

CONSTRUCTION INDUSTRY FEDERATION

MID-WEST BRANCH SOUTHERN REGION

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Draft Clare County Development Plan 2023-2029,
Planning Department,
Clare County Council,
New Road,
Ennis,
Co Clare.
V95 DXP2

28th March 2022

Re: Draft Clare Draft Development Plan 2023-2029

A Chara,

As Secretary of the Construction Industry Federation (CIF), Mid West Branch, I am delighted to make this submission to the Clare County Development Plan (CPD) Review on foot of the publication of the Draft County Development Plan.

The CIF is the representative body for the Irish Construction Industry. This submission is based on consultation with the Mid-West Branch CIF Members and is reflective of their experience, collective knowledge and expertise at the forefront of construction in the Mid-West of Ireland.

The CIF is a key stakeholder in the implementation of the National Planning Framework, The Southern Regional Assemblies Regional, Spatial & Economic Strategy and the future Clare County Development Plan. CIF members are responsible for the delivery of houses, schools, offices and the infrastructure required to meet the ambitious targets established for the Mid West Region and welcome the opportunity to be a part of the consultation process for the preparation of the new Clare County Development Plan.



Ronan O'Brien
EXECUTIVE – SOUTHERN REGION



Introduction

The Clare County Development Plan 2023-2029 will be part of the first batch of development plans made under Project Ireland 2040, the new planning regime brought into effect by the National Planning Framework (NPF) and National Development Plan. The local authority development plans (and local area plans) which will be rolled out over the next two years will form the local, detailed spatial level of the new system.

The NPF envisages the need for 550,000 additional homes in the Country by 2040. Under the RSES, population projections estimate between 129,500 – 131,500 will live in Clare by 2026 and 134,000 – 137,000 by 2031. At present the county has a population of 119,000, between 2006 and 2016 there was an increase of an estimated 7,867 individuals in Clare.

The Draft Clare County Development 2023-2029 goes into considerable detail on how to accommodate this rise in population. Water and road infrastructure, grid capacity, a detailed housing needs demands assessment, sustainability have all been considered. However, we feel another key component needs to be examined in more detail, viability. It is critical to ensure that policy objectives in the County support the viability of future developments. Much of the projected growth in the County will be dependent on private sector investment and construction by the private sector. Developments will not be progressed if the construction industry cannot demonstrate financial viability to the investment sector. Viability of developments will be dependent on an adequate supply of affordable, developable land and the market demand for residential units.

Phased Zoning

Ireland is currently experiencing a housing crisis with an estimated 36,000 units required annually to meet demand. Over the last five years housing completions have fallen well short of this figure.

A report published by the Irish Home Builders Association entitled ‘Putting affordability at the heart of the housing system’ states the following:

“House building levels remain substantially below what is needed. 20,676 new homes were built in 2020 which is less than the 21,138 built in 2019. This is despite recent estimates from the Central Bank of Ireland and the ESRI stating that an average of c.35,000 new dwellings will be required per annum until 2030 to keep pace with the projected population growth. Estimates based on the range of population growth scenarios from the CSO suggest a requirement of between 460,000 and 760,000 new homes by 2040. Meanwhile private housing supply over the last 2 years was at levels last seen in the 1970s”.

De-zoning current residential zoned land in Clare while we are experiencing a housing crisis is counterintuitive.

De – zoning, long term zoning, down zoning and land prioritisation measures including phased release of zoned lands or the application of the sequential test are often motivated by the need to guide development to more appropriate sites closer to the centre of settlements first and to prioritise centrally located sites over those located peripherally. Extreme care should be taken in adopting this approach in the context of catering for short to mid term housing needs. Preferentially promoting unviable brownfield sites while rendering the development of other site as contingent on unviable brownfield sites has the potential to result in a significant shortfall in housing provision.

Adequate supply of land for development

In order to accommodate the additional population of 11,000 people during the lifetime of the County Development Plan, care must be taken to ensure that adequate land is zoned and supported with the necessary infrastructure, not just to accommodate future demand but to facilitate demand which has yet to be realised as a legacy of the previous recession and the subsequent policies and economic circumstances which have prevented the realisation of housing to meet demand.

