

Introduction

The Strategic Housing Development (SHD) system was introduced in 2017 in a bid to fast-track the planning application process for large-scale residential developments and student housing.

Over the past 14 months, I have published 16 articles that were focused on different aspects of the SHD system

The reporting I have carried out has been based on a combination of my personal and independent research of the SHD planning application process, documentation acquired from state bodies about the SHD system, and third-party analysis of the SHD process.

My submission to the committee will contain a summary of my reporting to date and independent analysis of SHD planning applications, which will show how many planning applications approved by An Bord Pleanála have proceeded the commencement phase of development.

Analysis of Strategic Housing Development planning applications

Based on my most recent analysis of An Bord Pleanála records, 162 planning applications have been granted planning permission (to date 6 November 2020) through the Strategic Housing Development (SHD) process. In total, these planning permissions have the potential to deliver:

- 11,949 houses
- 31,808 apartments
- 12,126 student bedspaces
- 208 shared living units

Before any of these planning applications can proceed to the construction phase, developers are required to file a commencement notice on the Building Control Management System (BCMS). Once a commencement notice has been logged, developers can begin to clear a site and demolish existing structures ahead of construction.

Analysis of the BCMS shows that commencement notices have been lodged in relation to 49 of the 162 approved SHD planning applications.

The 50 approved SHD planning applications, which also have commencement notices lodged, have the potential to deliver:

- 4,843 houses
- 7,499 apartments
- 6,478 student bedspaces

Therefore, as of 6 November 2020, no intention has been declared to develop 59% of houses, 76% of apartments, and 46% of student bedspaces that have been granted planning permission through the SHD system.

Summary of reporting published in the Business Post on Strategic Housing Development scheme:

29 September 2019

— Construction yet to start on nearly 10,000 houses and apartments given fast-track planning approval ([Source](#))

- Construction is yet to commence on nearly two-thirds of the 15,000 houses and apartments given the go-ahead through the fast-track planning scheme, with some developers effectively sitting on approved plans to build thousands of homes since last year.
- No intent has been registered to develop 47 of the 64 SHD applications granted permission. These planning approvals include permission to develop a collective 1,900 houses, 7,500 apartments and 3,300 student bed spaces.
- Over one quarter of the developers that have not proceeded with construction received planning permission in 2018.
- A total of 64 applications – which would deliver 5,100 houses, 10,000 apartments, 7,600 student bed spaces and 200 shared living units – have been granted permission through the SHD scheme to date.

29 September 2019

— Are the developers driving housing policy? ([Source](#))

- 'De-democratising the Irish planning system', an academic paper published by Dr Mick Lennon of University College Dublin and Dr Richard Waldron of Queen's University Belfast, contains claims that lobbyists for the development industry played a key role in the creation of the state's SHD scheme.
- The academic paper was based on a series of off-the-record interviews with developers, planning consultants, civil servants, planners and politicians. Lennon and Waldron stated some interviewees were powerful members of the Property Industry Ireland (PII) lobby group.
- One PII member told the researchers that the planning system was the biggest risk faced by developers. They added that international investors are aware of Ireland's problematic planning system and "don't want to hear from you until you have planning" permission.
- One planning consultant told the authors the fact that Joe Public had the same right as the developer in the planning process was democracy gone too far. The widely

held belief among PII members, the authors wrote, was that “this democratic structure in our cities doesn’t work” and Ireland needed a more corporate model.

