

# Fingal County Council Development Pipeline Analysis

**Reliance Restricted**

6 November 2025



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**Development Sector Pipeline Analysis 2025 for Fingal County Council**

**6 November 2025**

Dear Sir/Madam,

In accordance with the terms of the engagement letter signed 19 June 2025, we have assisted you in completing a report containing a development sector pipeline analysis for the Fingal County Council administrative area to inform preparation of the next Development Contribution Scheme 2025-2030.

We have not, except to such extent as you requested and we agreed in writing, sought to verify the accuracy of any data, information and explanations provided by yourselves, and you are solely responsible for this data, information and explanations. We have therefore relied on any information provided by you to be accurate and complete in all material respects. All publicly available data sources are as of 26 September 2025.

Ernst & Young only accepts responsibility to the addressee of this letter on the basis of the engagement agreement and assumes no responsibility whatsoever in respect of or arising out of or in connection with the contents of this letter to parties other than yourselves. If other parties choose to rely in any way on the contents of this letter they do so entirely at their own risk.

We appreciate the opportunity to have provided EY's services to Fingal County Council. Should you have any queries or comments regarding this report or if we may be of any further assistance, please do not hesitate to contact me on +353 1 221 2611.

Yours sincerely



Simon MacAllister

Partner

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# 1

## Executive Summary

## Seven areas were assessed as part of this report

Fingal County Council (FCC) commissioned an economic and market analysis of the development sector in Fingal, and the factors affecting development. This analysis is required to inform a review of the existing Development Contribution Scheme and preparation of a new scheme. The report is structured as follows:

- 1 Residential market** Provides an assessment of the performance of the Dublin and FCC residential market and a forecast for completions over the period of the Development Contribution Scheme
- 2 Commercial market** Provides a snapshot of the Dublin commercial property market, examining trends reported by the main property agents, data on planning permissions and the short-term pipeline
- 3 Assessment of likely trends** Provides a more detailed assessment of FCC's likely development pipeline from an analysis of planning permissions and commencements and identifies upcoming major projects in FCC
- 4 Cost analysis** Assesses FCC's development contribution revenues based on the projected development pipeline against the estimates provided in FCC's capital programme
- 5 Impact analysis** Examines the impact of development contributions on viability, using a 2-bed apartment case study
- 6 Assessment of indexation** Sets out the range of construction cost and price inflation indices available and recommends the most appropriate index for FCC

# Recent planning permissions have dramatically declined compared to the same period in 2024, however new dwelling completions have shown a marked increase

## 1 Residential market

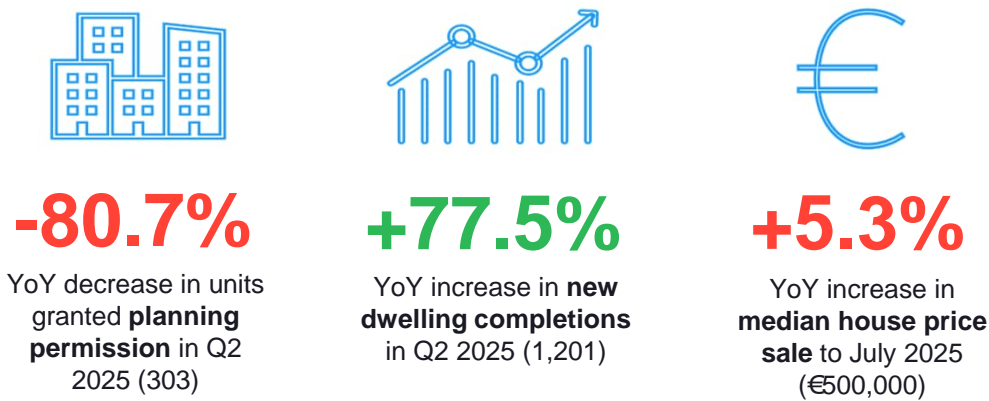
Fingal, like the rest of Dublin, has faced many challenges with regards to housing. The ongoing challenges in the Dublin residential market highlight the need for sustainable growth and adequate housing supply to meet the increasing demand. Strategic planning and investment in housing infrastructure are crucial to address the imbalance and ensure long-term stability in the market.

The housing market’s performance has a significant impact on the broader economy, influencing consumer spending, investment decisions, and overall economic stability. Addressing the housing shortage effectively can contribute to sustained economic growth and improved quality of life for residents.

Policymakers need to focus on creating favourable conditions for housing development, including streamlining planning processes, providing incentives for developers, and ensuring that new housing projects are well-distributed across the city to avoid over-concentration in specific areas. The new Planning and Development Act 2024, looks to address many of these challenges moving forward.

Despite these challenges, progress has been made on many fronts, albeit recent planning permissions have considerably declined in the most recent quarter and price pressures remain high for buyers and renters alike.

- There were 8,132 residential commencements in FCC in 2024, almost three times higher than the number of commencements in 2023 (+196.6% YoY).
- Forecast completions for 2026-2030 range between 13,520-18,569 residential units across the five years.
- Rental prices have continued a prominent upward trend with the average monthly rent in Q1 2025 in FCC at €2,082 (+4.9% YoY).
- The median value of house price sales in Fingal was €500,000 in July 2025, the least expensive area reported in Dublin in the year up to July 2025. However, Fingal also reported the greatest increase (+5.3% YoY).
- An analysis by DNG of the strength of demand in the Dublin market, as measured by the percentage of total residential stock for sale that is ‘sale agreed’, reveals that in June, 43.1% of the total stock is currently offered for sale is sale agreed, up from 39.4% in May.



Forecast residential completions, FCC, 2026 - 2030

	Baseline Scenario NPF projections	Medium Scenario NPF + 50% uplift	High Scenario 10% increase on medium	National targets
2026	2,583	2,751	2,809	43,000
2027	2,614	3,072	3,202	48,000
2028	2,693	3,430	3,651	53,000
2029	2,773	3,829	4,162	58,000
2030	2,857	4,275	4,745	60,000
Total	13,520	17,357	18,569	262,000

Source: EY analysis

# The property market across the Dublin market is demonstrating a renewed confidence, however, this is not without challenges

## 2 Commercial Market

### Dublin Office Market

- Q2 2025 saw a strong period of take-up in the Dublin market, with 60,240 sqm take up, which was the best quarter since Q2 2024. This large uptake is driven by two major deals on College Square and 70 St. Stephens Green accounting for 75% of the activity (CBRE).
- Dublin's vacancy rate fell to just over 15% according to CBRE, as nearly 102,000 sqm of stock is reserved in the city.
- Due to recent deals in the Technology sector, specifically Workday's 416,000 sqm lease, JLL suggests that the tech sector is stabilising in a post pandemic landscape and Dublin is reaffirming itself as a tech hub.

### Dublin Industrial and Logistics Market

- Dublin's industrial and Logistics take-up totalled 57,304 sqm in Q2 2025, a 54% increase when compared to the same quarter in 2024.
- CBRE reported that the largest deal of Q2 2025 was in northwest Dublin, where a confidential manufacturing related occupier signed a lease for approximately 14,307 sqm, in addition to Primeline Groups rapid expansion at Cloverhill Industrial Estate for 10,240 sqm.
- Although a gross of 72,000 sqm was completed in Dublin in Q2 2025, the highest quarterly completions since Q2 2022, over half of this stock is pre-let or built-to-suit, reflecting a potential scarcity in available units relative to market demand.

### Other Markets

- Digital integration, evolving consumer behaviour and wider economic pressures have played a role in the recultivation of the Irish retail landscape, with more traditional retailers introducing e-commerce and omni-channel strategies to remain competitive. Lisney report online retail sales fell by 5% in Q1 2025, despite an increase in retail sales value of 1.8%.
- The Credit Union Consumer Sentiment Index indicated a weaker index of 61.1%, lower than the average 64.9% in August 2025; reflecting growing fears of a trade war between the USA and the EU. Additionally, wider economic uncertainty and the announcement of several price increases have outweighed the potential optimism from low unemployment figures.

## 3 Assessments of Likely Trends

### Background

- Ireland's GDP continues to perform strongly in the first two quarters of 2025, the CSO reporting an 18.5% increase in GDP in the first half of 2025 (annual change at constant prices). These increases are largely driven by an increase in the multinational dominated industry sector, which has grown by 37.1% in the first six months of 2025. This in large part relates to the front-loading of exports to the US in advance of tariffs, with exports up 40%. The domestic economy, which excludes the impact of foreign multinationals, also saw robust growth at 3.8% in the first half of the year.
- The industrial sector accounted for a €54 billion contribution to GDP in Q2 2025, however it must be noted that construction is not considered in this figure. Construction amounted to €4 million in GDP in Q2 2025, a 6.0% increase from Q1 2025.
- According to the ESRI, the overall population is projected to increase by approximately 1 million people from 2022 levels, reaching a total of 6.1 million by 2040. Additionally, the ESRI projects that structural housing demand in the period of 2030-2040 will be 44,000 p.a., falling to 36,000 p.a. over the period.

### BCMS Data

- Approximately 1.86 million square meters of buildings were commenced in FCC in the period from 2022 to early 2025, with 60,101 sqm or 29.6% being classified as residential commencements in 2025.
- Of the remaining 142,880 non-residential units commenced in FCC in 2025, 36.9% were classified as industrial and 10.8% were classified as storage. These numbers highlight a significant growth in the sectors from 2024, with increases of 30.2% and 8.9% respectively.

### CIS Data

- The total quantum of non-residential floorspace commenced or to be commenced in FCC by building type in the years 2020-2030 is just over 2 million square metres.
- Industrial projects in FCC accounted for 1,168,232 sqm, representing 65.5% of the total floor area from 2020-2030.
- In the FCC, non-residential commencements are to be at their highest in 2026 (482,314) and 2027(389,558).



# The projected revenue from development contributions is estimated to be €307m in FCC in the period 2026-2030

## 4 Cost Analysis

### Development land (5-15% of development costs)

- The Minister for Housing has instructed local authorities to adequately zone land to reach housing requirements as set out in the NPF implementation plan for housing

### Construction Costs (45-55% of development costs)

- Cumulative inflation over 5 years 2020 – 2024 was 35%
- Inflation is expected to remain at 3.0% in 2025, however this represents a cumulative growth of 39.5% since 2020

### Finance (5-15% of development costs)

- Rise in interest rates between July 2022 - September 2023
- Positive movements in 2024 and 2025

### Professional Fees (3-5% of development costs)

- Costs under pressure due to lack of qualified resources

### Disposal Costs (1-3% of development costs)

- Likely to follow the trajectory of sales and letting levels in the marketplace

### VAT (8-12% of development costs)

- No VAT on development contributions, finance or insurance costs

### Development Contributions (1-6% of development costs)

- Temporary waiver on Section 48 due to be removed at end of 2026.

#### Capital Programme 2025-2027 forecast cost and revenues

The projected revenue from development contributions is estimated at €307m based on EY's projected development pipeline, using the baseline scenario of housing completions in line with NPF. The contributions are expected to increase to €359m and €375m by applying increases to housing completions by 50% (as per NPF guidelines) and an additional 10%, respectively.

## 5 Impact Analysis

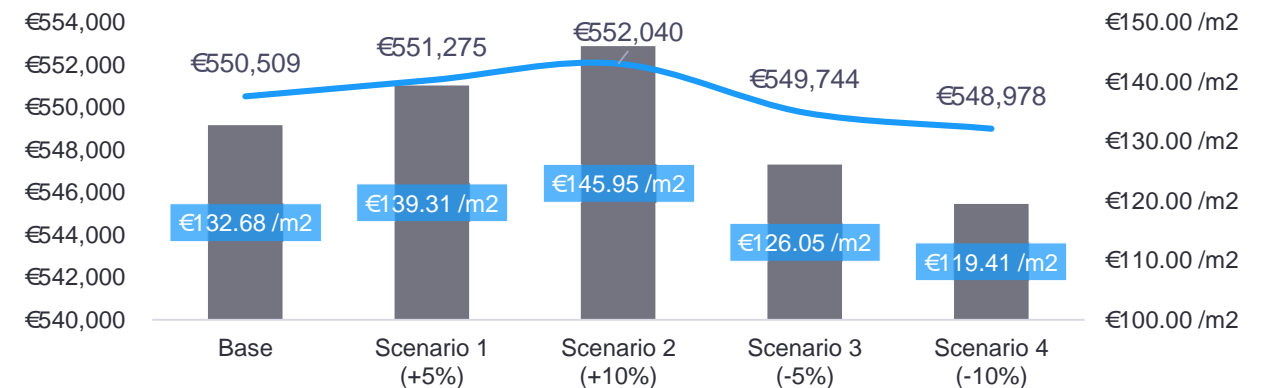
### Viability is fundamental to all development

- Unless the total costs of development, including the normal costs of construction and mitigation, profit and risk, are sufficient to provide competitive returns to developers and to enable them to build at a rate which will satisfy the demand in the local market at affordable prices and rental levels, viability challenges will result in many developments not being delivered.

### Development Contributions Impact on Total Development Cost

- Adjusting the development contribution component in the baseline development cost for a 2-bed apartment, using four scenarios (see chart), the overall change in the total development cost is negligible on an individual unit basis.
- However, when factored across all units on a dense residential development the increase/decrease can be notable. Moreover, it may be the difference between proceeding and not proceeding with a project. The impact of the development contribution waiver is a case in point, whereby total commencements nationally and in SDCC were up by 83.7% and 49.5% in the 12 months to November 2024 on the corresponding period one year earlier. Below are the adjusted calculations to reflect the FCC position, although the difference compared to the SDCC case study is minor.

### Impact of changes in development contributions on 2-bed apartment development costs



#### Mitchell McDermott analysis.

Using the Total Development Costs Study 2024 as a basis, the figure for Development Contributions is adjusted to reflect FCC. The cost per m² is illustrated by the yellow bars and on the right-hand scale in the chart.



# In lieu of a tender price inflation measure that captures infrastructure rather than building costs, the SCSI Tender Price Index remains the only available option for local authorities

## 6 Assessment of indexation

The four Dublin local authorities currently apply indexation to development contributions in planning permissions. The rationale is that changes in infrastructure costs should be mirrored in development levies.

However, no single measure accurately tracks construction inflation across all subsectors: residential, non-residential, and civil engineering. Various indicators are examined to capture construction cost inflation and tender price inflation, including changes in material prices, labour costs, productivity, contractor profit margins, VAT, and professional fees.

### The most suitable indexation system for local authorities

Local authorities need an appropriate construction inflation index to apply to the costs of physical works in their planned infrastructure projects. An ideal index would capture infrastructure costs rather than building costs, be independent, transparent, publicly available, and regularly updated.

The SCSI Tender Price Index, a non-residential tender price index, is available biannually. It is sentiment-based and excludes housing projects, which constitute a significant portion of FCC's capital expenditure. In the absence of an independent housing tender price inflation measure, the SCSI Tender Price Index remains the only available option for indexing non-residential projects.

Although the development of a comprehensive construction tender price inflation index is not the responsibility of FCC, it is something that should be promoted by relevant stakeholders, including local authorities and Government, given the significant infrastructure investment planned nationally over the next decade.

# 2

## Introduction

# This report provides an economic and market analysis of the development sector in the Fingal County Council area

This report is an economic and market analysis of the development sector and the factors influencing development in the Fingal County Council (FCC) area. This information is required to inform the review of the existing Development Contribution Scheme for 2021-2025 and preparation of a new Development Contribution Scheme for 2026-2030.

The development sector is defined to cover all new private and public residential and non-residential building, including the Housing, Commercial (Retail and Offices), Industrial, Tourism, Cultural, Education and Health sectors.

## This report focuses on the Fingal County Council area

The origin of a development contribution scheme is Sub-section (1) of Section 48 of the Planning and Development Act, 2000 (as amended) which provided for a system for levying development contributions on eligible developments within each area for the purposes of funding the wide range of public infrastructure and facilities that are provided, or that are intended to be provided, and maintained by local authorities. Such infrastructure, which benefits development in the area of each planning authority, includes, for example Roads, Surface Water Drainage, Parks, Libraries, Recreational and Community Facilities.

All planning permissions are subject to this scheme, including permissions granted on appeal by An Coimisiún Pleanála, unless exempt in accordance with the provisions of the scheme. The 2021-2025 scheme was adopted by the County Council at its meeting held on 14 December 2020, and came into effect on 1 January 2021.

It should be noted that since 1 January 2025, the Development Contribution rates per sqm have been as follows:

- Residential Levy: €132.68
- Commercial Levy: €103.61
- Residential Retention: €165.85
- Commercial Retention: €129.51

This report contains a range of data provided from public and private sources. It provides EY's projections of the development pipeline across the FCC area. The current development contribution rates are set out together with an analysis of the impact of development contributions.

EY were supported by Mitchell McDermott Construction Consultants in undertaking this assignment.

## Report Structure

Excluding the Executive Summary and Introduction, there are six sections which contain the following as per the proposed approach and methodology in the scope of work:

1. A review of the current general economic situation in the residential development sector in the FCC area (Section 3)
2. A review of recent trends in the Dublin commercial market and of non-residential planning permissions in the FCC area (Section 4)
3. An assessment of likely trends in the development sector during the lifetime of the proposed scheme in the FCC area, including projections for the future development pipeline by sector, in FCC over the same period and an identification of any upcoming major projects in FCC (Section 5)
4. An assessment of FCC's development contribution revenues based on the projected development pipeline against the capital investment provided in FCC's Capital Programme 2025-2027 (Section 6)
5. An examination of the impact of development contributions on viability, using a 2-bed apartment case study (Section 7)
6. An evaluation of the method and type of indexation to apply to development levies during the lifetime of the scheme, including an review of the various measures of construction inflation and a recommendation on the most appropriate indexation system to be used (Section 8).

# The FCC Development Plan 2023-2029 is aligned with the Fingal Strategy and development contributions have a role to play in the delivery of public infrastructure and services necessary to sustain economic growth

The **Fingal Development Plan 2023 – 2029** sets out a comprehensive spatial strategy for guiding the county's growth over the plan period, with a strong emphasis on sustainability, compact development, and infrastructure-led planning. At its core, the plan envisions Fingal as a local authority area that embraces healthy placemaking, fosters inclusive and resilient communities, and promotes economic prosperity through well-connected urban and rural settlements. The plan anticipates significant population growth, approximately **73,000 additional residents by 2031**, and aims to accommodate this through the consolidation of existing settlements, prioritising brownfield and infill development, particularly in well-served areas such as Swords, Donabate, Balbrigan, and the Dublin–Belfast Corridor.

A key feature of the plan is its alignment with national and regional policy frameworks, including the **National Planning Framework (NPF)** and the **Regional Spatial and Economic Strategy (RSES)**. It sets out a **Core Strategy** that directs growth towards areas with existing or planned infrastructure and public transport access. The plan also identifies major strategic infrastructure projects, including road improvements, public transport corridors (e.g. MetroLink and BusConnects), water and wastewater networks, parks, and climate adaptation infrastructure. Development contribution income will be vital in funding these capital investments, which are required to support the scale and density of new housing and employment development proposed under the plan.

The Development Plan is underpinned by four cross-cutting themes: **climate action, healthy placemaking and sustainable development, social inclusion, and high-quality design**. These themes inform policies around housing, community infrastructure, green and blue infrastructure, and transport. For example, the emphasis on developing well-served, well-connected neighbourhoods with high-quality amenities and public realm will require substantial upfront investment. **Development contributions are essential to deliver this infrastructure in tandem with new development**, thereby ensuring sustainable, phased growth that does not strain existing services.

The plan also highlights the importance of town centre regeneration, placemaking, and the revitalisation of rural villages, which include objectives to provide public realm improvements, pedestrian infrastructure, and access to community and leisure facilities. **Such objectives often fall outside the remit of direct developer provision and rely heavily on the local authority's capacity to fund works via contributions.**

Fingal Development Plan 2023 – 2029 provides a clear vision for structured and sustainable growth across the local authority area. It reinforces the principle that development must be aligned with infrastructure capacity and long-term planning goals. To this end, the **Development Contribution Scheme plays a central role**, enabling the Council to recover a proportion of the costs associated with delivering the public infrastructure and services necessary to support projected growth.



