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Central Bank of Ireland

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Ms Erin Ó'Séaghda  
Clerk  
Select Committee on Budgetary Oversight  
Leinster House  
Kildare Street  
Dublin 2

By email: [financecommittee@oireachtas.ie](mailto:financecommittee@oireachtas.ie)

1<sup>st</sup> May 2024

**Re: Government expenditure for mica and pyrite homes and the remit of the Central Bank of Ireland**

Dear Ms Ó'Séaghda

Thank you for your letter of 2 April on the issues related to defective blocks raised by Deputy Rose Conway-Walsh at a recent hearing of the Budgetary Oversight Committee. As requested by the Committee, this letter provides information on the Central Bank of Ireland's (the Central Bank) remit with respect to the issue of defective blocks, and on our ongoing engagement with the financial sector on this matter.

As the Committee is aware, the administration of the Government's Enhanced Grant Scheme (the Scheme), and matters related to the operation of the Scheme, is a matter for the Department of Housing, Local Government and Heritage. The Central Bank does not have a role in the Scheme's design or operation.

Nevertheless, the Central Bank has taken steps to ensure that the firms we regulate and their industry bodies engage with the Department to ensure the Scheme can operate properly to achieve its aim. The Central Bank continues to support a coordinated approach in this regard. Given the range of bodies and industry sectors involved, for the remediation scheme to work and be effective in supporting the homeowners, proper coordination across all stakeholders is required. We believe that only through a coordinated approach, under the auspices of the Scheme introduced by the Department of Housing, can the various aspects related to this issue be addressed.



The Central Bank has also been active to ensure that, in their dealings with affected consumers, regulated firms meet the regulatory requirements and supervisory expectations of the Central Bank. This includes our expectation (which applies in all contexts) that firms regulated by the Central Bank support their customers when faced with challenging circumstances, such as defective concrete blocks. To inform this work the Central Bank has also met, and had ongoing correspondence, with a representative group for affected homeowners. We have used the information we have received from the representative groups to inform our ongoing engagement with the financial sector and industry representatives on this matter. This includes engagement with individual firms on relevant issues highlighted to us.

We are aware that the BPF and Insurance Ireland, on behalf of their member firms, are also engaged directly with homeowner representative groups and that the banks and insurance firms have put a number of measures in place to support affected customers since the introduction of the Scheme. The representative bodies have also provided clarifications to the Department on how the Scheme should work to ensure renovated properties can meet the standard criteria for a mortgage and home insurance.

The Central Bank will continue to play its part by working closely with all our stakeholders to support affected homeowners and will continue to engage with the financial services industry and its representative groups to advance this work. I hope that this information is helpful to the Committee.

Yours sincerely

A handwritten signature in blue ink that reads "Colm Kincaid".

**Colm Kincaid**  
**Director of Consumer Protection**