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### Proposed Borrowing for Housing Capital Planned Maintenance

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The Housing Capital Programme 2018-2020 provided for loans of €11,335,000 to be borrowed, from the Housing Finance Agency to fund 2018 expenditure. The 2019-2021 Capital Programme provided for €16,705,000 to be borrowed, to fund 2019 expenditure. This funding through Loans has not yet been drawn down i.e. a total of €28m. It is now required to fund housing related incurred spend and the approval of the elected members is sought.

We now propose to draw down €30,475,770 to fund the Housing Capital Planned Maintenance Works Programme as detailed in the 2018- 2020 and 2019 – 2021 Capital Programme as set out below.

Capital Project	Capital Programme 2018-2020 and 2019-2021 Borrowing	Additional Requirements	Less Borrowing not required at this time	Total Borrowing requiring approval
Voids	€ 14,899,500	€ 3,023,757		€ 17,923,257
Energy Efficiency Works	€ 3,400,000	€ -	€ 1,982,200	€ 1,417,800
Boiler Replacement Works	€ 2,415,000		€ 1,685,787	€ 729,213
Essential Maintenance Works	€ 2,435,500	€ 1,350,000		€ 3,785,500
SEAI Area Scheme	€ 2,000,000		€ 1,000,000	€ 1,000,000
Regulatory Building Standards	€ 2,890,000	€ 2,730,000		€ 5,620,000
<b>Total</b>	<b>€ 28,040,000</b>	<b>€ 7,103,757</b>	<b>€ 4,667,987</b>	<b>€ 30,475,770</b>

#### **2018 Loans Required - €14,155,770**

As per the Capital Programme 2018-2020, Loans of €11.3 Million were provided for in 2018. We now propose to draw down €14.2m in Loans for that period i.e. an additional €2.9m. The increase in Voids Expenditure in 2018 has resulted in an additional €2.9m requirement.

#### **2019 Loans Required - €16,320,000**

As per the Capital Programme 2019-2021, loans of €16.7m were provided for in 2019 Expenditure.

We now propose to draw down a lower amount of €16.3m.

It should be noted that the Department of Housing Planning and Local Government expects Dublin City Council, where possible, to provide funding for all Maintenance Capital Projects where there is no other funding source. The proposal to draw down loans is to fund the gap, i.e. the residual unfunded cost after government grants and other funding.

There are two impacts of this additional borrowing (€7.1m). Firstly there are increased borrowing costs (not already provided for) to the Revenue Budget of €750k (at most) per annum over 10 years. Secondly Dublin City Council's overall indebtedness has increased above that set out in previous Capital Programmes.

Accordingly, it is proposed to borrow €30,475,770 from the Housing Finance Agency subject to the sanction of the Minister of Housing, Planning, and Local Government. The sanction of the City Council is therefore sought to the borrowing of €30,475,770 from the Housing Finance Agency for Housing Maintenance Capital purposes.

**Resolution**

That Dublin City Council notes Report No. 258/2019 and hereby assents to the proposal outlined therein.

**Brendan Kenny**

Assistant Chief Executive

2<sup>nd</sup> September 2019