# FCC's 3-year Capital Programme 2025-2027 identifies 331 individual projects with an estimated spend of €1,569m over the three years

FCC's 3-year adopted Capital Programme (2025-2027) provides for €1.569m of planned expenditure on a number of key infrastructural and housing projects over the three years.<sup>1</sup> These projects are of strategic importance to the local authority area in terms of their associated socioeconomic impact for the wider community. It is planned that this expenditure will be highest in 2025 (€573m), will reduce slightly in 2026 (€536m) and again in 2027 (€460m).

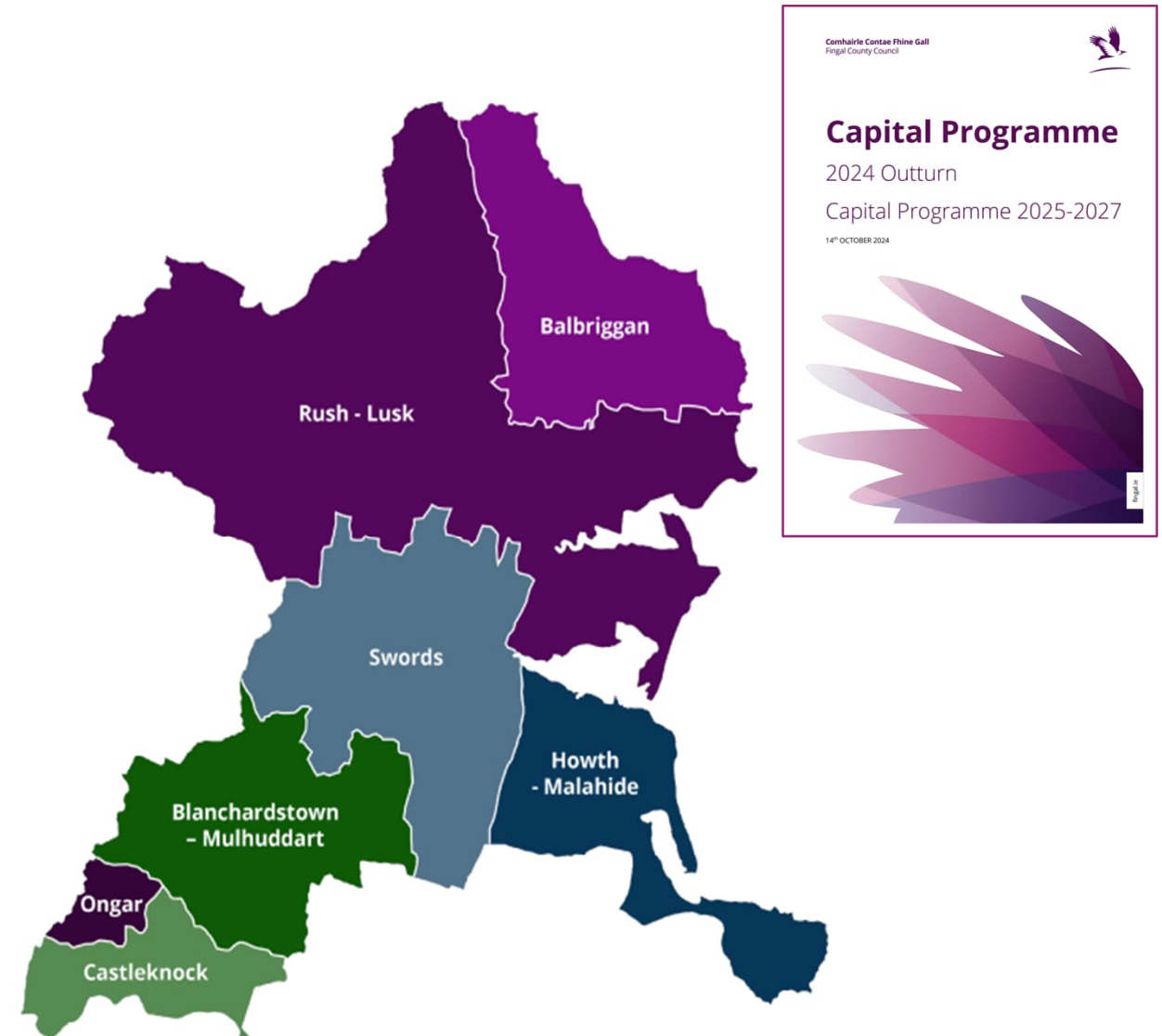
Housing accounts for just over €1,008m, or **64.2% of the planned expenditure over this period**, €362m of which is to be spent in 2025. The projected spend underpins **FCC's continuous commitment to deliver a significant and progressive housing programme** in accordance with Government housing policy and Housing for All. The overall objective of this 3-year programme is to maximise housing supply and the availability of suitable accommodation for households unable to provide accommodation from their own resources; along with the provision of high-quality housing to purchase or rent at an affordable price. It is expected that over the 3-year programme, funding will enable the Council to realise and deliver a substantial number of social housing dwellings via the available housing support mechanisms.

A total of €134.2m has been provided in the Programme for expenditure on FCC's own build construction projects in locations across the County. It is anticipated that **3,000 homes will be delivered** through various construction projects between 2025 and 2027, albeit this figure may be higher following the upward revisions to the national targets in the Revised National Planning Framework. A provision of €317.1m has been made for the continuing development of mixed tenure developments of the major land banks in the County, including an amount of €135.6m for the Church Fields development in Dublin 15 and €101.7m for the development of sites in Donabate at New Road & Ballymastone. An amount of €5.5m is also provided for the development of a newly acquired site in Moorestown in Swords. These schemes include a mix of tenures of social homes, affordable for sale, and cost rental homes. An amount of over €44.5m has also been provided across the 3-year period for future land purchases.

The sources of funding for the 2025-2027 Capital Programme are estimated as follows:

- €1,189m in Grants
- €160m in Levies
- €67m in Revenue Provision
- €38m in Loans
- €44m from Other Sources
- €72m Under Assessment (where the direct funding pathway is to be finalised)

<sup>1</sup> FCC 3-year Capital Programme 2025 - 2027





# 3

## Residential Market

# There is an upward trend in housing construction, but house prices continue to rise past record levels

## The Dublin residential market

Following the global financial crisis, Ireland’s economy has performed robustly, experiencing huge growth across a number of economic indicators, with the construction sector playing a significant role in this growth. One of the most pressing issues in Ireland, and particularly Dublin, has been the housing shortage. Following the economic boom years of the mid-2000s the residential market nationally recorded a considerable set back. In March to December 2014, following the introduction of the new BCMS system for collecting commencements, with only 2,453 housing units commenced across Ireland, of which 875 were commenced across all of Dublin, including 361 in Fingal. Housing completions too were dampened, with only 1,708 recorded across Dublin in 2014 (457 in Fingal), the majority of which were in the Dublin City Council area.

Despite the many difficulties and uncertainties since, there have been considerable improvements in the market since 2014, with 24,945 commencements in Dublin alone in 2024, almost three times the corresponding level five years previously (2019). The largest proportion of these was in Fingal, with 8,132 commencements in 2024, making up 32.6% of the total. In the 12 months to July 2025, there were 5,123 commencements in Fingal, 34.7% of the Dublin total (14,744).

Turning to completed homes, there were 32,717 completions in the four quarters to Q2 2025 (latest data available), of which 12,682 (38.8%) were in Dublin. Of the Dublin total, 3,613 new homes were completed in Fingal (28.5%).

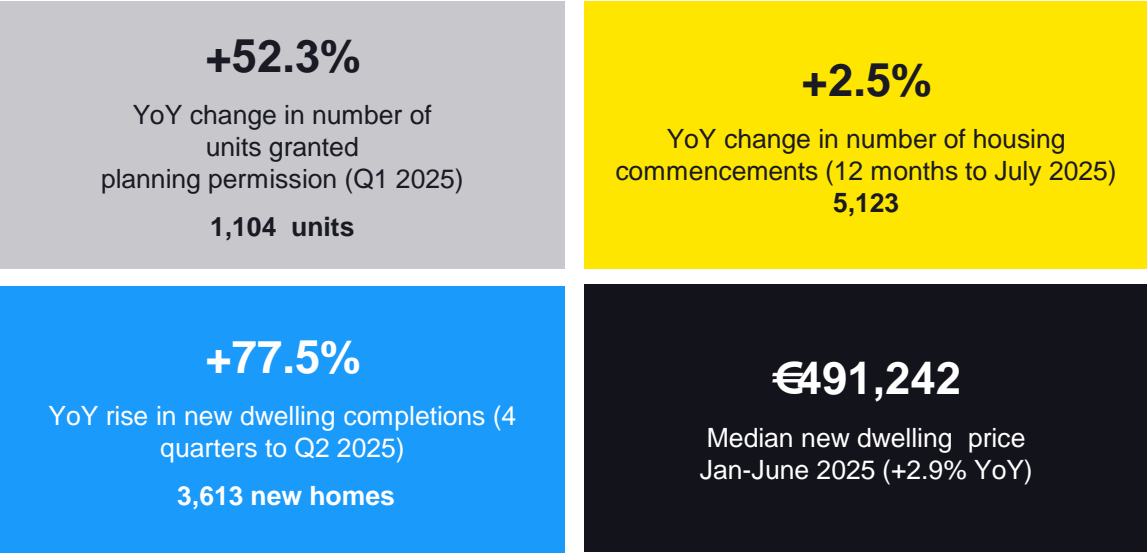
Ireland’s housing supply was disappointing in 2024, at just 30,206 units. The forecasted revised requirement is in the region of 50,500 new homes on average over the period 2025-2030, based on the Revised National Planning Framework, which has projected a national requirement of 303,000 new homes by 2030. With supply substantially below the level of need, house prices and rents are likely to continue to increase.

The difficulties achieving the required level of supply to meet demand for housing has already resulted in significant price pressures that have persisted over several years. In FCC alone, mix-adjusted house prices have increased by 42.2% since June 2020 and by 36.9% in Dublin. The median sales price of a new dwelling in FCC was €491,242 in the first six months of 2025, up 2.9% on the same period in 2024. The corresponding median price in Dublin was €550,000, which represented a 10% increase on the same period in 2024.

Rental prices have continued on a prominent upward trend with the average monthly rent in Q2 2025 in North County Dublin at €2,406 (+7.2% YoY) (Daft.ie Q2 2025 Rental Price Report).

Dublin’s population is expected to grow by 13.7% between 2025 and 2040, rising to 1.77m (Oxford Economics). This compared with the NPF projection for Dublin City and Suburbs of an additional 295,000 people between 2022 and 2040 to at least 1.56m people in total. The growing population combined with existing pressures on the market from low levels of supply means that there is renewed pressure to provide the level of housing required, in the right locations, so as to generate sustainable growth both regionally and nationally.

## A snapshot of recent residential development activity for Fingal County Council



## 4Dublin Housing Supply Pipeline Q4 2024 Fingal highlights

- 17% decrease in the total number of permitted units to 18,112 homes
- Of these 18,112 permissions, 6,216 new homes had commenced (-1.7% YoY),
- 23.4% decrease in the number of permitted units that have yet to commence to 11,896 units
- Ongoing Judicial Review on 1 site in connection with 104 (1%) of uncommenced units

Period: Q4 2024 compared with Q4 2023  
Sources: 4Dublin Housing Supply Pipeline Report, Q4 2024 & the Housing Supply Coordination Task Force, Q4 2023 Returns



# There are 11,896 units with planning permission yet to commence development in Fingal County Council (-23.4% YoY), representing 66% of the total permitted units in Q4 2024

## Planning permissions

Although the granting of planning permissions does not always translate to the delivery of developments, the number of planning permissions granted is an important indicator of future supply.

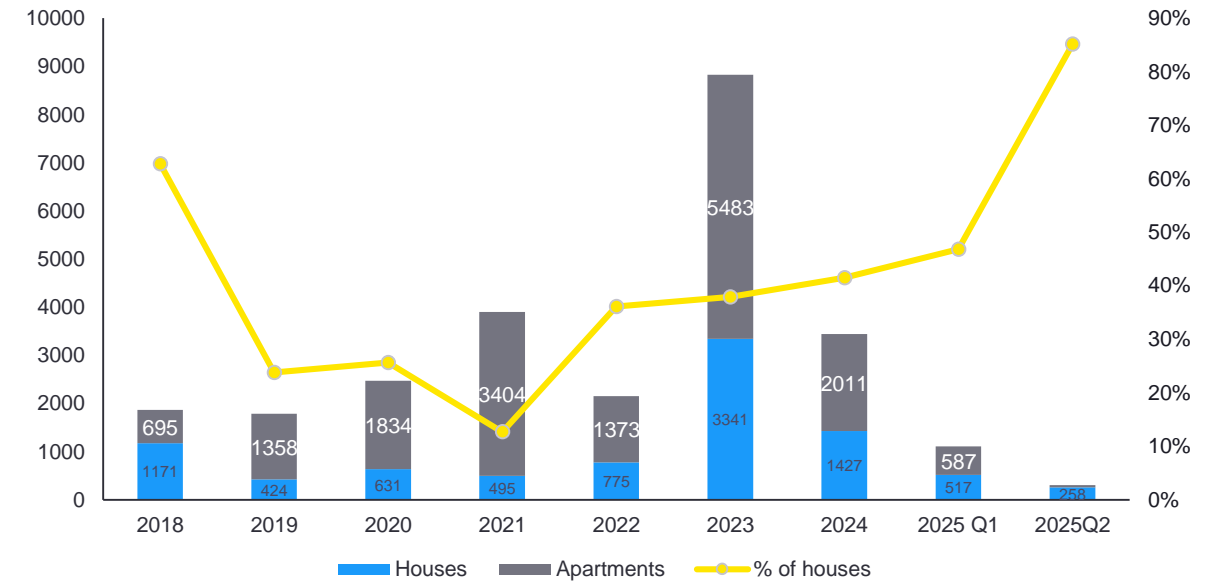
Over the past six years, CSO data shows a clear shift in the number of units granted planning permissions in favour of apartments in the FCC area. Since 2018, houses as a share of total permissions granted in Fingal have been below 50% each year. This shift is most apparent during the pandemic years in 2020 and 2021, when planning permissions for apartments made up 74% and 87% respectively of the total residential permissions granted. There was strong growth in residential planning permissions granted in the FCC area in 2023 - a total of 8,824 units were granted permission, 38% of which were houses. This number fell considerably in 2024, but it remained strong at 3,438 (42% of which were houses). Other than 2023 when there was a spike in planning permissions granted, 2024 had the highest number of permissions granted for houses (1,427) out of any year since 2018.

According to the CSO, the latest data for 2025 shows that a total of 303 units were granted planning permission in the FCC area Q2 2025 (+19.3% YoY). The total comprised a mix of 258 houses (85%) and 45 apartments (15%). Compared with the second quarter of 2024, this reflects a significant decrease of 94% YoY in the number of apartments granted planning permission. The majority of housing planning permissions granted in 2024 were concentrated in Q1 and Q2. It was a strong opening quarter for permissions granted in Fingal.

In comparison, returns for FCC for Q4 2024 from the **4Dublin Housing Supply Pipeline** found that the activity reported in the local authority area was as follows:

- **Planning Permissions:** In Q4 2024, planning permission is in place for a combined total of 18,112 new homes (12,015 or 66% of which are apartments). Furthermore, there was a 21.8% YoY decrease in the number planning application decisions pending in Q4 2024.
- **Development Pipeline (Active Sites and Sites Yet to Commence):** Of these 18,112 permissions, there is a cumulative total of 6,216 new homes commenced (-1.7% YoY), comprising 2,822 units built to date and 3,394 units currently under construction on 49 active sites. There are 11,896 units that have yet to commence development (-23.4% YoY), representing 66% of total permitted units.
- **Development Potential (Inactive Sites):** Of the total 11,896 uncommenced units, there are 8,733 uncommenced units on 49 sites.
- **Judicial Reviews (JRs):** There is an ongoing JR on 1 site in connection with 104 (1%) of uncommenced units, compared with JRs on 6,036 units (12.7%) for Dublin as a whole.

Number of units granted planning permission, FCC, 2018 – Q2 2025



## 348 commencements in Fingal in first seven months of 2025 or 5,123 in the twelve months to July 2025, an increase of 2.5% YoY

### Housing commencements \*

The level of commencements in Fingal has been on an upward trend since 2018. Over this period, certain months have demonstrated spikes in the number of commencements, including May 2021 (827), November 2023 (671), and various months throughout 2024.

In 2024, there were 8,132 residential commencements in Fingal, representing a 196.6% increase compared with 2023. This includes the substantial number of commencements totalling 2,491 recorded in September 2024 alone, a total which is greater than the total commencements in Fingal for each year from 2019 – 2022. The exceptional figures in 2024 were triggered by the Government's temporary waiver of development levies until the end of December 2024, and the Úisce Éireann connection charge rebate. These measures led to record commencements nationally in 2024 of 69,060 units, over twice the corresponding level in 2023. The sharp drop in the first seven months of 2025 to 348 in Fingal reflects the bringing forward of commencements to qualify for the waiver from later years, hence comparisons with 2024 are of limited value. However, the total commencements in Fingal were up by 2.5% YoY in the 12 months to July 2025.

According to BCMS data there has been just 35 commencement notices in Fingal in the first seven months of 2025, following the surge in commencement notices in 2024 (399 in total).

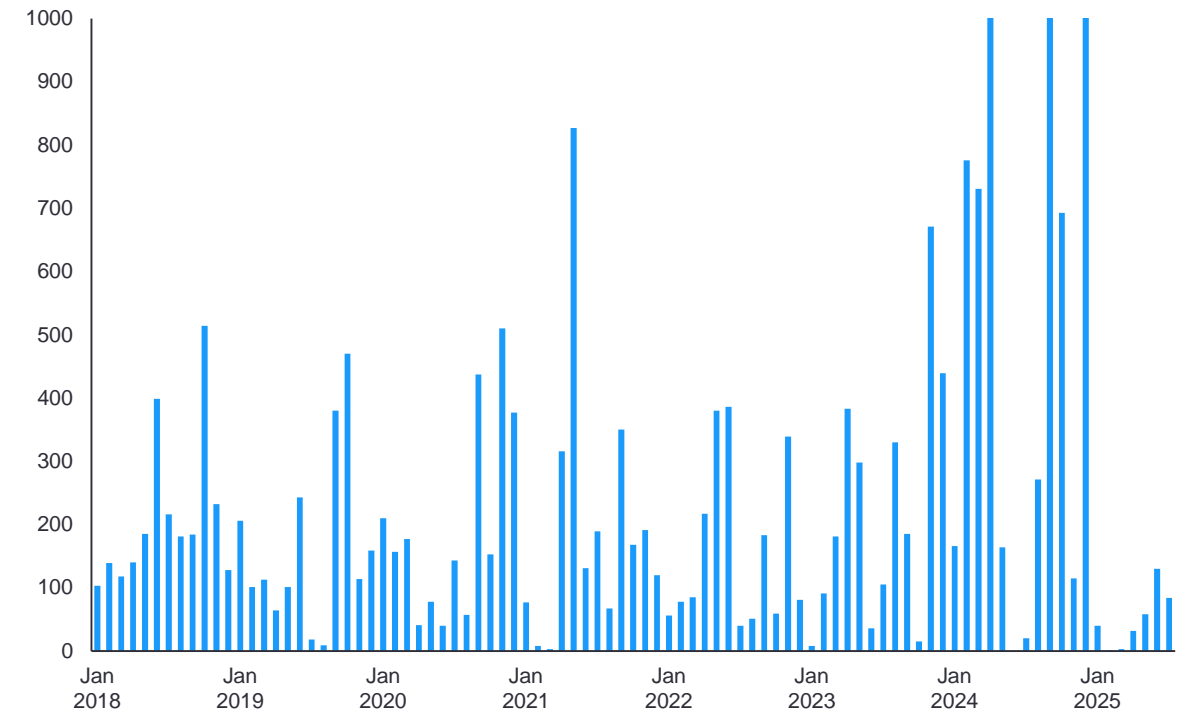
### Housing under construction \*\*

According to the 4Dublin Housing Supply Pipeline Report from Q4 2024, there was a cumulative total of 6,216 new homes commenced (-1.7% YoY) in Fingal in Q4 2024, comprising 2,822 units built to date, and 3,394 units under construction on 49 active sites. There are 11,896 units that have yet to commence development (-23.4% YoY), representing 66% of the total permitted units. An analysis of Strategic Housing Developments (SHDs) and Large Residential Developments (LRDs) indicated that in Q4 2024:

- There were 7,554 units currently permitted under the SHD process with 2,105 SHD units commenced (built and under construction).
- There were 4,301 units currently permitted under the LRD process with 1,306 LRD commenced (built and under construction).