Given the emphasis of the NPF and RSES on compact development, of concentrating development within existing urban areas and of maximising the use of brownfield sites, we are concerned of the risk that the quantum of **developable** land is overestimated because insufficient research is carried out on measuring existing constraints.

Land costs can be a significant element of housing delivery costs and a limited supply of available land is directly reflected by increased costs and increased house prices which are “ultimately borne by the buyer”.

Developments will not be progressed if the construction industry cannot demonstrate financial viability to the investment sector. Viability of developments will be heavily dependent on an adequate supply of serviced, affordable, developable land in addition to the market demand for residential units. Demand specific to unit type is an important consideration in this regard as is clearly justified density specific zoning policies.

The CIF welcomes the fact that *“Additional provision of 25% has been applied to the Core Strategy”* The Housing land requirement is based on the housing supply target for County Clare plus “Additional Provision”. The Development Plans Guidelines for Planning Authorities, Draft for Consultation August 2021 provides for Additional Provision which shall not exceed 20-25% of the required quantum of zoned land and sites in any planning authority area as a whole, for any 6 year period.

Clare County Council have been pragmatic in including a Strategic Residential Reserve. *“In addition to protecting these lands for the long term expansion of these settlements, consideration may be given to the development of some of the strategic residential reserve before the end of the current plan period where the Planning Authority is satisfied that the development of zoned land is progressing faster than expected and a shortage of available lands may arise or residential zoned land may not be delivered as expected and a shortage may arise during the plan period”*

It is critical that a review mechanism is incorporated into the Development Plan. As mentioned in the plan *“It is a requirement under the Planning and Development Act, 2000 (as amended) for a report to be prepared, two years after the making of the Plan, on the progress achieved in securing the objectives of the development plan. This progress report is necessary because, under the Act, it is the duty of the Planning Authority to “take such steps as are in its powers as may be necessary for achieving the objectives of the development plan”*. This 2 year review should assess the impact Covid-19 had had on living arrangements, and to examine if the target number of residential units needed are being built annually in the County and if not the reasons why. Our submission examines the viability of residential development and some of the constraints which could impact residential activity if not properly addressed in the County Development Plan.

There are several metrics which should be considered in the context of that review including:

- Updated population projections and migration figures.
- Level of planning applications and commencement notices for residential development.
- Level of housing completions.

- House prices and rental levels throughout County Cork.
- Release of zoned residential land into the marketplace.
- Land prices for zoned residential land.
- Extent to which infill and brownfield sites are being brought forward.
- Review of all metrics in the Housing Needs Demand Assessment to ensure Core Strategy is reflecting emerging needs.

Clare County Council should be prepared to undertake a variation of the County Development Plan at the 2-year review period to provide for additional residential zoned land, if there is any evidence of the shortage in housing supply continuing or deepening.

Brownfield sites

Developing residential units in town centres are typically more expensive because of the increased costs on building on brownfield sites. National Policy Objective 3c of the NPF aims to deliver 50% of City/Suburban growth on Brownfield Sites. The NPF fosters an unrealistic approach to land allocation which effectively shrinks the available land bank for housing in achievable areas in an attempt to redirect development to urban infill/brownfield sites which are inherently more difficult to deliver.

Releasing the development potential of Brownfield sites is extremely challenging as many are in multiple ownership, often contaminated, require demolition works, involve complex construction management, can be poorly serviced and are often located in areas which require significant regeneration.

In the absence of active land management measures and national incentive schemes, or initiatives, few infill / brownfield sites will be commercially viable.

It is welcomed that the plan acknowledges these difficulties by saying *“Not all settlements can achieve the full 30% of planned units within the existing built up footprint and therefore some of this requirement is redirected to residential greenfield sites. This is based on local knowledge of vacant, derelict and brownfield opportunities in settlements.”*

It is hoped that the plan will incorporate active land management measures or initiatives to contribute to the commercial viability of the development of infill / brownfield sites. A viability assessment of all key Brownfield and Infill sites should be considered.

