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From: Matthew McRedmond <matthew@brockmcclure.ie>
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To: RSES
Subject: Submission on Draft Regional Spatial and Economic Strategy
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Follow Up Flag: Follow up
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Dear Sir/Madam

Please see attached submission on the Draft Regional Spatial and Economic Strategy for the Eastern and Midland Regional assembly ahead of the 5pm deadline of the 23rd January 2019.

Our submission is supported by an additional housing needs assessment by Future Analytics Consulting that is enclosed within the attached pdf.

Please confirm receipt of our submission and we look forward to the publication of the final document in due course.

Kind regards

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Draft Regional Spatial and Economic Strategy Submission



On behalf of Makros Limited

21 January 2019

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1 Introduction

1.1 Submission Summary

The Regional Spatial and Economic Strategy should promote the development of lands that are currently and clearly available, serviced and appropriately zoned in the identification of suitable regional assets that can serve as facilitators of regional growth.

Kildare town is located on the strategic road and rail network and is adequately serviced from a waste water perspective unlike other towns in County Kildare such as Naas (which is identified as a key town in the draft RSES) and Newbridge where a waste water treatment plant upgrade is being undertaken/required before any further development can take place and Kilcullen, which is not served by intercity rail services.

Kildare Town can play an important strategic role in the realisation of a coherent regional planning strategy and should be identified as such in the upcoming Regional Spatial and Economic Strategy.

1.2 Purpose of Submission

In November 2018 the Eastern and Midland Regional Assembly published the document – “Draft Regional Spatial & Economic Strategy”.



Figure 1: Draft Regional Spatial & Economic Strategy

This submission was prepared by Brock McClure Planning and Development Consultants on behalf of Makros Limited in response to the invitation by the Eastern and Midland Regional Assembly to submit views of the document – *Draft Regional Spatial and Economic Strategy*. This submission focuses on some key points within the draft Strategy document, which we consider, should be reinforced when it is published in final form later this year.

Brock McClure Planning and Development Consultants have been involved in a wide variety of public and private sector projects over the past number of years. These projects have included a broad diversity of development types in various locations.

Makros Limited have been at the forefront of the development industry for a number of years and have a broad range of development experience that can be appropriately reflected in a national, regional and local planning framework.

Having reviewed the Draft Strategy on behalf of Makros Limited we consider that as currently presented, elements of regional planning policy in our view need to be reviewed and modified as set out in this report.

The *Regional Spatial and Economic Strategy (RSES)* when finalised should provide clear policy guidance and principles relating to development in suitable locations as stated in the vision for the region:

“To create a sustainable and competitive region that supports the health and wellbeing of our people and places, from urban to rural, with access to quality housing, travel and employment opportunities for all.”

The purpose of this submission is to highlight the opportunity for currently zoned land to support housing and employment objectives by maintaining the status of these lands given that they are serviced and well connected to the wider region.

1.3 Role of the Regional Spatial and Economic Strategy

The preferred spatial strategy for the Eastern and Midland Region is the consolidation of Dublin plus the Regional Growth Centres of Athlone, Dundalk and Drogheda and supported by planned focussed growth in a limited number of self-sustaining settlements. The subject lands must be considered as supporting the strategic function of Dublin as the primary urban centre.

Figure 2 below illustrates the Growth Strategy for the Region that is illustrated in the RSES document. The subject lands are located generally within the Hinterland Area, at Kildare Town.