\* **A Commencement Notice** - a proxy for housing starts - is a notification to a Building Control Authority that a person intends to carry out either works or a Material Change of Use to which the Building Regulations apply. The notice must be given to the authority not more than 28 days and not less than 14 days before the commencement of works or the change of use. Once validated by the building control authority, works must commence on site within the 28-day period. In the case of large developments, commencement notices tend to be submitted for each phase. The Building Control Register, including the list of all commencement notices submitted, is available for public consultation at [www.localgov.ie/bcms](http://www.localgov.ie/bcms)

### Housing commencements, FCC, January 2018 – July 2025



Source: [www.gov.ie](http://www.gov.ie)

\*\* **Housing under construction** refers to the number of dwellings under construction within a given quarter, as captured by the 4Dublin Housing Supply Pipeline. The report provides the status of Tier 1 sites, where a final grant of planning permission has been obtained, and the permission can be implemented immediately.

A separate analysis of SHDs is also provided, relating to developments of 100 or more houses on land zoned for residential use or for a mixture of residential and other uses. SHDs can also include developments of student accommodation of 200 or more bed spaces.

[4Dublin Housing Supply Pipeline Q4 2024 REPORT](#)

# A total of 3,613 dwellings were completed in FCC in the four quarters to Q2 2025, 77.5% higher than the same period to Q2 2024, with houses representing 64% of the total and apartments making up the balance of 36%

## Housing completions

Aligned with the increases in planning permissions and commencements in recent years, housing completions have also been on a stable upward trend over the past number of years, particularly since the beginning of the pandemic in 2020. A total of 3,613 dwellings were completed in FCC in the four quarters to Q2 2025, 77.5% higher than the same period to Q2 2024. The total was made up of 1,760 houses (64%) and 995 (36%) apartments, reflecting the continued strength of house building in Fingal that we can see from the planning permissions data (despite the overall shift towards apartments over the past decade).

New dwelling completions in FCC increased in Q2 2025 to 1,201, which accounted for 31.4% of all new dwelling completions in Dublin. Fingal's share of completions has remained above 30% over the last three quarters (34.0% in Q4 2024 and 32.7% in Q1 2025), demonstrating a return to pre-pandemic levels. This is in contrast to Q2 2024, where Fingal accounted for 16.6% of Dublin's total new dwelling completions. In Q2 2022 and Q2 2023, Fingal accounted for just 21.9% and 23.4% of Dublin's new dwelling completions respectively.

According to the 4Dublin Housing Supply Pipeline Report for Q4 2024, 1,103 units were completed in the quarter, roughly around the same number as CSO data suggests (1,099). Many of these completions are based in the Hansfield SDZ (522), the Donabate Local Infrastructure Housing Activation Fund (LIHAF) (306), and Santry-Ballymun (99).

## Residential property transactions

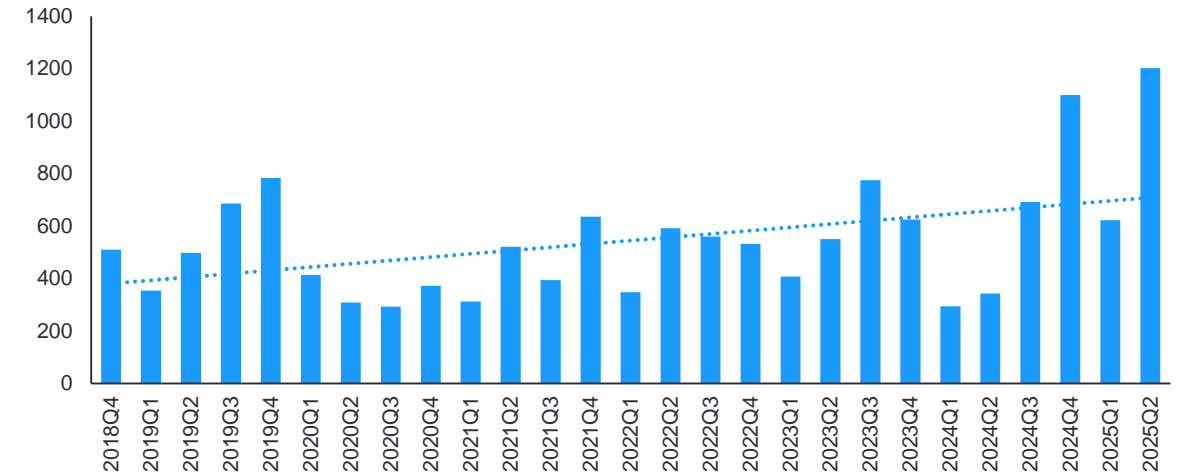
A total of 1,871 property transactions were recorded in FCC in the first 7 months of 2025, 14.4% higher than the corresponding period in 2024. The vast majority of these transactions over this period were houses (1,582 or 75%), while apartments accounted for 527 transactions (25%). The strongest month for property transactions over the past decade was December 2024, during which 495 house sales and 102 apartment sales were recorded (597 sales in total).

The median sales price of a house in FCC was €500,000 in July 2025, demonstrating a 5.3% decrease YoY from the corresponding month in 2024, but a decrease of 2.9% from January 2025, which had the highest median house price recorded to date at €515,000.

The median sales price of an apartment in FCC was €350,000 in July 2025, a decline of 4.2% YoY on the corresponding month in 2024. The median price of a new apartment was €590,000 in July 2025, representing a decline of 1.3% YoY, while the median price of an existing apartment was €343,000, which was 17.3% higher YoY.

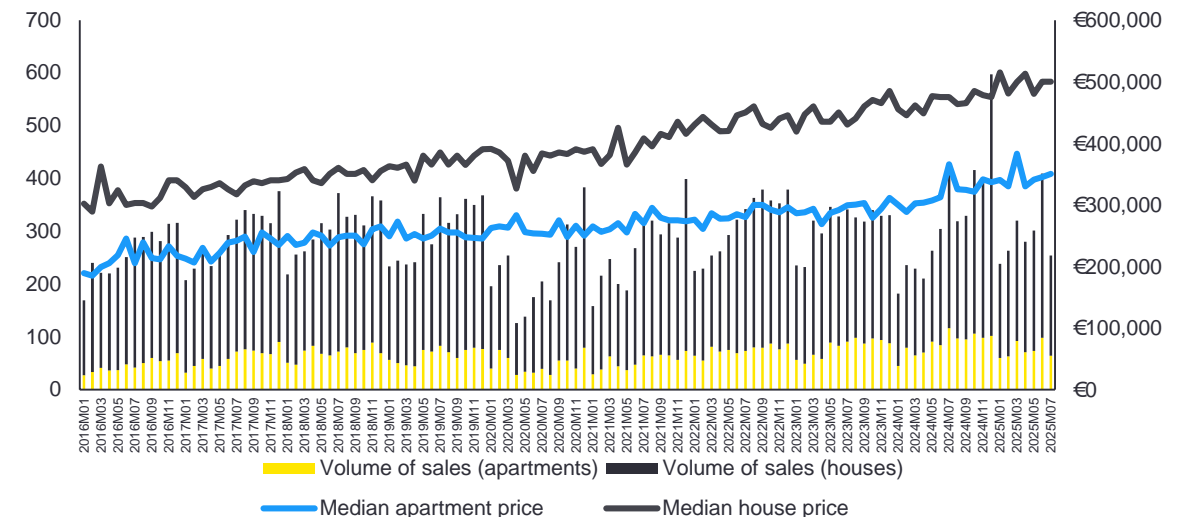
Overall transactions in Fingal accounted for 25.7% of the total transactions in Dublin in the opening seven months of 2025.

Housing completions, FCC, Q1 2018 – Q2 2025



Source: CSO

Property transactions, all dwelling types, FCC, January 2016 – July 2025



Source: CSO, Residential Property Price Index, property prices are not mix-adjusted. Does not include Build To Rent (BTR).

# Mix-adjusted house prices in Fingal were up by 3.0% in the first seven months of 2025 while rents in North County Dublin were up YoY by 7.2% in Q2 2025 to €2,406 per month

## Residential property prices

The CSO publish a mix-adjusted residential property price index (RPPI), including more granular data for house prices in Fingal. Unlike the data in the previous chart, the house price data is adjusted to reflect different properties with the same characteristics, and, therefore, this index provides a better reflection of the actual change in prices from one period to the next. According to the CSO, the mix-adjusted house price in the FCC area increased by 74.4% over the last decade (July 2015 to July 2025). The opening seven months of 2025 have all seen house prices in Fingal increase by 3.0% since December 2024 compared with 3.3% nationally, 3.4% in Dublin City, 2.1% in South Dublin and 1.8% in Dún Laoghaire Rathdown.

There are several reasons for the continuous growth in house prices in FCC and across Dublin and Ireland. One of the primary reasons remains that housing demand far outweighs housing supply at current levels. Demand has remained consistently high over the past decade as new housing developments continue to lag demand and catch-up after the reduced delivery post the financial crisis. Ireland's fast-growing population has also been a factor. The population growth, coupled with an estimated pent-up demand for over 200k homes in Ireland, has had a significant impact on housing supply and affordability across Ireland and undoubtedly in Fingal as one of the main administrative counties of Dublin.

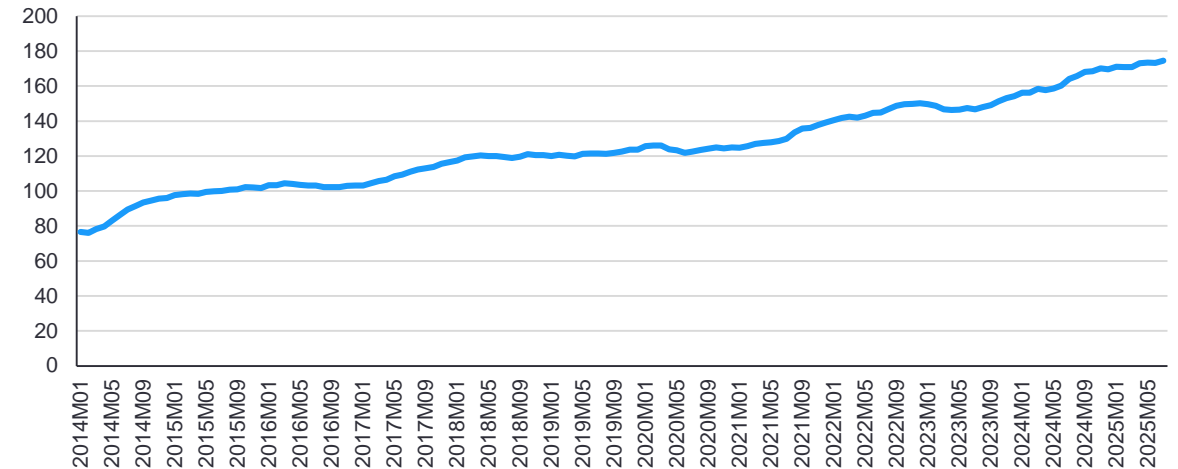
## Residential rents

The rental market in Ireland has seen a considerable growth in rent prices in recent years, resulting from housing supply issues in both the purchase and rental markets. According to RTB data for Q1 2025, the average standardised rent in a new tenancy was €2,082.32 per month, 4.9% higher than the corresponding rent in Q1 2024 (€1,984.73). This is slightly below the RTB's estimate for average rent in Dublin as a whole (€2,186.10), which is characteristic of FCC rents over the period examined in the graph to the right. Dún-Laoghaire Rathdown generally has the highest average rent of the four Dublin local authorities, while Fingal tends to have the lowest (albeit relatively similar to rents in Dublin City and South Dublin).

Daft.ie also provides a quarterly breakdown of rents in Dublin, but it is split by an alternative method than by local authorities.<sup>1</sup> The FCC area broadly aligns with the 'North County Dublin' used in the Daft.ie report. The latest report, for Q2 2025, stated that the average rent for North County Dublin was €2,406, reflecting a YoY increase of 7.2%. This is the lowest rate of rent inflation in Dublin in Q2 2025 compared to South Dublin (7.9%) and West County area (9%).

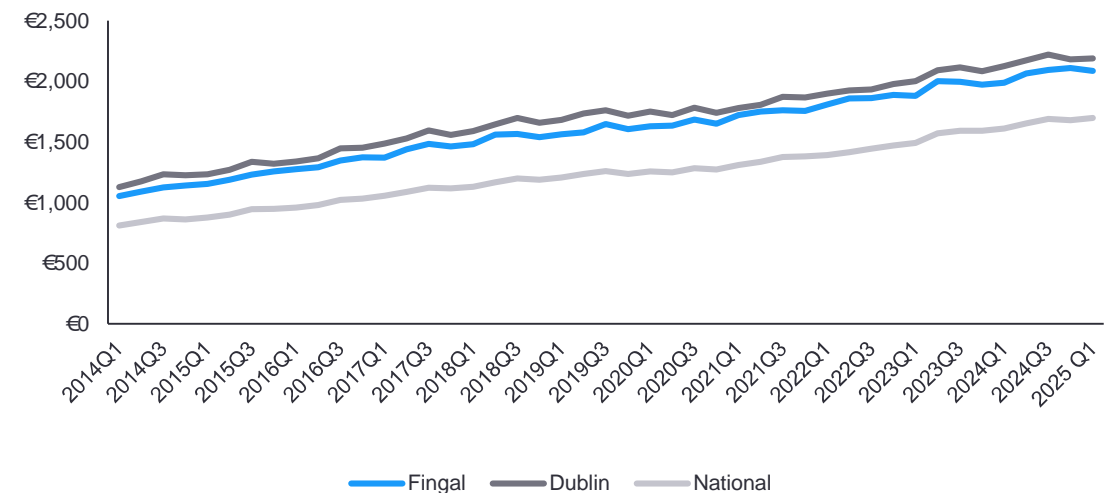
<sup>1</sup> [Daft.ie Q2 2025 Rental Price Report](#)

Residential Property Price Index, FCC houses, January 2014 – July 2025



Source: CSO mix-adjusted residential property price index

Average standardised residential rents, new tenancies, FCC, Q1 2014 – Q1 2025



Source: RTB Average Residential Rents



# New NPF housing delivery requirements have provided the projected housing completions for FCC, expected to range from 13,000 to over 18,000 units across three scenarios over the period 2026-2030

## Residential completions forecast

EY has forecast future residential completions in the FCC area from 2026 to 2030. The forecasts are derived from the recently published ‘NPF Implementation: Housing Growth Requirements’<sup>1</sup>, which has provided updated annual average delivery targets for all local authorities for 2025-2034. The new annual housing growth requirement for FCC is 3,153 units over this period.

As part of the new housing growth requirements, it has also been requested that:

*“planning authorities should address the scope for additional provision of up to 50% in excess of the baseline housing growth requirement...in light of the urgent need to increase housing delivery and to optimise the ability to deliver on the housing requirements of the Revised NPF.”*

As such, new housing completions forecasts for 2026-2030 are estimated under three scenarios;

- **Baseline Scenario:** This scenario projects an increasing number of housing completions that would be required to average the delivery of 3,153 units over 10 years, as required.
- **Medium Scenario:** This scenario projects an increasing number of housing completions that would be required to average the delivery of 4,730 units over 10 years, as required (i.e. baseline plus 50%).
- **High Scenario:** This scenario projects an increase of 10% on units delivered in the medium scenario in the 10 years.

Based on these projections, it is forecast that housing delivery in the FCC area will be between an average of 2,995 and 4,126 units across the three scenarios over the period 2025-2034, or between 2,704 and 3,714 units over the next five years.<sup>2</sup>

Several challenges and risks could affect the achievement of these forecasts. Supply constraints, such as brownfield land availability, planning permissions, and construction capacity, pose significant hurdles. FCC also must ensure that land is adequately zoned to reach these housing delivery projections, which has been requested by the Minister for Housing, Planning and Local Government as part of the housing growth requirements.

Housing for All is expected to be updated by Q3 2025, which may include further policy amendments and national targets. There have been some policy amendments announced by Government in advance of this update, however, including changes to RPZ regulations in June 2025 and amended design guidelines to encourage the development of new apartments.

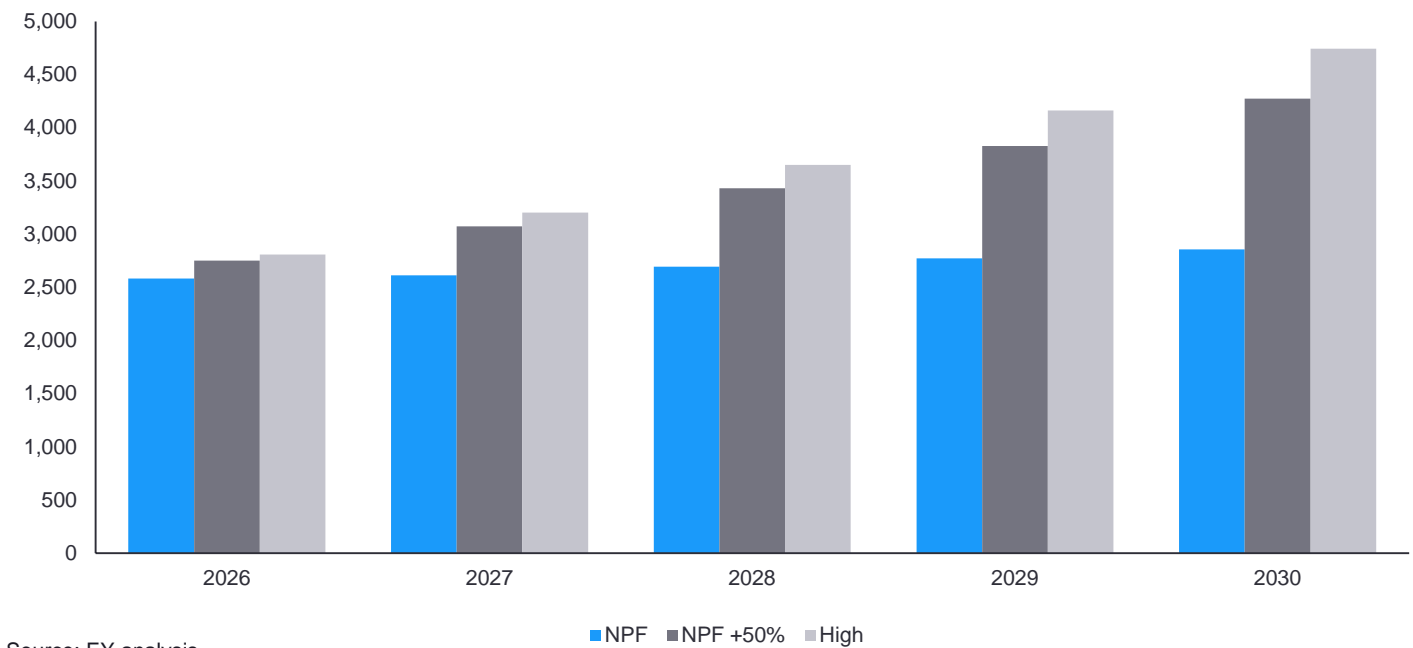
1 [NPF Implementation: Housing Growth Requirements, Department of Housing, Planning and Local Government](#)  
2 It is anticipated that 10% of these homes will be delivered as social housing, and as such these are excluded from the analysis in Section 6.  
3 [Planning Design Standards for Apartments, Department of Housing Planning and Local Government](#)

Forecast residential completions, FCC 2026-2030

	Baseline Scenario NPF projections	Medium Scenario NPF + 50% uplift	High Scenario 10% increase on medium	National targets
2026	2,583	2,751	2,809	43,000
2027	2,614	3,072	3,202	48,000
2028	2,693	3,430	3,651	53,000
2029	2,773	3,829	4,162	58,000
2030	2,857	4,275	4,745	60,000
Total	13,520	17,357	18,569	262,000
Annual average 2026-2030	2,704	3,471	3,714	

Source: EY analysis

Forecast residential completions for three scenarios, FCC 2026-2030



Source: EY analysis

# 4

## Commercial Market

# While Dublin office vacancy rates are retreating and take-up was at its highest level since Q2 2024 – 88% of which was in the city centre and 12% in the suburbs - demand requirements were down in Q2 2025 (CBRE)

This section provides an overview of the current office, industrial & logistics, retail, and hotel markets based on a number of sources. The analysis is based on all of Dublin and, where possible, discussion is provided on the Fingal local authority area.

