Opening Statement

Department of Housing, Planning, Community and Local Government

‘The National Spatial Strategy and its successor and ‘The granting of planning permission in rural areas’

Introduction
Chair, members, my colleagues and I welcome the opportunity to meet with you today on the National Spatial Strategy 2002 to 2020 and its successor, Ireland 2040 – Our Plan and discuss the topic of sustaining viable rural communities.

Ireland 2040 – Our Plan

In the fifteen years since National Spatial Strategy, or ‘NSS’ was prepared a lot has happened. There has been positive progress such as enhancements in transport infrastructure. More concerning was the fact that of locations that were identified as strategic growth points such as ‘gateways’ and ‘hubs’ many were outperformed in the boom years by other locations including some that suffered significant growing pains as a result.

Nevertheless, the NSS was important in starting a process of establishing a more strategic and co-ordinated approach to planning and infrastructure co-ordination across both local authority areas and in public policy terms generally.

Indeed, the lessons learned from the NSS, are a valuable resource in developing its successor, which is why our Department commissioned an expert advisory panel to independently appraise its implementation, the report of which is available on our website.
Public consultation on Ireland 2040 and its overall process of preparation was launched on February 2nd this year by An Taoiseach and Minister Coveney at Maynooth University. The initial public consultation process was accompanied by an Ireland 2040 ‘Issues and Choices’ paper, which outlined the key areas for consideration in planning for Ireland’s future to 2040 – and a section devoted to ‘The Potential of Rural Ireland’.

As part of this initial consultation phase, approximately 3,500 submissions were received before the deadline of 31st March although this figure is qualified, as 600 of the submissions are specific to Ireland 2040, with the other submissions relating to some specific local matters.

Informing the preparation of the National Planning Framework is a demographic and econometric model prepared by ESRI, which projects population and employment data for a number of different spatial scenarios and was based on the latest 2016 census statistics.

As part of wider legislative compliance, a Strategic Environmental Assessment, A Strategic Flood Risk Assessment and screening for Habitats Directive Assessment must also be undertaken.

**National Opportunities and Challenges**

In Ireland, we have the good fortune of being able to plan for the progression of our country in economic and demographic growth terms and in social development and environmental terms too.

Over the next 20 years, our country is likely to grow in population terms by at least 1 million people; in employment terms by around two-thirds of a million people at work; in addition we will need at least half a million more homes to be provided.

We are very different from many of our European neighbours in this regard because of our still-young population and the agility of our economy in adjusting to various economic shocks and opportunities.
Ireland punches way beyond its weight and so do some of our cities and their wider regions, notably Dublin, which, as our capital city, puts Ireland on the global map, particularly from a foreign direct investment perspective.

The key questions for the National Planning Framework are where should people live and work? How can we best ensure a high quality of life and environment and ensure delivery of the kind of physical and social infrastructure that is needed to sustain progress?

**National Population Distribution**
The population of Ireland at April 2016 was just over 4.76m people. As regards the proportion of the national population residing in rural Ireland, the CSO regards rural areas as those outside settlements with inhabitants of 1,500 or more people.

While this definition is helpful in ensuring consistency in analysis and trends, it is also important to remember that there are many towns and villages with populations of over 1,500 that are intrinsic to sustaining viable rural communities and do not function independently from the rural hinterland.

For example, under the CSO’s definition, Ireland is 63 per cent ‘urban’ and 37 per cent ‘rural’ (1,776,084). However, if the threshold or the definition was raised to include those towns with a population of 10,000 people, almost half of Ireland’s population would be considered to live in a rural area.

Accordingly, in preparing the National Planning Framework, urban and rural planning issues need to be considered in an integrated way reflecting the complementary nature of their roles and functions.

In overall terms, rural parts of Ireland outside census towns of 1,500 population and over, experienced quite high levels of national population growth between 1996 and 2016.