- Developers told Lennon and Waldron that amendments to planning regulations were needed to address this issue. The authors wrote: “A number of ‘conditions’ were framed as ‘problems’ in a causal storyline deployed to explain the persistent lack of housing supply despite several government initiatives to stimulate the market.”
- Developers strategically coordinated a lobbying campaign, according to the authors’ accounts of interviews conducted. A coalition of PII, Construction Industry Federation (CIF) and the Urban Land Institute members aligned to a narrative of cause and effect. According to the paper, the aim was to couple the delay in supply and hampering commercial viability issues together and present this as a reason to amend planning policy.
- One PII member told the academics that then housing minister Simon Coveney heard one PII member discuss the fast-track concept (now called the SHD scheme) in an interview on national radio, and rang him up. The pair met four times over a six- or seven-week period, locked in meetings from 8pm to midnight. “We gave him our recommendations and they took it lock, stock and barrel and stuck it into the new housing bill,” a PII member told Lennon and Waldron.
- One politician interviewed by the authors of the paper said that CIF and PII, “have captured the state in terms of policy”.
- Lennon and Waldron said this assertion by the politician interviewed was confirmed by one leading member of PII when he told them about his role in the creation of the SHD scheme. “The department took credit for it and I told them: ‘I’m delighted.’ The guy told me in the department he said: ‘You know I was instrumental’. I said: ‘It’s the best thing you ever came up with’.”

29 September 2019

— *Fast-track scheme set for overhaul as developers stall on thousands of homes*

[\(Source\)](#)

- The government is set to review the country’s fast-track housing scheme as a Sunday Business Post analysis reveals that construction has yet to commence on 10,000 of the units approved under the process.
- Fianna Fáil housing spokesperson Darragh O’Brien said he plans to put questions to former housing minister Simon Coveney in the Dáil about the comments made by developers to academics in the academic paper ‘De-democratising the Irish planning system’.
- “Questions need to be answered by Coveney,” O’Brien said. “It is evident that a lot of power is concentrated among a select group of developers.”
- Sinn Féin housing spokesman Eoin Ó Broin said the academic paper highlighted how large players in the construction industry have a “disproportionate influence on the framing of the public debate on housing and an unhealthy influence on government policy”.
- A spokesman for the Department of Housing told the Business Post that the SHD scheme was introduced following “a transparent legislative process”, and that the operation of the SHD process was subject to ongoing review.

6 October 2019

— ‘You can’t build houses overnight’: Developers on their issues with the planning system ([Source](#))

- Speaking to The Sunday Business Post, construction experts, planners and developers detailed the hurdles they claim they face after planning permission has been approved, and other issues that stop ground being broken on housing sites.
1. Compliance with conditions:
 - Post-planning is a complex process now, according to Downey Planning director John Downey. He added that planning decision-makers tend to add 30 to 35 compliance conditions that must be fulfilled before development can start.
 - James Benson, director of housing, planning and development services at the Construction Industry Federation (CIF), said because most developers’ access to finance is intricately linked to these compliance conditions, it takes some time to draw down the capital to get construction started.
 - Tom Phillips, a planning consultant with Tom Phillips and Associates, said it would be unrealistic in most instances to expect a site to proceed to construction within six months due to the conditions that must be fulfilled.
 2. Changes to planning rules
 - The changes to the planning rules in recent years, such as the creation of the fast-track scheme, allowance for increased building heights and Project 2040 rules around density, may have had a counter effect, according to Downey.
 - “The more change, the more uncertain the market becomes and the more things won’t happen. That’s why this legislation and guidance has to be frozen – that’s it for five years. That would create a mindset that there would be no more incentives or changes coming down the line.”
 3. Access to utilities
 - To secure planning permission, developers are required to have a confirmation of feasibility that their housing scheme will have a water supply available. However, once permission has been granted, further confirmation is required to see if supplementary infrastructure works are needed on top of existing water and wastewater connection fees.
 - Planning consultant Downey added that it can take six to 12 months to get an answer from Irish Water if further infrastructural works are required before development commences.
 4. Judicial reviews
 - Irish Planning Institute president Joe Corr said most developers spend the immediate months after planning permission has been granted waiting to see if a judicial review will be taken against their approved development, which would slow down commencement on a site.
 - Property Industry Ireland director David Duffy said developers are likely to sit on fast-track housing approvals for a period of two months in case a judicial review is lodged. “It’s highly unlikely that anyone would start a development if

they feel there's going to be a judicial review. That in itself would add in a natural lag," Duffy said.

5. An uncertain market

- Despite the housing crisis and demand for new builds, developers with plans approved for housing units are actually looking at a very uncertain market, according to Fiona Cormican, new business director at Clúid Housing. She said that house prices are trending downwards in Dublin, while six months ago prices were going up.

