



Chartered property,
land and construction
surveyors

REVISED NATIONAL PLANNING FRAMEWORK CONSULTATION

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NSO 1 – Compact Growth

Compact Growth

The SCSi sets out several considerations within NSO 1, in high- and low-density new housing delivery. The perspective of SCSi's commentary within this chapter will focus on housing delivery and outline some of the difficulties in the market that could be supported with the revision to the National Planning Framework (NPF).

The 2023 Expert Group Review of the 2018 NPF¹ recommended that the compact growth targets should be more ambitious and more clearly defined. SCSi agrees with this approach and therefore the revised NPF should include specific compact growth targets for all local authorities. There should be a measured level of planning permissions granted across rural, urban, greenfield and infill sites etc and all local authorities should be compelled to report on this on a regular basis to monitor the types of development being granted approval and being completed.

The NPF identifies the need for future growth of cities and other larger urban centres and that infill and brownfield development are supported and incentivised. This is a positive inclusion within the NPF however again this needs more clarity, it should be referred to specific guidance and direction to planning authorities to ensure that this intention is not overlooked in development plans.

Apartment Delivery & Viability Testing

Apartment delivery is crucial to the success of further compact growth and it is equally important that there is an adequate mix of new purchase and rental properties to the market across all tenures. The supply of new apartments to the market is proving more difficult in recent years, with one of the challenges being the cost of finance. Viability challenges with new apartment delivery is problematic and feedback from members in residential development often report how planning conditions attached to planning grants may seek specific materials and designs without permitting similar alternatives. This issue was particularly acute during Covid and the Conflict in Ukraine when there were supply chain disruptions resulting in some materials not being available to purchase.

Improvements to the planning system should be considered to allow for more flexibility when certain materials are difficult to source or where costs of materials specified are prohibitively expensive.

Low rise with increased density

The new Sustainable and Compact Settlements Guidelines is a welcome development that aims to increase density with the use of low-rise development and may help bring more homes to the market at more viable and affordable levels. Previously raised

¹ Expert Group Report on the National Planning Framework Published September 2023 - <https://www.gov.ie/en/press-release/f0cc6-expert-group-report-on-the-national-planning-framework-published/>

concerns from the SCSi highlighted that the density ranges proposed should be tightened (e.g., 100 - 300 dwellings per hectare) as these ranges could cause difficulties for applicants in determining what is an appropriate density for a specific site. There is some guidance within the Guidelines document, however, there still appears to be a large element of subjectivity to it. Further clarity may be required to confirm if any refinement of these ranges by local authorities within Development Plans/Local Area Plans is permitted.

Also, the market conditions of Dublin and Cork and the regional cities of Limerick, Galway and Waterford are much different and therefore SCSi questions the rationale for the density ranges to be applied in equal measure for Dublin and Cork. SCSi has concerns that these ranges may have a negative impact on feasibility and affordability for a market that may not be able to build out sites in a viable manner. The viability and affordability testing of the new standards will be a key element required to ensure that this will result in increasing housing supply.

Housing targets and revisions to Development Plans

The current housing targets as per the 'Housing for All Plan 2021 - 2023' requires a revision as the most recent Census data highlights a higher population level and changing demographics that require higher levels of housing output for future generations. SCSi looks forward to the impending announcement by government in relation to new housing targets and therefore the NPF revision should take account of a likely significant increase in such targets.

The ESRI report² which examines population projections, takes the average of all 12 scenarios covered in its report and highlights that structural housing demand is projected to be around 44,000 p.a. from 2023–2030, and around 39,700 p.a. over the 2030–2040 period. In the baseline population scenario, estimated structural housing demand in the period 2023–2030 ranges from around 38,000 p.a. (assuming current trends in headship and a 0.25 per cent obsolescence rate) to 50,000 p.a. (assuming household size falls and a 0.5 per cent obsolescence rate).