This level of growth was almost unique in Europe, where the trend has generally been that rural populations have declined, especially where located outside the catchments of large cities.
Map 1.1 included in our presentation today illustrates the contrast between the growing parts of our country in red and brighter colours and declining parts of our country in grey and darker colours.

While a growing population and a fast developing country in some parts is a plus from a strategic planning perspective, the way in which our larger cities and towns have been growing fastest at their edges, while in many cases city and town centres are in population decline is presenting many infrastructural, investment, social and environmental challenges.

At the same time, the data is highlighting a contrast between a growing population in many, but not all countryside areas, while ever higher vacancy rates of housing and other premises is being experienced in smaller towns and villages.

Many of our major cities and towns are tending to grow fastest at their outward limits with over-spilling residential development pressures into smaller rural towns and villages that at times can struggle in coping with the influx of such development.

Once you move further out into remoter and more rural communities, it is the smaller towns and villages that appear to experience higher levels of vacancy and underutilisation of their built environment leading to the familiar spiral of loss of services and depopulation.

The challenge we face is that the continuation of these trends into the future might well undo much of the economic, social and environmental progress of recent decades and we need a new way forward.

**Overall Spatial Development Trends in Housing Development**

Looking at where population growth has taken place in addition to where development has taken place in Ireland over the last decade or so paints a contrasting picture poses key challenges which must be faced in preparing the National Planning Framework.

On the one hand, rural areas on the edges and in the environs of strong performing urban areas are being built up at quite high rates. These areas are growing very fast and infrastructure provision and management of environmental pressures,
particularly car based transport, is proving very difficult because the forms of development are so spread out that providing alternatives like an effective public transport system or travel on foot or bike is not practical or effective.

On the other hand, remoter rural areas and small to medium sized towns and villages are presenting with a striking trend in the de-population of smaller towns and villages where members are more than familiar with the spectre of empty dwellings and empty shops in what were once vibrant and viable towns and villages.

It would appear to our Department that some of the key factors driving the most rapid patterns of growth outward from city and town cores include:

- Increasing costs and complexity in developing new housing in central urban areas which has to compete for land with higher return commercial development and is drawn instead to comparative lower land and development costs associated with edge or greenfield development;
- Greatly enhanced accessibility of large areas around the main cities and towns as a result of recent motorway and public transport investment;
- Household choices that trade-off affordability and dwelling type/size relative to proximity to employment;
- Varying perceptions of quality of life as regards rural versus urban locations depending on the life stages of households, young families for example tending to prefer “own door” housing while younger persons often prefer accessibility to jobs, entertainment and cultural activity; and
- Ready availability of zoned lands in edge locations coupled to broadly flexible rural settlement policies.

Given that nearly 40% of Ireland’s population lives in rural areas, it is reasonable to offer that community the choice to continue to meet its housing needs in rural areas.

In 2016, there were a total of 442,669 occupied one-off houses in 2016, representing 26 per cent of all these dwellings in the State – Refer to Map 1.2 and 67.75% of these are located between 1 and 5 kilometres from their nearest settlement
Figure 1 details the distribution of the percentage of ‘one-off’ housing across local authorities in Ireland. A total of six local authorities have more than fifty per cent of their occupied dwellings classed as ‘one-off’ houses.

The time series illustration in Figure 1.2 details the number of ‘one-off’ housing built as a proportion of all houses built for nine time periods. Throughout the major building boom between 1991 and 2010 the rate of ‘one-off’ development was approximately a quarter of dwellings built during this period.

Since then, and primarily due to very low levels of urban development during recent years, the % of ‘one-off’ development of all housing development has increased to almost 40 percent of all homes constructed in the State since 2011. The rate for 2011-2016 is second only to the rate applicable before 1919. For 17 counties, one-off housing comprised over half of all dwellings built since 2011.

Source: AIRO using Census 2016 data
Looking at the levels of vacancy in rural housing stock (Census 2016), it is very notable that the areas with the highest proportions of one-off houses are the areas with the highest proportion of vacancy is highest and are also the areas where population has stabilised or declined and where the population is ageing.