20 October 2019

— *Apartment sizes set to drop dramatically* ([Source](#))

- The average size of new apartments is set to drop dramatically over the next decade, analysis of homes granted planning permission through the SHD scheme has shown.
- The average sized apartment completed in Dublin in 2019 was 85.42 sq m and 90.52 sq m in 2018, according to data compiled by Passive House Plus magazine.
- Analysis of 10,800 apartments approved through the fast-track housing scheme has shown the average unit would be 75.08 sq m.
- The majority of fast-track apartments would be one-bed (3,000) and two-bed (6,300) dwellings – only a small number would be studios (452) and three-bed (984) units.
- Fast-track houses, on average 129 sq m, would also be smaller than other new builds. Houses granted permission in the second quarter of this year were 158.2 sq m on average, according to Central Statistics Office data.
- Lorcan Sirr, housing lecturer at TU Dublin, said the trend towards lower-sized units is worrying. "They're not places people will live particularly long. If the government is serious about getting people to live in higher density and in apartments, the trajectory of ever smaller sizes is not going to support that and will lead to an increase in suburbanisation and increased commuting," Sirr said.
- Architect Mel Reynolds said the research compiled by the Business Post, and the fact many fast-track developments remain unbuilt, suggests that developers have maximised site values by squeezing a higher proportion of smaller units into planning applications.

3 November 2019

— *Eoghan Murphy unclear on 'use it or lose it' plans* ([Source](#))

- New laws that would force developers to 'use or lose' SHD housing planning permissions have not been fully "worked out", Minister for Housing Eoghan Murphy has said.
- Last week, Murphy confirmed a new plan in which planning permission would lapse for SHD developments if construction did not begin within 18 months.
- Following the publication of the full review into the fast-track scheme, it has emerged that no parameters have been finalised for how the new 'use it or lose it' measure would work in practice.
- A spokesman for the Department of Housing said the introduction of the 'use it or lose it' provision may require changes to primary legislation.

- No timeline for when the 'use it or lose it' law would come into effect was set out by the department. The spokesman added that changes to the rules would be brought forward in "due course".

19 January 2020

— *Fine Gael's Mitchell O'Connor lobbied to end own party's fast-track housing scheme* ([Source](#))

- Fine Gael's Mary Mitchell O'Connor lobbied behind closed doors for her own government's "undemocratic" SHD housing scheme to be scrapped, the Business Post can reveal.
- A submission filed with the Department of Housing in July 2019 by Mitchell O'Connor, former minister of state for the Department of Education, said: "I do not believe that the [SHD] provisions should be extended for a further two-year period," she said. "The [SHD] provisions are enabling developers to bypass the democratic process by skipping a step in the planning process. This greatly affects the opportunity of constituents to have their say on a proposed development, it also removes their right to appeal any planning decision on planning grounds."
- She said many constituents contacted her about fast-track housing and noted their frustration at the "reduced opportunities to have their voices heard on applications that will directly impact them".
- Mitchell O'Connor said in her submission that planned housing in her area through the SHD scheme should never have been approved because it would materially contravene Dún Laoghaire Rathdown County Council's County Development Plan 2016. "The local authority was bypassed in the application process, and the people most directly affected had no recourse to appeal the granting of permission. Rebuilding Ireland was conceived to improve the housing situation in our Country, not to remove democratic processes."

26 January 2020

— *Fast-track housing scheme could set 'dangerous precedent'* ([Source](#))

- In November 2019, a full review of the fast-track housing programme was published. The conclusion of the review was that the SHD scheme had "generally been a success".
- As part of the review process, third parties were invited to provide feedback on the SHD scheme.
- The Irish Planning Institute said in a submission the SHD system should not be extended. "There is a real concern that the continuation, or any extension beyond the specified time period of the SHD mechanism, could be a dangerous precedent for further categories of developments to be legislated for under a similar 'fast-track' application process should market conditions dictate."
- The representative body for planners also raised previous concerns that the structure of the scheme was in direct contravention of the United Nations' Aarhus Convention, which ensures public access to information, public participation in decision-making and access to justice in environmental matters.
- The Department of Housing previously said it obtained legal advice from the Attorney General that the scheme would be fully compliant with the Aarhus Convention.

