



Part V Guidelines

Background

Urban Regeneration and Housing Act, 2015 [URHA2015] commenced on the 1st September 2015, the following will now apply in respect of compliance with Part V of the Planning and Development Act, 2000, as amended.

Exemptions

- 9 or fewer houses or a development of houses on land of less than 0.1 hectare
- Provision of houses by an approved body for social housing and/or affordable housing
- Conversion of an existing building or the reconstruction of a building to create one or more dwellings provided that at least 50% of the external fabric is retained
- Carrying out works to an existing house
- Development of houses under a Part V agreement

Part V applicable

Where a development comprises 10 or more units, the requirement is that 10% of the development will be designated and provided for social housing purposes.

The aim of the Part V and of the Government's Social Housing Policy will be better achieved by the **acquisition of houses on the site of the development** in order to advance the aim of achieving a social housing mix. The Local Authority should engage with the developer at the design stage of the project, to ensure that units suitable for the Local Authority's needs are included in the project i.e. –

- Existing need and future need for social housing
- Need to ensure that housing is available for person who have different levels of income
- Need to ensure that a mixture of house type and sizes
- Need to counteract undue segregation in housing

Pre-planning Consultation Process

Prior to submission of planning application

Outline of proposed scheme together with the Part V option to be submitted to the Part V Section, Housing Department by the developer for consideration:

- Location and Area of site including site location map
- Block plan/site layout (scale 1:500)
- Legal interest in the land (owner/occupier/other (if ‘other’, please expand further), specify if the land is registered/unregistered)
- Initial estimate of the total number of housing units it is proposed to construct and the proportion of different house types and sizes (including floor areas) taking into consideration the Quality Design Guidelines (*see Appendix 1*)

It is considered that the priority **option to be pursued by the Local Authority**, should be the **acquisition of social housing on the development site** i.e. Option 1, by means of transfer of ownership to the Local Authority or to an Approved Housing Body.

The aim of Part V and the Government’s social housing policy will be better achieved by the acquisition of houses, rather than leasing. The Local Authority will seek the acquisition of houses on the development site.

	Option	Minimum information required
1	Housing on application site	A list of units and types of housing within the proposed development that are proposed to be transferred to the planning authority. Preferable option
2	Housing off site	A list of units and types of housing elsewhere in the functional area of the planning authority that are proposed to be transferred, and the indicative location of such units
3	Transfer of land	A map, to the same scale as the site location map, indicating the part or parts of the site proposed for transfer to the planning authority
4	Lease of Housing (on or off site)	A list of the units and types of housing within the proposed development or elsewhere in the functional area of the planning authority that it is proposed to lease, and, in the case of proposed units outside the application site, the indicative location of such units. Tipperary County Council’s preference is for the acquisition of houses, rather than leasing in accordance with Government policy.
5	Combination of Option 3 and any other options or options	Appropriate combination of the minimum information requirements above
6	Combination of any of Options 1,2,4	Appropriate combination of the minimum information requirements above

- Following receipt of the above details, a meeting will then be arranged with the developer in order to discuss compliance with Part V.
- When a meeting has taken place and an agreement in principle has been reached details will be recorded and an ‘Agreement In Principle’ will issue to the developer.

Planning application stage

- How the applicant intends to discharge Part V obligation, agreed option with the Housing Authority's i.e. 'Agreement in Principle'
- Details in relation to units or land provided
- Indicative Costs (estimated costs required to be submitted with the planning application)

Grant of Planning Permission – Part Agreement within 8 weeks from the date of the grant of permission

Grant of Planning Permission

Checklist of information required of applicant (after grant of permission)

Provision of Housing on or off site - Options 1 and 2	Provided Yes	No
Location and area of land subject to planning permission (map)		
Drawings and outline specification of units to be transferred to the Local Authority		
Number and location of Part V units		
Timescale for delivery of Part V units		
Design standards – standards in relation to the layout size and design. ¹		
Outline specification (size, building materials, finishes and fittings)		
Provision of car parking spaces for Part V units		
Details of management/maintenance agreement (where available)		
Infrastructural services to apartments/houses		
Cost for each apartment/house		
Basis on which land value and building/attribution development costs have been determined		
Financial compensation i.e. price proposed that the local authority will pay for the housing units		
Details of the proposed or indicative Service charges in multi-unit developments		

The Existing Use Value (EUV) and the Market Value (MV) of the lands to be obtained.