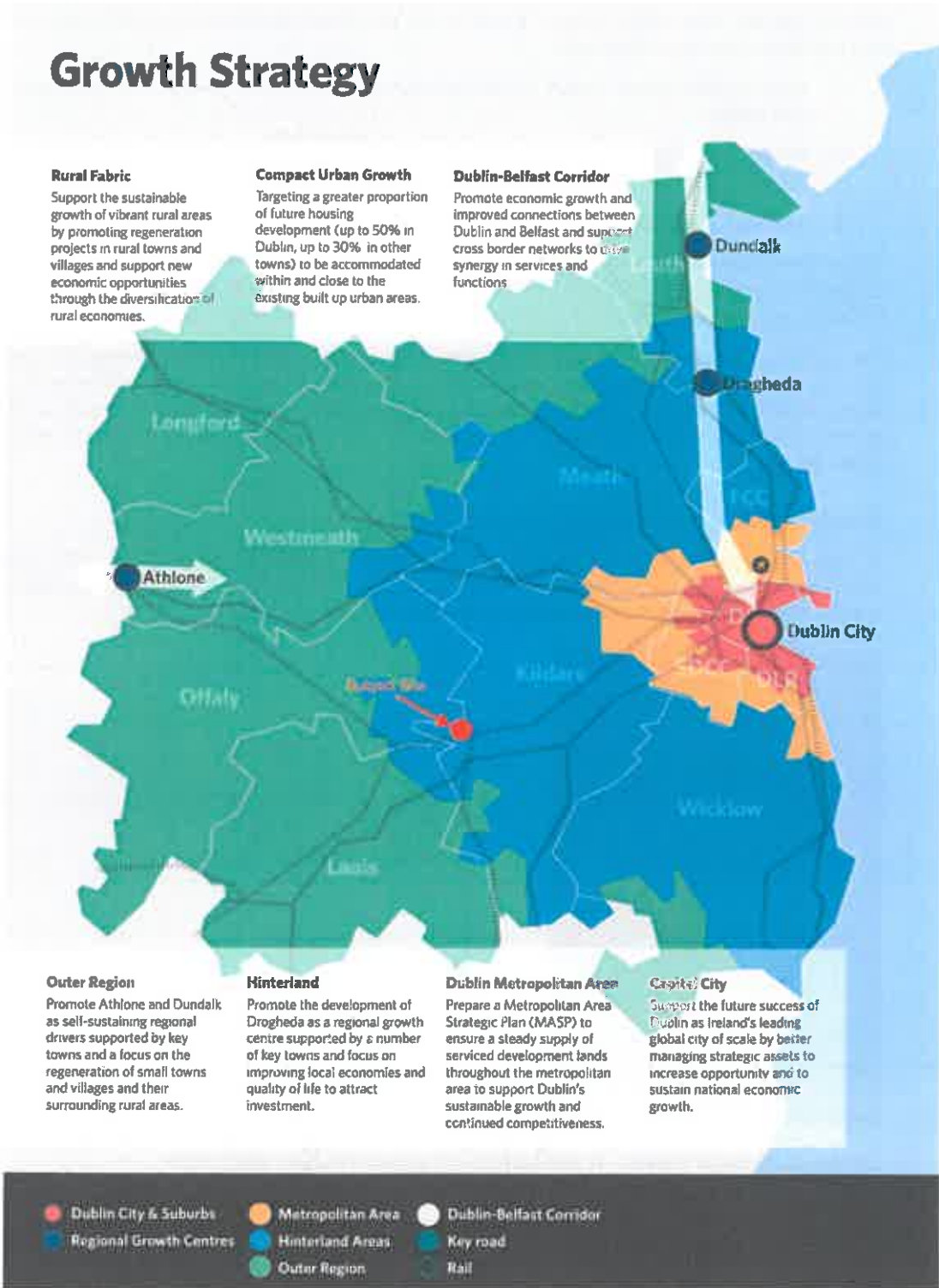


Figure 2: Eastern and Midlands Growth Strategy

An overview of the growth strategy is to support Dublin through the Metropolitan Area Strategic Plan, target growth of the regional centres of Athlone, Drogheda and Dundalk, support vibrant rural areas, “Facilitate the collaboration and growth of the Dublin-Belfast Corridor”, and embed a network of key towns through the region.

Kildare Town has immediate access to the strategic rail network enhancing the strategic transport links of Kildare Town and lands in the vicinity.

Allied to this rail connectivity, Kildare Town is on the M7 Motorway linking it to a strategic road network that performs a variety of functions:

- Provides Inter-urban Routes to connect centres of economic activity such as Galway, Limerick and Dublin
- Forms and connects to the most significant Public Transport Network in the Country for inter urban trips
- Provides a freight transport network for the country

These three facts cumulatively mean that Kildare Town is strategically located to perform as a significant engine for economic growth and if appropriately managed can allow focused development that will allow Ireland to continue to compete at an international level and attract international investors.

The challenge of the RSES will be to capture the development potential of such strategically located land areas and allow these areas to be brought forward for development in a timely manner to allow for sustainable land use practices to be realised. Serviced and zoned land that is readily available and positioned for residential development to support the economic objectives of the region, should not be squandered.

1.4 Smarter Travel – A Sustainable Transport Future

In 2009 the Department of Transport published “*Smarter Travel – A Sustainable Transport Future 2009-2020*”. In this policy document the Government reaffirms its vision for sustainability in transport and sets out five Key Goals, Targets and Actions to achieve this vision.

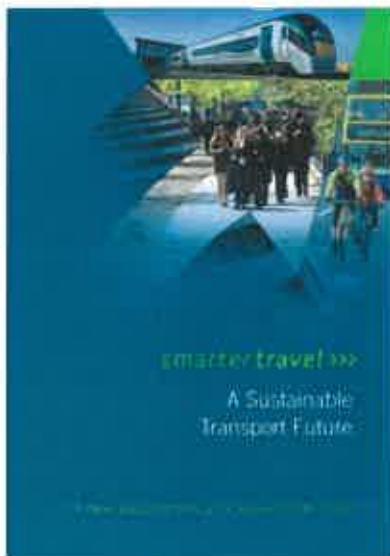


Figure 3: Smarter Travel – A Sustainable Transport Future 2009-2020

Smarter Travel sets down the context within which this must be achieved and states that “The efficient movement of goods is vital to our competitiveness and economic welfare” and sets out an Action for “improving efficiency in the movement of goods and promoting economic competitiveness”.

It is within this context of providing a transport system which facilitates and drives economic competitiveness the five Key Goals include the following:

- Improve accessibility to transport for all
- Improve economic competitiveness through maximising the efficiency of the transport network and alleviating congestion and infrastructural bottlenecks
- Minimise negative impacts of transport through reducing air pollutants and greenhouse gas emissions
- To reduce overall travel demand and commuting distances travelled by the private car

- **Improve security of energy supply by reducing dependency on imported fossil fuels**

The key challenges for spatial planning in Ireland as identified in the RSES and Smarter Travel - A Sustainable Transport Future are centred on economic competitiveness, appropriate design and environmental sustainability.

The Regional Spatial and Economic Strategy now has an opportunity to solidify country wide policy with regard to the management and roll out of development and the following submission sets out how this may be possible in the context of development ready urban areas and particular sites.



Figure 5: Site Location

The Dublin-Cork Railway line bounds the site to the south. A number of roads run through and bound the site including the Dunmurry road to the east, the Old Road, Southgreen Road and Green Road to the west. Agricultural lands bound the site to the north. The lands are a natural extension to Kildare Town with the Kildare Railway station located adjacent to the south east corner of the site.

3 Current Planning Context – South Green Landholding

3.1 Kildare Local Area Plan 2012-2018

The Kildare Local Area Plan 2012-2018 identifies the South Green lands as the most logical and appropriate location for the expansion of Kildare Town and where the bulk of residential development can take place. The zoning map for the area is outlined below.