2 February 2020

— *Fast-track housing scheme review tells some home truths* ([Source](#))

- Submissions lodged with the Department of Housing about the SHD system in 2019 said the fast-track housing scheme was “flawed” and its ability to deliver units quickly was called into question by local authorities.
- Dublin City Council and Galway City Council said the traditional planning system was as quick to process applications as the SHD scheme. They also said their resources were being put under strain due to additional workloads caused by the scheme.
- Mary Conway, deputy city planner at Dublin City Council, said SHD applications in the capital were relatively low up to July 2019. There were 11 applications in total, of which five were student accommodation schemes. She added that “the fast-track nature of the SHD planning process must be queried”, and that the council was in a better position to process large and less contentious applications within a similar or shorter time frame.
- Caroline Phelan, head of planning at Galway City Council, also highlighted the strain put on her department by the SHD system. “The statistical success of the SHD process is benchmarked against An Bord Pleanála’s ability to meet their deadlines, but it hides all the pressures and time required at local level,” Phelan wrote. In a scathing submission, she said the SHD process was a “flawed” attempt to speed up the delivery of housing. “We have participated in the process with sufficient professionalism to attempt to remedy the shortcomings of the statutory process but this has included for additional staff, time, meetings and resources on the local authority side,” Phelan wrote.
- Transport Infrastructure Ireland (TII) said it was concerned that its contact with An Bord Pleanála and local authorities during the early consultations stages of SHD projects was “minimal and problematic”.
- In contrast to a number of public bodies and state organisations, some of Ireland’s biggest developers and construction firms praised the fast-track housing scheme, while also calling for certain amendments.
- The Cork-based O’Flynn Group, owned by Michael O’Flynn, said in a submission that the SHD system was a key part of the Irish planning system.
- Publicly-listed homebuilders Glenveagh and Cairn Homes, Johnny Ronan’s development firm the Ronan Group and Marlet chief executive Pat Crean also supported the renewal of the scheme. These developers have been large benefactors of the system, securing planning permission for a number of large-scale housing projects.
- The Ronan Group said removal of the SHD system could “significantly frustrate housing delivery”

9 February 2020

— *‘Use or lose’ rules for developers have yet to be implemented* ([Source](#))

- No timeline has been set for the implementation of new laws that would force developers to “use or lose” large-scale housing planning permissions.
- The Department of Housing is also yet to seek advice from the attorney general as to whether the “use or lose” rules proposed would be constitutional.

- In 2019, Minister for Housing Eoghan Murphy announced plans to introduce a new measure in which planning permission for fast-track housing developments would lapse if construction did not begin within 18 months.
- The Department of Housing previously said the measure would be in place in the first quarter of 2020, but a spokesman told this publication the necessary legislation would now be brought forward “at the earliest possible opportunity”.
- He added that the precise detail of how the provision to prevent developers sitting on land “is still being worked out within the department and will involve requests for legal advice”.

17 May 2020

— *Building yet to begin on most fast-tracked large-scale housing projects* ([Source](#))

- Construction has still yet to commence on the vast majority of sites where planning permission to build large housing developments has been fast-tracked through the SHD system.
- Since the beginning of last year, 89 applications to build housing developments have been granted through the fast-track planning scheme. In these proposals, developers have secured permission to build a total of 25,208 homes, comprising 5,349 houses, 14,405 apartments and 5,454 build-to-rent units.
- Data released by Eoghan Murphy, Minister for Housing, as part of a parliamentary question submitted by Eoin Ó Broin, Sinn Féin’s housing spokesman, has shown that developers have not registered any intent to start construction on 74 of these housing projects.
- The new information, released by Murphy, shows that the low rate of building on these sites with approval for tens of thousands of homes has persisted throughout the last 18 months.
- Since the start of 2019, developers have filed 15 commencement notices associated with fast-track developments. These projects would deliver a total of 3,874 homes – 1,517 houses, 2,068 apartments and 289 build-to-rent homes.