## Dublin Office Market

Activity in the office market is assessed through various metrics, including take-up, vacancy rates, development, and investment. For this analysis, the primary focus is on the development pipeline, which reflects the extent of new construction and renovation projects initiated within a calendar year. It is important to note that office building projects can typically span two years or more, hence only the activity in a calendar year should be included in the output figures.

Current office vacancy rates in Dublin remain high but varied, ranging between 17.3% (CBRE, Q2 2025), 16.7% (Lisney) and 15.5% (JLL), indicative of the substantial new office supply over recent years. The expectation is that rates have peaked and are beginning to retreat (CBRE). There has been significant take-up by the tech industry in Dublin, specifically the 37,000 sqm taken up by Workday. This increase in take-up by tech companies such as Workday and Stripe suggests that Dublin is stabilising in the post-pandemic landscape and affirming itself as an international tech hub.

There is an air of cautious optimism emerging from reports on the office market as Dublin handles the volatility from global economic policies. In the year previous, Dublin had the highest vacancy rate amongst the main European cities, following three years marked by a decline in capital values.

Although Q1 2025 saw a sluggish Dublin market (Cushman & Wakefield), CBRE reported that sentiment in the office market is at its most positive since before the pandemic. The total take-up in Q2 2025 amounted to 60,240 sqm; more than double of the corresponding level in Q1 2024 and above the long-run quarterly average of 60,000 sqm. The technology (79% of Q1 2025 take-up) and business services (4%) sectors accounted for the largest proportion of Dublin take-up in Q1 2025.

Prime rents have remained consistent at €673 per sqm for the last few years, however CBRE reports that rents are forecast to reach €700 per sqm by the end of 2025. Furthermore, it is expected that prime rents must reach €755 per sqm to encourage the construction of new office stock. The North Suburbs has maintained its rent price of €221 in the last year.

However, Q2 2025 reports a decrease in active demand of 18%, with requirements totalling 192,000 sqm. It must be noted that geopolitical issues, such as the earlier uncertainty about US tariff negotiations in the opening half of 2025, now having reached an agreement, and ongoing conflict in the Middle East, may impact the office development pipeline in 2025 and 2026. The risk is that economic uncertainty could delay or postpone office development projects.

Dublin office take-up ('000m²)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	YTD
CBRE	18	87	55	51	41	160
BNP Paribas	16	86	48	44	31	150
Cushman & Wakefield	18	78	53	48	43	149
JLL	19	86	54	44	40	159
Lisney	16	84	53	47	38	153

Dublin office prime rents (€/m²)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	YoY*
CBRE	673	673	673	673	673	0.0%
JLL	673	673	646	646	646	-4.01%
Lisney	678	678	678	678	678	0.0%
BNP Paribas	673	673	673	673	673	0.0%

Prime office rents by location (€/m²)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
City Centre	673	673	673	673	673
South Suburbs	318	318	318	318	318
North Suburbs	221	221	221	221	221
West Suburbs	194	194	194	194	194

Dublin Office Vacancy Rates (%)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
CBRE	18%	18%	18%	19%	19%
BNP Paribas	15%	15%	16%	16%	15.8%*
JLL	15%	16%	16%	16%	16%
Lisney	18%	17%	17%	17%	17%

Source: A range of regular reports on the Dublin office market published by the individual property agents in 2024 and 2025.



# Industrial and Logistics performing strongly in North Dublin, despite escalating building costs, while retail vacancy rates are falling and retail investors are showing renewed interest in Dublin’s high streets

## Dublin Industrial & Logistics Market

The latest market trends and insights from the CBRE Kingspan Logistics Confidence Index for 2025 reveal a marginal increase in confidence amongst supply chain professionals compared with the previous survey in 2024. Demand continues on a strong upward trend, with total demand for I&L space in Dublin estimated at 150,000 sqm in Q2 2025, driven by a mix of occupiers such as retail and supply chain services, i.e. shipping groups and third-party logistics providers. However, due to the trends of inadequate levels of supply in the Dublin market, the I&L vacancy rate remains low at 2.85% (CBRE, Q2 2025).

Additionally, the survey identified two main challenges with respect to securing additional warehousing; the location and the cost of facilities, the latter being a consistent problem for the previous four years. This may lead to an overall decrease in the amount of I&L leasing in Fingal; due to escalating build costs and the rising interest rates that led to a slowdown in I&L development in 2024.

A total of 72,000 sqm of new Dublin I&L stock completed construction in Q2 2025, the highest quarter of completions since Q4 2022 (CBRE). Additionally, construction officially commenced at Nexus Logistics Park at the Cherryhound Interchange (North Dublin), where a 10,292 sqm facility for ‘Nexus Four’ will be situated. The park itself will extend 232,000 sqm across 17 new units. Nearly 165,000 sqm of new development is expected in the full year 2025.

Industrial space take-up had a notable increased resilience in the second quarter of 2025, building on a strong Q1 2025 performance. Q2 2025 saw a take-up of approx. 57,000 sqm across 21 deals, marking a 3% increase from the previous quarter (JLL). Initial forecasts for 2025 projected similar industrial volumes to 2024, influenced by the ongoing global tariff war, however there has been a moderate degree of outperformance and increased activity among occupiers seeking new space.

It should be noted that due to the management of the flow of traded goods, the I&L sector may be vulnerable to the ever-changing global trade environment and the new 15% tariffs on imports to the US following the EU – US Trade Deal. The need for caution is reiterated by an EY global survey of 1,200 CEOs in April and May 2025 that found 54% had delayed a planned strategic investment and 22% had stopped one altogether.

### Hotel Market

Dublin hotel occupancy averaged over 80% in 2023 and 2024, in addition to a growing city calendar (e.g. the NFL game in Croke Park) will increase ‘compression nights’ per year overall as tourism levels increase in the capital (CBRE). Average daily room rates (ADR) declined marginally and are likely to come under further pressure in 2025 as 1,500 hotel rooms are due to open this year.

The ratio of ‘total visitor nights’ in Dublin versus the ‘total number of bedrooms available’ illustrates that Dublin has less hotel bed stock than the vast majority of European gateway cities.

Dublin prime industrial space take-up ('000m²)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
CBRE	42	31	31	44	56
Cushman & Wakefield	17	27	36	44	51
Lisney	43	34	36	70	54

Dublin prime industrial space rents (€/m²)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	YoY
CBRE	140	140	140	145	145	3.6%
Cushman & Wakefield	135	135	137	140	145	3.6%
Lisney	140	140	140	140	140	0.0%

Source: A range of regular reports, mostly on the Dublin office market, published by property agents in 2024 and 2025

The sector faces barriers to entry including planning constraints and construction cost increases, which are likely to further an imbalance between demand and supply in the long run. A new policy introduced in the Dublin City Development Plan to prevent the 'overconcentration' of hotels in Dublin City Centre has led to the refusal of several hotel development applications, including a 300-bed hotel on Mount Street Upper.

### Retail Market

The retail market continued a strong performance in Q2 2025. Eight deals in Dublin amounted to €159m invested, which accounted for 41% of all investments made in Q2 2025 in Ireland. It should be noted that pressure persists in the market to continue adapting to technological and global economic changes brought on by the post-pandemic normality of online shopping, which is reflected by the closures of New Look and Quiz in the Irish market. Although this serves as a risk to the vitality of Dublin’s shopping districts, the vacancy rate on Grafton Street fell to 4.4% in Q2 2025, compared to 13.2% in Q2 2023 and 6.3% in Q2 2024, illustrating a continued demand for physical store locations.

Positive developments include the return of international brands and investors seeking high quality assets and prime locations where tenant demand is more resilient. Agents have reported near full occupancy at Dublin’s principal shopping centres.

# Planning permissions for non-residential units in Dublin has increased by 3.8% in Q2 2025, while ‘Buildings for industry and manufacturing handicraft’ remains a strong sector in FCC permissions in recent years

## Non-residential planning permissions in Dublin

In 2024, Dublin received planning permission for a total of 651,000 sqm of non-residential building developments, accounting for 10.6% of the State’s total for the same period.

In the first quarter of 2025, Dublin received planning permissions for a total of 64,000 sqm of non-residential building development, accounting for 4.6% of the State’s total for the period.

The total non-residential floor area planning permissions in Q2 2025 by 3.8% YoY from Q2 2024 in Dublin, but recorded a increase of 52.6% QoQ from Q1 2025.

## Non-residential planning permissions for Fingal County Council

The table across reflects the non-residential planning permissions for Fingal County Council from 2019 to 2024. Due to confidentiality restrictions under the Statistics Act 1993, some values have been replaced by an ‘X’.

The data shows that non-residential planning permissions in Fingal County Council have varied over the period, with particularly positive years between 2021 and 2023. Although there was been a decrease in 2022 and 2024, however non-residential planning permissions remained higher than pre-pandemic levels.

In 2024, Fingal represented 13.2% of the total non-residential planning permissions in Dublin. The strongest sector in 2024 was ‘Buildings for industry and manufacturing handicraft’ which accounts for 191,004 sqm of floor space. The second strongest sector in 2024 was ‘Buildings for trade and administration buildings for other economics activities’ with 45,231 sqm.

Total non-residential floor area granted planning permission for new construction in Dublin (000’s sqm)

	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Dwellings	292	367	272	195	309	220	112	112	112
Commercial Buildings	120	191	57	103	115	57	48	27	8
Buildings for Agriculture	2		1	10	1	1	1	1	7
Industrial Buildings	38	28	27	192	6	8	45	14	104
Govt., Health and Education	9	23	34	24	14	3	1	17	11
Other Buildings for Social Use	7	15	4	3	5	5	10	5	5
Total non-residential (excl. dwelling)	177	257	123	333	140	74	104	64	135
% of State Total	11.4%	14.8%	7.1%	19.0%	8.8%	5.3%	7.6%	4.6%	9.8%

Source: CSO

Total non-residential floor area granted planning permission for new construction in Fingal County Council (000’s sqm)

	2019	2020	2021	2022	2023	2024
Buildings for agriculture, forestry, horticulture, fruit-growing, viniculture and fishery purposes	15.48	12.66	12.27	4.01	2.85	11.59
Buildings for mining, energy and water	1.84	6.69	0.96	1.31	5.83	1.55
Buildings for industry and manufacturing handicraft	39.62	17.26	135.49	167.23	150.5	191
Hotels, restaurants and cafes	5.04	3.01	1.28	38.74	1.01	2.44
Buildings for transport	15.83	35.8	46.75	6.3	30.04	15.58
Buildings for trade and administration buildings for other economic activities	122.81	85.56	87.38	15.76	23.64	45.32
Public administration and public buildings for special purposes	-	-	X	-	-	X
Buildings for health and welfare	X	X	1.55	6.78	X	4.83
Buildings for entertainment and recreation	22.87	2.05	5.62	3.91	18.7	2.47
Buildings for education, culture, science and research	X	X	X	7.28	26.25	X
Buildings for religious and funerary	0	0	X	-	X	-
Other non-residential buildings	-	-	-	-	-	-
Office development, buildings for financing and insurance	2.82	8.14	23.41	X	83.43	X
Creche	0.58	0.9	1.89	X	9.69	2.73
Total non-residential	239.19	191.86	322.51	253.44	352.88	281.16

Source: CSO

# 5

## Assessment of Likely Trends

# The number of persons in employment in Dublin is up almost 40% over past decade; however, house and rent prices persist as a challenge to the economy’s future economic success

## Background to assessment

The Irish economy grew in Q2 2025, with Ireland’s GDP rising by 17.1% YoY when compared to the same period in 2024 but increased only 0.2% in the quarter. Looking at expenditure in the economy, exports decreased by 4.0% in Q2 2025 while Imports fell by 10.8% over the same period (QoQ). As a result, net exports increased by 13.3% in the quarter. Capital investment fell by 24.8% or €9.7bn compared with Q1 2025 reflecting lower levels of investment in Intangible Assets. Personal spending on goods and services increased by 1.0% in Q2 2025, while Government spending on goods and services grew by 2.5% over the same period. There was continued growth in the domestic economy in Q2 2025 with Modified Domestic Demand (MDD) up by 0.6% in the quarter.

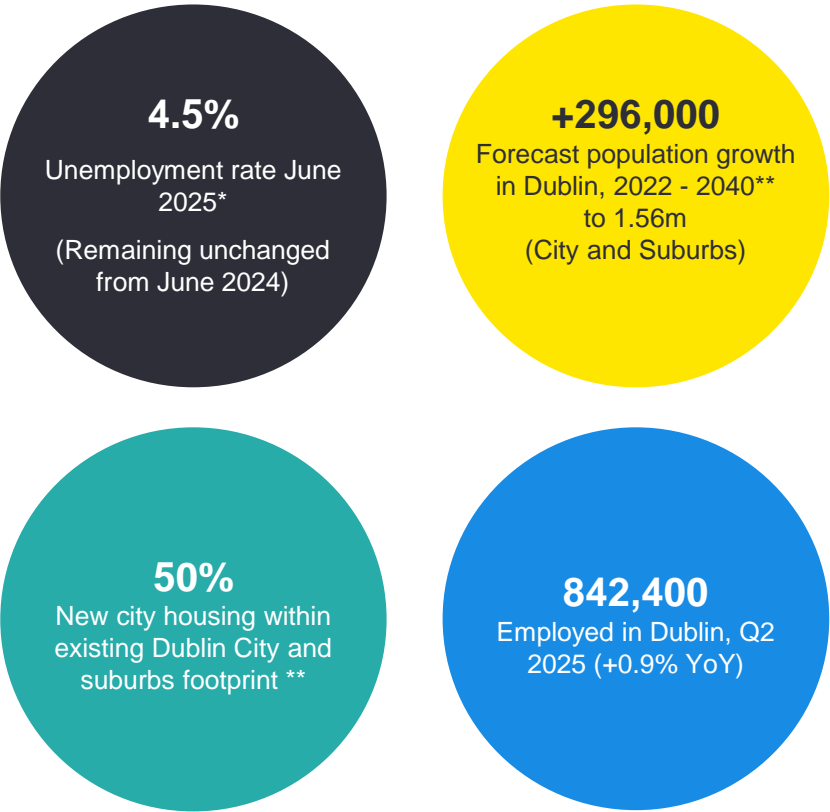
According to EY’s Autumn 2025 Economic Eye, Ireland’s GDP growth is forecast to be 9.0% in 2025, 3.3% in 2026, while MDD is forecast to grow by 3.2% in 2025 and 2.6% in 2026.

A significant portion of the growth in the Irish economy in recent years has been propelled by substantial improvements in Dublin’s economy. Between Q2 2015 and Q2 2025, the number of persons in employment in Dublin increased by 38.2% (+233k). Of this growth over the past decade, the largest increases stemmed from the *Services* sector (NACE sector G to U) which saw a growth of 194.7k, and the *Information and Communications* sector (NACE sector J) which recorded an increase of 43.1k persons in employment. As of Q2 2025, there were 842,400 people employed in Dublin, a 0.9% increase YoY representing an additional 7,800 persons in employment since Q2 2024. Construction recorded a substantial increase of 27.2% YoY in Q2 2025, followed by Professional, Scientific and Technical activities (+9% YoY).

According to the First Revision of the National Planning Framework (RNPF) (April 2025), Ireland’s population is projected to increase by approximately one million people from 2022 levels, reaching a total of 6.1 million people by 2040. In Dublin City and Suburbs, the RNPF is targeting a population of 1.56 million, representing an increase of 296,000 persons by 2040 over 2022 levels.

Persistent issues in the housing market pose a threat to Dublin’s ability to fully capitalise on its economic success. According to the CSO’s RPPI data for July 2025, property prices have increased by 7.5% nationally and by 6.1% in Dublin YoY, with house prices up by 6.5% in Fingal YoY. Challenges in the rental market continue, as Q2 2025 data from [Daft.ie](#) reveals a national rent increase of 6.9% over the previous year. Rental inflation in Dublin is at 6.5%, its highest in two years according to Daft.ie, while rental inflation elsewhere is at 7.3%, down from 13% in mid-2023. This means that the gap between rental inflation in Dublin and elsewhere is now at its lowest in almost three years. Of the Dublin regions, West County Dublin displayed the highest level of rent inflation at 9% (rising to €2,507), followed by West County Dublin at 7.9% (€2,867). The report also notes that the average increase in rents for sitting tenants each year from 2011-2025 was 1.2% outside of Dublin, while it was 3.8% in Dublin. Finally, the report highlights that there were just over 1,350 homes available to rent in Dublin on 1 August 2025, down 15% on the same date a year previous, and the 3<sup>rd</sup> lowest for August over the last twenty years.

## Dublin population and employment trends



\* National Rate  
\*\* First Revision of the National Planning Framework (April 2025)

# BCMS data provides the total quantum of floorspace commenced across FCC, while CIS data provides details on dates for planning applications and estimated completion dates

## What data is currently available on the development pipeline?

Data on the total development pipeline in FCC and the rest of Dublin across all development types is not available from any single source. Thus, it is necessary to examine a range of sources.

The main data sources examined are as follows:

- 1) The commencement data as captured in the **Building Control Management System (BCMS)**, which is an electronic building control administration system used to capture commencement notices. A commencement notice is required to give notice to the National Building Control Office of the commencement of building works. The data is provided by each party (owner, designer, builder and assigned certifier) to the notice. As a result, there can be duplicate entries, and incorrect data can often be submitted. EY have received the commencement data for FCC and have conducted an analysis of the data. However, it is noted that considerably more time would be needed to verify the accuracy of the data, and this was outside the scope of this assignment. Nonetheless the data provides interesting information on the quantum and type of development under construction and is provided on page 30.

## BCMS commencements

Data from the BCMS database provides the total quantum of floorspace commenced across FCC by building type from 2022 to July 2025. The data is subject to some caveats but gives an indication of what is currently under construction in the Fingal area. The BCMS covers residential and non-residential building commencements.

The data is provided in square metres page 30 and shows that from 2022 to 2025:

- A total of 1.864 million square metres of buildings were commenced across the Fingal Country Council area of which 56.7% was residential. There were 806,582 square metres of non-residential commencements.
- Of the remaining 43.3%, industrial premises accounted for 14.1% and storage accounted for a further 8.3%.

- 2) Project data from the **CIS Construction Project Database** which contains details of planning applications, public sector tenders and other projects where there is construction activity. This data for FCC was provided to EY in June 2025 and captures the following phases of projects:

- Plans Applied for and Plans Granted, Contracts Awarded, Tenders, Under Construction and Completed within given period for the following sectors:
- Agriculture, Civil and Utilities, Education, Medical, Hospitality, Industrial, Commercial and Community and Sport.
- Excluding projects which have already commenced, CIS forecast future commencements based on planning applications within the system. Using assumptions based on the application date they estimate when they expect a project to commence, and how long a development is expected to take before finishing, based on the value of the project.

## CIS start date estimation

Application Date in	Estimated Start Date
2019	Application Date +5 Years
2020	Application Date +4 Years
2021	Application Date +3 Years
2022	Application Date +3 Years
2023	Application Date +2 Years
2024	Application Date +2 Years

## CIS finish date estimation

Project Value	Estimated Finish Date
<=€5m	12 months
>€5m and <=€10m	18 months
>€10m and <=€15m	24 months
>€15m and <=€25m	36 months
>€25m	48 months

Source: CIS

Note: Future start and finish dates estimated using historic data of past planning applications to estimate average timeframes from planning to commencement and completion. CIS calculate average project duration and timeframes to start from receipt of planning application. Estimates are less reliable as the year of projection gets further out but do have a basis on past project timelines.