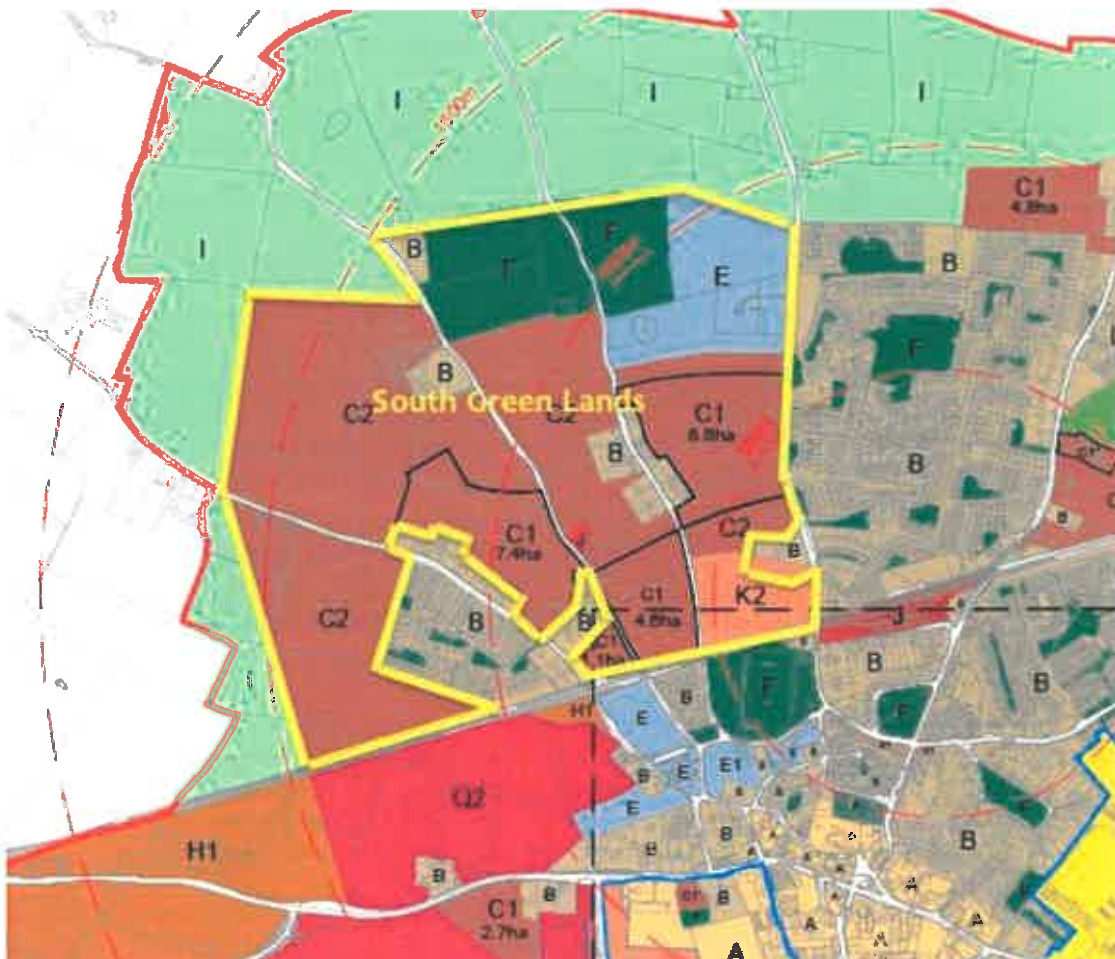


Figure 6: Kildare LAP Zoning Map for South Green Area

Consequently the land is zoned for a range of uses, predominantly C1 and C2 – residential, which has an objective “To provide and improve new residential areas and for associated local shopping and other services incidental to new residential development.” C1 is identified as Phase 1 development and C2 as Phase 2.

Other zonings for the lands include:

- E – Community and Educational;
- F – Open Space and Amenity;
- B – Existing Residential;
- K – Commercial (K1 phase 1 and K2 Phase 2).

The LAP states the following with regard to the South Green development lands and the phasing of development:

“A strong emphasis is placed on phasing lands sequentially thereby encouraging the better use of under utilised lands with options and opportunities for brownfield regeneration prioritised. In the event that permissions expire on existing zoned residential lands designated as Phase 1 consideration may be given to development of Phase 2 lands which are sequentially close to



the town centre and are adequately serviced by appropriate infrastructure. The remaining Phase 2 lands will not be eligible for development until such time as Phase 1 lands are developed appropriately or until the review of this plan through the statutory process and in the context of the core strategy set out in the County Development Plan (CDP), as may be amended. Significant residential land use zoning (both phase 1 and phase 2) are located to the north of the railway line in South Green. These lands will facilitate the appropriate development of a sustainable new neighbourhood in the town over a 15–20 year period.”

A protracted planning process involving the preparation of an Area Action Plan (AAP) and subsequently the preparation of the LAP has frustrated the process for the development of this overall land bank. This approach has not helped the delivery of residential development on development ready land as is evidenced by the current housing shortage in the Greater Dublin Area.

Residential housing supply has become a very real issue in Ireland over the past 5-6 years. A report by the Housing Agency in July 2015 titled “National Statement of Housing Supply and Demand 2014 and outlook for 2015-2017” states the following with regard to housing supply and demand:

“there is a persistent mismatch between the supply and demand for housing, particularly in Dublin and surrounding counties, and major cities such as Cork, Galway and Limerick.

Nationally, there was an undersupply of the required housing in 2014 (73% of the requirement was provided), allowing for pent up demand from 2012 to 2013. In addition, new household formation is projected to increase for each of the next three years and an accelerated delivery of residential units is required to address this deficit.”

Kildare Town has the potential to provide a significant number of residential units of much needed housing stock on readily serviced sites. The lands are proximate to and well served by public transport and other transport infrastructure. Such sites and Kildare Town should be promoted for development purposes within the Regional Spatial and Economic Strategy and where possible, not needlessly delayed by duplicate planning processes such as an area action plan and subsequent LAP process.