It is imperative that County Development Plans are also updated in a timely manner to consider the expected housing delivery target revisions and the revisions of the NPF. It is worth noting that many development plans have been updated before the publication of national guidelines such as the *Development Plans - Guidelines for Planning Authorities*. These guidelines support planning authorities with identifying zoned lands for new housing and sets out guidance with prioritising lands that can most quickly and appropriately provide new homes. It is the view of the SCSi that there should be a time limit on revisions to county development plans (6-12 months) following the publication of the final NPF along similar timelines as updates to the Regional Spatial Strategies.

² POPULATION PROJECTIONS, THE FLOW OF NEW HOUSEHOLDS AND STRUCTURAL HOUSING DEMAND

Zoned and Serviced Land for Housing

The Residential Zoned Land Tax (RZLT) appears to have been deferred following a recent announcement by the Minister for Finance. The RZLT is a proposed tax intended to increase housing supply by encouraging the development of lands that have been serviced and zoned wholly or partly for residential use. Data regarding the price paid for land, and the availability of zoned and serviced land is unclear and the need for more data on this subject is necessary to inform government policy. SCSi suggests that revisions to the NPF insists that future revisions to Development Plans continue with carrying out the mapping of zoned and serviced land to inform current and revised housing output targets across various regions.

The ownership of land has become – or always has been – desirable given that land itself is scarce and land ownership has played a significant role in the shaping of modern economies. A lack of information on land affects the level of understanding within the market in both land and housing. The SCSi ‘Real Cost of New Housing/Apartment Delivery’ Reports highlighted that land costs accounts for approximately 13-16% of the total delivery cost of new housing/apartment delivery. A land price register, which is part of the Housing for All Plan and being examined for establishment, would lead to a better functioning and fairer, more transparent market. A Register would also assist with the RZLT and other proposed tax changes such as the proposed Land Value Sharing (LVS) legislation.

SCSi acknowledges the objective of the LVS proposal however further consideration is required to ensure that the calculation for this funding contribution is straight-forward to avoid litigation, that the timing is appropriate and that it does not stymie development and add to house purchase costs, and that transitional arrangements are in place to give sufficient time for the market to adjust. It is the view of the SCSi that the current model of capturing betterment (development levies) should be retained rather than introducing LVS.

If government policy continues to seek the introduction of LVS, then the SCSi recommends that its implementation should be paused until such time that there is sufficient land price data available to evidence land speculation and high land prices.

Apartments living

The Multi-Unit Development (MUD) Act regulates the management of apartment schemes and within this legislation, a minimum contribution of €200 per unit is proposed for the building investment (sinking) fund for common areas and services. The SCSi will publish a Report on this in October on the inadequate funding of Sinking Funds within many apartment schemes. This is partly due to the challenge of recouping service charges from unit owners, which can prove to be very difficult. This can result in many larger maintenance issues arising in the years ahead. There is a concern, given the inadequacies of the current MUD system, that if the long-term strategy is to build higher, there should be a heightened intensity to review the MUD act to make the accounting and collection of Service charges more efficient.

NSO 3 – Strengthened Rural Economies and Communities

The SCSi sets out several recommendations in relation to further supporting the rural economy and rural communities, based on previous research projects and market trends provided by SCSi members across the country.

Rural Housing Context

The SCSi supports the rural housing objective of the Framework that recognises the need to relate rural housing permissions to the viability of smaller towns and rural settlements. The SCSi suggests further clarity is required in relation to National Policy Objective (NPO) 28 where it states that “*A more flexible approach, primarily based on siting and design, will be applied to rural housing in areas that are not subject to urban development pressure*”.

New ‘One-off’ rural housing can increase demands for the provision of public infrastructure; increase land values for those buying smaller plots of land to build a house; increase energy consumption such as transportation costs and profound impacts on landscape character, which can hinder the locality’s respective tourism sector and subsequently its economy. Additional environmental consequences include the increased number of septic tank installations, which according to the EPA are already failing inspections at a rate of 54%. It is generally unsustainable due to the energy and embodied carbon issues that it creates in a dispersed manner. One-off houses are typically twice the floor area of scheme houses which has remained consistent over the past decade. The draft objective for more flexibility in siting and design for rural housing should not come at a cost for larger, unsustainable one-off housing in the countryside. Appropriate design regulations are required to ensure appropriate controls are in place for new single housing units.