# BCMS data shows that a total of 1.864 million square metres of buildings were commenced across FCC, of which 56.7% were residential

## BCMS Notices

The tables to the right show commencement data from January 2022 to early August 2025 as captured in BCMS, which is an electronic building control administration system used to capture commencement notices. A commencement notice is required to give notice to the **National Building Control Office** of the erection of buildings, or classes of buildings, or the carrying out of works, or classes of works, as may be specified in the regulations.

**While the data is open to mistakes or duplicate entries, it is reflective of the key focuses for development in the FCC area nonetheless.**

The data shows the following:

- The total quantum of floorspace commenced in FCC by building type in the years 2022 - early August 2025 is 1,864,176 sqm.
- The total quantum of non-residential floorspace commenced in FCC by building type in the years 2022 - early August 2025 is 806,582 sqm
- Excluding residential, the largest category by building type is industrial, with 263,682 sqm commenced over the period.



## National Building Control Office

### Total quantum of floorspace commenced across FCC by building type 2022 – 2025\* (sqm)

Type of building	2022	2023	2024	2025	Total
Agricultural	1,905	2,900	1,717	6,408	12,930
Assembly and Recreation	27,140	10,397	33,252	18,545	89,333
Industrial	70,838	59,177	58,866	74,801	263,682
Office	2,665	27,229	25,773	3,308	58,975
Residential	200,774	204,277	592,442	60,101	1,057,594
Shop	27,927	8,772	41,260	11,312	89,271
Storage	50,715	66,129	16,402	21,821	155,067
Other (Non Residential)	5,854	10,080	114,704	6,686	137,324
<b>Total</b>	<b>387,818</b>	<b>388,961</b>	<b>884,416</b>	<b>202,981</b>	<b>1,864,176</b>

\* 2025 data is only updated up to 08/08/2025

Source: BCMS

### Percentage share of total quantum of floorspace across FCC by building type 2022 – 2025

Type of building	2022	2023	2024	2025	Total
Agricultural	0.5%	0.7%	0.2%	3.2%	0.7%
Assembly and Recreation	7.0%	2.7%	3.8%	9.1%	4.8%
Industrial	18.3%	15.2%	6.7%	36.9%	14.1%
Office	0.7%	7.0%	2.9%	1.6%	3.2%
Residential	51.8%	52.5%	67.0%	29.6%	56.7%
Shop	7.2%	2.3%	4.7%	5.6%	4.8%
Storage	13.1%	17.0%	1.9%	10.8%	8.3%
Other (Non Residential)	1.5%	2.6%	13.0%	3.3%	7.4%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: BCMS

# CIS data demonstrates a total of 2 million square metres of non-residential floorspace commenced or to be commenced between 2020-2030

## CIS Project Database – Commencements

Data obtained from the Construction Information Services (CIS) project database provides planning applications for non-residential buildings where the application date or the grant date is between **January 2020 and May 2025**, at the time of production. There may be relevant applications which have yet to be sourced by CIS which fall within these dates. All project details are not identified in every case due to lack of supporting information.

The table opposite provides the data for the total quantum of floorspace commenced in the FCC area by building type, subject to certain caveats. It includes projects that are at contract award stage, have gone to tender, and are on-site or are completed. **For the purposes of this project, it excludes public developments which are exempt from paying development contributions.**

The data shows the following:

- The total quantum of non-residential floorspace commenced or to be commenced in FCC by building type in the years 2020-2030 is 2,053,755 sqm.
- The Industrial sector is notably high, with predictions of 1,345,242 sqm commencing over the 11 year period.

## Total quantum of non-residential floorspace commenced in FCC by building types 2020-2025 (sqm)

Type of building	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Agriculture	-	1,385	12,986	10,670	743	3,133	9,158	29,258	16,635	180	-	84,147
Civil and Utilities	-	72	25	22	1,186	-	23,534	23,390	10,722	1,278	76,803	137,032
Education	652	4,744	-	1,274	35,152	561	4,033	1,556	974	-	-	48,946
Medical	177	149	6,867	1,025	3,368	16,643	44,548	16,642	8,685	304	-	98,407
Hospitality	-	515	168	405	655	7,517	46,476	14,322	12,726	20,153	-	102,937
Industrial	4,433	24,272	55,471	223,827	115,183	195,016	331,670	218,360	69,790	88,069	19,151	1,345,242
Commercial	842	4,491	5,932	2,682	9,769	35,214	19,070	78,286	27,777	4,416	-	188,479
Community and Sport	-	1,763	904	3,868	641	16,850	3,826	7,745	1,410	11,559	-	48,565
<b>Total</b>	<b>6,105</b>	<b>37,390</b>	<b>82,353</b>	<b>243,773</b>	<b>166,697</b>	<b>274,933</b>	<b>482,314</b>	<b>389,558</b>	<b>148,719</b>	<b>125,959</b>	<b>95,954</b>	<b>2,053,755</b>

Source: CIS



# CIS assumptions are used to project non-residential completions based on year of commencement and value of project

The projected year for completion of the projects in the previous page stretches to 2030, as per the table below. The years 2027 - 2030 are likely to be understated as they will exclude projects which have yet to start or are unknown at this time. Based on known planning permissions up to May 2025, the majority of the non-residential floor area with planning permission is due to complete in 2026 (482,314 sqm). The total commencements in the first table below amounts to 2,053,755 sqm for the period 2020-2030 as per the previous table.

Total quantum of non-residential floorspace completed in FCC by commencement year, 2020-2030 (sqm)

Year of commencement	Year of completion												
	Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total Completions
	2020	6,105	34,515	18,679	14,033		17,942						91,273
	2021		2,875	45,226	180,382	35,918	1,481	16,707	14,827				297,417
	2022			18,448	48,119	66,826	85,049	2,454	66,341	35,430			322,667
	2023				1,239	58,586	106,698	213,438		19,272	21,122		420,354
	2024					5,367	57,021	136,151	37,695		3,704		239,938
	2025						6,742	113,565	231,297	30,156			381,759
	2026								39,398	54,668	43,011		137,077
	2027									9,193	58,123	76,803	144,119
2028											19,151	19,151	
2029												-	
Total Commencements		6,105	37,390	82,353	243,773	166,697	274,933	482,314	389,558	148,719	125,959	95,954	2,053,755

Source: CIS

The table to the right reflects the breakdown of floor area by project duration, using CIS assumptions as previously discussed. A large number of projects take approximately 2 years from commencement to completion, which is the project duration with the highest total floor area in this dataset (658,371 sqm).

Projects with large floor areas also tend to take longer, hence why the second largest proportion of floor area falls under the 3 years category (612,752 sqm).

Total quantum of non-residential floorspace commenced in FCC by project duration, 2020 – 2030 (sqm)

		Year of commencement											Total
Project duration		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Project duration	<=1 year	6,105	16,490	33,830	34,950	14,141	33,335	77,774	10,367	-	-	-	226,990
	2 Years	-	20,900	38,460	117,450	73,228	51,602	85,080	244,070	27,581	-	-	658,371
	3 Years	-	-	10,064	79,887	77,141	107,930	140,068	53,953	66,436	58,123	19,151	612,752
	4+ Years	-	-	-	11,486	2,187	82,067	179,392	81,169	54,702	67,837	76,803	555,642
	Total	6,105	37,390	82,353	243,773	166,697	274,933	482,314	389,558	148,719	125,959	95,954	2,053,755

Source: CIS

# 6

## Analysis of Construction/Development Costs

# Tender price inflation for apartments is forecast at between 2% and 3% in 2025, however a cumulative inflation of almost 40% since 2020 remains a major challenge for developers

## Introduction

This section outlines the individual cost headings which typically arise on development projects. It identifies the planned capital infrastructure within FCC's financial framework that is to be funded from development levies. This expenditure is compared against the estimated level of contributions raised from the forecast of the development pipeline. A number of sensitivities are undertaken to ascertain the impact on revenues in the event that the quantum of space is higher than planned or some projects are postponed or cancelled.

### General development cost headings

The main cost headings under residential and commercial development are the following:

- Development land (5-15% of total dev costs)
- Construction costs (45-55% of total dev costs)
- Finance (5-15% of total dev costs)
- Professional Fees (3-5% of total dev costs)
- Disposal costs (Sales and Letting) (1-3% of total dev costs)
- VAT (8-12% of total dev costs)
- Development contributions (1-6% of total dev costs)

### Development land

Development land makes up a significant percentage of the total development costs of any project. There is generally a scarcity of serviced development land on the market at any one time.

Central government have introduced measures to address this including the introduction of the vacant site levy which has subsequently been replaced by the Residential Zoned Land Tax. This is to encourage landowners to develop their land or to dispose of the sites to parties who would in turn develop the land. The land tax was deferred in 2024 and came into effect on 1 February 2025.

In summer 2025, the Department of Housing instructed local authorities to rezone more land for housing development by issuing new Section 28 Planning Guidelines. This directs local authorities to revise their development plans to incorporate significantly increased housing targets.

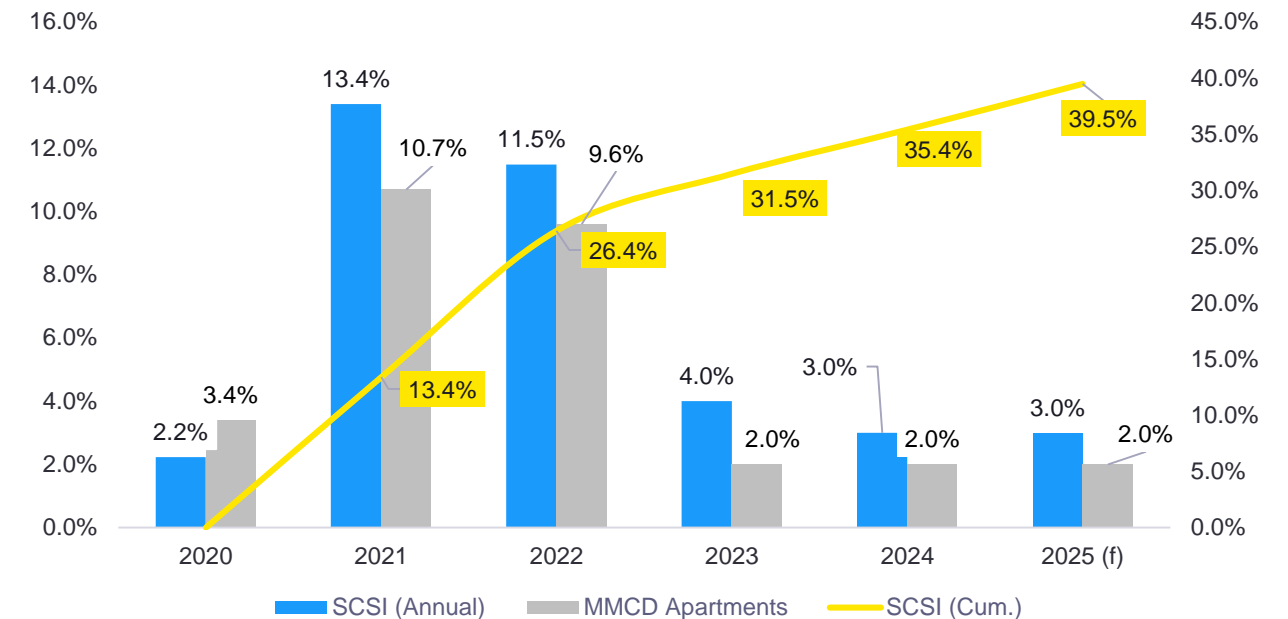
These measures are aimed at addressing a lack of supply of zoned and serviced land which is driving up the cost of land and affecting the viability of affordable housing, particularly in urban centres.

## Trends in construction costs and tender prices

During the Covid pandemic, the construction industry experienced significant inflation particularly in 2021 and 2022. Total cumulative inflation for the five years from 2020 to 2024 has been 35.4% with a further 2-3% forecasted in 2025. This is on average 6.5 to 7% per annum. These upward pressures were largely due to the rapid upshot in demand in Q2/Q3 2021 with the easing of restrictions and the backlog of projects created by 18 months of disruption. This was further compounded by various global events including the Suez Canal Blockage and the War in Ukraine in early 2022.

Based on the two tender price indices provided in the chart below from the Society of Chartered Surveyors (SCSI) and Mitchell McDermott (MMcD), it is clear that post 2022 has seen a return to more modest levels of construction tender price inflation. However, prices remain elevated with no sign of any deflation in the short to medium term. MMcD's forecast for tender price inflation in 2025 is in the region of 2 to 3%.

### Tender Price Inflation, 2020-2025(f)



Source: SCSI and Mitchell McDermott. The cumulative inflation line is represented using the right hand axis.

## The sharp increase in interest rates between July 2022 and Sept 2023 affected the viability of projects, however there has been a steady decrease since 2024, albeit the lower rates take time to pass through the economy

### Finance

Development finance makes up a big portion of development costs and this has changed significantly over the last three to four years. The funding of development can be complex and associated costs can be dependent on the entity developing the site. Development finance is typically made up of multiple layers of equity, senior debt and occasionally mezzanine finance. Lenders will typically lend 70-80% of the development costs, with the rest to be funded from equity and/or mezzanine finance. This lending is typically secured on the land used for the development.

The current lenders in the marketplace are made up of the Irish Pillar banks, state-backed funders and specialist lenders.

Pillar Banks and state-backed lenders' current rates are 3.5%-4.5% over Euribor. Specialist lenders are typically 1-3% above these levels. Lenders also charge Entry and Exit fees of 1%-1.5% each.

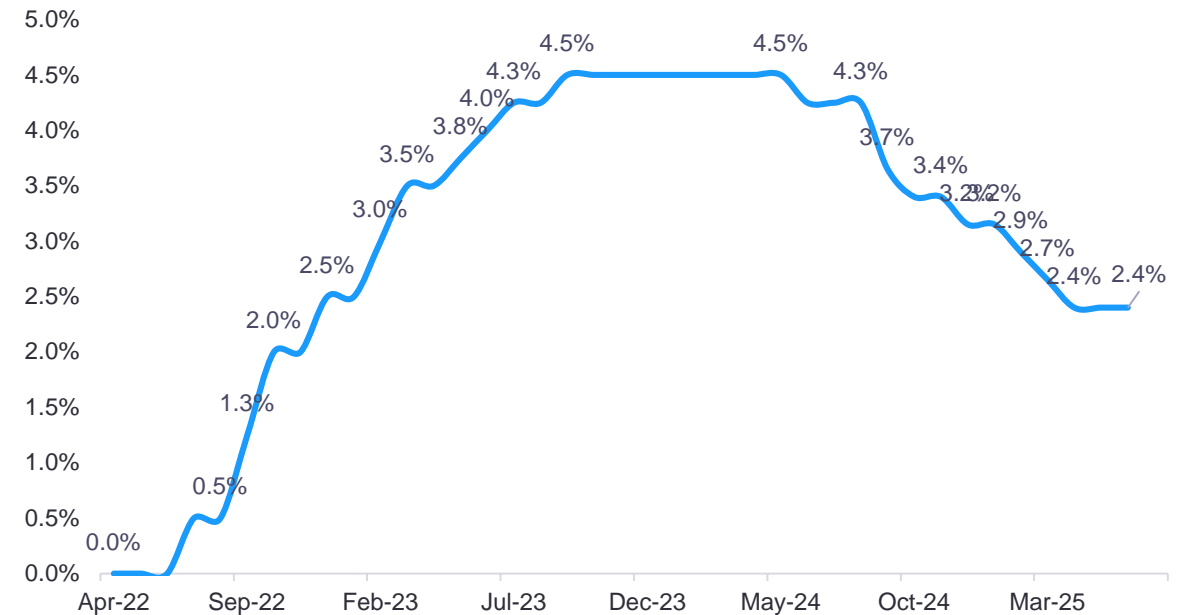
The sharp rise in interest rates between July 2022 and September 2023 resulted in a lot of schemes becoming unviable. Since the second half of 2024, there have been positive downward movements in interest rates. Forecasters are predicting a further reduction in second half of 2025. However, even as rates are falling, the latent impact on economic activity of rising interest rates can mean that it takes time for the lower rates to work their way through the economy.

### Land Costs

Land costs can make up 5 – 15% of overall development costs and varies significantly by location and whether land has planning permission. There is no centralised database of land transactions. Mitchell McDermott have carried out a number of value for money assessments for state backed agencies looking to provide an exit for private developers. In this process, we note that land values vary greatly depending on the context of the development.

Based on anecdotal feedback from property agents, it is noted that land values remain subject to upward pressure with 5 – 10% movement in the last 6 to 12 months in the Greater Dublin Area.

ECB Interest Rates, April 2022-June 2025



Source: European Central Bank

# The cost components of development projects remain high, which continues to affect viability

## Professional Fees

Professional fees are usually expressed as a percentage of the construction cost. They cover the cost of the design team including architects, engineers, quantity surveyors, project managers and other professionals involved in the design and procurement of buildings. The number of specialist consultants required on developments continues to grow due to the requirements around planning and other external factors such as sustainability.

Fee levels are constantly under pressure due to a lack of qualified resources in the marketplace for the reasons outlined earlier, however they are likely to remain at the current levels in the short term, in line with construction costs.

## Disposal costs

Disposal costs include legal, and agent fees paid for the rental/disposal of the property being developed. These include lawyers, estate agents and property consultants. These fees are usually a percentage of the rental or sales values. These fees are likely to follow the trajectory of sales and letting levels in the marketplace.

## VAT

Value added tax or VAT is currently charged at 13.5% on construction costs and 23% on fees. VAT is not charged on development contributions or finance & insurance costs.

There have been calls to reduce the VAT rates on development in an effort to improve viability, particularly for apartments.

## Development Contributions

In 2023, the government introduced a temporary waiver on Section 48 development contributions to act as a stimulus for stalled residential schemes. Certain timeframes need to be met in order to qualify for the waiver. The waiver was extended and is currently due to expire in December 2026. This means that a development needs to be completed by 31 December 2026 in order to benefit from the waiver. It remains to be seen if this waiver is extended further or not.

## Conclusion

The costs that make up the total cost of carrying out development remain high. Construction costs have steadied over the last 24 months but at an elevated level. The cost of finance has eased somewhat but still has a way to go to make a notable difference, while land costs have been subject to upward pressure due to availability.

Many sectors are struggling with viability issues, especially for apartment developments where much of the focus has been recently. The government has introduced a number of schemes and initiatives in order to help both sides of the equation, i.e. viability and affordability.

Where the revenue side of the equation is capped or restrained in some way, development viability continues to be an issue. This is the case in residential development where a couple's ability to obtain a mortgage is capped at four times their joint salary and therefore places a limit on their ability to pay, irrespective of the rising costs, which can render a scheme unviable.

According to a report published by the Department of Housing, Local Government and Heritage in 2024, the total cost of development for a standard Dublin sub-urban two bed apartment is in the region of €550,000. This is before potential reductions with the new design guidelines.

It is in these situations where input costs are under scrutiny and developers are seeking a reduction in all input costs to make development viable. Whilst the current waiver on development contributions has helped, it remains a temporary measure. Over the last number of years, the Construction Industry Federation (CIF), and other industry bodies, have called for reductions in areas such as VAT, finance, land prices and taxes.

## Current trends in activity by sector

The residential sector remains strong despite viability challenges across projects, especially for apartments. International funds, who left in 2023 due to market conditions, have largely been replaced by the state in financing or delivering projects. Delivery has ramped up through the Land Development Agency and Approved Housing Bodies, as well as through various initiatives to support private developers.

Hotels have been strong in the last year especially in Dublin. Life science, industrial and pharmaceutical were strong but uncertainty around US tariffs and global uncertainty has slowed decision making on some capital investment programmes.

Other sectors are slower due to a variety of issues including viability, lack of demand and government policy, i.e. power moratorium on Data Centres.

Despite this, main contractors remain busy and struggle to keep up with demands. Availability of labour and stretched supply chains are forcing contractors to be selective on what work they accept or decline.

## Average development contributions for a 120sqm residential dwelling in FCC is €15,922

At this stage of the assignment the task is to identify the planned expenditure on infrastructure in FCC within the financial framework that is to be funded from development levies. This is compared against estimated funds raised using the forecast development pipeline in Section 5.