3.2 Infrastructure Constraints Outlined in South Green AAP

Pre-dating the adoption of the Kildare Local Area Plan was the “Area Action Plan for Lands at South Green Kildare Town” published in 2004. This plan identified the subject lands as suitable for substantial development subject to a number of pre-development works required at that stage. The Area Action Plan (AAP) states the following with regard to enabling works:

“The Council will require developers in the South Green area to apply for a long-term permission (such as a period of 10 years) to carry out site development and enabling works.

This proposal will show, to the satisfaction of the Planning Authority, the proposed methods for the transmission and treatment of foul effluents, the surface water drainage network, and the provision of other services and works. The issue of road access, bridge and road upgrading works will also be addressed by this application.

Following the agreement of the Council to this works schedule, sites in the AAP will be developed sequentially in line with the phasing programme.”

These infrastructure constraints were addressed by a Part 8 application that was submitted concurrently with an application for a residential development in 2007 (Reg. Ref. 07/1450) and also through the provision of upgraded waste water treatment facilities in Kildare Town.

3.3 Planning History (Reg. Ref. 07/1450)

In August 2007 Makros Ltd applied for the following development at Hill Road, South Green, Kildare Town:

“Permission is sought for a residential development consisting of 210 no. dwellings of varying types as follows: 36 no. 4 bedroom semi detached houses, 75 no. 3 bedroom end of terrace houses, 22 no. 2 bedroom mid terrace houses, 6 no. 2 bedroom end of terrace houses, 57 no. 3 bedroom mid terrace houses; 14 three storey four bedroom terrace houses. A total of 359 no. surface car parking spaces. 4 no. vehicular access points and associated works.”

The planner’s assessment of this application continues to state the following:



*“The proposed site is identified as site C3: Medium Density residential’ being part of Phase 1. It is stated that the development of phase 1 may take place in the short term after the agreement of ‘site development and enabling works’ programme. The AAP states that the following enabling works for the South Green Area are required to be applied for by the developers and agreed with the Planning Authority prior to the development of any of the proposed phases within the plan area; the proposed method for transmission and treatment of foul effluents, the surface water drainage network, the provision of other services and works such as road access, bridge and upgrading works. In the planning report submitted, the applicant acknowledges the requirements of the AAP in relation to these enabling works but states that **a Part 8 application has been approved which has facilitated predevelopment works and that the proposed development is now timely.**” [BMC Emphasis]*

The application was considered acceptable subject to a number of conditions, including a condition in relation to the completion of necessary infrastructure works:

“3(a) Necessary infrastructure works associated with the development shall be provided prior to the construction of Phase 1A & 1B of the South Green Action Plan Area unless otherwise agreed in writing with the Planning Authority.”

The subject development did not proceed due to waste water treatment capacity issues that have since been resolved through the completion of a new facility in 2013. The site could not use the treatment plant until the network upgrade was also completed in 2016. The subject development site and Kildare Town is therefore appropriately serviced both from a strategic and local servicing perspective, with broader transport connections as well as critical local infrastructure connections.



4 Points to Note on Regional Spatial and Economic Strategy Consultation

The Region and the subject site is a prime example of development lands that can be positively influenced by the provisions of the new Regional Spatial and Economic Strategy (RSES).

4.1 Point of Submission – Strategic Issues

Section 4.3 of the document “Regional Spatial and Economic Strategy” for the Midlands and Eastern region is concerned with defining a settlement typology and existing plans and on that basis the following is outlined:

“Where there may not be an ideal fit between some current plans and the more up to date broad national and regional future development parameters set out under the NPF, this strategy and/or updated data that might be circulated by the Department from time to time as new information (i.e. Census Data) becomes available, appropriate transitional arrangements will be put in place.

For example, the consideration of development land prioritization measures by local authorities rather than ‘de-zoning’ of land, where there may be a surplus, would be more appropriate. The Department of Housing Planning and Local Government (DHPLG) will provide updated planning guidelines on their development plan functions to planning authorities in this regard. The NPF or the NPF Implementation Roadmap document, do not seek the dezoning of land, however”

As outlined in the draft RSES it is appropriate to examine the relationship between population projections, housing supply, location and supporting infrastructure as part of a strategic analysis of the necessary approach to planning for people and places. This does not involve dezoning of land. Kildare Town is part of the Greater Dublin Area and Eastern Region and it plays an important role in the overall economic strategy of the country. The Draft RSES further states the following:

“Furthermore, the zoning of land and planning permission alone, do not necessarily guarantee delivery and population growth in accordance with projected, targeted timeframes.

Therefore, in planning for future growth, it will be important for planning authorities to set out and monitor the service capacity and likely rate of completion of development on zoned lands, both brownfield and greenfield as well as elsewhere, having regard to local conditions and trends.”

With development ready lands, such as those at the subject site in Kildare Town, they should be brought forward in the development process where the landowner, planning provisions and supporting infrastructure are all in place. It is important that sufficient land supply is available as very often the quantum of land that is zoned for residential development is not completely available for residential development when development constraints such as open space, archaeological heritage and flood risk matters are all taken into consideration.

4.2 Point of Submission - South Green Landholding

It is our submission that Regional Spatial and Economic Strategy should prioritise serviced development lands in the development strategy for the island of Ireland.

There has been speculation in the recent past that tax interventions would be necessary by the Government to encourage the development of serviced and zoned land. After the financial crisis in 2008 it was apparent that there was an oversupply of zoned land with the subsequent dezoning of much of this land. In June 2008, there was 14,191 hectares of serviced zoned land in the state, enough for up to 462,000 potential new units (DECLG 2014). In addition, there was another 30,000 hectares of un-serviced zoned land. This mis-match between zoned and serviced land and dezoning of residential land has led to a shortfall in residential development land and therefore land that is appropriately zoned and serviced should now be maximized before the need for further residentially zoned lands are to be identified.

Kildare Town is well placed to take full advantage of effective infrastructure including public transport provided by the high capacity Cork-Dublin railway line.