Housing Density

We welcome the fact that the plan states *“in addition to higher densities in settlements, consideration has been given to an element of lower density development which does not represent more than 20% of the total planned housing stock in any settlement”*

There is an established market resistance to higher density developments and particularly apartment developments in locations outside the core of our city centres. The impacts of the need for social distancing and collective memory of the Covid-19 lockdowns will serve to strengthen this market resistance in the short to medium term. The development industry cannot source finance to build housing that does not fit with actual market needs or demands.

It is recognised that there is a national requirement for more economic use of land, particularly within the established urban footprint of settlements. However, the arbitrary application of minimum density requirements per development proposal together with required ratios for unit types and minimum design standards is leading to design uniformity which is unresponsive to market demand.

A policy approach which provides no flexibility on density levels, in a market where it is recognised that there is viability problems for higher density units is counterproductive to housing supply and will result in a lack of output, deepening the housing supply crisis.

The level of change required by the NPF cannot be implemented immediately. It will take several Development plans cycles to change long term patterns of development and to implement the long-term change required by the NPF. The new draft development plan guidelines released in August 2021 by the Department of Housing states *"The application of a single standard density across a whole county or settlement level would not reflect the nuance of differentiated density policy and should not be used."*

Also the Department of Housing, Local Government & Heritage Circular 02/2021 states *"...towns and their contexts are clearly not all the same, and planning policy and guidance are intended to facilitate proportionate and tailored approaches to residential development, including the flexible application of residential density considerations further to current statutory ministerial planning guidelines."*

Again it is welcomed that the Council refer to *"...the priority shall be to ensure that the character of the settlement/area is maintained ... Proposed developments must also be appropriate in scale and nature to the areas in which they are located."*

Limerick-Shannon MASP

The Limerick-Shannon MASP area is the centre of the slowest growing Strategic Planning Area (SPA) in the Country. There is little doubt that effective planning of the Limerick-Shannon MASP has been hampered by the operation of multiple planning authorities. Sharing the same river valley, road and rail networks there is an obvious need for an integrated approach to the MASP. It is welcome to see the Strategic Integrated Framework Plan for the Shannon Estuary with stakeholders from Limerick, Clare and Kerry being part of the steering group. It is hoped that this collaborative approach can continue with the development of Shannon town and it's surrounding areas to meet its potential.

Infrastructure

The lack of infrastructure particularly water infrastructure is constraining development in Clare.

The CIF recognise that infrastructure investments require co-ordination of priorities across several different Government Departments and agencies, particularly Transport Infrastructure Ireland; National Transport Authority; and Irish Water.

We note that development plan objective CDP11.9 states that the Council will *"work closely with Irish Water to identify and facilitate the timely delivery of the water services required to realise the development objectives of this Plan"*

Clare County Council know the infrastructure deficits of the County more than any other Stakeholder. We believe the Council should be empowered to deliver infrastructure requirements (Water, Roads etc) themselves thus opening up more suitable lands for development. The Council would then be empowered to resolve many of the existing water services infrastructural constraints in the County. All of which would help to meet the significant housing demand in these areas.

Sustainability

Both Government and local authorities are responsible for the promotion of policies for sustainable development and related planning policies. Such policies need to be realistic and should ensure that the total cumulative cost of meeting the requirements set down by those policies does not undermine the deliverability of new housing. As established by the Irish Home Builders Association report highlighted above, the price gap between new and second-hand properties has been over 40% since 2018, reflecting in the main enhanced standards and a better quality product.

Summary

Policy objectives to move to compact growth; higher densities and a focus on infill / brownfield sites are challenging and will have a considerable impact on the construction industry and housing market. In this submission, we have outlined the importance of providing flexibility in residential zoning objectives, and the necessity to account for the viability of developments within the planning policy framework. The other primary factor in delivering growth targets is the infrastructure capacity of towns and individual sites.

Thank you for the opportunity to comment on the CDP review process and for taking the time to consider this submission.

Yours faithfully,



Ronan O'Brien

**Executive, Southern Region
Construction Industry Federation**