Section 135 of the Local Government Act 2001 requires local authorities to prepare and submit to their respective elected councils a report indicating proposed capital projects over a three-year period.

The proposed program must have regard to the availability of financial resources. The planned expenditure covers the following areas:

- Housing and building
- Road transportation and safety
- Surface water drainage and flood relief works
- Development management (e.g., acquisitions, visitor centres, Clonburris common infrastructure, greenways, heritage projects)
- Environmental protection
- Culture, recreation and divinity
- Miscellaneous services

The funding sources for the capital expenditure is largely dependent on the Exchequer. Income comes from other sources including development capital funding, development levies, grants and loans.

The capital programme is a rolling programme and is revised annually to ensure adherence to the prudential financial framework, to ensure capital commitments are in line with available resources. There is typically a significant dependency on government grants to complete the programme.

### Development contributions

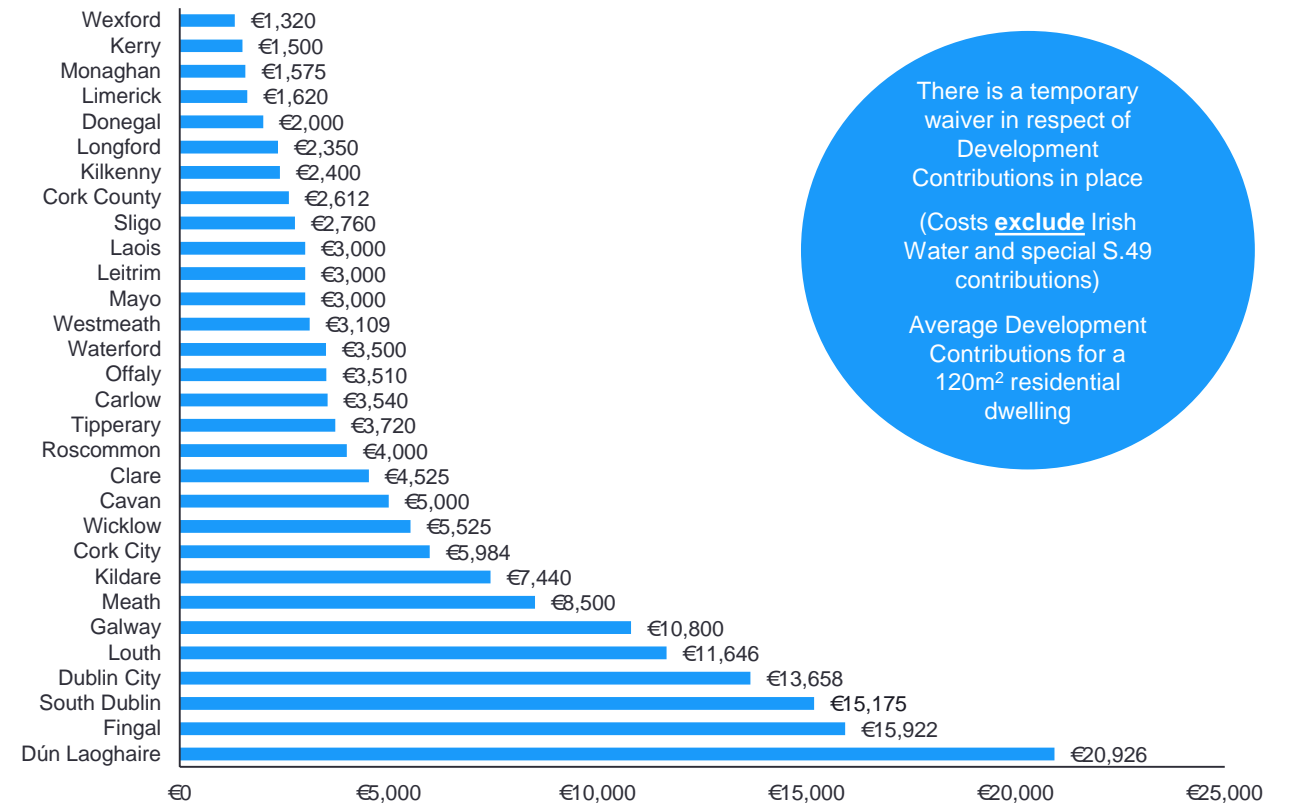
The local authorities are authorised to stipulate the payment of a development contribution when granting planning permission. This contribution is in respect of public infrastructure and facilities benefiting development in the area of the planning authority and that is provided, or that it is intended will be provided, by or on behalf of a local authority.

FCC's current development contributions as per the Development Contribution Scheme 2025-2027 are as follows:

### Development Contributions FCC

	Residential	Industrial	Offices
<b>Fingal County Council</b>	€132.68/sqm	€103.61/sqm	€103.61/sqm

### Average Development Contributions for a 120m<sup>2</sup> residential dwelling



Source: Mitchell McDermott Infocard 2025

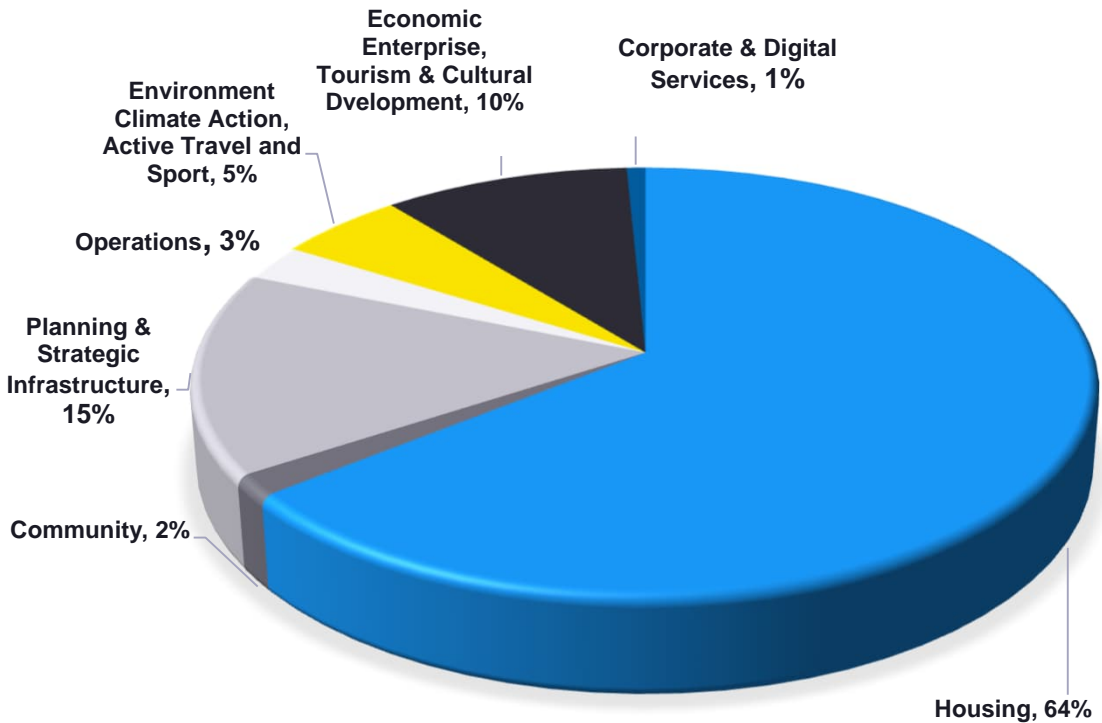


# FCC expect to spend €1,569m on the Capital Programme 2025-2027 (€561m excluding housing), with €159.5m being raised from levies

## FCC Capital Programme 2025-2027

FCC’s three-year rolling capital programme reflects the various current projects that are approved and progressing across the county as well as additional projects that are committed to or are in planning and those that FCC have an ambition to deliver, having regard to the financial and other resources available to the Council.<sup>1</sup> Detailed project listings and narratives are contained and listed in the various sections of the programme. Based on FCC’s capital programme for 2025-2027, the three-year programme has a forecast cost of €1,569m for the three-year period.

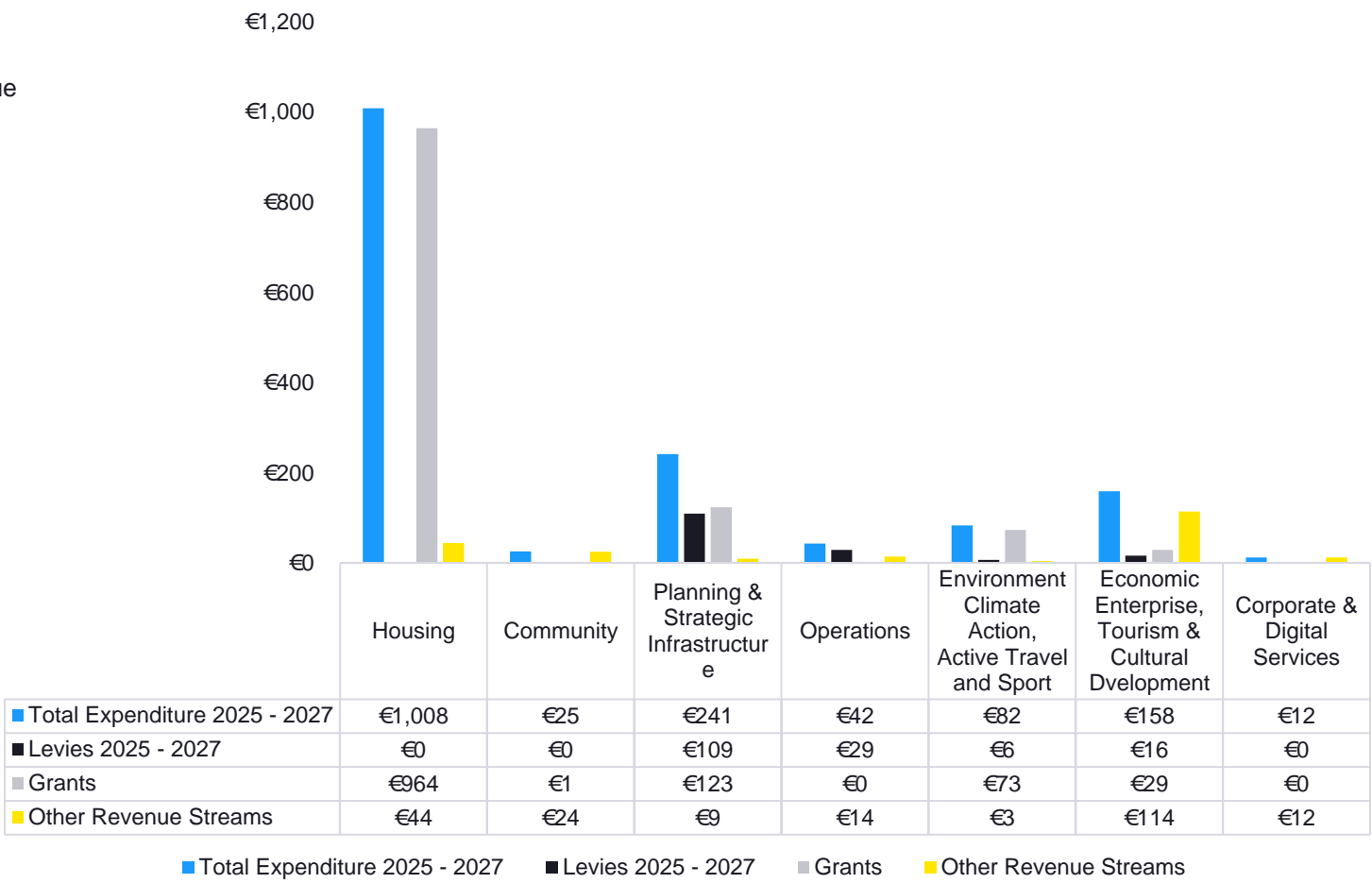
It is expected that development levies will contribute €159.5m or 10.2% of the total income (excluding levies from housing), with other sources of income coming from loans, grants, revenue provision and other third-party income.



## Total Planned Expenditure 2025-2027

The capital spending plan by FCC is split into a number of areas of capital expenditure with respect to planned projects that will be part-funded by the €159.5m from development contribution levies, excluding levies from housing. The composition of planned expenditure and revenues from each area is set out in the chart below.

## Planned Revenue vs Expenditure (€m), 2025-2027



<sup>1</sup> 3 Year Capital Programme 2025-2027, Fingal County Council.



# Development contribution revenues are projected at €307.5m in the period 2026-2030 or €128.7m excluding housing

## Development Contributions 2026-2030

The projected revenues from development contributions are estimated based on the projections for the likely development pipeline set out in Section 5 for the five years (2026-2030) for each sub-sector. We understand that a new Capital Programme for the three years 2028-2030 will be prepared at a later date.

### Baseline Requirement

The EY baseline requirement shows that 2.6 million sqm of development space will be delivered between 2026 and 2030 based on the forecasts provided (page 31).

The development consists of the following building types :

- Agriculture
- Civil and utilities
- Education
- Health
- Hospitality
- Industrial
- Commercial offices
- Community & Sport
- Housing

The breakdown of the 2.6 million sqm of development space is broken down by sector in the table opposite. Housing development space has been derived by applying an average of 100sqm gross floor area to the number of units per annum.

There is a notable uptake in 2026 and 2027 compared to the other years. This is largely linked to Industrial and Housing. From 2028 onwards, all sectors begin to contract with housing continuing on an upward trajectory.

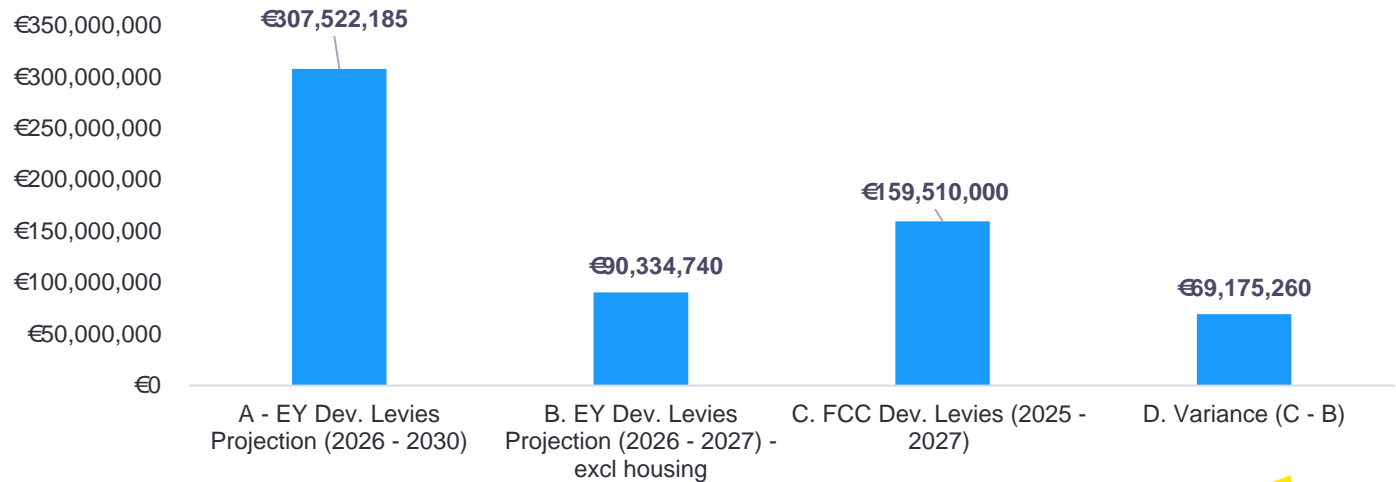
By using the current Section 48 levies for FCC, we calculate the total forecast revenues to be **€307.5m** based on the 2.59m sqm of development pipeline to be delivered between 2026 and 2030, or **€128.7m from non-residential building** (i.e. excluding housing).

By applying the H1 2025 SCSi Tender Price Inflation rate (1.5%) to the FCC development contribution rates, i.e., an increase to €105.16 for non-residential development and €134.67 for residential development, this would increase the development contribution to **€312.1m** across 2026-2030 (€130.6m from non-residential development and €181.5m from residential development).

Baseline (sqm)	2026	2027	2028	2029	2030	2026 - 2030 (sqm)	RATES	2026 - 2030 (€)
Agriculture	9,158	29,258	16,635	180	0	55,230	€103.61	€5,722,407
Civil and Utilities	23,534	23,390	10,722	1,278	76,803	135,726	€103.61	€14,062,573
Education**	4,033	1,556	974	0	0	6,563	€103.61	€680,033
Health	44,548	16,642	8,685	304	0	70,179	€103.61	€7,271,194
Hospitality	46,476	14,322	12,726	20,153	0	93,677	€103.61	€9,705,887
Industrial premises	331,670	218,360	69,790	88,069	19,151	727,040	€103.61	€75,328,638
Offices - commercial	19,070	78,286	27,777	4,416	0	129,549	€103.61	€13,422,566
Community & Sport	3,826	7,745	1,410	11,559	0	24,540	€103.61	€2,542,586
Housing*	253,800	261,400	269,300	277,300	285,700	1,347,500	€132.68	€178,786,300
<b>Total sqm</b>	<b>736,114</b>	<b>650,958</b>	<b>418,019</b>	<b>403,259</b>	<b>381,654</b>	<b>2,590,004</b>		<b>€307,522,185</b>
<b>Total % split</b>	<b>28%</b>	<b>25%</b>	<b>16%</b>	<b>16%</b>	<b>15%</b>	<b>100%</b>		

\* social housing deducted

\*\* only 10% of total education figures assumed to attract levies e.g. 3rd level and private schools.



Based on a cashflow analysis, and assuming levy payments are staggered depending on the duration of each project, it is likely to be end-2033 before the total projected income of €307.5m is collected

Projected revenues

Based on the projected development pipeline from 2026 to 2030, the profile of revenue over the period to 2030 is illustrated in the chart below. This is based on a number of assumptions relating to project scale (see opposite) and when development contributions are paid for larger projects which are phased.

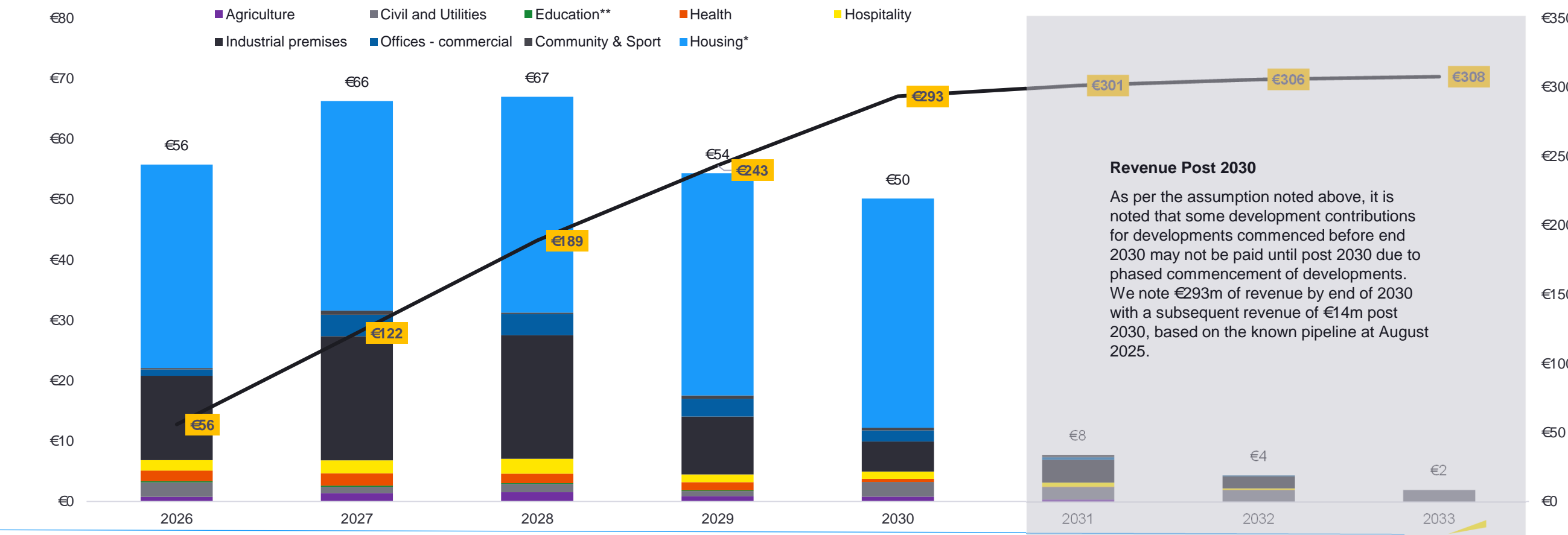
The cashflow indicates that the €308m associated with development between 2026 and 2030 is collected by end-2033. The chart below illustrates the annual and cumulative development contributions revenue with a stagger for larger projects.