In order to avoid early obsolescence of the supporting infrastructure serving the area (rail, road and services infrastructure), provisions should be put in place to maintain zoned land for development. While these sites may only be a small piece of the picture in an overall regional strategic planning sense, they can be the catalysts for positive change in how development land is brought forward and in responding to the national housing shortage currently ongoing. This is supported by the following text from the draft RSES:

“sites with long-term development potential at priority locations should not be ‘reserved’ at the land allocation stages of the plan-making and implementation processes, in such a way as would create an unreasonable dependency on such sites being brought forward or that would impede the bringing forward of other suitable lands with better prospects for delivery in the short term, if the strategic sites are not being brought forward by their owners.”

Considering the foregoing, the subject lands and similar located and serviced development sites should be suitably identified and prioritised for development in the short term in the Regional Spatial and Economic Strategy. This may be done by way of graphical representation or through supporting policy text and is logical for the following reasons:

- Inappropriate to allow serviced, well connected land to lie idle with no return on investment on infrastructure;
- Underutilised lands available proximate to public transport and local amenities providing an important support base to the surrounding regional economy should be promoted;
- Other residentially zoned sites in some location have not provided appropriate development impetus due to shortcomings in available infrastructure;
- Opportunity for comprehensive residential development supply; and
- Facilitate development in line with the growth projections for the Greater Dublin Area by providing much needed residential land supply that is well connected to the wider transport network.

4.3 Point of Submission – Developer Credentials

Another crucial element to this development equation is a developer that can and will build, and will not retain development land in the hopes of increasing land values.

Property speculation where land is bought, rezoned and sold on to a developer can add as much as €30,000 per unit to property values, which adds further to the issue of housing affordability. The subject landowner (Makros Limited) are a proven development entity that have remained generally unaffected by the most recent economic downturn and these types of developers, with suitable development sites and financial backing, should be stimulated rather than delayed unnecessarily through the planning process. This is supported in the following details from the Draft RSES:

- *“Closer attention to the actual delivery (of housing) is required and PAs are to take steps that may be necessary to implement strategic planning aims and “above all avoiding the hoarding of land and/or planning permissions.”*
- *PAs to tackle any tendencies towards land and/or planning permission hoarding, or excessively slow delivery using vacant site levy “and the release of alternative lands where permitted development, without any wider delivery constraints, is not being brought forward.”*
- *PAs to avoid creating “an unreasonable dependency” on sites would impede the bringing forward of other suitable lands with better prospects for delivery in the short term, if the strategic sites are not being brought forward by their owners.”*

4.4 Point of Submission - Funding, Return on Investment and Developer Contributions

Any public investment requires an economic or social return on that investment. Lower usage levels in the early years on any infrastructure investment can undermine the economic return on which the project



was justified originally. Overall economic activity and prosperity is the key driver of increased demand for transport and other infrastructure. This logic can be applied to the services infrastructure put in place surrounding the subject site including rail and road infrastructure. There is obvious capacity for growth in this regional area given the locational advantages in relation to Dublin City Centre.

Should a further impetus occur to economic development in the area, there will need to be sufficient land zoned for residential development to support this growth. The attached Report by Future Analytics Consulting highlights the strong growth in Kildare resulting in strong housing demand and need in future years.

The RSES should include details in their planning process for Regional Development that will support the larger urban centres, including providing employment and housing at accessible locations on both the road and rail networks such as at the subject lands at South Green.

The subject site at South Green can provide affordable residential land supply as it is already fully serviced and accessible from the wider transport network. This type of land supply should be promoted in the new regional strategy for the eastern and midland region.

4.5 Point of Submission – Local Infrastructure Housing Activation Fund (LIHAF)

On the 28th March 2017 the Government announced the approval for 34 public infrastructure projects across 15 Local Authority areas. This represents a commitment by Government to provide €200 million in funding to instigate the provision of enabling infrastructure that was previously hindering the development of housing. Despite the announcement of over €20 million for projects in County Kildare in Naas, Maynooth and Sallins there has been no funding provided for Kildare town, where the subject site at South Green could potentially provide between 2,000-3,000 new homes in combination with a range of other services and amenities.

The failure to build on the €17.5 million investment in the Kildare Town Waste Water Treatment plant, opened in 2013, represents a failure to secure a short term return on investment, which should have been further developed through the provision of funding for further infrastructure at Kildare Town and specifically at the South Green site. Investment in roads and adequate vehicular crossings of the rail line would undoubtedly have further enhanced the timeframe for the development of these lands and subsequently the provision of a strategic housing land bank. The Regional Spatial Economic Strategy should prioritise partnerships with Local Authorities to ensure essential infrastructure is provided in a timely manner to the right locations to ensure a full return on investment in other infrastructure and ensure there is no time lag on the provision of necessary housing.

5 Conclusion

Developed correctly, a Regional Spatial and Economic Strategy should be the catalyst for economic growth and regeneration. It is ironic therefore that due to lack of appropriate implementation the precursor to the RSES, the Regional Planning Guidelines for the GDA, which was intended to put a structure on growth and development, failed in a number of its goals and objectives over a 12 year period. This is mainly down to inappropriate implementation and is also attributable to market forces including the economic downturn. Despite aims associated with regional divergence across the Country, the observed trend seems to be a leaning towards urban centres where the majority of jobs are located. This would suggest that the population will continue to locate at employment hubs in future years and substantial growth in the Greater Dublin Area including Kildare has demonstrated that this is a viable area for ongoing growth in the short-medium term.

There have been instances in the past where a plan led development was seen as the appropriate response to the provision of necessary land uses at particularly locations. In many cases however this has not taken place on an acceptable level of consistency.

Critically, the opportunity exists with this new Regional Spatial and Economic Strategy to identify suitably serviced and zoned lands - that are supported by developers who are now ready and in a position to develop – to provide the impetus for growth objectives to be met through a development led solution.