SCSi notes that the updated guidance on rural housing for planning authorities is overdue since Q4 2021. The most recent guidance dates to 2005. Again, the NPF should reflect the new guidance when issued and introduce accountability / measures to track the type of permissions granted at present. Planning authorities should transition away from ‘ribbon’ development towards a more ‘clustered’ rural housing delivery in the interest of proper planning and sustainability. There should be an evident strong housing need (i.e. strong ties with agriculture) to build outside of ‘clusters’³. Planning authorities should compile data to identify the number of planning permissions granted for single houses in each category i.e. Ribbon and Clusters and government should consider implementing a maximum threshold of ribbon development compared with clustered to manage the levels of single houses being built in a ribbon style.

³ A cluster development is a planned and designed scheme, which is often developed on a phased basis, where one or several units may be built at a time. The density of each individual site size will be influenced by servicing requirements, the character of the village and the natural features of the site. The integration of rural settlements emboldens the environmental, economic and cultural characteristics of the land, as opposed to one-off housing which typically depletes or constrains the aforementioned components. The revised NPF should consider promoting its wider application in the delivery of one-off housing in a more planned and sustainable manner.

Supporting Town Centre Living

The provision of additional residential accommodation in rural towns and villages will be required to support Ireland's projected population increase of one million people by 2040. The Programme for Government commits to implementing a strategic approach to town centre regeneration and living, through a mix of new housing developments and by utilising existing buildings and unused lands for development. The scale, design and layout of rural housing should be tailored to ensure that development responds to the character, scale and density of a particular town. Government grants, through the Property Vacancy Grants, SEAI Grants are all very supportive of renovating vacant and derelict units for residential accommodation, however, now that the scheme is in existence for more than 1 year, a root and branch review of the schemes effectiveness is warranted to ensure it is accessible to the right applicants, it is effective and that the scheme is delivering the maximum return for investment in relation to the number of units being put back to use.

Policy to support regional communities

The lowest twenty towns for external commuters are those with the lowest proportion of the resident working population leaving the area for work. Conversely, the highest twenty towns for external commuters have the highest proportion of resident workers who commute elsewhere to work. It is imperative that government policies such as more regional urban development in towns and villages, is supported by economic plans to encourage investment and jobs in these areas so that a resident population have employment choices.

Ireland's compactness remained for centuries, until in the 1950s and 1960s there was an increase in urban development, with almost two thirds of us now living in urban areas according to the recent Census. However, in many cases development was an unstructured sprawl spreading from the core. The SCSI agrees with the NPF to further promote compact growth, however the accountability of this policy and where the responsibility lies to ensure all local authorities follow this objective is unclear and should be clarified and measured at regular intervals to ensure compliance with NPF objectives.

NSO 5 – A Strong Economy Supported by Enterprise, Innovation and Skills

The strength of an economy lies not only in its ability to generate wealth, but also in its capacity to innovate, diversify and create required opportunities for the people. Enterprise and innovation drive economic growth, while a skilled and adaptable workforce ensures that these advancements lead to sustainable progress. This

enables businesses to prosper technologies to develop, and individuals to gain the skills needed to succeed in a fast-changing job market. The following are some of the SCSI's recommendations concerning the NSO 5:

Modern Methods of Construction and Upskilling of Trades

In the recent years, technology and digital tools have significantly impacted Ireland's construction sector, collectively referred to as Modern Methods of Construction (MMC). These new approaches are transforming traditional building practices by improving efficiency in areas like cost and materials etc. The SCSI/PwC Construction Market Monitor 2023 report reveals that 90% of surveyors believe technology will play crucial role in the construction industry in the coming years, while increased digitisation and automation becoming essential.