EUV value of the land refers to the existing use of the land on the date on which the permission was granted for the development on the basis that on that date it would have been, and would thereafter have continue to be, unlawful to carry out any development in relation to that land other than exempted development. EUV calculated as of the date permission was granted, but as if permission had not been granted and would never be granted.

MV to be calculated by reference to the date on which planning permission was granted.

¹ In relation to social housing regard should be made to the Social Housing Design Guidelines, Department of the Environment, Community and Local Government

Calculations

The number of units and the cost per unit

- (i) The cost per unit type proposed and
- (ii) The number of each type of unit proposed

The following are required to be provided by the developer in respect of social units secured under Part V and cost for same must be submitted when overall costings are agreed:-

BER

Part V houses to achieve the equivalent of the highest BER performing unit in the development

Internally

- Standard kitchen
- Standard bathroom fittings
- Stove

All units must be completed to include the foregoing

The social units are also fitted with the following additional extras

Floor covering

Domestic vinyl floor covering to the following rooms

- Kitchen/dining
- Hall (ground floor only)
- Toilet (ground floor)
- Main bathroom and
- En-suite in bedroom (if included)

Tiling

- Kitchen – ceramic wall tiles between base unit and wall units
- Toilet ground floor – 2 rows of white ceramic tiles above wash hand basin
- Ensuite – white ceramic wall tiles around shower area and to ceiling height in ensuite
Supply and fix 2 rows of white ceramic tiles above wash hand basin
- Main bathroom – 2 rows of white ceramic tiles above perimeter of bathtub and 2 rows of white ceramic tiles above wash hand basin

Externally

Timber shed on concrete base to rear of dwelling 2 x 2 m or equivalent to the same area

Part V – Costings to be completed by the Developer

Location of Development				
Planning reference number				
Number of Units				
House Types				
House Size (Sq. Metres)				
Details of Assigned Certifier	Name	Address	Telephone number	Email

1	VALUATIONS	€	€	€	€	€
	Existing use value (EUV)					
	Market Value(MV)					
	Net Monetary Value – NMV (diff EUV and MV)					
2	SITE COSTS					
a.	Site Purchase Cost					
b.	Stamp Duty					
3	BUILDING COSTS					
a.	Building Costs					
4	SITE DEVELOPMENT COSTS					
a.	Site Development Costs					
5	ABNORMAL BUILDING COSTS (please specify)					
a.						
b.						
c.						
d.						
e.						
6	STATUTORY FEES					
a.	Planning					
b.	Commencement Notice					
c.	Road Opening					
d.	Planning Contributions					
e.	Bond					

7	PROFESSIONAL FEES						
	<u>To include</u>						
	Architect						
	Engineer						
	Quantity Surveyor						
	Project Manager						
	Solicitor / Legal						
8	UTILITIES						
a.	Electricity						
b.	Irish Water						
c.	Broadband						
d.	Other (please specify)						
9	FINANCING COSTS						
a.	Per House						
	NETT Cost to Developer						
10	BUILDERS MARGIN						
	Builders Profit						
11	VAT @ 13.5% on Construction Cost						
	/						
	Builders Margin (3a;4a;5;10)						
12	VAT @ 23% on Professional Fees						
	(7)						
13	TOTAL COST PER UNIT						

- ❖ **Building Costs/Site Development Costs** Estimated by reference to the expected costs of the quantities and materials for the development, excluding VAT and builders profit.
(include costings related to sub-structures, super-structures, external works; site development works, abnormal works; indirect project costs).
- ❖ **Statutory Fees** planning fees/charges, commencement notice, service connections, development contributions, bond, certification of compliance.
- ❖ **Professional Fees** – architect including assigned certifier, engineer, quantity surveyor, project manager, solicitor/legal expenses
- ❖ **Builders Profit** should be agreed based on open market rates that would have been incurred by the Local Authority had it retained an independent builder to undertake the works
- ❖ **Land costs** Determined by estimated valuation of the existing use value on the date the planning permission is expected to be granted.
- ❖ **VAT** Determined by reference to the prevailing VAT rate at the time an agreement is signed.