This would provide a greater degree of control over where and how future development will take place in the short term leading to a more reliable long-term strategy in terms of the location for employment and other population based land uses. The four main points of this submission are:

- Strategic issues such as population and crucially supporting infrastructure should be considered when identifying appropriate development lands and these lands should not be rezoned but rather re-prioritised;
- Towns that are appropriately zoned and serviced, such as Kildare Town with significant land banks like the subject site at South Green – should be promoted as suitable locations for strategic development to support wider regional development goals;
- Sites that are owned by developers with a proven track record in delivery of projects and the resources to do so should be also promoted to avoid land hoarding;
- Early return on investment in infrastructure should be a priority in the short term and this can be achieved through appropriate development strategies for serviced towns and areas;
- The regional Spatial and economic Strategy should inform the next round of the Local Infrastructure Housing Activation Fund to avoid missed opportunities with regard to development ready lands; and
- The development of fully serviced lands, adjacent to public transport nodes should be encouraged, to respond to the shortage in lower cost housing supply.

For all of the above reasons and considerations, Kildare, with the subject site at South Green, can be used as an example of development lands that is appropriate as a serviced and zoned area that has suitable financial backing and should be prioritized as the type of land bank to be maintained for residential development in conjunction with wider economic development. This would represent an effective use of serviced land in close proximity to the surrounding road and rail transport network, while pre-empting any future residential land shortages in the region that might arise on foot of continual population growth.

We confirm that we act for Makros Limited and request that all future correspondence in relation to this matter be directed to this office.

Brock McClure Planning and Development Consultants

January 2019



Data led housing needs assessment using detailed population projection methodologies and relevant supply side considerations to establish future housing demand.



KILDARE TOWN
COUNTY KILDARE

PREPARED BY

Future Analytics

**HOUSING NEEDS
ASSESSMENT**

1.0 Introduction

Future Analytics Consulting Ltd. (FAC) of 23 Fitzwilliam Square (South), Dublin 2 has prepared this 'Housing Needs Assessment' in respect of residentially zoned lands on South Green in Kildare Town, Co. Kildare. FAC is an established urban planning consultancy that advocates an evidence-based approach to proper planning and sustainable development.

County Kildare is a significant strategic component of the Greater Dublin Area (GDA)¹ and its locational advantage has a major part to play in the future development of Ireland's economy. Kildare benefits from being both part of Ireland's primary economic hub and the largest market in the State. That position is jeopardised, however, by an undersupply of housing which limits the attractiveness of the county as a place in which to live, as a base for industry and employment and in terms of its role supporting Ireland's economic engine. The location of Kildare town along the M7 transport corridor, with adequate residentially zoned lands and connectivity along a high frequency train line, make it a key asset in delivering this expected future growth.

2.0 Housing Market in County Kildare

The housing market in County Kildare has shown significant growth in recent years, influenced by its own population and economic growth and driven by the demands being exerted in the Dublin City region.

| Year | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total 2010- 2018 |
|-------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------------------|
| No. of Properties | 1,045 | 795 | 1,060 | 1,330 | 1,880 | 2,296 | 2,324 | 2,845 | 2,859 | 16,435 |
| ASP ² | €240,211 | €225,277 | €194,904 | €198,299 | €222,434 | €248,506 | €260,085 | €264,908 | €284,840 | €247,322 |

Table 1: Residential Property Transactions 2010-2018

Over the 8 years the national Property Price Register has been tracking residential transactions, Kildare has ranked fourth in terms of activity with 16,435 transactions occurring up to 2018 for new and second-hand properties in the county. In 2017-2018 there were 5,704 transactions, placing the county third highest in terms of activity in Ireland (after Cork and Dublin)(Table 1).

The average residential property in County Kildare commanded an asking price of approximately €261,906 in 2018 Q4, equating to growth of 63.5% since the 'trough' in 2013.³ This places its return to growth approximately on par with that experienced in County Dublin, where prices have increased by between 52.9% and 69.9% over the same period (excluding Dublin city centre where growth has been 94.2% since the trough).⁴ These property price increases are reflective of the existing demand to live in County Kildare.

As of 2018 Q2, the average gross annual household income of Kildare's residents was estimated at €73,745, converting to an estimated gross annual individual income of €43,207⁵. These statistics mean that property purchase prices are approximately 3.5-times the average household income or 6.1-times the average individual income.

¹ Comprised of Counties Dublin, Kildare, Meath and Wicklow.

² Average Sale Price

³ Daft (2018) *Housing Price Report Q2 2018*.

⁴ Ibid.

⁵ CSO (2018) *EHQ03: Average Earnings, Hours Worked, Employment and Labour Costs by Economic Sector NACE Rev 2, Type of Employee, Quarter and Statistic. FAC Analysis (2018)*.

Additional evidence of demand for housing in Kildare can be drawn from the county's residential vacancies from 2011 to 2016. Of the four GDA counties, Kildare's stock of residential properties that were vacant fell by the greatest level during this period; some 25.3% to 7,712, resulting in a reduction in the vacancy rate from 8.0% to 5.9%⁶. As a rule of thumb, a frictional vacancy rate of 7% should be provided in a housing market to ensure it functions efficiently. Therefore, the current rate is demonstrative of an undersupply.

3.0 Population Growth in County Kildare and Kildare Town

3.1 Recent Population Growth

Population growth in County Kildare in the 20 years to 2016 has been substantial; increasing by 64.8% to 222,504 (Table 2).⁷ This contrasts with the growth of County Dublin, the GDA and the State, which experienced growth of 27.3%, 35.7% and 31.3%, respectively.⁸ These rates demonstrate the natural growth of Kildare's population and the demand to live close to Dublin City and along a key transport corridor (M7 motorway and railway connecting with Cork, Dublin, Galway, Kerry, Laois, Limerick, and Waterford). With significant pressure being placed on the Dublin housing market since the 1990s, Kildare has been perceived as an affordable and accessible alternative to living in Dublin.

| Census Year | 1996 | 2002 | 2006 | 2011 | 2016 |
|------------------------------------|---------|---------|---------|---------|---------|
| Population | 134,992 | 163,944 | 186,335 | 210,312 | 222,504 |
| Census-on-Census Percentage Change | - | 21.4% | 13.7% | 12.9% | 5.8% |

Table 2: Population growth in County Kildare, 1996–2016 (CSO, various years).

