraints and the efforts to address this in designing the proposed scheme, account may be taken of the impact of the constraint in calculating the proposal's density and /or scheme layout.

<sup>2</sup> The all-in cost of the development includes, land costs, construction costs, design fees and other costs such as development levies, utilities, financing costs, sales, marketing, profit etc.

## Affordable Purchase (non-AHF)

Where appropriate proposals for affordable or mixed tenure dwellings are received and considered acceptable and access to the AHF is not possible, Tipperary County Council may still consider such proposals where:

- the difference between the market value of that unit and the proposed maximum purchasing power<sup>3</sup> of a typical applicant does not exceed 40%<sup>4</sup>
- the minimum final sale price per unit cannot be less than the gross income of the expected applicant group multiplied by 3.5.

### Example

<b>Local Authority Affordable Housing</b>	
Cost of Provision (all-in costs) <sup>5</sup>	€250,000
Difference to be covered by equity stake	€60,000
Purchasing power of applicant (3.5 times wages)	€190,000
Open market value	€260,000
<b>Equity percentage</b>	<b>23%</b>

## Cost Rental

Cost Rental is a new form of housing tenure in Ireland. Cost rental offers a long-term, secure tenancy with rents based on the cost of housing provision<sup>6</sup>. Cost rental homes must achieve a reduction of at least 25% on open market rental values. Any properties being considered by the Council under this call for the new cost rental tenure arrangements will need to ultimately deliver a minimum of 25% discount on open market rents.

### 1.2 Background information

#### 1.2.1 Areas of Need

Proposals are invited for the advance purchase of turnkey properties for affordable, social or mixed tenure housing within the administrative area of

<sup>3</sup> Based on 3.5 times their income

<sup>4</sup> The maximum equity allowed under the Act

<sup>5</sup> The all-in cost of the development includes, land costs, construction costs, design fees and other costs such as development levies, utilities, financing costs, sales, marketing, profit etc.

<sup>6</sup> The all-in cost of the development includes, land costs, construction costs, design fees and other costs such as development levies, utilities, financing costs, sales, marketing, profit etc

Clonmel Municipal District.

The Council is interested in proposals in all locations and has a particular need for one and two bed properties.

### **1.2.2 Proximity to Services/Amenities**

Ideally, proposals should be well located within or very close to town/village boundaries and be within walking distance of primary services such as school, shop, community facility etc.

Where a zoning map for the area has been adopted by Tipperary County Council, the zoning of the site in the relevant Local Area/County Development Plan must be compatible with residential development.

### **1.3 Submission Process**

A two-stage process will be used.

**In the Stage 1 submission, information in relation to the proposed site location will be sought. (See Expressions of Interest Form for further details).**

Only those submissions which are deemed acceptable to Tipperary County Council following evaluation of Stage 1 submissions will progress to the Stage 2 submission and evaluation process

#### **1.3.1 Stage 1 Submission**

At Stage 1, the following information must be submitted:

- Details of individual or company submitting the proposal, including a contact name, address, number and email
- Site details, (planning reference number, Irish Water reference number, residential density)
- Details of planned development
- Indicative all-in costs pricing schedule<sup>7</sup>
- Site location map showing the proposed site and proximity of local services and amenities

### **Evaluation of Stage 1 Submissions**

All Stage 1 submissions will be evaluated against Pass/Fail criteria. Only those submissions which achieve a Pass mark against all criteria, will move to the second stage of the process.

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<sup>7</sup> The all-in cost of the development includes, land costs, construction costs, design fees and other costs such as development levies, utilities, financing costs, sales, marketing, profit etc. It is accepted that there could be a difference between all in costs at stage 1 and stage 2.

The Pass/Fail criteria are as follows:

1	Location and suitability of the site	Pass/fail
2	Land zoning status (if applicable). Zoning must be compatible with residential development	Pass/fail
3	All necessary utilities available, e.g. water, sewage, electricity, communications, etc.	Pass/fail
4	Initial indicative assessment of Affordability Gain <sup>8</sup> (only applicable on affordable or mixed tenure sites)	Pass/fail

Following evaluation of Stage 1 submissions, proposals which are deemed acceptable will move to Stage 2 in the process.