Despite this growing interest in MMC, 60% of construction firms reported⁴ that they do not plan to invest in MMC or emerging technologies over the following period of five years. The primary reasons for this reluctance are the high costs and time required for staff to upskill in these areas and use them. This issue is especially challenging for SMEs, which often face higher investment costs with lower short-term returns with the upskilling programmes.

To address these challenges, the SCSI recommends providing more funding and flexible upskilling programmes for construction professionals and trades people, particularly those working in SMEs. This support would help develop the necessary skills for effectively implementing MMC and overcoming barriers to adoption. With the rise of Modern Methods of Construction, there will be a growing need for inspections and building control related to these new techniques. The government should prioritise offering relevant training to building control officers to keep pace with these evolving methods.

Shortage of Professional Skills

A pivotal factor for the successful delivery of the different planning objectives under the NPF and achieving the strategic outcomes, is the availability of skilled professionals across the built environment industry.

In our Employment, Remuneration and Workplace Report in 2023, SCSI highlighted the significant shortage of professional skills. Based on the report, under an optimistic economic growth scenario projected for the next few years, there is a significant shortage of surveyors across the Property, Land and Construction area. Additionally, there is emergence of certain specialist roles within the industry and is leading to recruitment challenges. Moreover, according to the SCSI/PwC Construction Market Monitor 2023 survey, 41% of surveyors reported that labour shortages are significantly hindering retrofit projects. Many respondents noted the challenge of finding skilled workers, especially with expertise in sustainable technologies. While Solas is making progress in upskilling workers for retrofitting, concerns persist about low apprenticeship rates and the aging workforce in the construction industry, as highlighted by the chartered surveyors.

⁴ Construction in Ireland, Building a Workforce for the Future- 2022

To meet the demands of the industry and to build expertise within the sector it is recommended that additional advanced specialised qualifications be developed. Government should recognise the importance and contribution of surveying services to the economy and the built environment as a whole and support the development of the profession through investment in third level education, in line with other areas of activity.

Increased funding needs to be made available for retrofit training to successfully cultivate a workforce that is capable of successfully overseeing and executing the retrofit projects. Additional financial resources should be made available for the local/building control authorities to attract and retain skilled professionals who can support the inspection of high-risk projects.

NSO 8 – Transition to a Low Carbon and Climate Resilient Society

Ireland's 2030 goal under the EU's Effort Sharing Regulations is to cut the greenhouse gas emissions by at least 42%. However, as of May 2024, current measures are projected to reduce emissions by just 9% from 2005 levels. Even with additional measures, the projected reduction is only 25%, falling short of the target. Significant efforts are needed to meet Ireland's commitments to a climate neutral economy by 2050. Moreover, Ireland faces climate-related challenges such as increasing flash floods, highlighting the need to enhance resilience. The interconnected effects of our actions on climate change and the subsequent impacts of climate change on us, underscore the urgency of addressing this challenge.

Circular Economy

The SCSI believes that an ambition for the built environment should be to treat every existing building as a Material Bank. An assessment of a building before demolition should be considered to ensure that construction waste to landfill is minimised. There may also be an opportunity in the sector for the development of a market or central repository for second-hand building materials e.g. windows, steel beams, partition systems etc. as alternative way to reduce waste and to support the development of a circular economy.

The SCSI acknowledges the introduction of the Circular Economy and Miscellaneous Provisions Act 2022 which underpins the ambition to further evolve Circular Economy principles and ultimately encourage further recycling of materials. The certification of materials for reuse in construction requires additional focus, as it is important for design and ancillary certifiers and the sector generally to have the necessary clarity and technical guidance around the certification, particularly recycled materials. One practical way to promote and address these concerns is to update Technical Guidance issued to professionals in the construction sector to support Circular Economy. It is also worth considering the introduction of a standard whereby all construction materials and products be sold with an informative scale similar to BER's displaying their sustainability credentials.