The Kildare Town urban settlement recorded a residential population of 8,634 in April 2016, representing an increase of 6.0% (492) since 2011 (it should be noted that slight changes were made to the settlement boundary during this period).⁹ In the 20 years to 2016, the town expanded by 101.8% from 4,278 (total within the 1996 legally defined boundary and suburbs/environs), thereby significantly surpassing the growth of the rest of Kildare and the wider region.¹⁰

3.2 Projected Population Growth

To project population forward, FAC uses the demographic cohort component methodology (CCM); the same methodology used by the Central Statistics Offices (CSO). It provides a flexible and powerful approach to population projection by developing an array of comparative scenarios, each tailored around the application of qualified assumptions in mortality, fertility and migration (as aligned with the CSO). Specifically, the 'M1F1-aR' scenario has been utilised herein¹¹.

Using the CCM, the population of Kildare Town urban settlement is estimated to reach approximately 9,076 in April 2019 and is projected to increase by a further 8.1% (739) in the years from 2019 up to 2024¹². Growth is expected to remain robust in the years from 2024 to 2029, although at 8.0% (783), it will represent a slight moderation on the preceding 5-year period.

In summary, FAC's projections indicate that Kildare Town's population will increase by an estimated 16.8% (1,522) in the 10 years to 2029; bringing it to approximately 10,595 (Figure 1).

⁶ CSO (2011) *Census 2011*. CSO (2016) *Census 2016*.

⁷ CSO (various years). Various Census periods.

⁸ Ibid.

⁹ CSO (2011) *Census 2011*. CSO (2016) *Census 2016*.

¹⁰ CSO (1996) *Census 1996*. CSO (2016) *Census 2016*.

¹¹ Comprised of a 'Migration 1, Fertility 1' scenario informed by recent trends.

¹² FAC analysis (2018).

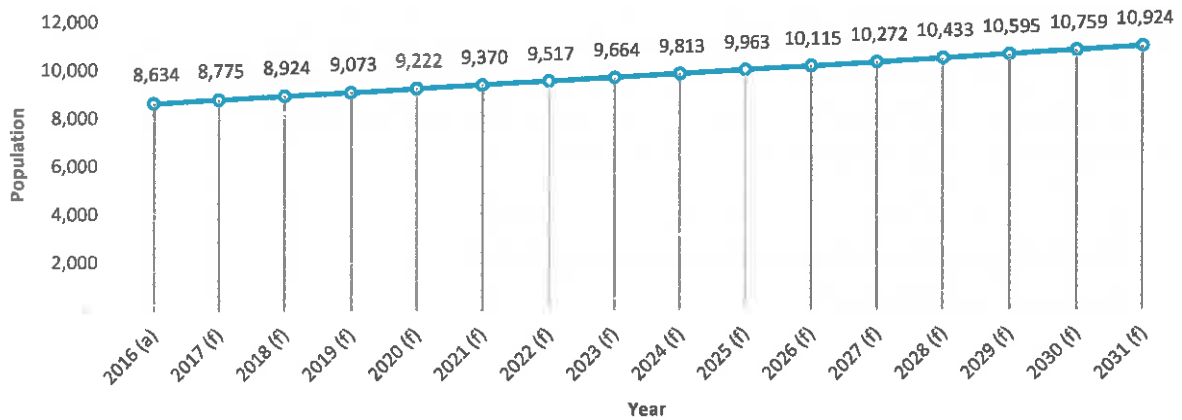


Figure 1: Projected population growth of Kildare Town, 2016–2031.

From a county perspective, a comparative analysis of the (1) recent National Planning Framework population projections and (2) the demographic cohort component methodology (CCM), the population is forecast to increase in Kildare County between 30,000-35,000 persons (13.7%-15.7%) over the next 10 years (Table 3). Taking the current average household size for Kildare County as a benchmark (3.0 persons per household) this would create a demand for a minimum of 11,000 new units to be completed in the county over the next 10 years to accommodate new persons.

| Census Year | 1996 | 2002 | 2006 | 2011 | 2016 | 2026 (NPF) | 2026 (CCM) | 2031 (NPF) | 2031 (CCM) |
|------------------------------------|---------|---------|---------|---------|---------|------------------------------|------------|----------------|------------|
| Population | 134,992 | 163,944 | 186,335 | 210,312 | 222,504 | Max ¹³ 254,000 | 257,177 | Max 266,500 | 276,717 |
| Census-on-Census Percentage Change | - | 21.4% | 13.7% | 12.9% | 5.8% | 14.2% | 15.6% | 19.8% | 24.4% |

Table 3: Population Targets for County Kildare 2016, 2026 and 2031

4.0 Minimum Housing Requirement for Kildare Town

FAC’s projection of future minimum housing requirements is a product of evaluating the impact of changing demographics across each settlement and rural area in Ireland. This change will have a significant effect on the utilisation of existing housing stock and will give rise, in many places, to a deficit, should supply lag behind. A key component is the application of the population projections (above) which are used to assess how each individual settlement and rural area will undergo shifts in their age profile and how people coming into the area, as well as leaving it, impact on the rate of change in that area.

Kildare Town’s population growth, and specifically growth in the traditional household formation age groups, will result in an ‘internally generated’ requirement for housing in the town – driven by the growth trends of the town’s existing population. **Consequently, in the 13 years from 2016 to 2029, there will be a cumulative absolute minimum requirement to deliver an estimated 1,020 residential units in the settlement.** This is a considerable requirement, equivalent to approximately 34.5% of the 2,959 ‘permanent private households’ identified in the 2016 census. The annual and cumulative housing requirement for the years 2017–2029 are detailed in Table 4. The slight moderation in population growth expected after 2023 is reflected in this requirement.

