

**Statement given to the Public Accounts Committee by Comptroller and Auditor general,
Mr. John Purcell.**

In 1997 the Government approved a proposal for the redevelopment of Ballymun. Following on from this, Dublin City Council established a company called Ballymun Regeneration Limited to implement the regeneration programme. The bulk of the funding for the programme is provided by the Exchequer through the Department of the Environment, Heritage and Local Government. It is a major programme in terms of its infrastructural, social and economic objectives and involves a considerable investment by the State. With this in mind, I felt it was important at this stage of the development to review what progress had been made to see what lessons could be learned for the future management of the programme and, on a wider scale, other proposed regeneration initiatives.

My examination looked at the outturn to date in terms of time, cost, delivery, progress in economic and social aspects and the challenges that remained for the successful completion of the programme. Like the Chairman, I acknowledge the good work and tremendous commitment of Mr. Murray and his team and what they have achieved in Ballymun to date and echo his sentiments about the co-operation we received in carrying out this difficult study. It was of immense help to us in finalising our report.

The master plan developed in 1998 set a target date of 2006 for completion of the demolition and building work but it is estimated this will not be achieved until 2012. A considerable amount of demolition work must still be done. Work is yet to start on tearing down the last of the seven tower blocks, 15 of the eight-storey blocks and three of the four-storey blocks.

On the construction side, the development of the main street has been substantially completed, except for the shopping centre, but at the time of my report, only 52% of the planned public housing and 39% of private housing had been completed. It is clear at this stage that the original target was optimistic in the light of the constraints and logistics involved in undertaking extensive redevelopment in an existing inhabited community but better planning and risk management could have helped to overcome at least some of the problems encountered. In this context, my report recommends that a risk analysis of the remaining stages of the programme be carried out to help ensure revised deadlines can be met.

A budget of €442 million was approved in 1999 for the measures set out in the master plan. We estimate the final cost of the programme will be in the region of €442 million at 2006 prices, taking account of additional civic and community works and scope variations. We reckon €290 million of the increase can be put down to inflation in the period up to 2006. How the balance of the increase in the final estimated cost can be accounted for is set out on page 24 of the report. Some estimation deficiencies are evident. I hope the experience gained from this programme will assist the Department in the development of more evidence-based estimations when planning other major urban regeneration projects. The costs escalation has created a potential funding gap which can only partly be met from property and land sales by the company or the council. Tight financial management of the programme and a reduction in the risk of future scope creep must be prioritised if excessive recourse to the Exchequer is to be avoided.

I refer to the social and economic outcomes. The area has become much more attractive from an investment perspective but it is hard to establish how much of this is down to the regeneration programme, bearing in mind Ballymun's prime location *vis-à-vis* the airport and major arterial routes. The impact on employment has been limited but perhaps this is understandable in the light of the socially disadvantaged base of a significant proportion of the local populace. The same could be said for education and tackling these two areas could be key to the ultimate success of the so-called softer objectives of the programme. Other critical success factors include minimising crime and anti-social behaviour but Ballymun is not alone in facing these challenges in an urban environment and it has probably made more progress than most through its implementation of a three-year strategy to counter such activity.

The report records some dissatisfaction with the level of community consultation and involvement but I have sympathy for the company in the light of the myriad diverse organisations in the area which must be dealt with. The achievement of a balanced tenure mix is also a key element in the long-term social cohesion of the community. However, much of the private housing constructed under the programme is physically separate from the public housing and may work against the achievement of that objective, although I understand the reason private housing was concentrated initially around the main street to act as an incentive for people to purchase houses in the area. Future construction plans should take this factor into account. Early consideration should be given to achieving a workable consensus on how risks to the long-term sustainability of the regeneration can best be managed.