

MEMORANDUM

TO: -

Mr. T. Gilligan, Director of Services

FROM: -

Ms. O. Gallagher, Head of Housing

DATE: -

7th October, 2025

RE:

Notice of Motion - Cllr. Peter Flynn.

"In relation to all housing purchased by way of Compulsory Purchase Order as part of the Westport to Turlough N5 project, I am requesting the Chief Executive of Mayo County Council in association with Transportation Infrastructure Ireland to place them all on the open market with immediate effect. All proceeds from the sales should be allocated to the provision of affordable homes"

I refer to the above motion regarding the 6 No. properties CPO'd as part of the N5 Westport to Turlough Road Scheme.

The 6 properties were originally acquired as part of the N5 Roads Scheme, and their acquisition was funded by TII. On several occasions the Members raised in the Council Chamber that the properties were vacant and needed to be brought back into use. There were two options available. The first was to allow for the formal disposal of the properties as part of the finalisation of the scheme and once sold on the open market to hope that the purchasers would move to bring the properties back into use within a reasonable time period. The other option was for Mayo County Council to acquire the properties and to bring them back into use as part of our social housing programme. It was clear from the responses given that the Council was seeking to purchase these units from TII for social housing provision.

Once decided on the approach of MCC acquiring the properties and after valuation and negotiation with TII, agreement was reached for the acquisition of all 6 properties. The agreed prices for the properties range from €95,000 to €270,000 with an average price of €181,666 for the 6 properties. Given that the prices negotiated by Mayo County Council on these properties were less than the TII valuation in 4 of the 6 cases and having regard to the defined purpose of the acquisitions it was agreed with TII that these would be utilised for social housing for a period of 5 years and if any of these properties were disposed of within this 5 year period to any person or body other than a Mayo County Council tenant who may have acquired rights of acquisition pursuant to the Housing Acts or an Approved Housing Body for the provision of social housing, then Mayo County Council would pay TII the difference between the price that it paid for the properties and the value as advised by TII's valuers. This differential amounts to a total of €350,000.

The Members will be aware that the use of these properties for social housing requires Departmental approval for both the cost of purchase and thereafter for any works to be carried out to the property both of which are funded by the Department.

The position in respect of the acquisition of the properties is that agreement has been reached on the acquisition of all 6 properties and funds have been exchanged in respect of two properties with the intention of relaying the purchase amounts for the other properties to TII as their redevelopment and re-use advance.

Budget approval has been granted by the Department of Housing for the renovation of the two properties whose purchase has been completed. Following standard procurement procedures the total remediation works (incl VAT) amount to €229,435 and €254,860 respectively in respect of these two properties and the Contractor has commenced work on both sites. Therefore, it is not possible to place these on the open market.

An Approved Housing Body that promotes inclusive and sustainable housing options for people with a disability is seeking to provide accommodation for persons on the housing waiting list in relation to 3 of the remaining properties, one in Westport and two in Castlebar. The Approved Housing Body is currently undertaking preparatory work, including the collation of all necessary information and supporting documentation, to enable the submission of a funding application to the Department. If these three properties are not to be used for social housing as originally intended, the relevant AHB cannot progress the accommodation proposal. If Mayo County Council places these properties on the open market, we will be required to pay TII their original market value regardless of the price obtained through the sale.

In respect of the final property, it is intended that MCC will use the property for social housing purposes, and we intend to submit a funding proposal to the Department in the near future, following finalisation of the necessary documentation. Therefore, if it is not to be used for social housing the proposed family identified by the Castlebar MD cannot be housed at this location as intended. Again, if Mayo County Council places it on the open market we will be required to pay TII their original market value regardless of the price obtained through the sale.

As outlined earlier, should the proposed resolution be passed by Council as outlined above Mayo County Council must pay to TII the amount of their original valuation. If the amount derived from the sale is less than that value, Mayo County Council must fund the difference from its internal housing budget. If it is more than that value it is assumed that the difference could be retained for housing purposes.

Overall, it is considered that the proposed sale of the properties would represent a missed opportunity to deliver secure and appropriate housing for families and individuals, including those with a disability, who are currently awaiting secure long-term social housing support. Retaining these properties for social use would enable the advancement of inclusive housing solutions and contribute meaningfully to addressing local housing needs. Recommended for Circulation.
The The 8/10/25.

Head of Housing