Provision of lands – Option 3	Provided Yes	No
Location of area of land subject to planning permission (map)		
Location and area of land proposed to transfer to local authority (map)		
Details of any encumbrances e.g. right of way		
Proposals for boundary treatment of land		
Details of site investigation undertaken and/or any other relevant information in relation to the land		
Confirmation of legal basis on which it is proposed to transfer title to the local authority		
Open space and landscaping proposed		
Is the land registered with the Property Registration Authority		
Financial compensation i.e. the price agreed that the local authority will pay for the land		

Provision of Housing by way of a Lease – Option 4	Provided Yes	No
In addition to the location and specification details listed in Option 1 and 2, the following financial information should be included:-		
Market rents of the units proposed		
Lease rent proposed including additional discount to meet equivalent Net Monetary Value		

The estimated total amount to be discounted from the combined monthly lease rent for the unit (s) proposed.

Combinations of - Options 1 2 and 4	Provided Yes	No
The cost of each of the options being selected should be listed		
As under the relevant option		

For all options the **Existing Use Value (EUV)** and the **Market Value (MV)** of the lands to be obtained.

EUV value of the land refers to the existing use of the land on the date on which the permission was granted for the development on the basis that on that date it would have been, and would thereafter have continue to be, unlawful to carry out any development in relation to that land other than exempted development. EUV calculate as of the date permission was granted, but as if permission had not been granted and would never be granted.

MV to be calculated by reference to the date on which planning permission was granted.

Part V Agreement

- The Local Authority and Developer should obtain any required Valuations
- On receipt of Developers Option final costings, following receipt of grant of planning permission, they are referred to the Engineering Section for examination and approval.
- A meeting is subsequently arranged with the Developer to discuss with a view to agreeing costs in respect of Part V option.
- When costings have been agreed a Part V agreement can be prepared.
- Prior to the lodgement of a Commencement Notice under the Building Control Regulations 1997, the Part V Agreement must be entered into before the development can lawfully commence.
- Section 96 (8) of the Act was amended in 2015 to provide that the Local Authority, in addition to, as previously provided, the applicant or any other person with an interest in the land to which the application relates, may, in cases where the Part V agreement is not entered into before the expiration of 8 weeks from the date of the grant of permission, because of a dispute:
 - (a) Refer the dispute under that subsection to the An Bord Pleanála except
 - (b) Where the dispute relates to a matter falling within Section 96 (7), in which case the dispute may be referred to a Property Arbitrator under Section 2 of the Property Values (Arbitration and Appeals) Act, 1960

Contract and Conveyancing

The developer should initiate the process of issuing conveyancing and purchase contracts as early as possible in the process.

Appendix 1

Extract from Social Housing Design Guidelines – Chapter 5, page 49
Quality Design Guidelines

Table 5.1: Space provision and room sizes for typical dwellings

DWELLING TYPE	TARGET GROSS FLOOR AREA	MINIMUM - MAIN LIVING ROOM	AGGREGATE LIVING AREA	AGGREGATE BEDROOM AREA	STORAGE
	(m ²)	(m ²)	(m ²)	(m ²)	(m ²)
Family Dwellings - 3 or more persons					
4BED/7P House (3 storey)	120	15	40	43	6
4BED/7P House (2 storey)	110	15	40	43	6
4BED/7P House (1 storey)	100	15	40	43	6
4BED/7P Apartment	105	15	40	43	11
3BED/6P House (3 storey)	110	15	37	36	6
3BED/6P House (2 storey)	100	15	37	36	6
3BED/6P House (1 storey)	90	15	37	36	6
3BED/6P Apartment	94	15	37	36	10
3BED/5P House (3 storey)	102	13	34	32	5
3BED/5P House (2 storey)	92	13	34	32	5
3BED/5P House (1 storey)	82	13	34	32	5
3BED/5P Apartment	86	13	34	32	9
3BED/4P House (2 storey)	83	13	30	28	4
3BED/4P House (1 storey)	73	13	30	28	4
3BED/4P Apartment	76	13	30	28	7
2BED/4P House (2 storey)	80	13	30	25	4
2BED/4P House (1 storey)	70	13	30	25	4
2BED/4P Apartment	73	13	30	25	7
2BED/3P House (2 storey)	70	13	28	20	3
2BED/3P House (1 storey)	60	13	28	20	3
2BED/3P Apartment	63	13	28	20	5
1BED/2P House (1 storey)	44	11	23	11	2
1BED/2P Apartment	45	11	23	11	3