7 June 2020

— *Social homes separated from private housing in new apartment developments* ([Source](#))

- Social homes will be segregated away from private market housing in several new apartment developments due to be built in Dublin through the SHD scheme, a Business Post investigation has found.
- Clustering of social homes in a development or specific apartment block, instead of mixing them with other units, is considered against best practice because it can lead to stigmatisation and ghettoisation of social housing. However, some local authorities and approved housing bodies have requested that homes be clustered to cut back on maintenance costs.
- Analysis of large apartment complexes, recently granted planning permission, show social housing in some developments by Ballymore, Cosgrave Group, Ardstone Homes and Richmond Homes will be clustered in one part of the developments.
- Developers of private housing blocks are required to provide units for social housing to the state under Part V regulations. A tenth of all homes in a new development

must be sold to the state, but developers can also provide residential land or houses off site.

- The Business Post has analysed architectural drawings submitted for more than a dozen new apartment blocks granted planning permission. The plans proposed clustering of social homes in either one aspect of a development or in a different block.

2 August 2020

— *Tenth of fast-track housing plans delayed* ([Source](#))

- One in ten fast-track housing projects have been legally challenged, with the High Court quashing planning permission granted for more than 3,000 homes since 2018.
- Research by FP Logue Solicitors, a Dublin-based law firm, has revealed that An Bord Pleanála has faced 18 judicial reviews in relation to its decisions to approve Strategic Housing Developments (SHDs).
- According to FP Logue Solicitors, more than 10 per cent of the fast-track housing permissions that have been granted have been judicially reviewed – ten times the rate for regular planning permissions.
- In nine of the 18 legal challenges, the High Court has quashed An Bord Pleanála's original decision or the planning authority has conceded the case. The High Court decisions mean planning permission awarded for more than 3,000 units has been ruled null and void.
- An Bord Pleanála's annual report for 2019 said that overall judicial reviews faced by the planning authority had increased from 30 in 2015 to 55 in 2019. The body's annual spend on legal advice has also increased from €29,199 to €57,673 between 2018 and 2019.

22 September 2020

— *Planners warned against over-development of Dublin 8 site* ([Source](#))

- Senior state planners had warned that Hines should be refused permission for its SHD housing development at the former Player Wills factory before the US developer was given the all-clear.
- In September, Hines announced it had secured fast-track permission from An Bord Pleanála for the 416-apartment project at the Bailey Gibson site on South Circular Road in Dublin 8.
- Internal An Bord Pleanála documents, which have since been released, show that senior planners at the national planning authority made a series of recommendations outlining why Hines should be refused permission.
- In their assessment of the application by Hines, Kevin Moore, a senior planning inspector at An Bord Pleanála, warned that the development would materially contravene the Dublin City Development Plan and constitute a "gross over-development of the site".
- The board, which makes the final decision, said it had decided not to accept the inspector's conclusions.

1 November 2020

— *Planning regulator urges developers to focus on building fast-track homes* ([Source](#))

- Developers with planning permission to build a combined total of more than 40,000 homes through the fast-track scheme should focus on delivering them instead of asking for further planning policy changes, the country's planning regulator has said.
- In an interview with the Business Post, Niall Cussen, head of the Office of the Planning Regulator said: "It now really is turning the focus towards those who are the beneficiaries of those consents and whether their intention is really in delivering the homes or whether getting those consents is just part of, if you like, building up the value of land and transactions relating to that. I think, as government and the minister has signalled, the bank of housing permissions are there, we need to see the activation of those permissions now."
- Cussen told the Business Post that the new planning rules have given developers the potential to build 40,000 new homes in a short space of time.
- "A considerable bank of planning consents have been put in place. Now the focus needs to move on from the continual focus on the planning process to getting sites activated," Cussen said.
- Despite the new policies to speed up housing delivery, only a small fraction of homes approved under the fast-track scheme have started construction.
- Following Budget 2021, the Construction Industry Federation (CIF) said that "embedded inefficiencies" were still evident in the state's planning system that could delay the building of homes.
- A separate report, published by the Irish Home Builders Association (IHBA), the CIF's sister body, in August said that blockages and delays in the planning system were still affecting the commencement and viability of developments.