### 1.3.2 Stage 2 Submission

Successful applicants at Stage 1 will advance to Stage 2. If your proposal advances to Stage 2, you will be written to at that time under separate cover, outlining the full requirements in respect of the Stage 2 submission. The following are possible outline requirements that may be required for Stage 2:

- Number and mix of units proposed, and density in phase or phases
- Schedule of materials and finishes being proposed
- The all-in cost of the development broken down between land costs, construction costs, design fees and other costs such as development levies, utilities, financing costs, sales, marketing, profit etc. It is a requirement that this information be provided for the different unit types
- A timeframe/programme for the completion of the proposed development
- Details of any Approved Housing Body, if applicable, and proposed role in delivering the development
- Any other relevant information

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<sup>8</sup> It is a requirement of AHF funding eligibility that a minimum 15% discount is achieved on open market values of comparable new build properties for affordable purchase proposals with the benefit of the applied AHF funding taken into account.

It is a requirement of AHF funding eligibility that a minimum 25% discount on open market rents of comparable properties for Cost Rental proposals with the benefit of the applied AHF funding taken into account

Included in the evaluation of Stage 2 submissions is the availability of AHF subsidy for affordable and mixed tenure dwellings, which is subject to a review by the Department of Housing, Local Government and Heritage (DHLGH).

Subject to the stage 2 assessment, Tipperary County Council will revert with confirmation that the scheme has been selected or declined for approval.

## **2. Contractual arrangements**

Where agreement is reached between the proposer and the Council on the scheme of development, a project specific Development Agreement will be required between the parties, regarding any arrangement with any affordable properties or other such arrangement and will be determined by the particular characteristics of each development.

**Any turnkey contract agreement is not and should not be construed as a building agreement or public works contract.**

The acceptance of any proposal(s) by Tipperary County Council shall be subject to the final agreement of satisfactory terms of contract with the developer and will also be subject to the availability of funding and the approval of the Department of Housing, Local Government and Heritage.

All costs and expenses incurred by applicants relating to and including the engagement of design consultants, securing planning permission, etc. is to be considered as 'work at risk' and no recovery of any costs from the Council will be entertained. Tipperary County Council will have no financial liability prior to the signing of a contract.

## **3. Confidentiality**

Tipperary County Council will use its best efforts to hold confidential any information provided by proposers, subject to its obligations under law, including the Freedom of Information Act 1997 and 2003. The Council will consult with proposers about sensitive information before deciding on any FOI request received. Similarly, the Council requires that all information provided pursuant to this invitation will be treated in strict confidence by tenderers.

## **4. Irish legislation**

Applicants should be aware that national legislation applies in other matters such as Official Secrets, Data Protection and Health and Safety.

Applicants must have regard to statutory terms relating to minimum pay and to legally binding industrial or sectorial agreements in formulating proposals.

## **5. Meetings**

Tipperary County Council reserves the right to meet with Proposers if considered necessary, for the purposes of clarification of information received as part of the submission.

## **6. Conflict of interest**

Any conflict of interest or potential conflict of interest on the part of an Applicant, individual employees, agents, or subcontractors of an Applicant must be fully disclosed to Tipperary County Council, as soon as the conflict or potential conflict is or becomes apparent. In the event of any conflict or potential conflict of interest, the Council may invite Applicants to propose means by which the conflict might be removed. Tipperary County Council will, at its absolute discretion, decide on the appropriate course of action, which may in appropriate circumstances, include eliminating an Applicant from the process or terminating any contract entered into by an Applicant.

## **7. Applicant exclusion**

An Applicant shall be excluded if, to Tipperary County Council knowledge at the time of the award decision, it has been convicted of an offence involving participation in a proscribed criminal organisation or corruption, fraud or money laundering.

An Applicant may be excluded if s/he:

- is subject to a bankruptcy or insolvency procedure or process of a kind specified in Regulation 53, paragraph (5) of the European Communities (Award of Public Authorities' Contracts) Regulations 2006 or
- has been found guilty of professional misconduct by a competent authority that is authorised by law to hear and determine allegations of professional misconduct against persons that include the Applicant or has committed grave professional misconduct provable by means that the Council can demonstrate or
- has not fulfilled an obligation to pay a social security contribution as required by a law of Ireland or the country or territory where the Applicant ordinarily resides or carries on business or
- has not fulfilled an obligation to pay a tax or levy imposed by or under a law of Ireland or the country or territory where the Applicant ordinarily resides or carries on business or
- has provided a statement or information to the Council or another contracting authority knowing it to be false or misleading or has failed to provide to the Council or another such authority, a statement or

information that is reasonably required by Tipperary County Council or other authority for the purpose of awarding the public contract concerned.