In addition to the derived minimum housing requirement and as per the Development Plan Guidelines, a value for 3 years beyond the period should be measured and considered as ‘headroom’¹⁴. Accounting for this headroom would

¹³ Upper NPF range value for County Kildare

¹⁴ Headroom represents the minimum buffer that should be planned for to maintain adequate supply for future uncertainties in relation to population targets.

extend the cumulative requirements for the period by a further 264 units **bringing the revised minimum requirement to 1,284 units for Kildare town**. It's important to note that this requirement forecasts the 'internally generated' demand for housing within County Kildare and Kildare Town but does not evaluate requirements based on external drivers. These external drivers, like proximity to Dublin, house price/type/supply, or a preference to live in Kildare could impact/augment this requirement.

| Requirement | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|-------------|------------|------|------|------|------|------|------|------|------|------|------|------|-------|-------|-------|
| Annual | 56 | 78 | 78 | 78 | 78 | 78 | 79 | 79 | 80 | 81 | 83 | 85 | 86 | 87 | 88 |
| Cumulative | 56 | 134 | 212 | 290 | 369 | 447 | 525 | 605 | 685 | 766 | 849 | 934 | 1,020 | 1,107 | 1,194 |
| Headroom | +264 units | | | | | | | | | | | | | | |

Table 4: Annual and cumulative housing requirement for Kildare Town, 2017–2031.

The methodology assumes that the housing requirement for each year has been met. Therefore, when the requirement for a given year is not met (i.e. supply falls short), it must be delivered in a subsequent year. Added to this, the methodology does not account for any pent-up housing requirement that exists in the settlement prior to 2017 – i.e. housing requirement that has not been met in the years up to 2017.

In this case of Kildare Town, the pent-up or unmet requirements are considerable. FAC analysis for the Housing Agency conducted in 2014, *Housing Supply Requirements in Ireland Urban Settlements 2014–2018*, used a similar approach to that which has been used above and identified that Kildare's key settlements (i.e. areas with a population of 1,000 or more and excluding rural areas) had a requirement for 5,204 residential units in the years 2014–2018. However, newly released data from the CSO indicates that only 2,704 units have been completed in the years from 2014 up to 2018 Q1. Even using a scenario in which residential completions increase a further 50% between 2017 and 2018 to 1,683, **the total delivery would fall short of meeting the county requirement** in this study by over 800 residential units (4,387 - 5,204).

The estimation of minimum housing requirements cannot account for 'demand', which may exceed the requirement. A preference to live in Kildare, and specifically in Kildare Town, is an extraneous pressure that would result in a need to deliver more housing. New population coming to reside in Kildare Town would add to the population and would likely induce further inward migration, thereby further increasing the minimum requirement.

Such demand may be defined by factors such as personal preference/circumstances (choices, finances, etc.) or by planning policy. With respect to the latter, *Project Ireland 2040: National Planning Framework* and the *Regional Economic and Spatial Strategies (RSEs)* are structured to drive population growth into existing urban settlements. Therefore, planning policy will seek to dictate where demand for housing will be expressed. Given its scale and location, Kildare Town is a prime example of a settlement that is expected to be targeted for growth in the RSEs.

Consequently, the concept of 'requirement' should be acknowledged as being distinctly different to housing 'demand' – i.e. it is a need for housing rather than an effective or latent demand for same.

5.0 Pipeline Residential Development in Kildare Town

A high-level analysis of residential applications reveals that there are currently 15 applications for schemes of 10 units or greater for 1,264 no. units in Kildare Town's planning and development pipeline (decision pending, under appeal, granted planning permission and commenced construction but incomplete). 19 no. units have commenced; 2% of the total pipeline. 325 no. units requesting further information or under appeal from Kildare County Council. The majority of units (920) are understood to have been granted planning permission by the Council, but are yet to commence construction.

It is not expected that all of the residential development will be granted planning permission or will reach completion on the basis that some schemes may be speculative in nature, while others may be impacted by other issues such as financing or viability. It has also been noted that approximately 146 no. of the units granted with planning permission have permissions that will expire by 2020. Realistically, failure to commence construction on these dwellings in the coming months would mean that delivery by the permissions' expirations would not be possible.

6.0 Summary and Concluding Remarks

FAC's analysis indicates that Kildare Town's population is set to continue growing robustly and may reach 10,595 by 2029 based on the composition of the existing population and recent trends. Consequently, this **will generate a minimum requirement for a total of 1,284 additional housing units (1,020 base requirement + 264 units headroom)**. This requirement coupled with the large projected growth in the county by the NPF (of 30,000 persons) will create significant demand for new housing in the county in the short to medium term.

Overall, the demand for property in County Kildare has been very high the past few years with the number of residential property transactions being the third highest in Ireland (2017-2018), after Cork and Dublin.

The estimation of housing requirements is informed by population changes and, therefore, does not account for demand (driven by personal preference or policy) or the influence of the population that would occupy the required units. **Consequently, the requirement should be considered as being a *minimum* to serve the population and its changes under the influence of recent trends.** Demand in a settlement such as Kildare Town would be expected to exceed the requirement on the premise that supply is available and/or forthcoming.

While there are units in the pipeline for Kildare Town, the likelihood that they will be sufficient to meet the requirement and demand in the town is unclear. However, given the level of 'pent-up' demand not previously provided for (i.e. 2,704 housing units between 2014 and 2018) Kildare Town has, and will continue to have, a requirement for additional residential development in the coming years. The residentially zoned lands on South Green will work to meet this requirement, **as well as additional demand**, by way of a coherent and well-designed proposal that seeks to efficiently and effectively use the town's limited supply of developable land.