Cashflow is based on the following assumptions for payment of levies for non-housing sectors:

- 100% for projects <=1 year,
- 50% p/a over 2 years,
- 33% p/a over 3 years
- 25% p/a over 4 years

For the housing sector, the cashflow is based on the number of units per annum and associated levies received in the year.

Projected Revenues (€m), FCC 2026-2033



# We have utilised two housing scenarios to assess the impact of completions over the NPF assumption

## Sensitivity Analysis

After establishing the baseline development pipeline of projects and associated revenues, two sensitivities have been undertaken on the private housing completions forecast to ascertain the impact on development contribution revenues:

- NPF plus 50% uplift
- High scenario where housing completions are, on average, 10% above the NPF scenario above

This approach is used instead of developing different macroeconomic scenarios as given the short time frame, the likelihood is that any new projects decided in 2025, in addition to the baseline projected, would need to be designed and put through for planning and hence, would be unlikely to commence until 2027 or later.

Additionally, given that housing (by floor area) is by far the largest development type for FCC, any fluctuations in housing delivery will have a notable impact on the forecasted development contributions.

### Scenario 1

This scenario assumes that housing completions rise in accordance with the Medium Housing scenario (page 22), i.e. housing completions are in accordance with the NPF plus a 50% uplift on unit numbers.

This would increase total revenues to **€359m**, which is an increase of **€51.5m** over the baseline of **€307.5m**.

This is c.29% increase on housing output compared to the baseline over the period 2026 to 2030.

### Scenario 2

For scenario 2 we have assumed that housing completions rise in accordance with the High Housing Scenario (page 22), i.e., assuming an additional 10% on top of the Medium Scenario where a 50% uplift is placed on the baseline NPF projections.

This sensitivity results in an increase in projected revenues to **€375m**, **€67.6m** over the baseline. This is c.38% increase on housing output compared to the baseline.

Scenario 1 (sqm)	2026	2027	2028	2029	2030	2026 - 2030 (sqm)	RATES	2026 - 2030 (€)
Agriculture	9,158	29,258	16,635	180	0	55,230	€103.61	€5,722,407
Civil and Utilities	23,534	23,390	10,722	1,278	76,803	135,726	€103.61	€14,062,573
Education**	4,033	1,556	974	0	0	6,563	€103.61	€680,033
Health	44,548	16,642	8,685	304	0	70,179	€103.61	€7,271,194
Hospitality	46,476	14,322	12,726	20,153	0	93,677	€103.61	€9,705,887
Industrial premises	331,670	218,360	69,790	88,069	19,151	727,040	€103.61	€75,328,638
Offices - commercial	19,070	78,286	27,777	4,416	0	129,549	€103.61	€13,422,566
Community & Sport	3,826	7,745	1,410	11,559	0	24,540	€103.61	€2,542,586
<b>Housing*</b>	<b>275,100</b>	<b>307,200</b>	<b>343,000</b>	<b>382,900</b>	<b>427,500</b>	<b>1,735,700</b>	<b>€132.68</b>	<b>€230,292,676</b>
<b>Total sqm</b>	<b>757,414</b>	<b>696,758</b>	<b>491,719</b>	<b>508,859</b>	<b>523,454</b>	<b>2,978,204</b>		<b>€359,028,561</b>

Scenario 2 (m <sup>2</sup> )	2026	2027	2028	2029	2030	2026 - 2030 (m <sup>2</sup> )	RATES	2026 - 2030 (€)
Agriculture	9,158	29,258	16,635	180	0	55,230	€103.61	€5,722,407
Civil and Utilities	23,534	23,390	10,722	1,278	76,803	135,726	€103.61	€14,062,573
Education**	4,033	1,556	974	0	0	6,563	€103.61	€680,033
Health	44,548	16,642	8,685	304	0	70,179	€103.61	€7,271,194
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Community & Sport	3,826	7,745	1,410	11,559	0	24,540	€103.61	€2,542,586
<b>Housing*</b>	<b>280,900</b>	<b>320,200</b>	<b>365,100</b>	<b>416,200</b>	<b>474,500</b>	<b>1,856,900</b>	<b>€132.68</b>	<b>€246,373,492</b>
<b>Total sqm</b>	<b>763,214</b>	<b>709,758</b>	<b>513,819</b>	<b>542,159</b>	<b>570,454</b>	<b>3,099,404</b>		<b>€375,109,377</b>

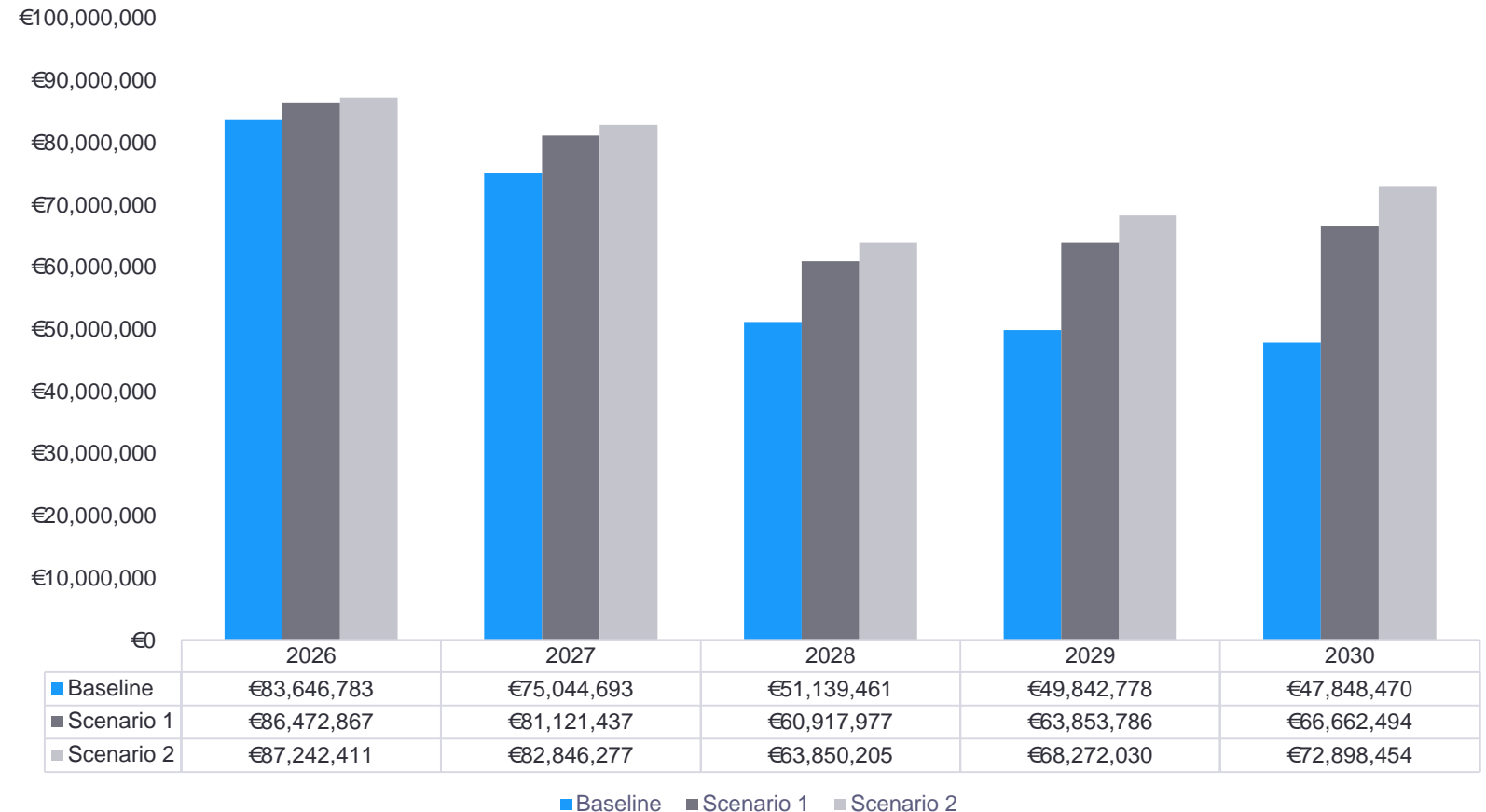
## Summary of projected income from development levies

### Forecast income from development contributions

Based on the preceding analysis, three scenarios have been presented to ascertain the projected income from development contributions over the period 2026-2030. The profile of the income generated each year is presented in the chart opposite. The main findings are as follows:

- In regard to the baseline scenario, the total projected income from development levies is €307.5m in the period 2026-2030 or €128.7m excluding housing.
- Increasing the NPF baseline housing numbers by 50% and keeping the non-residential pipeline unchanged, would increase the total projected income from development levies to **€359m**, which is an increase of €51.5m over the baseline of €307.5m. The total increase is fully attributed to the higher housing numbers forecast over the period – an additional 29% over the baseline figure for the entire period 2026-2030.
- Increasing the housing numbers by a further 10% and keeping the non-residential pipeline unchanged, would increase the total projected income from development levies further to **€375m**, which is an increase of €67.6m over the baseline of €307.5m. The total increase is fully attributed to the higher housing numbers forecast over the period – an additional 38% over the baseline figure for the entire period 2026-2030.

Forecast Development Contribution Revenues, FCC 2026-2030



# 7

## Development Contribution Impact Analysis



# Viability is fundamental to the delivery of all development, and development contributions can play a pivotal role in the viability of a project

## Development contributions and viability

In the previous section we discussed the main cost headings included in residential and commercial development, which included development contributions.

The impact of development contributions on the viability of projects is analysed in this section of the report. The viability issue is fundamental to all development and a prerequisite for the delivery of all residential and non-residential schemes. This means that **unless the total costs of development, including the normal costs of construction and mitigation, profit and risk, are sufficient to provide competitive returns to developers and to enable them to build at a rate which will satisfy the demand in the local market at affordable prices and rental levels, developments will not be delivered on viability grounds.**

Development contributions are levied by local authorities on private developers who are undertaking a granted planning permission, which includes a condition requiring the payment of Section 48 contribution under the Council's Development Contribution Scheme. Developers must factor in these costs when considering project viability at site purchase stage or, in the case of a long holding, at the start of the development phase. Levies vary between local authorities and are usually calculated based on square metre of floor area developed depending on the building type. Typically levies become payable before the start of any development however, in some cases, the local authority may agree a phasing strategy with the developer to ease the burden on cashflow.

The following two pages show the effect of a 5% and 10% increase and a 5% and 10% decrease in development contributions on a residential development. To demonstrate this impact, we are using the baseline figures from the 2024 Total Development Costs report published by the Department of Housing, Local Government and Heritage. The report presents the total development cost of a standard two-bed suburban apartment in Dublin suburbs as €549,790. This figure included in the report is based on development contributions at the rate of €126.46 (based on South Dublin County Council rates) per sqm of floor area. This is similar level to FCC at €132.68 per sqm of floor area. On the next page we present the total development costs for the same two-bed apartment but based on FCC development contributions.

Construction Costs	€Costs	€/ sqm	%
Substructure	€8,717	€96	1.63%
Structure	€52,243	€574	9.76%
Internal sub-division	€18,505	€203	3.46%
External enclosure	€34,620	€380	6.47%
Finishes & fittings	€55,143	€606	10.30%
Services	€52,131	€573	9.74%
Preliminaries	€36,524	€401	6.82%
Sub-total (A)	€257,883	€2,834	48.18%
Basement car parking	€20,893	€230	3.90%
Site development works	€22,020	€242	4.11%
Sub-total (B)	€42,913	€472	8.02%
Soft Costs	€Costs	€/ sqm	%
Utility levies (ESB, Uisce Éireann, Planning fees, BER Certificate, DAC, Fire, Latent defects insurance)	€8,938	€98	1.67%
Sub-total (C)	€8,938	€98	1.67%
Professional fees	€27,072	€297	5.06%
Sub-total (D)	€27,072	€297	5.06%
Land cost (including stamp duty and acquisition fees)	€45,790	€503	8.56%
Sales, marketing & legals	€8,000	€88	1.49%
Sub-total (E)	€53,790	€591	10.05%
Finance costs	€40,782	€448	7.62%
Sub-total (F)	€40,782	€448	7.62%
Developer risk / margin	€48,587	€534	9.08%
VAT	€55,233	€607	10.32%
Sub-total (G)	€103,820	€1,141	19.40%
Total Development Costs (excluding Dev. Contributions)	€535,198	€5,881	100%
Development contributions (including finance)	€14,592	€160	
Total Development Costs	€549,790	€6,042	

Source: DHLGH Total Development Cost Study (September 2024)

# The impact of scenario testing on levies for a 2-bed apartment is negligible on an individual unit basis but can have a notable impact on a dense residential development

The Total Development Cost Study Report is based on the actual costs for a completed residential development in South Dublin. The specification and general details are set out within the report.

The costs presented are based on a two-bedroom apartment of 91 sqm of gross floor area (78.5 sqm net) and includes underground parking. Site development works are also included. The costs assume delivery by a third-party main contractor and are based on H1 2024 pricing levels. The costs include 15% risk/margin which is generally accepted as the hurdle rate required for schemes to be deemed viable. The breakdown of costs ranked by proportion is as follows:

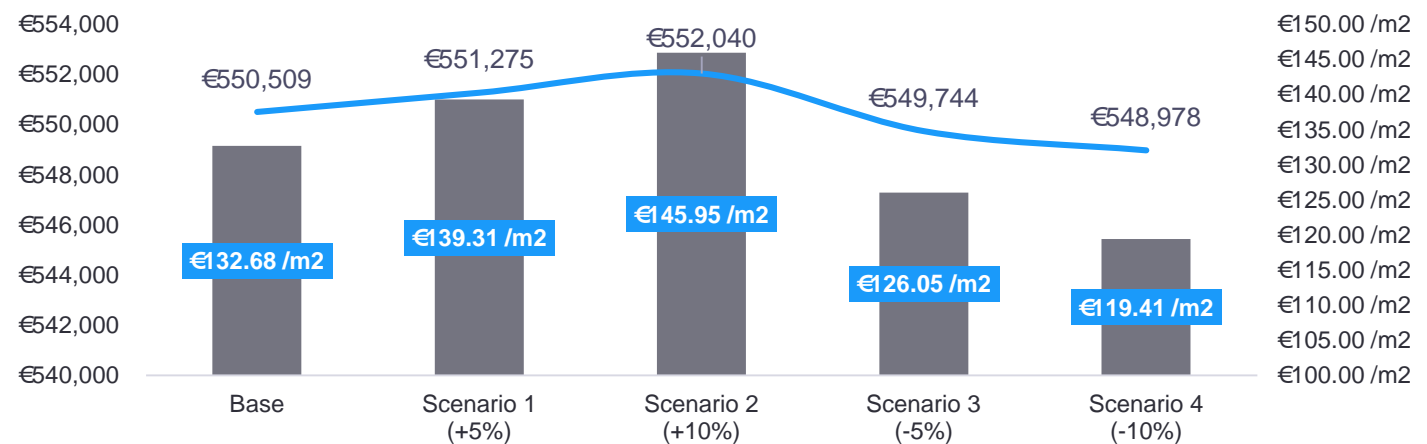
Construction costs (hard costs)	55%
VAT	10%
Profit/Risk	9%
Site acquisition	8%
Finance	8%
Professional fees	5%
Development contributions	2%
Miscellaneous costs	2%
Sales & leasing	1%
Total	100%

Source: [Total Development Cost Study, DHLGH, September 2024.](#)

Using the Cost report as the baseline figures, four scenarios are examined, where the development contribution rate is adjusted as per the chart opposite. The overall change is negligible on an individual unit basis, however once these costs are factored across all units on a dense residential development the increase / decrease can be notable. Moreover, albeit negligible, it may be the difference between proceeding and not proceeding with a project. The impact of the development contribution waiver is a case in point, whereby total commencements nationally and in SDCC were up twofold and by 48.2% respectively in 2024 on the previous year.

- Scenario 1 – 5% increase in development contributions
- Scenario 2 – 10% increase in development contributions
- Scenario 3 – 5% decrease in development contributions
- Scenario 4 – 10% decrease in development contributions

Impact of changes in development contributions on 2-bed apartment development costs



Mitchell McDermott analysis.  
Using the Total Development Costs Study 2024 as a basis, the figure for Development Contributions is adjusted to reflect FCC. The cost per sqm is illustrated by the grey bars and on the right-hand scale in the chart. A detailed breakdown of the individual cost components is provided below.

	Base	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Rate per m <sup>2</sup>	€132.68	€139.31	€145.95	€126.05	€119.41
Total Development Costs (incl. VAT)	€50,509	€51,275	€52,040	€49,744	€48,978
Site Acquisition	€45,790	€45,790	€45,790	€45,790	€45,790
Development Contributions	€12,074	€12,678	€13,281	€11,470	€10,866
Construction Costs	€300,797	€300,797	€300,797	€300,797	€300,797
Professional Fees	€27,072	€27,072	€27,072	€27,072	€27,072
Miscellaneous Costs	€8,938	€8,938	€8,938	€8,938	€8,938
Finance	€41,962	€42,022	€42,081	€41,903	€41,844
Sales & Letting	€8,000	€8,000	€8,000	€8,000	€8,000
VAT	€55,478	€55,490	€55,502	€55,466	€55,453
Profit / Risk	€50,398	€50,489	€50,579	€50,308	€50,217
Overall Impact on Development Costs		€765	€1,531	-€765	-€1,531
		0.14%	0.28%	-0.14%	-0.28%

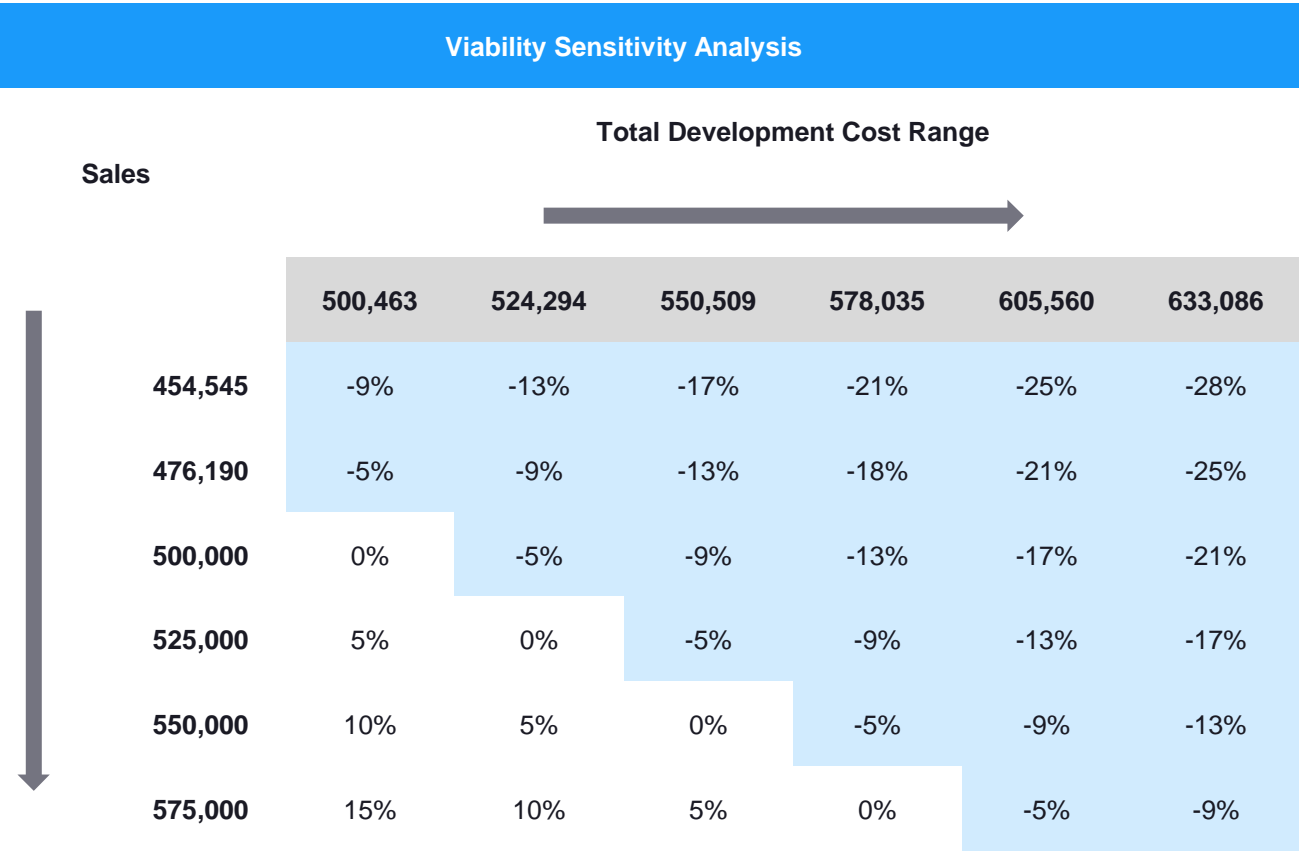
# Affordability of schemes has an impact on viability, which is most acute in apartment developments

Viability and affordability issues are well documented when it comes to apartment delivery in the Greater Dublin Area and regionally. These challenges are assisted to some degree through various government initiatives introduced over the last number of years, but the issues still remain very much to the fore.