Conclusion

Thank you for the opportunity to provide a submission to the Committee on the topic of Strategic Housing Developments.

If any members of the Committee would like to discuss the findings of my reporting further or seek additional details, I can be contacted at kwoods@businesspost.ie.

References:

Construction yet to start on nearly 10,000 houses and apartments given fast-track planning approval — (published 29th September, 2019)

- <https://www.businesspost.ie/news-focus/construction-yet-to-start-on-nearly-10000-houses-and-apartments-given-fast-track-planning-approval-88c31588?auth=login>

Fast-track scheme set for overhaul as developers stall on thousands of homes — (published 29th September, 2019)

- <https://www.businesspost.ie/news-focus/fast-track-scheme-set-for-overhaul-as-developers-stall-on-thousands-of-homes-3ca8199d>

'You can't build houses overnight': Developers on their issues with the planning system — (published 6th October, 2019)

- <https://www.businesspost.ie/more-business/you-cant-build-houses-overnight-developers-on-their-issues-with-the-planning-system-49359eb9>

Size really does matter in apartment planning — (published 20th October, 2019)

- <https://www.businesspost.ie/news-focus/size-really-does-matter-in-apartment-planning-d4753730>

Apartment sizes set to drop dramatically — (published 20th October, 2019)

- <https://www.businesspost.ie/news-focus/apartment-sizes-set-to-drop-dramatically-985dfc2d>

Eoghan Murphy unclear on 'use it or lose it' plans — (published 3rd November, 2019)

- <https://www.businesspost.ie/more-politics/eoghan-murphy-unclear-on-use-it-or-lose-it-plans-a26983ff>

FG's Mitchell O'Connor lobbied to end own party's fast-track housing scheme — (published 19th January, 2020)

- <https://www.businesspost.ie/politics/fgs-mitchell-oconnor-lobbied-to-end-own-partys-fast-track-housing-scheme-4fc57e26>

Fast-track housing scheme could set 'dangerous precedent —' (published 26th January, 2020)

- <https://www.businesspost.ie/residential/fast-track-housing-scheme-could-set-dangerous-precedent-e9a535db>

Fast-track housing scheme review tells some home truths — (published 2nd February, 2020)

- <https://www.businesspost.ie/residential/fast-track-housing-scheme-review-tells-some-home-truths-f3ec3225>

'Use or lose' rules for developers have yet to be implemented — (published 9th February, 2020)

- <https://www.businesspost.ie/residential/use-or-lose-rules-for-developers-have-yet-to-be-implemented-a50f50ce>

Ailesbury Road residents in fast-track planning battle — (published 3rd March, 2020)

- <https://www.businesspost.ie/legal/ailesbury-road-residents-in-fast-track-planning-battle-8346dce7>

Building yet to begin on most fast-tracked large-scale housing projects — (published 17th May, 2020)

- <https://www.businesspost.ie/residential/building-yet-to-begin-on-most-fast-tracked-large-scale-housing-projects-e187b45c>

Social homes separated from private housing in new apartment developments — (published 7th June, 2020)

- <https://www.businesspost.ie/residential/social-homes-separated-from-private-housing-in-new-apartment-developments-d77090a5>

Tenth of fast-track housing plans delayed — (published 2nd August, 2020)

- <https://www.businesspost.ie/legal/tenth-of-fast-track-housing-plans-delayed-3ca035ce>

Planners warned against over-development of Dublin 8 site — (published 22nd September, 2020)

- <https://www.businesspost.ie/residential/planners-warned-against-over-development-of-dublin-8-site-843a9e2c>

Planning regulator urges developers to focus on building fast-track homes — (published 1st November, 2020)

- <https://www.businesspost.ie/ireland/planning-regulator-urges-developers-to-focus-on-building-fast-track-homes-6ebb56d4>