## **8. Funding Support**

It may be noted that various funding parties have been informed of this call for expression of interest. The Home Building Finance Ireland (HBFI) have advised of their interest in supporting affordable and social housing delivery. Funding may be available via the HBFI amongst other sources.

## **9. Queries**

Queries can be made by submitting questions by email to [affordablehousing@tipperarycoco.ie](mailto:affordablehousing@tipperarycoco.ie)

Any queries made that give rise to any new information or clarification, may be issued to all Applicants depending on relevance. The identity of the Applicant who raised the initial query shall not be disclosed to other interested parties.

## 10. Reference documents

The following documents may be of assistance to parties interested in making a submission under this call for proposals:

- Tipperary County Development Plan 2022-2028\_  
<https://www.tipperarycoco.ie/planning-and-building/development-plan-consultation/tipperary-county-development-plan-2022-2028>
- Quality Homes for Sustainability Communities and Delivering Homes Sustaining Communities, 2007  
(<https://www.gov.ie/en/publication/60868-quality-housing-for-sustainable-communities/> & <https://www.opr.ie/wp-content/uploads/2019/08/2007-Delivering-Homes-Sustaining-Communities-Hsing-Policy-1.pdf> )
- Standard Specification for Materials and Finishes for Social Housing (<http://www.housing.old.gov.ie/housing/quality-housing-design-series/employers-requirements-detail-design-quality-housing-0> )
- Design Standards for New Apartments - Guidelines for Planning Authorities  
([http://www.housing.old.gov.ie/sites/default/files/publications/files/december\\_2020\\_-\\_design\\_standards\\_for\\_new\\_apartments.pdf](http://www.housing.old.gov.ie/sites/default/files/publications/files/december_2020_-_design_standards_for_new_apartments.pdf) )
- Guidelines for Planning Authorities on Sustainable Residential Development in Urban Areas (Cities, Towns and Villages) 2009  
(<https://www.gov.ie/en/publication/a8c85-sustainable-residential-developments-in-urban-areas-guidelines-for-planning-authorities-may-09/> )
- Design Manual For Urban Roads and Streets, 2019  
(<https://www.gov.ie/en/publication/3360b1-design-manual-for-urban-roads-and-streets/>)
- Building Control Regulations 1997 – 2015, as amended.

## 11. Return of submissions

Submissions can be made in writing or by email and should include all information requested.

- Written submission should be enclosed in a sealed envelope marked and addressed as follows:

Expressions of Interest for the Provision of Turnkey Housing Developments  
Housing Section  
Tipperary County Council  
Emmet St.,  
Clonmel  
Co. Tipperary  
E91N512

- Email submissions should be sent to [affordablehousing@tipperarycoco.ie](mailto:affordablehousing@tipperarycoco.ie) marked for the attention of Affordable housing - Clonmel.

Tipperary County Council would encourage interested parties that believe they fit within the above criteria and that are interested to complete and return the Expression of Interest Application Form as soon as possible, and no later than by **Friday 21 June 2024** for this initial call.

## 12. Disclaimer

Tipperary County Council has prepared and issued this document for the sole purpose of inviting expressions of interest from potential vendors. This document does not purport to be, in any way, comprehensive in respect of all matters relevant to the Council's requirements.

Nothing in this document constitutes an offer to enter into a contract, or a commitment or representation to enter into a contractual arrangement. No legal relationship or other obligation shall arise between Tipperary County Council and any interested party until formal legal agreements have been put in place and any deposit paid.

Tipperary County Council reserves the right to withdraw its request for Expressions of Interest and to alter any aspect of it at its sole discretion.

Each completed Expression of Interest which is returned to Tipperary County Council constitutes agreement to, and acceptance of, this disclaimer.



Signed:	
Signed:	
Signed:	
Date	