The Strategy could go further and carry out a 'root and branch' review of construction methods for new builds and the sustainable appropriateness of materials and within this review assess life expectancy date of materials/products which might influence

manufacturers to provide longer lasting products rather than the metric of a ‘guarantee’ which fails to adequately inform the expected lifespan under normal conditions.

Moreover, planning authorities and An Bord Pleanála has an important role to play in the circular economy. For various reasons, it can be a preferred solution to demolish a building and rebuild, rather than keep a structure and extend to it. The demolishing of a building should be considered within the planning process as due recognition should be placed on the embodied carbon / energy within the existing structure. For buildings where demolition is a necessity, waste management plans should be consistently incorporated into the planning process for the demolition of buildings.

The transition of the built environment industry to circular economy is vital for sustainable development and environmental stewardship. Ambitious goals should be paired with clear, achievable deliverables and government supports, including financial incentives and research funding. Existing buildings should be viewed as Material Banks with efforts focused on minimising waste through reuse and recycling.

- **Waste management and planning:** Effective waste management plans should be integrated into planning processes, particularly for demolition projects. Consideration of embodied carbon and energy in existing structures is crucial. In the Budget 2024, €110 million was allocated for transitioning to circular economy initiatives, including the Deposit Return Scheme. Similar additional funding is required to further support the construction sector in advancing the reuse of building materials. Increasing recycling rates and improving management of construction and demolition waste are essential.
- **Public Awareness and Education:** Raising public awareness of the circular economy is crucial. Efforts should focus on education and training at both public and private levels, supported by media campaigns and sector specific programs.
- **Addressing Regulatory Barriers:** Updating technical guidance and certification standards is necessary to facilitate the use of recycled materials.

Energy Efficiency

Ireland is facing a significant challenge in meeting its home retrofitting targets. While various funding mechanisms and grants are available, the high cost, complexity and disruption associated with deep retrofits are hindering the progress. To address these issues, the NPF framework should support the following:

- **Expansion of Financial Supports:** The government needs to introduce tax incentives for homeowners who are unable to secure loans for retrofitting, with repayments linked to energy savings. Exploring innovative financing models reducing the upfront costs are required.
- **Prioritising Shallow Retrofits:** Recognise the value of shallow retrofits in reducing the emissions and improving comforts.
- **Promoting Innovative Retrofit Models:** Investigate and implement models like the Energiesprung system, which offer rapid, efficient and less disruptive retrofitting solutions. Invest in research and development to identify and support innovative technologies and approaches.

- **Focus on Single Family Homes:** Initially concentrate efforts on retrofitting individual houses as apartments present complex challenges. Develop tailored strategies for retrofitting apartment buildings once single homes have made significant progress.
- **Invest in Workplace Development:** Provide training and upskilling opportunities to create skilled workplace capable of delivering high quality retrofits. Support the development of a robust supply chain for retrofitting materials and services.

Biodiversity

The SCSI declared a Climate and Biodiversity Emergency in 2020 highlighting the unsustainable consumption patterns that underpin the biodiversity loss and its inextricable link to climate change. We fully endorse the findings and recommendations of the Citizens Assembly on Biodiversity Loss, which underscored the urgent need for transformative change. The following are some recommendations for the NPF:

- **Full implementation of the Citizens Assembly on Biodiversity Loss recommendations:** The National Planning Framework must provide a clear roadmap for the implementation of these recommendations, including adequate funding and resourcing.
- **Integration of biodiversity considerations into all planning decisions:** Biodiversity must be a core consideration in every planning decision, from local to national level.
- **Support for regenerative practices:** The Framework should incentivize and support the adoption of regenerative practices across all sectors, including agriculture, construction, and land use planning.
- **Protection and restoration of ecosystems:** The Framework must prioritize the protection and restoration of critical ecosystems, such as wetlands, forests, and grasslands.
- **Just transition for affected communities:** The transition to a more sustainable future must be equitable, with support provided to communities and workers impacted by changes in land use and economic activity.