Using the baseline development costs (€550,509 from previous page) and applying hypothetical -5%, -10%, +5%, +10%, +15% scenarios, the impact on the sales value is ascertained. For the sales values, we use €500,000 as the baseline figure and apply the same percentage adjustments to this figure.

The purpose of this analysis is to ascertain what development cost and what sales value makes a two-bedroom apartment viable. As can be seen, in most cases, it remains unviable apart from few scenarios where the development costs have reduced by 5% and 10% and the baseline sales value have increased by 5%, 10% and 15%.

Based on this, and even with the Central Bank’s macroprudential mortgage rules of 4 times income, the affordability of apartments, which cost c.€550,000 to develop, is a key issue for the apartment sales market. Schemes such as Croí Cónaithe, First Home Scheme and the Help to Buy scheme have helped bridge this gap, but it remains a challenge to make apartments in urban areas both viable and affordable.



# 8

## Assessment of Indexation

# Any increase or decrease in the cost of providing infrastructure should be reflected in the rate of change in development levies, subject to not adversely impacting the viability of construction projects

## No single measure of construction inflation

The four Dublin local authorities currently apply indexation to the development contributions included in any planning permission. This is a percentage increase applied to reflect the increased cost of construction of the physical works to be carried out under the local authorities planned infrastructure spend. The rationale is that any increase or decrease in the cost of providing infrastructure should be reflected in the rate of change in development levies. However, any increase should be considered in the context of its impact on the viability of construction projects.

It is important to note the wide range of public infrastructure and facilities that is provided or that is intended to be provided, and maintained by local authorities will include residential and non-residential buildings, civil engineering structures and repair and maintenance projects, each of which could be subject to different cost drivers. In Fingal alone, the Council's capital programme identifies 331 individual projects for the 2025-2027 period which cover the following seven areas of expenditure:

1. Housing
2. Community
3. Planning and strategic infrastructure
4. Operations
5. Environment, climate action, active travel and sport
6. Economic, enterprise, tourism and cultural development
7. Corporate and digital services

Development levies are expected to contribute 10.2% of the total projected income in Fingal over the period (as set out on page 40).

The difficulty is there is no single measure of construction/development inflation which accurately tracks construction prices across all construction sub-sectors: residential, non-residential and civil engineering. Hence the approach to ascertaining the most appropriate index has to be informed by examining the available construction inflation indices. These are set out in this section.

In evaluating an appropriate method and type of indexation to apply to development levies during the lifetime of a development contribution scheme, there is a need to distinguish between *construction cost* indices and *construction price* indices:

- A *construction cost* index captures the components of construction costs for construction projects, namely raw materials and labour costs and the costs associated with the utilisation of plant and machinery as well as energy and waste disposal costs, for example. Such an index would show the price developments of the main inputs into construction, excluding land costs.

- A *construction price* index measures movements in the prices charged to clients for construction work. Such an index is synonymous with an output price or a tender price index and will include both changes in productivity as well as the contractor's profit margin, VAT and professional fees. Both profit margins and professional fees were adversely impacted during the 2008-2011 recession, but would have recovered since.

Tender prices reflect changes in construction materials, labour costs and a range of other factors including competitiveness and the capacity of firms to bid for work, business confidence, different contract forms and general economic conditions. Rising construction costs ultimately impact construction tender levels, otherwise firms go out of business, unless productivity increases are achieved. The physical components of the works may also experience different inflation levels, e.g. mechanical and electrical works versus general concrete and excavation works. This factor should be considered when arriving at a mechanism that is relevant to the physical works executed under the development levy scheme e.g. civil infrastructure works.

Conditions in the industry, including supply and demand within the construction industry, also impact construction inflation. For example, there have been reports that some contractors were turning down the opportunity to tender for new projects because of the escalation in construction costs in the period since Covid. Inflation levels across the construction sector increased strongly between 2000 and 2022 due to global events including the Covid-19 pandemic, the Suez Canal blockage and the War in Ukraine. While construction inflation moderated after 2022, the 10 hikes in interest rates which followed over the period July 2022 to September 2023 would have impacted the cost of finance for construction projects. Interest rates commenced a downward trend in June 2024, with a total of eight decreases by June 2025. However, the full consequences of the period of higher interest rates, notwithstanding recent declines, would have been long felt after 2023, due to the lagged effect of higher interest rates on businesses and consumers.

Trends in inflation are set out across the various indices available on the next page.



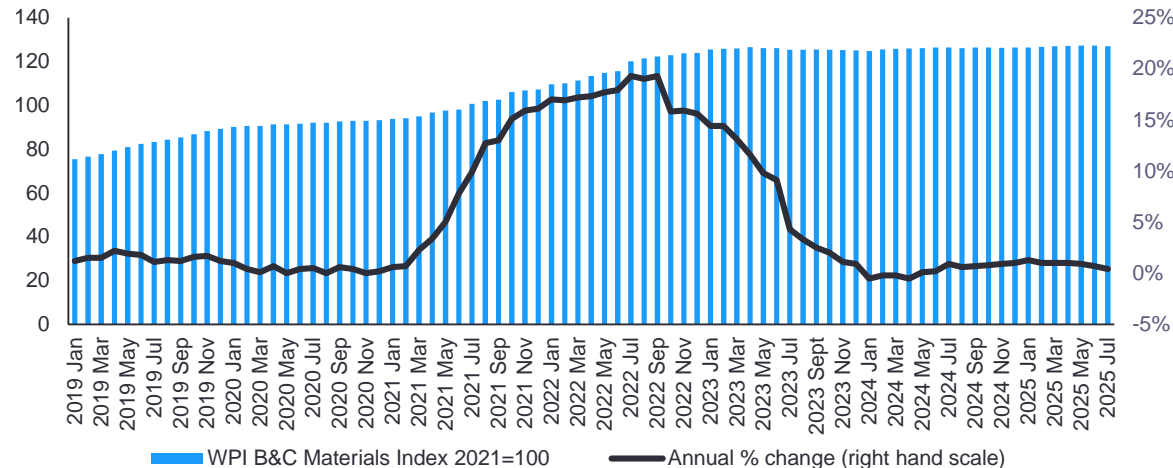
# There is a diverse range of price and cost indices covering building and construction, each of which measures different components of a building project

The following construction indices are currently available:

## a. Wholesale Price Index (WPI) for Building and Construction materials (CSO)

The WPI for building and construction (B&C) materials, provides an 'average' of the mixture of products from many companies throughout the country. They also reflect prices for both long-term and short-term contracts and for high and low volume civil engineering works. Industry sources indicate that price increases notified by companies may not always be achieved in practice following negotiations. Much will depend on the prevailing market conditions. In addition, high-volume fixed contracts for major works might, in the short-term, dilute the impact of emerging input price changes in the index. This index captures a subset of construction costs and would exclude, for example, labour costs. The annual percentage change in the WPI for B&C materials was **0.4%** in July 2025, down from the peak of 19.3% in September 2022.

WPI for B&C Materials Index and annual % change (by month)



## b. Capital Good Price Index (CGPI) for Building and Construction Materials & Wages (CSO)

The CGPI is a composite weighted index of wages and materials in the B&C sector and thus is likely to be more relevant to construction, although the caveats around prices set out above are also relevant. The annual percentage change in the CGPI for B&C was **1.7%** in July 2025.

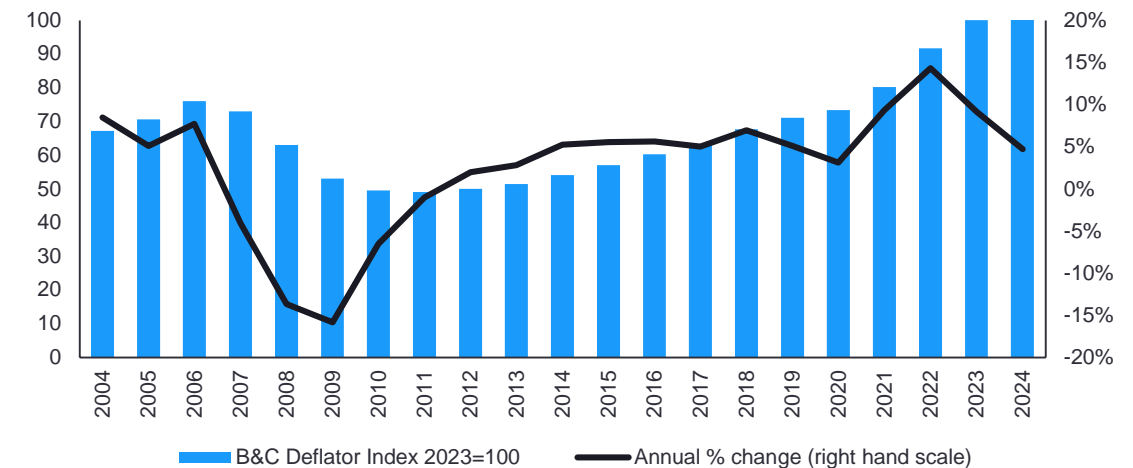
## c. Average Weekly Earnings in Construction (CSO)

This metric covers earnings in all enterprises with 50 or more employees and a sample of those with 3 to 49 employees. The most recent data shows that the annual rate of change in average weekly earnings in construction was **6.0%** in Q2 2025.

## d. GDP Deflator All Building and Construction (CSO National Accounts)

The GDP deflator is used to ascertain the volume changes in all B&C investment in the national accounts. It is derived by taking the current over the constant values for B&C investment to ascertain the deflator for B&C. The most recent data shows the deflator applied was **4.7%** in 2024, down from a high of 14.3% in 2022. The chart shows the range for this measure over the last 20 years with a steady decline recorded since 2022. With residential construction accounting for 29% of total construction investment in 2024, trends in residential property prices will likely have impacted the deflator for overall B&C. Other B&C accounted for 45%, B&C improvements represented 22% and transfer costs accounted for 4%.

Building and construction GDP deflator index and annual % change



## e. SEO's for Labour Rates

Sectoral Employment Orders or SEO's are legal labour rate increases issued periodically by the State for labour price increases in the construction industry. The SEO for the Construction Sector 2023 came into effect in September 2023. The new SEO 2024 came into effect in August 2025, setting out the rate increase from August 2025 to August 2026. The minimum hourly rates of basic pay for a craftsperson has been €23.00 from 1 August 2025 to 31 July 2026 (an YoY increase of 3.4%), and is set to increase to €23.74 from 1 August 2026 (a YoY increase of 3.2%). The SEO also covers minimum pension and sick pay contributions.

## The two tender price indices available relate to commercial new build projects and reported tender price inflation at 3-3.5% in 2024, with the SCSi estimating tender price inflation in H1 2025 at 1.5%

### f. Tender Price Index (SCSi)

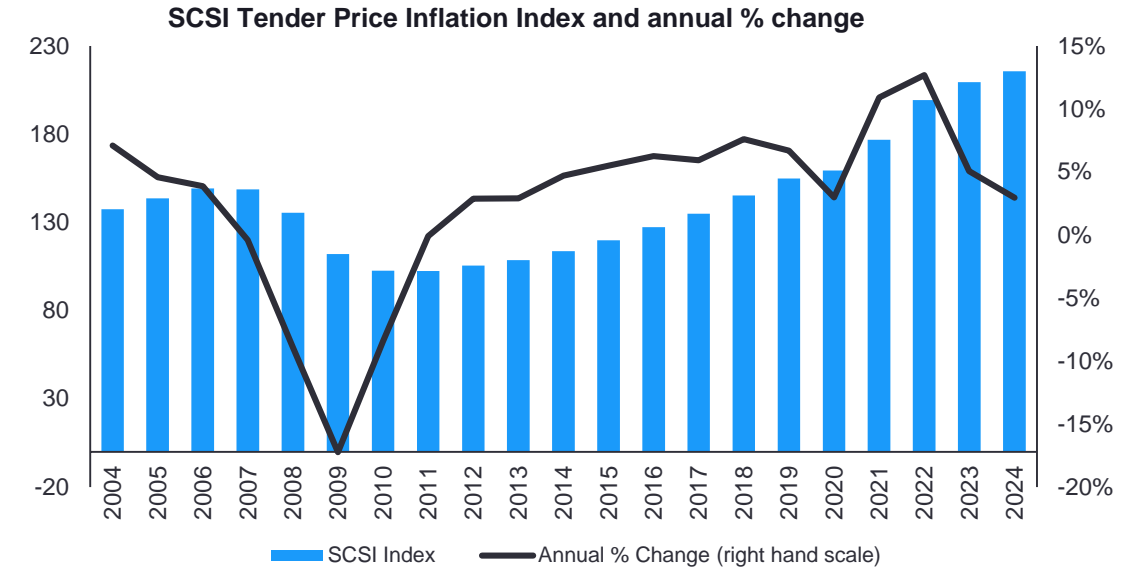
In contrast to the above indices, the SCSi Tender Price Index (TPI) is a construction price index, covering tenders for non-residential building projects only. The SCSi tender price index is a sentiment index and the only independent assessment of construction tender prices in Ireland. The survey tracks tender price inflation in commercial construction new build projects with capital values in excess of €1m. The SCSi note that the index “should be regarded as a guide only when looking at any specific project, as the pricing of individual projects will vary depending on such factors as their complexity, location and timescales.” It further states that the TPI is not appropriate for all construction projects, including those in the residential sector and those below €1m.

The chart across shows the range for this measure over the past twenty years, ranging from -17% in 2009, during the depths of the recession, to 12.7% in 2022 during the start of the Russia-Ukraine war. This compares with the B&C GDP Deflator on the previous page which ranged from -15.8% in 2009 to 14.3% in 2022.

The most recent data indicates that national construction tender prices rose by 1.5% in the second half of 2025, following an equivalent 1.5% rise seen in both the first and second halves of 2024. Taking the two half year index readings to derive the average each year, generates a national inflation rate for 2024 of 3.0%, down from 5.0% in 2023, and 12.7% in 2022, which saw the highest ever recorded six-month inflation rate of 7.5% in the first half of 2022. Although tender prices continued to rise in 2024, they did so at a slower pace than in 2022 and 2023. This deceleration can be partially attributed to the stabilisation of most material supply prices, a reduction in energy and fuel costs, and increased market competitiveness. Should tender prices continue to increase by 1.5% in H2 2025, the annual rate in 2025 would be 3.0% for the second year in a row.

Surveyors in the August SCSi report highlighted the ongoing geopolitical uncertainty caused by factors such as conflict in various countries. Surveyors also highlighted the ongoing uncertainty in the market and the potential for supply chain disruption if there are further changes, such as the potential for reciprocal tariffs on the US from the European Union, albeit developments since appear to have ruled out the latter. Other challenges identified were access to labour, with surveyors highlighting continuing labour shortages and constraints, as well as the inflation of labour prices. While overall inflationary pressures have moderated, feedback from Quantity Surveyors indicated that labour-related costs continue to influence tender pricing across certain projects.

The rate of increase varies across the country. In Dublin, the median change in tender prices for the first half of 2025 was 1%. This is greater than the 0% median change reported in the first half of 2024. The median change in Leinster (excluding Dublin) was an increase of 0.5% in for the first half of 2025. Meanwhile, the Munster and Connacht/Ulster each recorded increases of 2.0% in H1 2025.



Source: SCSi

### h. Tender Price Index (Mitchell McDermott)

Mitchell McDermott produce Inflation Info Cards each year which provide estimates for B&C tender price inflation in B&C each year. The latest Info Card relates to 2025 (published in January 2025) and forecast TPI in the 2-4% range in 2025.

The forecast are based on €7.7bn worth of contracted construction work (260 projects) over a nine-year period (average of €0.85bn per year versus c.€1m for SCSi). Essentially, the same office building is priced from 2015 to 2024, using market rates from those periods to provide inflation estimates. The TPI inflation rate was lower for 2023 when compared to SCSi: 2.0% versus 5.0%, but was slightly higher for 2024: 3.5% versus 3.0% SCSi.

The typical office building cost breakdown, according to Mitchell McDermott in 2025 is as follows:

Preliminaries 15%; Façade 15%; Mechanical and Electrical 24%; and 'basket of goods'/other 46%.

# The most appropriate indexation system for local authorities should recognise that a ‘one-size-fits-all’ measure is not available. Therefore, given the absence of an appropriate index, the SCSI TPI is recommended for now

## *The most appropriate indexation system*

Fingal County Council require a suitable construction inflation index to apply to the cost of construction of the physical works to be carried out under their planned infrastructure spend. As demonstrated, the specific projects cover a range of building and infrastructure projects across the county.

It is noted in the Capital Programme 2025-2027 that the largest category of investment funded by development levies is Planning and Strategic Infrastructure. This category of investment covers mostly transport projects (i.e. road projects, walking and cycling projects, pedestrian and cycle bridge, greenways, coastal defence, sporting and recreation projects).

An index is required which captures the cost of the above infrastructure type projects as opposed to buildings. The index also needs to be independent and transparent and one which is publicly available and updated regularly. The issue is that there is no one index available which captures transport type construction project, and it is not clear that one could be derived, given the wide variety of B&C projects to be done by Fingal County Council. Even those specific indices which are available and set out on the previous pages all report different inflation rates in any given year.

Based on the analysis of the available indices, the SCSI Tender Price Index is a non-residential tender price index which is publicly available on a six-monthly basis. This is a sentiment-based index only and it does not include housing projects, which would account for a significant proportion of the capital spend undertaken by SDCC. The Mitchell McDermott Tender Price Index is also publicly available but only on an annual basis.

Therefore, in the absence of an independent measure for tender price inflation for the range of projects to be provided across Fingal County Council, the SCSI Tender Price Index is currently the only available option for the indexation of non-residential projects. Although the development of a comprehensive infrastructure/transport tender price inflation index is what is required, it may not be possible to derive such an index, given the variety of infrastructure planned nationally over the next decade. Hence the SCSI TPI is the most appropriate at this point in time, in the absence of anything more appropriate.

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Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

### All in to shape the future with confidence.

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#### About EY-Parthenon

Our unique combination of transformative strategy, transactions and corporate finance delivers real-world value – solutions that work in practice, not just on paper.

Benefiting from EY's full spectrum of services, we've reimagined strategic consulting to work in a world of increasing complexity. With deep functional and sector expertise, paired with innovative AI-powered technology and an investor mindset, we partner with CEOs, boards, private equity and governments every step of the way – enabling you to shape your future with confidence.

EY-Parthenon is a brand under which a number of EY member firms across the globe provide strategy consulting services. For more information, please visit [www.ey.com/parthenon](https://www.ey.com/parthenon).

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