There were a total of 65,931 vacant houses and apartments (excluding holiday homes) that were not located within the 873 census settlements, representing 36 per cent of the total vacant stock.

In addition, the CSO data suggests that long-term vacancy is more of an issue in rural than in urban areas. Using a sample of vacant properties in rural areas, almost 21.7 per cent of empty properties were listed as ‘vacant long-term’, which is almost twice the rate of the sample taken in the Dublin area.

The evidence could be therefore seen as suggesting that while the supply and proportion of single houses in the countryside in many western parts of the country is high, these are the very areas continuing to trend towards long-term rural depopulation and decline, most notably in terms of their smaller towns and villages.

In addition, many NPF public consultation submissions expressed concerns about the construction of identikit suburban style housing estates in many of our smaller towns and villages in the commuter belts and a dearth of attractive housing location alternatives to households that wish to self-build.

The evidence could be furthermore suggesting that there needs to be a renewed focus on policies and mechanisms to appropriately manage the development of smaller towns and villages within the commuter belt under pressure for overspill development as well as turning around the fortunes of smaller towns and villages in remoter and economically flagging areas as the focus for local economic, social and residential development.

**Concluding Remarks**
Amongst the various areas of work being undertaken in the preparation of the National Planning Framework, the varying development issues and
challenges facing the strategic development of Ireland’s countryside highlights a contrast between:

- On one hand, rapidly building up small villages and towns and wider countryside areas in the vicinity of cities and towns whose development is being driven to a significant extent by overspill development that could be better accommodated strategically within otherwise declining or underutilised urban areas in need of regeneration and consolidation; and
- On the other hand in remoter rural areas, the dominance of housing provision of a one-off nature and high levels of vacancy and underutilisation of housing stock, particularly in smaller towns and villages that could be re-purposed as centres for the rejuvenation of local rural communities.

Subject to the views of this Committee that we would very much welcome, both the work being undertaken in preparing the National Planning Framework as well as a broad range of views expressed as part of the public consultation exercise, points towards the need for complementary economic, infrastructure and housing policies to address the contrast highlighted above.

In the context of finalising “Ireland 2040” - the National Planning Framework – we would very much welcome the Committee’s views on the following:

- The future role of our smaller settlements and how those that are struggling to hold on to basic services and economic viability might be ‘repurposed’ or turned around in the light of wider societal changes (e.g. ageing population, on-line shopping, ‘urban’ lifestyles);
- How serviced sites for self-builders may be provided at reasonable cost in rural communities;
- The potential role for the local authorities in the provision of such sites;
- Measures to prevent the displacement of urban and suburban type housing estates more suited to larger cities and towns into small rural settlements;
- The best mechanisms to ensure a healthy balance between ensuring dispersed rural communities can meet their housing needs while at the
same time ensuring we build up smaller towns and villages within those rural communities to become important focal points for effective service delivery and drivers of wider rural economies.

**Next Steps**
The Department are advancing the draft National Planning Framework to be with Government by the end of next month. On approval of the draft, it is expected that it will be placed on public display over the summer months. It is anticipated that the NPF will be approved by the Oireachtas in the autumn.

My colleagues and I are now happy to assist the members of this Committee in addressing any questions that they may have or wish to have followed up.
Map 1.1 Population Change (%), 1991 to 2016
Map 1.2 Percentage of One-Off Houses 2016

% One-Off Houses, 2016
By Electoral Divisions (EDs)

Legend

- <25%
- 25% to <35%
- 35% to <45%
- 45% to <55%
- 55% to <75%
- >75%

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Data Source: CSO Census 2016

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Map 1.3 Vacancy Rates in Ireland 2016

Vacancy rates across the country

Housing vacancy rates, 2016 (ex holiday homes)

- Less than 7%
- 7% to < 11%
- 11% to < 16%
- 16% to < 23%
- Greater than 23%

Source: CSO, Census 2016
Map generated by All Island Research Observatory

Source: AIRO using Census 2016 data